



**MALAYSIA BUILDING SOCIETY BERHAD (MBSB)**  
Registration No.197001000172 (9417-K)

**MEDIA RELEASE**

**For Immediate Release**

**MBSB'S PROFIT BEFORE TAX REGISTERED AT RM206.0 MILLION  
IN SECOND QUARTER OF 2022**

**2Q 2022 Highlights**

- Profit Before Tax registered at RM206.0 million in 2Q 2022, an improvement against RM79.2 million in 1Q 2022.
- Common Equity Tier-1 is at 20.3%.

**Petaling Jaya, 25 August 2022 : Malaysia Building Society Berhad (“MBSB” or “The Group”)** today announced its financial performance for the second quarter of 2022 ended 30 June 2022 (2Q 2022).

The Group recorded a Profit Before Tax (PBT) of RM206.0 million for the second quarter ended 30 June 2022 (2Q 2022), more than double the PBT of RM79.2 million achieved in the first quarter of 2022 (1Q 2022). After accounting for taxation and zakat, the Group's profit for the period came to RM142.3 million, an increase of 144% from 1Q 2022.

Its Group Chief Executive Officer (GCEO), Datuk Nor Azam M. Taib commented on the results and said, “The increase in second quarter profitability was partly attributable to an improvement in income derived from financing which rose by 1.8% to RM657.5 million, which is a result of the Group’s key initiatives to increase its banking presence in both the retail and corporate segments.”

He added, “We anticipate positive consumer sentiment, as seen in the recent 2Q 2022 GDP growth of 8.9% to continue for the year, helping to improve demand for retail and corporate banking services, including SME financing and wealth management products. We are strengthening our product offering and improving our digitalisation capabilities, in line with our aim to offer complete and value-added financial services to our customers.”

The Group’s banking subsidiary, MBSB Bank Berhad has also undertaken several campaigns to attract depositors. ‘*Simpan Berganda Menang Bergaya CASA-1*’ campaign, or (SBMB) and *Current Account Booster* campaign have been successful in attracting more than 12,000 new current and savings accounts between June 2021 and June 2022.

“In addition, MBSB Bank will also roll out its virtual branch initiative that will transform our banking branch network and attract new depositors to the bank,” concludes Datuk Nor Azam.

### **Loans and Deposits**

As of 30 June 2022, the Group’s total loans, advances and financing grew by 1.8% to RM36.8 billion contributed mainly by growth in property financing in consumer segment and trade business in corporate segment.

Total deposits stood at RM33.0 billion, while CASA was recorded at RM1.6 billion, an increase of more than RM1 billion due to campaigns to attract depositors over the last one (1) year.

### **Capital Adequacy Ratios**

As at 30 June 2022, the Group's adequacy ratio continued to remain stable. Its Total Capital ratio was at 24.8% with Common Equity Tier-1 (CET-1) at 20.3%.

### **Moving forward**

The Group is focused on executing and delivering on its commitment to shareholders as aligned to the J25 roadmap. MBSB is targeting to improve its presence in the financial sector on the back of an improving financing environment as evidenced by robust growth in Malaysia's GDP in 2Q 2022. MBSB will continue to invest in acquiring the best talent and latest technology to accelerate its digitalisation enhancement in ensuring the needs of its customers are fulfilled.

The Group will be completing the implementation of the sustainability framework goals, initiatives and targets by end of 2023 while developing in-house capability for financed emissions calculations and internalising climate risk stress testing.

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#### **About Malaysia Building Society Berhad (MBSB)**

*The origin of Malaysia Building Society Berhad (MBSB) can be traced back to the Federal and Colonial Building Society Limited incorporated in 1950. In 1956, it changed its name to Malaya Borneo Building Society Limited (MBBS), with the Malaysian government as its major shareholder. MBBS was then listed on the Stock Exchange of Malaysia and Singapore in August 1963. The company became an incorporation in Malaysia under the Companies Act 1965 on 17 March 1970, before it was listed on the Kuala Lumpur Stock Exchange now Bursa Malaysia on 14 March 1972. The Employees Provident Fund (EPF) is currently the financial holding company of MBSB.*

*MBSB was defined as a Scheduled Institution under the repealed Banking and Financial Institution Act 1989 (BAFIA). The status of an Exempt Finance Company was granted to MBSB on 1 March 1972 by the Ministry of Finance and the status has remained since. This allows MBSB to undertake a financing business in the absence of a banking license. Under Section 272 (a) of the Financial Services Act 2013, exemptions granted under the BAFIA is deemed to have been granted under the corresponding provision of the Financial Services Act 2013 and shall remain in full force and effect until amended or revoked.*

*On 6 November 2017, MBSB entered into the Share Purchase Agreement with shareholders of Asian Finance Bank Berhad for the proposed acquisition by MBSB of the entire equity interest in AFB.*

*The Acquisition was approved by the shareholders of MBSB on 23 January 2018. The Shareholders also approved the transfer of Shariah Compliant Assets and Liabilities of MBSB to AFB via a Members' Scheme of Arrangement.*

*Pursuant to the abovesaid approval and upon completion of the transfer of shares and payment of the balance of the purchase consideration to the Vendors, AFB became a wholly owned subsidiary of MBSB on 7 February 2018. AFB undertook a rebranding exercise and on 2 April 2018 it changed its name to MBSB Bank Berhad ("MBSB Bank").*

**CORPORATE STRUCTURE**



**MALAYSIA BUILDING SOCIETY BERHAD**

**REGISTRATION NO: 197001000172**

**FINANCIAL HOLDING COMPANY**



**MBSB BANK BERHAD**

**REGISTRATION NO: 200501033981**

**100% OWNED BY MBSB**



