

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
(Incorporated in Malaysia)

INTERIM FINANCIAL STATEMENTS  
OF THE GROUP AND OF THE COMPANY  
FOR THE 2ND QUARTER ENDED 30 JUNE 2022

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
(Incorporated in Malaysia)

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022**

	Note	Group		Company	
		30-June-22 RM'000	31-Dec-21 RM'000	30-June-22 RM'000	31-Dec-21 RM'000
<b>Assets</b>					
Cash and short-term funds	A7(a)	604,791	654,839	43,721	230,013
Deposits and placements with financial institutions	A7(b)	752,630	843,856	794,586	574,580
Derivative financial assets	A8	2,238	637	-	-
Financial investments at fair value through profit or loss	A9	458,721	240,209	-	-
Financial investments at fair value through other comprehensive income	A10	11,050,665	11,811,115	-	-
Financial investments at amortised cost	A11	970,199	630,334	-	-
Loans, financing and advances	A12	34,974,206	34,503,102	439,873	477,089
Trade and other receivables	A13	105,503	129,367	149,216	190,902
Statutory deposits with Bank Negara Malaysia		650,000	650,000	-	-
Investments in subsidiaries		-	-	5,558,435	5,558,435
Inventories		-	50,516	-	-
Property and equipment		341,129	347,286	23,549	23,439
Right-of-use assets		32,544	38,846	-	-
Intangible assets		147,052	150,760	-	-
Goodwill		148,031	148,031	-	-
Investment property		820	820	-	-
Deferred tax assets		134,852	24,176	-	3,458
Tax recoverable		428,133	454,794	439,050	452,746
Assets held for sale	A14	52,035	2,600	-	-
<b>Total assets</b>		<b>50,853,549</b>	<b>50,681,288</b>	<b>7,448,430</b>	<b>7,510,662</b>
<b>Liabilities</b>					
Deposits from customers	A15	26,129,689	24,601,750	-	-
Deposits and placements of banks and other financial institutions	A16	6,862,368	8,649,581	-	-
Investment accounts of customers	A17	1,812,098	2,094,914	-	-
Derivative financial liabilities	A8	11,243	2,363	-	-
Trade and other payables	A18	886,685	1,086,213	11,651	239,978
Lease liabilities		32,748	38,998	-	-
Recourse obligation on financing sold		3,971,929	3,141,309	-	-
Sukuk-MBSB Structured Covered Murabahah		978,515	1,072,972	-	-
Sukuk Wakalah		1,596,306	1,294,247	-	-
Deferred tax liabilities		15,635	15,481	23	-
Provision for taxation		-	4,135	-	-
<b>Total liabilities</b>		<b>42,297,216</b>	<b>42,001,963</b>	<b>11,674</b>	<b>239,978</b>
<b>Equity</b>					
Ordinary share capital		7,198,068	7,198,068	7,198,068	7,198,068
Reserves		(484,538)	(161,046)	-	-
Retained earnings		1,842,803	1,642,303	238,688	72,616
<b>Total equity</b>		<b>8,556,333</b>	<b>8,679,325</b>	<b>7,436,756</b>	<b>7,270,684</b>
<b>Total liabilities and equity</b>		<b>50,853,549</b>	<b>50,681,288</b>	<b>7,448,430</b>	<b>7,510,662</b>
<b>Total Islamic banking assets</b>		<b>49,391,952</b>	<b>49,135,301</b>	<b>-</b>	<b>-</b>
<b>Commitments and contingencies</b>	A24	<b>4,450,297</b>	<b>3,265,007</b>	<b>11,507</b>	<b>11,668</b>
<b>Net assets per share attributable to ordinary equity of the Company (RM)</b>		<b>1.19</b>	<b>1.21</b>	<b>1.04</b>	<b>1.01</b>

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

	Note	Group			
		2nd Quarter Ended		Six Months Ended	
		30-June-22	30-June-21	30-June-22	30-June-21
		RM'000	RM'000	RM'000	RM'000
Revenue		656,270	664,937	1,320,818	1,345,919
Income derived from investment of deposits and Islamic capital funds	A19	658,923	644,525	1,326,993	1,288,162
Income attributable to depositors		(203,906)	(206,789)	(401,108)	(411,936)
Income attributable to securitisation		(36,995)	(19,407)	(71,997)	(42,620)
Income attributable to sukuk		(32,946)	(33,567)	(63,135)	(67,207)
Income attributable to wakalah unrestricted investment account		(11,108)	(6,067)	(24,467)	(6,706)
Net income from Islamic operations		373,968	378,695	766,286	759,693
Interest income	A20	2,102	19,628	4,379	46,044
Expected credit losses on loans, financing and advances and other impairment	A21	(45,259)	229,462	(203,555)	54,469
Net loss on modification of cash flows		-	(13,202)	(8,961)	(49,664)
Operating income		330,811	614,583	558,149	810,542
Net other income	A22	11,683	18,077	13,549	35,500
Net income		342,494	632,660	571,698	846,042
Other operating expenses	A23	(136,537)	(99,905)	(286,535)	(202,005)
Profit before taxation and zakat		205,957	532,755	285,163	644,037
Taxation		(63,737)	(129,342)	(84,663)	(176,465)
Zakat		75	-	-	(675)
Profit from continuing operations		142,295	403,413	200,500	466,897
Loss from discontinued operation		-	-	-	(72)
Profit for the financial period		142,295	403,413	200,500	466,825
Earnings per share (sen)					
Basic		1.98	5.78	2.80	6.69
<b>Profit for the financial period</b>		142,295	403,413	200,500	466,825
<b>Other comprehensive (expense)/income, net of tax :</b>					
Movement in fair value reserve, which may be reclassified subsequently to profit or loss		(176,081)	78,606	(323,492)	(291,193)
		(176,081)	78,606	(323,492)	(291,193)
<b>Total comprehensive (expense)/income for the financial period</b>		(33,786)	482,019	(122,992)	175,632

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022 (CONTINUED)**

	Note	Company			
		2nd Quarter Ended		Six Months Ended	
		30-June-22	30-June-21	30-June-22	30-June-21
		RM'000	RM'000	RM'000	RM'000
Revenue		169,766	10,834	176,874	23,751
Interest income	A20	6,441	10,113	12,837	22,334
Expected credit losses on loans, financing and advances and other impairment	A21	(4,311)	(2,674)	(118)	3,805
Operating income		2,130	7,439	12,719	26,139
Net other income	A22	168,592	2,837	169,929	8,415
Net income		170,722	10,276	182,648	34,554
Other operating expenses	A23	(6,045)	(4,848)	(10,733)	(10,614)
Profit before taxation		164,677	5,428	171,915	23,940
Taxation		(3,806)	(116)	(5,843)	(5,398)
Profit for the financial period		160,871	5,312	166,072	18,542
Earnings per share (sen)					
Basic		2.24	0.08	2.32	0.27
<b>Profit for the financial period</b>		160,871	5,312	166,072	18,542
<b>Other comprehensive income, net of tax :</b>					
Movement in fair value reserve, which may be reclassified subsequently to profit or loss		-	-	-	-
		-	-	-	-
<b>Total comprehensive income for the financial period</b>		160,871	5,312	166,072	18,542

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

Group	Non-distributable		Distributable	Total RM'000
	Share Capital RM'000	Fair Value Reserves RM'000	Retained Profits RM'000	
<b>At 1 January 2022</b>	7,198,068	(161,046)	1,642,303	8,679,325
Profit for the period	-	-	200,500	200,500
Other comprehensive expense for the financial period	-	(323,492)	-	(323,492)
<b>At 30 June 2022</b>	<b>7,198,068</b>	<b>(484,538)</b>	<b>1,842,803</b>	<b>8,556,333</b>
<b>At 1 January 2021</b>	7,088,255	234,666	1,558,251	8,881,172
Profit for the period	-	-	466,825	466,825
Other comprehensive expense for the financial period	-	(291,193)	-	(291,193)
<b>At 30 June 2021</b>	<b>7,088,255</b>	<b>(56,527)</b>	<b>2,025,076</b>	<b>9,056,804</b>

  

Company	Non-distributable		Distributable	Total RM'000
	Share Capital RM'000	Fair Value Reserves RM'000	Retained Profits RM'000	
<b>At 1 January 2022</b>	7,198,068	-	72,616	7,270,684
Profit for the period	-	-	166,072	166,072
<b>At 30 June 2022</b>	<b>7,198,068</b>	<b>-</b>	<b>238,688</b>	<b>7,436,756</b>
<b>At 1 January 2021</b>	7,088,255	-	157,684	7,245,939
Profit for the period	-	-	18,542	18,542
<b>At 30 June 2021</b>	<b>7,088,255</b>	<b>-</b>	<b>176,226</b>	<b>7,264,481</b>

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**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**

	Group		Company	
	30-June-22 RM'000	30-June-21 RM'000	30-June-22 RM'000	30-June-21 RM'000
<b>Cash flows from operating activities</b>				
Profit before taxation	285,163	644,037	171,915	23,940
Adjustments for non-cash items	191,057	(203,378)	409	(1,037)
Operating profit before working capital changes	476,220	440,659	172,324	22,903
Working capital changes:				
Net changes in operating assets	(563,959)	(285,760)	(129,844)	166,661
Net changes in operating liabilities	(437,394)	2,898,177	(228,430)	12,445
Cash (used in)/generated from operations	(525,133)	3,053,076	(185,950)	202,009
Income taxes and zakat paid	(70,918)	(41,351)	-	(4,233)
Net cash (used in)/generated from operating activities	(596,051)	3,011,725	(185,950)	197,776
<b>Cash flows from investing activities</b>				
Increase in investment in subsidiaries	-	-	-	(268,113)
Purchase of property and equipment	(12,003)	(31,476)	(342)	-
Purchase of intangible assets	(16,278)	-	-	-
Proceeds from disposal of foreclosed properties	131	2,950	-	2,950
Net purchase of financial investments	(18,149)	(2,570,566)	-	-
Net cash used in investing activities	(46,299)	(2,599,092)	(342)	(265,163)

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
**(Incorporated in Malaysia)**

**INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022 (CONTINUED)**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>				
Repayment/(proceeds) on recourse obligation on financing sold	825,348	(464,858)	-	-
Profit expense paid - recourse obligation on financing sold	(66,726)	(44,002)	-	-
Profit expense paid - Sukuk MBSB SC Murabahah	(27,252)	(34,247)	-	-
Proceeds of Sukuk - MBSB SC Murabahah	(93,899)	(98,614)	-	-
Profit expense paid - Sukuk Wakalah	(33,787)	(33,740)	-	-
Payment of lease liabilities	(11,382)	(4,816)	-	-
Net cash generated from/(used in) financing activities	592,302	(680,277)	-	-
<b>Net decrease in cash and cash equivalents</b>	(50,048)	(267,644)	(186,292)	(67,387)
<b>Cash and cash equivalents at beginning of financial period</b>	654,839	1,082,712	230,013	342,898
<b>Cash and cash equivalents at end of financial period (Note A7(a))</b>	604,791	815,068	43,721	275,511
<b>Cash and cash equivalents is represented by:</b>				
Cash and short-term funds	604,791	815,068	43,721	275,511
Cash and cash equivalents at end of financial period (Note A7(a))	604,791	815,068	43,721	275,511

The interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021.

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE SECOND QUARTER ENDED 30 JUNE 2022**  
**PART A - EXPLANATORY NOTES PURSUANT TO MFRS134**

**A1. Basis of preparation**

The unaudited condensed interim financial statements for the financial quarter ended 30 June 2022 have been prepared under the historical cost convention except for financial investments which are recognised at fair value and the following financial assets and financial liabilities which are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest/profit method: loans, financing and advances, trade and other payables, bank borrowings and recourse obligations on financing sold.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), Chapter 9, Part K of the Listing Requirements of Bursa Malaysia Securities Berhad and Financial Reporting for Islamic Banking Institutions policy issued by Bank Negara Malaysia ("BNM"). The unaudited interim financial statements should be read in conjunction with the audited annual financial statements of the Group for the financial year ended 31 December 2021. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2021.

The unaudited interim financial statements of the Group consolidated financial performance including Banking group which comprises of MBSB Bank Berhad ("the Bank") and the Bank's subsidiary, Jana Kapital Sdn Bhd ("JKSB"). The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent annual financial statements for the financial year ended 31 December 2021.

On 1 January 2022, where applicable, the Group and the Company adopted the following MFRSs and Amendments to MFRSs mandatory for annual financial periods beginning on or after 1 January 2022:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2022

- Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 3, *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 9, *Financial Instruments (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to Illustrative Examples accompanying MFRS 16, *Leases (Annual Improvements to MFRS Standards 2018–2020)*
- Amendments to MFRS 116, *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137, *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- Amendments to MFRS 141, *Agriculture (Annual Improvements to MFRS Standards 2018–2020)*



**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A1. Basis of preparation (continued)**

The following are accounting standards, interpretations and amendments of the MFRSs that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Company:

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17, *Insurance Contracts*
- Amendments to MFRS 101, *Presentation of Financial Statements – Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have material financial impact to the current period and prior period financial statements of the Group and the Company.

**A2. Audit report of preceding financial year ended 31 December 2021**

The audit report on the financial statements of the preceding year was not qualified.

**A3. Seasonality and cyclicity of operations**

The business operations of the Group and the Company have not been affected by any seasonal or cyclical factors.

**A4. Exceptional or unusual items**

There were no exception or unusual items during the quarter.

**A5. Issue of shares and debentures**

There were no other issuance and repayment of debt and equity securities, share buy backs, share cancellations, shares held as treasury shares and resale of treasury shares for the current financial quarter.

	<b>30-June-22</b>	<b>31-Dec-21</b>
Number of ordinary shares ('000)	7,171,484	7,171,484
Share Capital (RM'000)	7,198,068	7,198,068

**A6. Dividend**

No dividend was paid in the current quarter.

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A7. Cash and short-term funds and deposits and placements with financial institutions**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(a) Cash and short-term funds:				
Cash at banks and on hand	242,965	133,008	8,012	5,118
Money at call and deposit placements maturing within one month	361,826	521,831	35,709	224,895
	<u>604,791</u>	<u>654,839</u>	<u>43,721</u>	<u>230,013</u>
(b) Deposits and placements with financial institutions with original maturity of more than one month				
- Licensed Islamic banks	752,630	843,856	794,586	574,580
	<u>1,357,421</u>	<u>1,498,695</u>	<u>838,307</u>	<u>804,593</u>

The expected credit losses ("ECL") for cash and short-term funds and deposits and placements above is nil (2021: nil).

**A8. Derivative financial assets/(liabilities)**

The following table summarises the contractual or underlying principal amounts of derivative financial instruments held at fair value through profit or loss. The principal or contractual amount of these instruments reflects the volume of transactions outstanding at financial position date, and do not represent amounts at risk.

Trading derivative financial instruments are revalued on a gross position and the unrealised gains or losses are reflected as derivative financial assets and liabilities respectively.

	<b>Group</b>		
	<b>Notional amount</b>	<b>Fair value</b>	
	<b>RM'000</b>	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>
<b>2022</b>			
<b><u>Trading derivatives</u></b>			
<b><u>Foreign exchange contracts:</u></b>			
Currency forward			
- Less than one year	1,729,955	2,238	(11,243)
	<u>1,729,955</u>	<u>2,238</u>	<u>(11,243)</u>
<b>2021</b>			
<b><u>Trading derivatives</u></b>			
<b><u>Foreign exchange contracts:</u></b>			
Currency forward			
- Less than one year	419,278	637	(2,363)
	<u>419,278</u>	<u>637</u>	<u>(2,363)</u>

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A9. Financial investments at fair value through profit or loss ("FVTPL")**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
<u>In Malaysia</u>		
Investment with fund manager - Money Market Securities	240,345	240,209
Malaysian Government Investment Issues	218,376	-
	458,721	240,209

**A10. Financial investments at fair value through other comprehensive income ("FVOCI")**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At fair value</b>		
<b>Money Market Instruments</b>		
Malaysian Government Investment Issues	8,108,206	8,317,698
<b>Debt securities:</b>		
<u>In Malaysia</u>		
Private and Islamic debt securities	1,010,831	1,139,722
Government Guaranteed debt securities	1,931,628	2,353,695
	11,050,665	11,811,115

The carrying amount of financial investments measured at FVOCI is its fair value. Accordingly, the recognition of an impairment loss does not affect the carrying amount of those assets, but is reflected as a debit to profit or loss or retained earnings, and credit to other comprehensive income.

ECL movement for financial investments at FVOCI:

	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2022	14	-	-	14
Charged to profit or loss:	(4)	-	-	(4)
New financial investments purchased during the period	-	-	-	-
Matured financial investments during the year	(4)	-	-	(4)
Change in credit risk	-	-	-	-
At 30 June 2022	10	-	-	10

	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2021	7	-	-	7
Charged to profit or loss:	7	-	-	7
New financial investments purchased during the year	13	-	-	13
Matured financial investments during the year	(5)	-	-	(5)
Change in credit risk	(1)	-	-	(1)
At 31 December 2021	14	-	-	14

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A11. Financial investments at amortised cost**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>At amortised cost</b>		
<b>Money Market Instruments</b>		
Malaysian Government Investment Issues	259,056	20,666
<u>In Malaysia</u>		
Private and Islamic debt securities	692,143	610,880
Government Guaranteed corporate sukuk	20,156	-
	<u>971,355</u>	<u>631,546</u>
Less: ECL		
- Stage 1	(864)	(841)
- Stage 2	(292)	(371)
	<u>970,199</u>	<u>630,334</u>

ECL movement for financial investments at amortised cost:

	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
ECL at 1 January 2022	841	371	-	1,212
Charged to profit or loss	23	(79)	-	(56)
Change in credit risk	-	(79)	-	(79)
Matured financial investments during the period	(2)	-	-	(2)
New financial investments purchased during the period	25	-	-	25
ECL at 30 June 2022	<u>864</u>	<u>292</u>	<u>-</u>	<u>1,156</u>

	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
ECL at 1 January 2021	90	501	-	591
Charged to profit or loss	751	(130)	-	621
Change in credit risk	(3)	(130)	-	(133)
Matured financial investments during the period	-	-	-	-
New financial investments purchased during the year	754	-	-	754
ECL at 31 December 2021	<u>841</u>	<u>371</u>	<u>-</u>	<u>1,212</u>

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A12. Loans, financing and advances**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>(i) By type</b>				
<b>At amortised cost</b>				
<i>Islamic:</i>				
Term financing:				
Personal financing	19,721,926	19,613,340	-	-
Property financing	7,779,914	7,266,303	-	-
Hire purchase receivables	680,572	679,199	-	-
Bridging financing	428,852	411,617	-	-
Auto financing	62,734	75,121	-	-
Other term financing	5,286,538	5,584,420	-	-
Revolving Credit	176,849	175,464	-	-
Staff financing	40,439	42,371	-	-
Cash line	122,536	125,147	-	-
Trade finance	1,729,332	1,341,911	-	-
<i>Conventional:</i>				
End finance:				
Normal housing programme	77,331	79,895	77,331	79,895
Low cost housing programme	411	423	411	423
Other term financing	541,746	588,564	541,746	588,564
Bridging financing	188,937	196,835	188,937	196,835
Gross loans, financing and advances	36,838,117	36,180,610	808,425	865,717
Less: ECL				
- Stage 1	(387,407)	(347,004)	(1,729)	(1,527)
- Stage 2	(375,140)	(597,878)	(1,848)	(8,984)
- Stage 3	(1,101,364)	(732,626)	(364,975)	(378,117)
Net loans, financing and advances	34,974,206	34,503,102	439,873	477,089
<b>(ii) By maturity structure</b>				
	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Within one year	3,233,498	2,948,874	498,832	522,545
More than one year to three years	1,450,192	1,357,135	1,415	1,483
More than three years to five years	1,714,296	1,832,713	3,198	17,631
More than five years	30,440,131	30,041,888	304,980	324,058
	36,838,117	36,180,610	808,425	865,717

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**A12. Loans, financing and advances (continued)**

**(iii) By economic purpose**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Personal Use	19,810,490	19,697,222	-	-
Construction	3,894,576	3,978,526	416,282	458,817
Purchase of landed property:				
- Residential	7,648,283	7,154,826	279,479	279,121
- Non-Residential	900,881	912,562	54,868	69,971
Working Capital	3,560,201	3,300,141	56,488	56,500
Purchase of other fixed assets	952,208	929,586	1,308	1,308
Purchase of transport vehicles	66,570	77,009	-	-
Purchase of other securities	415	432	-	-
Purchase of consumer durables	909	901	-	-
Others	3,584	129,405	-	-
	<b>36,838,117</b>	<b>36,180,610</b>	<b>808,425</b>	<b>865,717</b>

**(iv) By type of customers**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Individuals	27,577,583	26,969,997	51,168	53,182
Domestic business enterprises				
- Small medium enterprises	2,907,510	2,887,059	587,061	588,349
- Non-bank financial institutions	634,396	739,048	-	-
- Others	5,554,398	5,553,169	170,196	224,186
Foreign entities	164,230	31,337	-	-
	<b>36,838,117</b>	<b>36,180,610</b>	<b>808,425</b>	<b>865,717</b>

**(v) By sector**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Household sectors	27,577,583	26,969,997	51,168	53,182
Construction	3,479,508	3,870,020	455,791	513,189
Finance, insurance and business services	2,541,756	2,509,032	7,301	7,285
Wholesale & retail trade and restaurants & hotels	1,055,583	860,418	3,130	3,179
Manufacturing	1,138,003	968,893	61,435	61,422
Education, health and others	494,594	358,193	225,096	222,512
Transport, storage and communications	268,303	243,861	1,312	1,462
Mining and quarrying	64,833	185,408	-	-
Electricity, gas and water	174,136	174,723	-	-
Agriculture	43,818	40,065	3,192	3,486
	<b>36,838,117</b>	<b>36,180,610</b>	<b>808,425</b>	<b>865,717</b>

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A12. Loans, financing and advances (continued)**

**(vi) By profit/interest rate sensitivity**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fixed rate:				
Personal financing	15,794,575	16,092,439	-	-
Bridging, structured and term financing	937,251	920,954	51,515	52,077
Mortgage and property Islamic	389,373	417,399	643	650
Auto finance	65,172	77,622	-	-
Variable rate:				
Personal financing	3,936,287	3,531,299	-	-
Bridging, structured and term financing	8,218,130	8,182,608	679,168	733,322
Mortgage and property Islamic	7,497,329	6,958,289	77,099	79,668
	<b>36,838,117</b>	<b>36,180,610</b>	<b>808,425</b>	<b>865,717</b>

**(vii) By geographical distribution**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysia	36,838,117	36,180,610	808,425	865,717
	<b>36,838,117</b>	<b>36,180,610</b>	<b>808,425</b>	<b>865,717</b>

**(viii) Movement of gross loans, financing and advances**

<b>30-June-22</b>	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross carrying amount				
as at 1 January 2022	29,172,078	5,342,428	1,666,104	36,180,610
Transfer to stage 1	2,460,495	(2,443,413)	(17,082)	-
Transfer to stage 2	(617,254)	652,843	(35,589)	-
Transfer to stage 3	(125,294)	(729,320)	854,614	-
New financing / disbursement				
during the period	3,712,320	188,652	11,890	3,912,862
Repayment during the period	(3,307,645)	(210,979)	(71,128)	(3,589,752)
Other movements	326,086	(98,182)	141,155	369,059
Loss on modification of cash flows	(8,187)	(774)	-	(8,961)
Write-offs	-	-	(25,701)	(25,701)
Gross carrying amount				
as at 30 June 2022	<b>31,612,599</b>	<b>2,701,255</b>	<b>2,524,263</b>	<b>36,838,117</b>

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A12. Loans, financing and advances (continued)**

**(viii) Movement of gross loans, financing and advances (continued)**

<b>30-June-22</b>	<b>Company</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross carrying amount as at 1 January 2022	42,791	120,351	702,575	865,717
Transfer to stage 1	33,552	(30,074)	(3,478)	-
Transfer to stage 2	(5,194)	6,704	(1,510)	-
Transfer to stage 3	(494)	(27,085)	27,579	-
Repayment during the period	(23,467)	(1,218)	(15,180)	(39,865)
Other movements	230	48	(860)	(582)
Write-offs	-	-	(16,845)	(16,845)
Gross carrying amount as at 30 June 2022	47,418	68,726	692,281	808,425
<b>31-Dec-21</b>	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross carrying amount as at 1 January 2021	28,856,494	4,976,739	1,894,985	35,728,218
Transfer to stage 1	1,639,149	(1,487,288)	(151,861)	-
Transfer to stage 2	(2,113,365)	2,202,567	(89,202)	-
Transfer to stage 3	(159,679)	(132,981)	292,660	-
New financing / disbursement during the year	4,314,854	1,282,980	31,537	5,629,371
Repayment during the year	(3,319,804)	(1,414,574)	(88,703)	(4,823,081)
Other movements	194,420	(12,382)	113,085	295,123
Loans, financing and advances sold	(179)	(759)	(89,575)	(90,513)
Loss on modification of cash flows	(239,812)	(71,874)	-	(311,686)
Reclassification to assets held-for-sale	-	-	(23,671)	(23,671)
Write-offs	-	-	(223,151)	(223,151)
Gross carrying amount as at 31 December 2021	29,172,078	5,342,428	1,666,104	36,180,610
<b>31-Dec-21</b>	<b>Company</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Gross carrying amount as at 1 January 2021	145,352	432,831	907,754	1,485,937
Transfer to stage 1	35,229	(10,526)	(24,703)	-
Transfer to stage 2	(23,328)	25,066	(1,738)	-
Transfer to stage 3	(861)	(2,644)	3,505	-
Repayment during the year	(113,809)	(324,688)	(22,174)	(460,671)
Other movements	388	1,091	15,299	16,778
Loans, financing and advances sold	(179)	(759)	(89,575)	(90,513)
Loss on modification of cash flows	(1)	(20)	-	(21)
Write-offs	-	-	(85,793)	(85,793)
Gross carrying amount as at 31 December 2021	42,791	120,351	702,575	865,717



**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A12. Loans, financing and advances (continued)**

**(ix) Movement of ECL for loans, financing and advances**

30-June-22	Group			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL as at 1 January 2022	347,004	597,878	732,626	1,677,508
Charged to profit or loss, of which:	40,403	(222,738)	394,455	212,120
Changes in ECL				
- Transfer to stage 1	186,960	(178,504)	(8,456)	-
- Transfer to stage 2	(9,076)	32,646	(23,570)	-
- Transfer to stage 3	(1,360)	(129,290)	130,650	-
New financing / disbursement during the period	47,842	15,336	9,252	72,430
Repayment during the period	(198,557)	(110,005)	(26,053)	(334,615)
Changes in credit risk parameters #	14,594	147,079	312,632	474,305
Write-offs	-	-	(25,717)	(25,717)
ECL as at 30 June 2022	387,407	375,140	1,101,364	1,863,911
30-June-22	Company			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL as at 1 January 2022	1,527	8,984	378,117	388,628
Charged to profit or loss, of which:	202	(7,136)	3,719	(3,215)
Changes in ECL				
- Transfer to stage 1	5,334	(4,448)	(886)	-
- Transfer to stage 2	(191)	1,613	(1,422)	-
- Transfer to stage 3	(17)	(2,965)	2,982	-
Repayment during the period	(4,973)	(1,914)	(17,274)	(24,161)
Changes in credit risk parameters #	49	578	20,319	20,946
Other movements	-	-	-	-
Write-offs	-	-	(16,861)	(16,861)
ECL as at 30 June 2022	1,729	1,848	364,975	368,552

# The changes in credit risk parameters include impact of forward-looking factors on key macroeconomic variables ("MEV") and changes to loss rate for the ECL model.

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**A12. Loans, financing and advances (continued)**

**(ix) Movement of ECL for loans, financing and advances**

31-Dec-21	Group			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL as at 1 January 2021	370,236	648,474	947,050	1,965,760
Charged to profit or loss, of which:	(23,226)	(50,486)	83,901	10,189
Changes in ECL				
- Transfer to stage 1	240,357	(192,086)	(48,271)	-
- Transfer to stage 2	(30,742)	80,071	(49,329)	-
- Transfer to stage 3	(2,799)	(30,337)	33,136	-
New financing / disbursement during the year	58,927	122,807	17,576	199,310
Repayment during the year	(315,249)	(268,006)	(263,176)	(846,431)
Changes in credit risk parameters #	26,280	237,065	393,965	657,310
Reclassification to assets held-for-sale	-	-	(21,549)	(21,549)
Other movements	(6)	(110)	(50,905)	(51,021)
Write-offs	-	-	(225,871)	(225,871)
ECL as at 31 December 2021	347,004	597,878	732,626	1,677,508
31-Dec-21	Company			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL as at 1 January 2021	4,698	60,822	521,463	586,983
Charged to profit or loss, of which:	(3,165)	(51,728)	(3,928)	(58,821)
Changes in ECL				
- Transfer to stage 1	8,870	(2,194)	(6,676)	-
- Transfer to stage 2	(512)	1,706	(1,194)	-
- Transfer to stage 3	(21)	(427)	448	-
Repayment during the year	(11,632)	(56,564)	(153,185)	(221,381)
Changes in credit risk parameters #	130	5,751	156,679	162,560
Other movements	(6)	(110)	(50,905)	(51,021)
Write-offs	-	-	(88,513)	(88,513)
ECL as at 31 December 2021	1,527	8,984	378,117	388,628

# The changes in credit risk parameters include impact of forward-looking factors on key MEV and changes to loss rate for the ECL model.

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**A12. Loans, financing and advances (continued)**

**(x) Movements of impaired loans, financing and advances**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 January	1,666,104	1,894,985	702,575	907,754
Classified as impaired during the period	866,504	324,197	27,579	3,505
Reclassified as non-impaired	(52,671)	(241,063)	(4,988)	(26,441)
Amount recovered	(71,128)	(88,703)	(15,180)	(22,174)
Other movements	141,155	113,085	(860)	15,299
Loans, financing and advances sold	-	(89,575)	-	(89,575)
Amount written off	(25,701)	(223,151)	(16,845)	(85,793)
Reclassification to assets held-for-sale	-	(23,671)	-	-
Balance as at end of financial period	<u>2,524,263</u>	<u>1,666,104</u>	<u>692,281</u>	<u>702,575</u>
Less: ECL stage 3	(1,101,364)	(732,626)	(364,975)	(378,117)
Net impaired loans, financing and advances	<u>1,422,899</u>	<u>933,478</u>	<u>327,306</u>	<u>324,458</u>
Net impaired as a percentage of net loans, financing and advances	<u>4.07%</u>	<u>2.71%</u>	<u>74.41%</u>	<u>68.01%</u>
Gross impaired as a percentage of gross loans, financing and advances	<u>6.85%</u>	<u>4.60%</u>	<u>85.63%</u>	<u>81.16%</u>

**(xi) Impaired loans, financing and advances by economic purpose**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
Personal use	287,804	75,824	-	-
Construction	1,302,685	939,584	416,282	416,040
Purchase of landed property:				
- Residential	408,335	346,694	238,164	233,740
- Non-Residential	183,510	198,536	37,163	52,197
Working capital	305,794	73,606	-	-
Purchase of other fixed assets	28,857	27,298	672	598
Purchase of transport vehicles	6,152	3,585	-	-
Purchase of consumer durables	801	792	-	-
Others	325	185	-	-
	<u>2,524,263</u>	<u>1,666,104</u>	<u>692,281</u>	<u>702,575</u>

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**A12. Loans, financing and advances (continued)**

**(xii) Impaired loans, financing and advances by sector**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Household sector	493,080	213,546	14,066	12,344
Construction	978,610	769,548	450,163	464,478
Education, health and others	310,790	310,262	224,698	222,100
Finance, insurance and business services	204,591	210,920	-	-
Manufacturing	253,186	101,637	162	167
Mining and quarrying	1,426	26,425	-	-
Wholesale & retail trade and restaurants & hotels	278,926	26,248	-	-
Transport, storage and communications	462	4,032	-	-
Agriculture	3,192	3,486	3,192	3,486
	<b>2,524,263</b>	<b>1,666,104</b>	<b>692,281</b>	<b>702,575</b>

**A13. Trade and other receivables**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>Non trade:</u>				
Advances in respect of certain projects	571,378	596,628	-	-
Amount due from MBSB Bank	-	-	105,598	138,410
Amount due from other subsidiaries	-	-	52,074	50,172
Foreclosed properties	42,228	42,418	42,228	42,418
Prepayments and deposits	10,772	14,038	-	3,654
Sundry receivables	15,112	35,841	1,390	5,624
Public Low Cost Housing Programme ("PLCHP")	-	796	-	796
Deferred expenses	37,390	36,550	-	-
	<b>676,880</b>	<b>726,271</b>	<b>201,290</b>	<b>241,074</b>
<u>Trade:</u>				
Trade receivable	24,835	24,835	-	-
	<b>701,715</b>	<b>751,106</b>	<b>201,290</b>	<b>241,074</b>
Less: ECL at stage 3				
- Non trade	(571,378)	(596,905)	(52,074)	(50,172)
- Trade	(24,834)	(24,834)	-	-
	<b>105,503</b>	<b>129,367</b>	<b>149,216</b>	<b>190,902</b>

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A14. Assets held for sale**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Assets held for sale comprises of:		
Financing held for sale (a)	1,519	2,122
Other assets held for sale (b)	50,516	478
	<u>52,035</u>	<u>2,600</u>
(a) Financing held for sale		
	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Balance as at 1 January	23,671	-
Reclassification from financing	-	23,671
Other movement	104	-
Gross financing held for sale	<u>23,775</u>	<u>23,671</u>
Less impairment allowance:		
Balance as at 1 January	(21,549)	-
Reclassification from financing	-	(21,549)
Charged to profit or loss (stage 3)	(707)	-
Total impairment allowance	<u>(22,256)</u>	<u>(21,549)</u>
Net financing held for sale	<u>1,519</u>	<u>2,122</u>
<b>By economic purpose:</b>		
Purchase of residential properties	22,585	22,481
Purchase of non-residential properties	960	960
Purchase of other fixed assets	138	138
Purchase of transport vehicles	47	47
Others	45	45
	<u>23,775</u>	<u>23,671</u>

In the 2nd quarter ended 30 June 2021, the banking subsidiary, MBSB Bank entered into an agreement to dispose identified retail financing to an external party. The sale is expected to complete in 2022.

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**A14. Assets held for sale (continued)**

(b) Other assets held for sale

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Inventories	50,516	-
Property and equipment	-	478
	<u>50,516</u>	<u>478</u>

**A15. Deposits from customers**

(i) By type of deposits:

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Commodity Murabahah Term Deposits	24,516,016	23,623,561
Demand deposits	1,021,558	592,593
Savings deposits	592,115	385,596
	<u>26,129,689</u>	<u>24,601,750</u>

(ii) Maturity of term deposits from customers:

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Within six months	18,250,405	15,402,982
More than six months to one year	4,439,393	6,347,608
More than one year to three years	1,180,778	1,638,915
More than three years	645,440	234,056
	<u>24,516,016</u>	<u>23,623,561</u>

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**A15. Deposits from customers (continued)**

**(iii) By type of customers:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Government and statutory bodies	12,471,051	12,283,703
Business enterprises	9,491,584	7,976,943
Individuals	4,167,054	4,341,104
	<u>26,129,689</u>	<u>24,601,750</u>

**(iv) By type of contract:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Tawarruq	26,129,689	24,601,750
	<u>26,129,689</u>	<u>24,601,750</u>

**A16. Deposits and placements of banks and other financial institutions**

**(i) By type of deposits:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Non-Mudharabah Funds:</u>		
-Licensed Investment Banks	1,158	948
-Licensed Islamic Banks	270,632	534,051
-Other financial institutions	6,590,578	8,114,582
	<u>6,862,368</u>	<u>8,649,581</u>

**(ii) By type of contract:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Tawarruq	6,862,368	8,649,581
	<u>6,862,368</u>	<u>8,649,581</u>

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**A17. Investment accounts of customers**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Wakalah unrestricted investment account	1,812,098	2,094,914

The investment account placements are used to fund personal financing.

**(i) By type of customers:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Government and statutory bodies	1,741,703	2,014,773
Other financial institutions	70,395	80,141
	<u>1,812,098</u>	<u>2,094,914</u>

**(ii) Movement of investment accounts of customers:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
At beginning of the financial period	2,094,914	-
New placement during the financial period	1,373,155	2,506,314
Redemption during the financial period	(1,648,484)	(426,328)
Finance expense	24,771	23,456
Profit distributed	(32,258)	(8,528)
At end of financial period	<u>1,812,098</u>	<u>2,094,914</u>

**(iii) By Maturity:**

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within six months	1,403,712	1,006,242
More than six months to one year	402,766	1,083,050
More than one year to three years	5,620	5,622
	<u>1,812,098</u>	<u>2,094,914</u>



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**A17. Investment accounts of customers (continued)**

**(iv) Rate of Return ("ROR") and Performance Incentive Fee based on residual maturity**

<b>30-June-22</b>	<b>Investment Account Holder Average ROR %</b>	<b>Group Performance incentive fee %</b>
Unrestricted investment accounts:		
Due within six months	2.59	2.88
More than six months to one year	2.85	2.62
More than one year to three years	2.95	2.52
<b>31-Dec-21</b>	<b>Investment Account Holder Average ROR %</b>	<b>Group Performance incentive fee %</b>
Unrestricted investment accounts:		
Due within six months	2.58	5.32
More than six months to one year	2.75	5.14
More than one year to three years	2.95	4.95

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**A18. Trade and other payables**

	<b>Group</b>		<b>Company</b>	
	<b>30-June-22</b>	<b>31-Dec-21</b>	<b>30-June-22</b>	<b>31-Dec-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Non trade:				
Dividend payable	-	215,145	-	215,145
Sundry creditors	580,092	530,452	10,438	23,377
Al-Mudharabah security fund	144,391	147,604	-	-
ECL for commitments and contingencies (i)	46,207	54,446	385	259
Deferred income	18,406	22,574	688	917
Other provisions and accruals	97,589	115,992	140	280
	<b>886,685</b>	<b>1,086,213</b>	<b>11,651</b>	<b>239,978</b>

**(i) ECL for commitments and contingencies**

Movement of ECL for commitments and contingencies are as follows:

<b>30-June-22</b>	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
ECL as at 1 January 2022	17,117	35,929	1,400	54,446
Charged to profit or loss	1,917	(15,010)	4,854	(8,239)
Changes in the impairment allowance				
- Transfer to stage 1	17,273	(17,266)	(7)	-
- Transfer to stage 2	(609)	616	(7)	-
- Transfer to stage 3	(24)	(863)	887	-
New financing /disbursement during the period	5,386	1,785	159	7,330
Derecognised to loans/financing during the period (other than write-offs)	(3,350)	(5,014)	(630)	(8,994)
Changes in credit risk parameters #	(16,759)	5,732	4,452	(6,575)
Write off	-	-	-	-
ECL as at 30 June 2022	<b>19,034</b>	<b>20,919</b>	<b>6,254</b>	<b>46,207</b>

<b>31-Dec-21</b>	<b>Group</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
ECL as at 1 January 2021	19,073	13,481	13,964	46,518
Charged to profit or loss	(1,956)	22,448	(11,946)	8,546
Changes in the impairment allowance				
- Transfer to stage 1	2,916	(1,054)	(1,862)	-
- Transfer to stage 2	(768)	806	(38)	-
- Transfer to stage 3	(4)	(45)	49	-
New financing /disbursement during the year	8,719	26,614	590	35,923
Derecognised to loans/financing during the period (other than write-offs)	(5,834)	(8,513)	(11,340)	(25,687)
Changes in credit risk parameters #	(6,985)	4,640	655	(1,690)
Write off	-	-	(618)	(618)
ECL as at 31 December 2021	<b>17,117</b>	<b>35,929</b>	<b>1,400</b>	<b>54,446</b>

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**A18. Trade and other payables (continued)**

**(i) ECL for commitments and contingencies (continued)**

Movement of ECL for commitments and contingencies are as follows (continued):

30-June-22	Company			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL as at 1 January 2022	174	59	26	259
Charged to profit or loss	10	(26)	142	126
Changes in the impairment allowance				
- Transfer to stage 1	33	(26)	(7)	-
- Transfer to stage 2	(9)	12	(3)	-
- Transfer to stage 3	-	(28)	28	-
Derecognised/converted to loans/financing during the period (other than write-offs)	(2)	-	(7)	(9)
Changes in credit risk parameters #	(12)	16	131	135
Write off	-	-	-	-
ECL as at 30 June 2022	184	33	168	385

# The changes in credit risk parameters include impact of forward-looking factors on key MEV and changes to loss rate for the ECL model.

31-Dec-21	Company			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL as at 1 January 2021	195	207	1,673	2,075
Charged to profit or loss	(21)	(148)	(1,029)	(1,198)
Changes in the impairment allowance				
- Transfer to stage 1	55	(55)	-	-
- Transfer to stage 2	(4)	4	-	-
- Transfer to stage 3	(1)	(2)	3	-
Derecognised/converted to loans/financing during the year (other than write-offs)	(16)	(38)	(1,672)	(1,726)
Changes in credit risk parameters #	(55)	(57)	640	528
Write off	-	-	(618)	(618)
ECL as at 31 December 2021	174	59	26	259

# The changes in credit risk parameters include impact of forward-looking factors on key MEV and changes to loss rate for the ECL model.

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**A19. Income derived from investment of deposits and Islamic capital funds**

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Financing	533,887	524,351	1,080,738	1,057,207
Income from financial investments at FVOCI	103,796	105,385	206,645	203,659
Income from financial investments at amortised cost	11,806	6,678	20,219	12,934
Income from financial investments at FVTPL	3,485	602	5,855	729
Deposits with financial institutions	5,949	7,509	13,536	13,633
	<b>658,923</b>	<b>644,525</b>	<b>1,326,993</b>	<b>1,288,162</b>

**A20. Interest income**

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income from:				
- Loans, financing and advances	2,095	18,650	4,365	44,231
- Deposits and placements with banks and other financial institutions	7	978	14	1,813
	<b>2,102</b>	<b>19,628</b>	<b>4,379</b>	<b>46,044</b>

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income from:				
- Loans, financing and advances	2,804	9,054	5,758	20,440
- Deposits and placements with banks and other financial institutions	3,637	1,059	7,079	1,894
	<b>6,441</b>	<b>10,113</b>	<b>12,837</b>	<b>22,334</b>

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**A21. ECL on loans, financing and advances and other impairment**

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>ECL on loans, financing and advances made/(written back)</u>				
Loans, financing and advances				
- Stage 1	22,703	24,721	40,403	(83,832)
- Stage 2	(211,682)	(320,797)	(222,738)	(143,144)
- Stage 3	243,586	63,616	394,455	163,269
Financing held for sale				
- Stage 3	330	-	707	-
Credit impaired loans, financing and advances:				
- Write - off	2,522	792	11,136	928
- Recovered	(4,774)	(5,692)	(11,966)	(7,969)
	<u>52,685</u>	<u>(237,360)</u>	<u>211,997</u>	<u>(70,748)</u>
<u>Other ECL and impairment allowances made/(written back):</u>				
Financial investments at FVOCI	1	8	(4)	12
Financial investments at amortised cost	145	745	(56)	691
Other receivables	(143)	10,334	(143)	25,250
Financing commitments and financial guarantees	(7,429)	(3,189)	(8,239)	(9,674)
	<u>(7,426)</u>	<u>7,898</u>	<u>(8,442)</u>	<u>16,279</u>
	<u>45,259</u>	<u>(229,462)</u>	<u>203,555</u>	<u>(54,469)</u>

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**A21. ECL on loans, financing and advances and other impairment (continued)**

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>ECL on loans, financing and advances made/(written back)</u>				
Loans, financing and advances				
- Stage 1	123	1,351	202	567
- Stage 2	(966)	(14,778)	(7,136)	(21,986)
- Stage 3	3,961	25,579	3,719	26,443
Credit impaired loans, financing and advances:				
- Write - off	144	145	3,344	148
- Recovered	(67)	(3,360)	(2,039)	(3,484)
	<u>3,195</u>	<u>8,937</u>	<u>(1,910)</u>	<u>1,688</u>
<u>Other ECL and impairment allowances made/(written back):</u>				
Amount due from subsidiaries	1,110	(5,100)	1,902	(4,360)
Financing commitments and financial guarantees	6	(1,163)	126	(1,133)
	<u>1,116</u>	<u>(6,263)</u>	<u>2,028</u>	<u>(5,493)</u>
	<u>4,311</u>	<u>2,674</u>	<u>118</u>	<u>(3,805)</u>

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**A22. Net other income**

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Rental income	17	(633)	17	5
Loans/financing related fees	3,353	(2,624)	7,688	(4,041)
Insurance commission	4,783	3,216	9,103	5,476
Ta'widh/late payment charges	3,488	3,362	4,791	5,979
Gain/(loss) from sale of FVOCI	124	30	(8,367)	10,311
(Loss)/gain from sale of FVTPL	(14,073)	164	(21,070)	(33)
Gain on financial investments at FVTPL	1,047	-	2,083	-
Gain on foreign exchange transactions	2,552	16,009	6,864	17,951
Sundry income/(expense)	10,451	(1,412)	11,649	2,483
(Loss)/gain from disposal of:				
Foreclosed properties	(59)	-	(59)	(2,536)
Assets held for sale	-	-	850	-
Others	-	(35)	-	(95)
	<b>11,683</b>	<b>18,077</b>	<b>13,549</b>	<b>35,500</b>

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Rental income	974	949	1,925	1,904
Loan related fees	472	721	1,176	1,417
Insurance commission	13	-	22	-
Penalty	2,028	2,233	2,179	3,883
Loss from disposal of foreclosed properties	(59)	-	(59)	(2,536)
Sundry income/(expense)	2,325	(1,066)	1,847	3,747
Dividend income	162,839	-	162,839	-
	<b>168,592</b>	<b>2,837</b>	<b>169,929</b>	<b>8,415</b>

**A23. Other operating expenses**

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Personnel expenses *	67,532	41,925	151,751	109,486
Establishment related expenses	42,462	31,130	81,466	50,779
General administrative expenses	13,475	15,757	29,792	23,890
Promotion and marketing related expenses	1,546	3,287	4,820	4,755
Commission fees	11,522	7,806	18,706	13,095
	<b>136,537</b>	<b>99,905</b>	<b>286,535</b>	<b>202,005</b>

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**A23. Other operating expenses (continued)**

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Personnel expenses *	563	365	1,056	805
Establishment related expenses	330	374	690	758
General administrative expenses	2,163	612	3,007	2,075
Intercompany charges	2,983	3,472	5,965	6,945
Commission fees	6	25	15	31
	<b>6,045</b>	<b>4,848</b>	<b>10,733</b>	<b>10,614</b>

Included in the other operating expenses:

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property and equipment	10,020	3,029	18,160	5,256
Amortisation of intangible assets	10,160	8,822	19,986	17,355
Depreciation of right-of-use assets	5,391	1,915	10,848	4,835

Included in the other operating expenses:

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Depreciation of property and equipment	116	116	232	232

\* Personnel expenses

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Wages and salaries	50,456	29,657	111,097	81,554
Pension costs - Employees Provident Fund	8,248	4,526	18,381	13,557
Social security costs	487	428	952	846
Directors fees	1,281	995	2,438	2,315
Shariah Committee remuneration	125	144	256	220
Other staff related expenses	6,935	6,175	18,627	10,994
	<b>67,532</b>	<b>41,925</b>	<b>151,751</b>	<b>109,486</b>

\* Personnel expenses

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Directors fees	560	365	1,053	801
Other staff related expenses	3	-	3	4
	<b>563</b>	<b>365</b>	<b>1,056</b>	<b>805</b>



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**A24. Commitments and contingencies**

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to the customers.

	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted amount RM'000</b>
<b>Group</b>			
<b>30-June-22</b>			
Direct credit substitutes	18,926	18,926	18,926
Trade-related contingencies	66,911	29,329	29,329
Short term self liquidating trade related contingencies	92,859	18,572	18,572
Irrevocable commitments to extend credit:			
- one year or less	954,805	190,632	190,632
- over one year to five years	1,586,841	791,624	703,809
- over five years	-	-	-
Foreign exchange related contracts			
- one year or less	1,729,955	28,184	12,311
	<u>4,450,297</u>	<u>1,077,267</u>	<u>973,579</u>
	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted amount RM'000</b>
<b>Company</b>			
<b>30-June-22</b>			
Irrevocable commitments to extend credit:			
- over one year to five years	11,507	5,585	4,164
	<u>11,507</u>	<u>5,585</u>	<u>4,164</u>

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**A24. Commitments and contingencies (continued)**

<b>Group</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted amount RM'000</b>
<b>31-Dec-21</b>			
Direct credit substitutes	22,786	22,786	22,786
Trade-related contingencies	81,815	40,908	40,908
Short term self liquidating trade related contingencies	82,062	16,412	16,412
Irrevocable commitments to extend credit:			
- one year or less	906,430	190,286	190,286
- over one year to five years	1,750,332	873,769	777,541
- over five years	2,304	1,150	1,150
Foreign exchange related contracts			
- one year or less	419,278	6,924	5,241
	<u>3,265,007</u>	<u>1,152,235</u>	<u>1,054,324</u>

<b>Company</b>	<b>Principal amount RM'000</b>	<b>Credit equivalent amount RM'000</b>	<b>Risk weighted amount RM'000</b>
<b>31-Dec-21</b>			
Irrevocable commitments to extend credit:			
- over one year to five years	11,668	5,808	4,352
	<u>11,668</u>	<u>5,808</u>	<u>4,352</u>

**(i) Capital Commitments**

	<b>Group</b>	
	<b>30-June-22 RM'000</b>	<b>31-Dec-21 RM'000</b>
Property and equipment/Intangible assets:		
- Approved and contracted for	28,856	11,766

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**A25. Unsecured contingent liabilities**

KCSB Konsortium Sdn Bhd and Kausar Corporation Sdn Bhd (collectively referred to as “the Plaintiffs/the Appellant”) have instituted a civil suit against the Company and its subsidiary, Definite Pure Sdn Bhd for an alleged breach of facility agreement.

The High Court dismissed the Plaintiffs’ claim with costs and allowed the Company’s counterclaim. The Plaintiffs appealed to the Court of Appeal who on 1 November 2016, allowed the appeal with no order as to costs and sent the case back to the High Court for retrial before a different Judge on the Ground that the Judgment were wholly inadequate as they could not be certain as to the basis on which the decision was reached.

The High Court fixed the matter for full trial on 11, 12 and 15 September 2017. The parties filed Striking-Out Applications on 18 July 2017. On 8 September 2017, the Court found that both claims were time barred and struck out both the claims. Both parties have appealed to the Court of Appeal and the matter was subsequently heard on 28 August 2018. The Court of Appeal dismissed both appeals and directed the matter to be fixed for trial before a different judge.

On 27 January 2021, the High Court has decided in favour of part of the Plaintiffs’ claims including a monetary claim of RM35.31mil with interest at 5% to be calculated thereon. Both the Company and KCSB have appealed against the decision. The parties’ appeals to the Court of Appeal were heard on 6 July 2022. The appeals are fixed for decision on 19 October 2022.

The Directors after obtaining advice from the Company’s solicitors are of the opinion that the Company has a reasonably fair chance in respect of the stay application and appeal.

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**A26. Segmental information on revenue and results**

<b>Group</b>	<b>Consumer banking RM'000</b>	<b>Corporate banking RM'000</b>	<b>Global Markets RM'000</b>	<b>Others RM'000</b>	<b>Inter-segment elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>2nd quarter ended 30 June 2022</b>						
<u>External:</u>						
Fund based income	427,435	114,694	115,693	3,875	-	661,697
Non-fund based income	4,199	3,888	(12,855)	(659)	-	(5,427)
	<u>431,634</u>	<u>118,582</u>	<u>102,838</u>	<u>3,216</u>	<u>-</u>	<u>656,270</u>
<u>Inter-segment:</u>						
Fund based income	30,767	-	3,637	204,506	(238,910)	-
Total revenue	<u>462,401</u>	<u>118,582</u>	<u>106,475</u>	<u>207,722</u>	<u>(238,910)</u>	<u>656,270</u>
Profit before zakat and tax	121,710	62,163	28,653	162,640	(169,209)	205,957
Taxation						(63,737)
Zakat						75
Net profit for the year						<u>142,295</u>
Segment assets	26,815,539	8,700,008	13,299,422	50,516	-	48,865,485
Tax recoverable						428,133
Deferred tax assets						134,852
Unallocated assets						<u>1,425,079</u>
Total assets						<u>50,853,549</u>
Segment liabilities	26,450,061	5,848,162	8,786,640	277,285	-	41,362,148
Deferred tax liabilities						15,635
Unallocated liabilities						<u>919,433</u>
Total liabilities						<u>42,297,216</u>

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**A26. Segmental information on revenue and results (continued)**

<b>Group</b>	<b>Consumer banking RM'000</b>	<b>Corporate banking RM'000</b>	<b>Global Markets RM'000</b>	<b>Others RM'000</b>	<b>Inter-segment elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Six months ended 30 June 2022</b>						
<u>External:</u>						
Fund based income	868,477	227,727	227,634	7,537	-	1,331,375
Non-fund based income	7,715	9,026	(27,308)	10	-	(10,557)
	<u>876,192</u>	<u>236,753</u>	<u>200,326</u>	<u>7,547</u>	<u>-</u>	<u>1,320,818</u>
<u>Inter-segment:</u>						
Fund based income	61,638	-	7,079	247,384	(316,101)	-
Total revenue	<u>937,830</u>	<u>236,753</u>	<u>207,405</u>	<u>254,931</u>	<u>(316,101)</u>	<u>1,320,818</u>
Profit before zakat and tax	170,448	69,081	42,613	174,438	(171,417)	285,163
Taxation						(84,663)
Net profit for the year						<u>200,500</u>
Segment assets	26,815,539	8,700,008	13,299,422	50,516	-	48,865,485
Tax recoverable						428,133
Deferred tax assets						134,852
Unallocated assets						<u>1,425,079</u>
Total assets						<u>50,853,549</u>
Segment liabilities	26,450,061	5,848,162	8,786,640	277,285	-	41,362,148
Deferred tax liabilities						15,635
Unallocated liabilities						<u>919,433</u>
Total liabilities						<u>42,297,216</u>

**MALAYSIA BUILDING SOCIETY BERHAD (197001000172 / 9417-K)**  
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**A26. Segmental information on revenue and results (continued)**

<b>Group</b>	<b>Consumer banking RM'000</b>	<b>Corporate banking RM'000</b>	<b>Global Markets RM'000</b>	<b>Others RM'000</b>	<b>Inter-segment elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>2nd quarter ended 30 June 2021</b>						
<u>External:</u>						
Fund based income	420,300	124,079	105,455	4,068	(532)	653,370
Non-fund based income	(5,049)	3,757	(103)	12,962	-	11,567
	<u>415,251</u>	<u>127,836</u>	<u>105,352</u>	<u>17,030</u>	<u>(532)</u>	<u>664,937</u>
<u>Inter-segment:</u>						
Fund based income	16,696	-	-	(3,638)	(13,058)	-
Total revenue	<u>431,947</u>	<u>127,836</u>	<u>105,352</u>	<u>13,392</u>	<u>(13,590)</u>	<u>664,937</u>
Profit before zakat and tax	199,582	256,773	33,181	30,783	12,436	532,755
Taxation						(129,342)
Net profit for the year						<u>403,413</u>
Segment assets	25,700,924	9,035,435	14,188,841	162	-	48,925,362
Tax recoverable						504,690
Deferred tax assets						6,946
Unallocated assets						<u>1,403,114</u>
Total assets						<u>50,840,112</u>
Segment liabilities	25,077,435	6,078,522	9,559,782	337,734	-	41,053,473
Provision for taxation and zakat						45,632
Deferred tax liabilities						27,194
Unallocated liabilities						<u>657,008</u>
Total liabilities						<u>41,783,307</u>

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**A26. Segmental information on revenue and results (continued)**

<b>Group</b>	<b>Consumer banking RM'000</b>	<b>Corporate banking RM'000</b>	<b>Global Markets RM'000</b>	<b>Others RM'000</b>	<b>Inter-segment elimination RM'000</b>	<b>Consolidated RM'000</b>
<b>Six months ended 30 June 2021</b>						
<u>External:</u>						
Fund based income	850,776	237,107	213,206	7,932	(532)	1,308,489
Non-fund based income	(9,513)	7,887	10,473	28,583	-	37,430
	<u>841,263</u>	<u>244,994</u>	<u>223,679</u>	<u>36,515</u>	<u>(532)</u>	<u>1,345,919</u>
<u>Inter-segment:</u>						
Fund based income	<u>33,651</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(33,651)</u>	<u>-</u>
Total revenue	<u>874,914</u>	<u>244,994</u>	<u>223,679</u>	<u>36,515</u>	<u>(34,183)</u>	<u>1,345,919</u>
Profit before zakat and tax	409,731	81,896	87,543	103,943	(39,076)	644,037
Taxation						(176,465)
Zakat						(675)
Profit from continuing operations						466,897
Loss from discontinued operation						(72)
Net profit for the year						<u>466,825</u>
Segment assets	25,700,924	9,035,435	14,188,841	162	-	48,925,362
Tax recoverable						504,690
Deferred tax assets						6,946
Unallocated assets						1,403,114
Total assets						<u>50,840,112</u>
Segment liabilities	25,077,435	6,078,522	9,559,782	337,734	-	41,053,473
Provision for taxation and zakat						45,632
Deferred tax liabilities						27,194
Unallocated liabilities						657,008
Total liabilities						<u>41,783,307</u>

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**A27. Acquisition of property and equipment**

	<b>Group</b>
	<b>As at</b>
	<b>30-June-22</b>
	<b>RM'000</b>
<b>Additions</b>	
Building	8,279
Building renovation	1,099
Furniture & equipment	178
Data processing equipment	2,447
	<u>12,003</u>

**A28. Significant related party transactions**

(a) Transactions and balances with government-related entities are as follows:

(i) Transactions and balances with Employees Provident Fund ("EPF"), the ultimate holding body:

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Expenses</b>		
Profit expense paid on Sukuk	13,277	26,786
Profit expense paid on Fixed deposit	18,226	14,677
Interest expense paid on Time deposit	88	225
Rental paid	25	25
	<u>31,616</u>	<u>41,713</u>
<b>Balances</b>		
Sukuk - MBSB SC Murabahah	903,258	983,403
Accrued profit on Sukuk	6,845	6,933
Fixed deposit by EPF	1,300,000	1,000,000
Accrued profit on Fixed deposit	8,279	589
Time deposit by EPF	-	26,278
Accrued interest on Time deposit	-	54
Rental deposit	17	17
	<u>1,218,399</u>	<u>1,017,274</u>

(ii) Transactions and balances with RHB Banking Group of companies, being companies directly controlled by EPF:

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Expenses</b>		
Profit to depositors	1,794	1,524
	<u>1,794</u>	<u>1,524</u>
<b>Balances</b>		
Cash and short-term funds	155,219	58,493
Deposits and placements with banks and other financial institutions	32	32
	<u>155,251</u>	<u>58,525</u>



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**A28. Significant related party transactions (continued)**

(a) Transactions and balances with government-related entities are as follows (continued):

(iii) Collectively, but not individually, significant transactions and balances with EPF's related parties:

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Income/(expense)</b>		
Profit from financing	-	1,838
Profit to depositors	-	(323)
	<hr/>	<hr/>
<b>Balances</b>		
Financing	-	81,317
Deposit from customers	75	27,852
	<hr/>	<hr/>

(b) Transactions and balances with other related entities of the Group are as follows:

	<b>Group</b>	
	<b>30-June-22</b>	<b>31-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Expenses</b>		
Other expenses	4,306	831
Profit to depositors	1,400	1,705
	<hr/>	<hr/>
<b>Balances</b>		
Deposits from customer	224,194	155,527
	<hr/>	<hr/>

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**A29. Capital adequacy**

The Group has complied and computed the capital adequacy ratios in accordance with Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks (Capital Components and Risk-Weighted Assets). The total risk-weighted assets are computed based on Standardised Approach for Credit and Market Risk and Basic Indicator Approach for Operational Risk.

In December 2020, Bank Negara Malaysia issued a revised Policy Document on the Capital Adequacy Framework for Islamic Banks (Capital Components) ("CAFIB") and with immediate effect, superseding the version previously issued in February 2020. The revised CAFIB has provided for an optional transitional arrangement for regulatory capital treatment of expected credit losses ("ECL") provisions.

This new optional transitional arrangement allows financial institutions to add back the amount of loss allowance measured at an amount equal to 12-month and lifetime ECL to the extent they are ascribed to non-credit impaired exposures (hereinafter referred to as Stage 1 and Stage 2 provisions) to CET1 capital on a gradual phase-out basis either over a four-year period from the financial year beginning 2020, or over a three-year period from the financial year beginning 2021.

The Group has elected to apply this transitional arrangement ("TA") for four financial years from the financial year beginning 1 January 2020 to 31 December 2023.

For the purpose of disclosures, the capital adequacy of the Group is disclosed 'with TA' and 'without TA'.

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**A29. Capital adequacy (continued)**

	<b>Group</b>			
	<b>with TA</b>	without TA	<b>with TA</b>	without TA
	<b>30-June-22</b>	30-June-22	<b>31-Dec-21</b>	31-Dec-21
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b><u>Common Equity Tier 1 ("CET1") Capital</u></b>				
Ordinary share capital	7,198,068	7,198,068	7,198,068	7,198,068
Retained earnings exclude merger reserve	1,642,307	1,642,307	1,642,303	1,642,303
Other reserves	(484,538)	(484,538)	(161,046)	(161,046)
	<u>8,355,837</u>	<u>8,355,837</u>	<u>8,679,325</u>	<u>8,679,325</u>
Less: Regulatory adjustments				
Goodwill	(148,031)	(148,031)	(148,031)	(148,031)
Deferred tax assets	(134,852)	(134,852)	(24,176)	(24,176)
55% cumulative gains on FVOCI instruments	(12,314)	(12,314)	(57,882)	(57,882)
Intangible assets	(147,052)	(147,052)	(150,760)	(150,760)
Regulatory reserve	-	-	-	-
Other CET1 regulatory adjustments	-	-	79,645	-
Total CET1 Capital	<u>7,913,588</u>	<u>7,913,588</u>	<u>8,378,121</u>	<u>8,298,476</u>
<b><u>Tier 1 Capital</u></b>				
Additional Tier 1 capital instruments	-	-	-	-
Less: Tier 1 regulatory adjustments	-	-	-	-
Total Tier 1 capital	<u>7,913,588</u>	<u>7,913,588</u>	<u>8,378,121</u>	<u>8,298,476</u>
<b><u>Tier 2 Capital</u></b>				
Stage 1 and Stage 2 ECL	449,141	449,141	452,174	452,174
Tier 2 capital instruments	1,294,438	1,294,438	1,294,247	1,294,247
Total Tier II capital	<u>1,743,579</u>	<u>1,743,579</u>	<u>1,746,421</u>	<u>1,746,421</u>
Total capital base	<u>9,657,167</u>	<u>9,657,167</u>	<u>10,124,542</u>	<u>10,044,897</u>

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**A29. Capital adequacy (continued)**

Breakdown of risk weighted assets in various categories of risk weights are as follows:

	<b>Group</b>			
	<b>with TA</b>	without TA	<b>with TA</b>	without TA
	<b>30-June-22</b>	30-June-22	<b>31-Dec-21</b>	31-Dec-21
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<u>Total risk weighted assets ("RWA")</u>				
- Credit risk	35,931,258	35,931,258	36,173,916	36,173,916
- Market risk	190,806	190,806	62,619	62,619
- Operational risk	2,839,979	2,839,979	2,735,512	2,735,512
Total RWA	<u>38,962,043</u>	<u>38,962,043</u>	<u>38,972,047</u>	<u>38,972,047</u>
<u>Capital adequacy ratios</u>				
CET 1 capital ratio	20.311%	20.311%	21.498%	21.293%
Tier 1 capital ratio	20.311%	20.311%	21.498%	21.293%
Total capital ratio	<u>24.786%</u>	<u>24.786%</u>	<u>25.979%</u>	<u>25.775%</u>

In accordance with BNM's Guidelines on Investment Account paragraph 31.1, the credit and market risk weighted assets funded by Unrestricted Investment Accounts ("URIA") shall be recognised as risk absorbent and excluded from the calculation of capital adequacy ratio of the Bank. As at 30 June 2022, URIA risk weighted assets excluded from the Total Capital Ratio calculation amounted to RM1,793.9 mil (31 Dec 2021: RM2,080.8 mil).

PERFORMANCE REVIEW FOR THE SECOND QUARTER ENDED 30 JUNE 2022

B1. Performance review of the Group

(a) Balance Sheet

(i) Loans, financing and advances

Variation of Results against Preceding Year Corresponding Quarter

	Current Year Quarter 30-June-22, 2Q22 RM'000	Preceding Year Corresponding Quarter 30-June-21, 2Q21 RM'000	Changes	
			RM'000	%
Personal financing	19,730,869	19,557,585	173,284	0.9%
Corporate loans and financing	9,155,363	9,270,203	(114,840)	-1.2%
Property financing and mortgage	7,886,715	6,904,539	982,176	14.2%
Auto financing	65,170	93,956	(28,786)	-30.6%
Total gross loans, financing and advances	<u>36,838,117</u>	<u>35,826,283</u>	<u>1,011,834</u>	<u>2.8%</u>

Variation of Results against Immediate Preceding Quarter

	Current Year Quarter 30-June-22, 2Q22 RM'000	Preceding Quarter 31-Mar-22, 1Q22 RM'000	Changes	
			RM'000	%
Personal financing	19,730,869	19,755,844	(24,975)	-0.1%
Corporate loans and financing	9,155,363	8,987,097	168,266	1.9%
Property financing and mortgage	7,886,715	7,623,683	263,032	3.5%
Auto financing	65,170	72,057	(6,887)	-9.6%
Total gross loans, financing and advances	<u>36,838,117</u>	<u>36,438,681</u>	<u>399,436</u>	<u>1.1%</u>

The Group gross loans, financing and advances grew by 2.8% and 1.1% in 2Q22 compared to 2Q21 and 1Q22 respectively. Overall, growth of loans, financing and advances is contributed mainly from property financing and mortgage. Personal financing remains as the biggest financing portfolio while auto financing is at a decreasing base as the Group focuses on growing asset base of other portfolios.

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**B1. Performance review of the Group (continued)**

**(a) Balance Sheet**

**(ii) Financial investments**

**Variation of Results against Preceding Year Corresponding Quarter**

	<b>Current Year Quarter 30-June-22, 2Q22 RM'000</b>	<b>Preceding Year Corresponding Quarter 30-June-21, 2Q21 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Financial investments at FVTPL	458,721	390,110	68,611	17.6%
Financial investments at FVOCI	11,050,665	12,095,190	(1,044,525)	-8.6%
Financial investments at amortised cost	970,199	609,388	360,811	59.2%
Total financial investments	<u>12,479,585</u>	<u>13,094,688</u>	<u>(615,103)</u>	-4.7%

**Variation of Results against Preceding Quarter**

	<b>Current Year Quarter 30-June-22, 2Q22 RM'000</b>	<b>Preceding Quarter 31-Mar-22, 1Q22 RM'000</b>	<b>Changes</b>	
			<b>RM'000</b>	<b>%</b>
Financial investments at FVTPL	458,721	953,025	(494,304)	-51.9%
Financial investments at FVOCI	11,050,665	11,488,618	(437,953)	-3.8%
Financial investments at amortised cost	970,199	971,247	(1,048)	-0.1%
Total financial investments	<u>12,479,585</u>	<u>13,412,890</u>	<u>(933,305)</u>	-7.0%

The Group financial investments decreased by 4.7% and by 7.0% for 2Q22 compared to 2Q21 and 1Q22 respectively. Financial investments at FVOCI remains mainly consists of government investment issues and government guaranteed debt securities.

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**B1. Performance review of the Group (continued)**

**(b) Income statement**

**Current Year Quarter vs Preceding Year Corresponding Quarter**

	<b>Current Year Quarter</b>	<b>Preceding Year Corresponding Quarter</b>	<b>Changes</b>	
	<b>30-June-22, 2Q22</b>	<b>30-June-21, 2Q21</b>	<b>RM'000</b>	<b>%</b>
Revenue	656,270	664,937	(8,667)	-1.3%
Other operating expenses	(136,537)	(99,905)	(36,632)	36.7%
Net income <i>(excluding ECL and loss on modification of cash flows)</i>	387,753	416,400	(28,647)	-6.9%
Expected credit losses on loans, financing and advances and other impairment	(45,259)	229,462	(274,721)	>-100%
Loss on modification of cash flows	-	(13,202)	13,202	-100.0%
Profit before tax	<u>205,957</u>	<u>532,755</u>	(326,798)	-61.3%
Profit after tax	<u>142,295</u>	<u>403,413</u>	(261,118)	-64.7%
Profit attributable to ordinary equity holders of the Parent	<u>142,295</u>	<u>403,413</u>	(261,118)	-64.7%
Cost to income ratio	35.2%	24.0%		

**Current Year Quarter vs Immediate Preceding Quarter**

	<b>Current Year Quarter</b>	<b>Preceding Quarter</b>	<b>Changes</b>	
	<b>30-June-22, 2Q22</b>	<b>31-Mar-22, 1Q22</b>	<b>RM'000</b>	<b>%</b>
Revenue	656,270	664,548	(8,278)	-1.2%
Other operating expenses	(136,537)	(149,998)	13,461	-9.0%
Net income <i>(excluding ECL and loss on modification of cash flows)</i>	387,753	396,461	(8,708)	-2.2%
Expected credit losses on loans, financing and advances and other impairment	(45,259)	(158,296)	113,037	-71.4%
Loss on modification of cash flows	-	(8,961)	8,961	-100.0%
Profit/(loss) before tax	<u>205,957</u>	<u>79,206</u>	126,751	>100%
Profit/(loss) after tax	<u>142,295</u>	<u>58,205</u>	84,090	>100%
Profit/(loss) attributable to ordinary equity holders of the Parent	<u>142,295</u>	<u>58,205</u>	84,090	>100%
Cost to income ratio	35.2%	37.8%		

During the quarter, the Group reported a profit before tax ("PBT") of RM206.0 mil with revenue of RM656.3 mil, operating expenses ("OPEX") of RM136.5 mil and net impairment allowance of RM45.3 mil.

The Group recorded higher OPEX compared to 2Q21 mainly because of the increase in personnel expenses and establishment costs such as depreciation of the new headquarters and higher software/hardware maintenances.

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**B1. Performance review of the Group (continued)**

On the other hand, the Group incurred net impairment allowance during the quarter mainly due to deterioration in staging of financing customers at retail portfolios following end of moratoriums.

Contribution of major subsidiary of the Group

	<b>Group Current Year Quarter 30-June-22, 2Q22 RM'000</b>	<b>MBSB Bank Current Year Quarter 30-June-22, 2Q22 RM'000</b>	<b>Contribution</b>
Total assets	50,853,549	51,419,767	>100%
Total equity	8,556,333	6,241,877	73.0%
Profit before tax	205,957	205,266	99.7%
Profit after tax	142,295	164,882	>100%
Gross return on equity	9.56%	12.87%	
Gross return on assets	1.62%	1.60%	

	<b>Group Preceding Year Corresponding Quarter 30-June-21, 2Q21 RM'000</b>	<b>MBSB Bank Preceding Year Corresponding Quarter 30-June-21, 2Q21 RM'000</b>	<b>Contribution</b>
Total assets	50,840,111	50,657,172	99.6%
Total equity	9,056,804	6,594,123	72.8%
Profit before tax	532,755	508,671	95.5%
Profit after tax	403,413	380,724	94.4%
Gross return on equity	23.76%	31.83%	
Gross return on assets	4.29%	4.12%	

	<b>Group Preceding Quarter 31-Mar-22, 1Q22 RM'000</b>	<b>MBSB Bank Preceding Quarter 31-Mar-22, 1Q22 RM'000</b>	<b>Contribution</b>
Total assets	51,621,784	52,163,605	>100%
Total equity	8,590,119	6,415,910	74.7%
Profit before tax	79,206	66,469	83.9%
Profit after tax	58,205	48,855	83.9%
Gross return on equity	3.67%	4.11%	
Gross return on assets	0.62%	0.51%	

MBSB Bank is the biggest subsidiary and component of the Group.



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**B2. Prospects for the Group**

**Outlook for 2022**

Malaysia's economy is showing some promising signs of recovery on resumption of business activities and reopening of the country's international border on 1 April 2022. This bodes well on financing demand for the banking sector as Malaysia's services sector improves, supported by an environment of macro policy which remains pro-growth. Bank Negara Malaysia's monetary policy settings going forward would be done in a measured and gradual manner, ensuring that monetary policy remains accommodative to support a sustainable economic growth in an environment of price stability (BNM MPC Statement 6 July 2022).

The Group's strategic initiatives for the year are guided by its 2022 – 2023 Strategic Roadmap, which sets out a two-pronged strategy to enhance return on equity and shareholders' value. These initiatives comprise creating new businesses to expand revenue streams and accelerate financing growth; and enhancing existing businesses to improve competitiveness and meet evolving market expectations. The Group will also focus on business sectors, namely in the small, medium enterprises area ("SME"), with high growth potential and providing our products in niche segments of the market. The Group is also targeting to improve non-performing financing by enhancing the credit onboarding and hastening the resolution of our impaired financing.

**B3. Variance from profit forecast**

Not applicable

**B4. Taxation**

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysian income tax:				
Current income tax	71,050	108,062	93,326	145,110
Under provision in prior years	-	-	-	19,042
	<u>71,050</u>	<u>108,062</u>	<u>93,326</u>	<u>164,152</u>
Deferred tax:				
Relating to origination and reversal of temporary differences	(7,313)	21,280	(8,663)	12,313
	<u>(7,313)</u>	<u>21,280</u>	<u>(8,663)</u>	<u>12,313</u>
Total income tax expense	<u>63,737</u>	<u>129,342</u>	<u>84,663</u>	<u>176,465</u>

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**B4. Taxation (continued)**

	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Malaysian income tax:				
Current income tax	364	299	2,364	5,083
	<u>364</u>	<u>299</u>	<u>2,364</u>	<u>5,083</u>
Deferred tax:				
Relating to origination and reversal of temporary differences	3,442	(183)	3,479	315
	<u>3,442</u>	<u>(183)</u>	<u>3,479</u>	<u>315</u>
Total income tax expense	<u>3,806</u>	<u>116</u>	<u>5,843</u>	<u>5,398</u>

**B5. Status of corporate proposals**

On 6 April 2022, Bank Negara Malaysia ("BNM") had vide its letter stated that it has no objection for MBSB to enter into discussions with Permodalan Nasional Berhad ("PNB") to explore the possibility of undertaking an acquisition of the 100% shareholding in Malaysian Industrial Development Finance Berhad ("MIDF") which is held by PNB ("Proposed Transaction"). BNM's approval is valid for a period of 6 months from the date of its letter.

Subsequently, MBSB and PNB ("the Parties") entered into an exclusivity agreement ("Exclusivity Agreement") granting the Parties exclusive right to enter into negotiations with each other to finalise the structure, pricing, and terms and conditions of the Proposed Transaction for a period commencing on the date of Exclusivity Agreement until 5.00 pm of the last day of the 6th month from the date of the letter of approval from BNM to commence negotiations (i.e. 5 October 2022) or such other further period as may be agreed in writing by the Parties and approved by BNM ("Exclusivity Period").

Under the terms of the Exclusivity Agreement, the Parties have agreed not to take any action to solicit, negotiate, or otherwise facilitate any offer or inquiry from any other party (other than the Parties themselves) relating to any transaction or proposed transaction involving the share capital, assets, businesses or undertakings of MBSB and MIDF (including their subsidiaries) during the Exclusivity Period.

Upon the application for the approval of BNM and/or the Minister of Finance ("MoF") (via BNM) for the Proposed Transaction being made to BNM, the Exclusivity Period, subject to the written approval of BNM, will be extended until the date of execution of the relevant definitive agreement(s) to effect the Proposed Transaction. The Exclusivity Agreement shall terminate in the event the approval from BNM or MoF is not obtained for the Proposed Transaction or upon expiry of the period approved by BNM for the Parties to negotiate.

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**B6. Borrowings and debts**

Borrowings of the Group were as follows:

	<b>30-June-22</b>		
	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total borrowings RM'000</b>
<b>Secured</b>			
Recourse obligation on financing sold	2,933,235	1,038,694	3,971,929
Sukuk-MBSB Structured Covered Murabahah	733,023	245,492	978,515
<b>Non secured</b>			
Sukuk Wakalah	1,591,451	4,855	1,596,306
	<b>31-Dec-21</b>		
	<b>Long term RM'000</b>	<b>Short term RM'000</b>	<b>Total borrowings RM'000</b>
<b>Secured</b>			
Recourse obligation on financing sold	2,066,656	1,074,653	3,141,309
Sukuk-MBSB Structured Covered Murabahah	826,980	245,992	1,072,972
<b>Non secured</b>			
Sukuk Wakalah	1,292,046	2,201	1,294,247

**B7. Off balance sheet financial instruments**

The details of the off balance sheet financial instruments are as per note A24.

**B8. Material litigation**

The details of the pending material litigation is as per note A25.

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**B9. Earnings per share**

**Basic**

Basic earnings per share are calculated by dividing the net profit attributable to shareholders for the financial year by the weighted average number of ordinary shares in issue during the financial year.

	<b>Group</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net profit attributable to shareholders for the period (RM'000)	142,295	403,413	200,500	466,825
Weighted average number of ordinary shares in issue ('000)	7,171,484	6,975,389	7,171,484	6,975,389
Basic earnings per share (sen)	1.98	5.78	2.80	6.69
	<b>Company</b>			
	<b>2nd Quarter Ended</b>		<b>Six Months Ended</b>	
	<b>30-June-22</b>	<b>30-June-21</b>	<b>30-June-22</b>	<b>30-June-21</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net profit attributable to shareholders for the period (RM'000)	160,871	5,312	166,072	18,542
Weighted average number of ordinary shares in issue ('000)	7,171,484	6,975,389	7,171,484	6,975,389
Basic earnings per share (sen)	2.24	0.08	2.32	0.27

**Diluted**

There are no dilutive effects on earnings per share as the Company has no ESOS.

**B10. Authorisation for issue**

The unaudited interim financial report was authorised for issue by the Board of Directors in accordance with a resolution of the Directors.

BY ORDER OF THE BOARD

Koh Ai Hoon (MAICSA 7006997)  
*Practicing Certificate No.: 201908003748*

Tong Lee Mee (MAICSA 7053445)  
*Practicing Certificate No.: 201908001316*

Joint Company Secretaries  
 Kuala Lumpur

25 August 2022