

MEDIA RELEASE
For Immediate Release**MBSB DELIVERED RM105.9 MILLION PBT, A 25% INCREASE IN 1Q24.**

PETALING JAYA, 30 MAY 2024 – Malaysia Building Society Berhad (MBSB or The Group) today announced its financial results for the first quarter ended 31 March 2024 (1Q24), showcasing sustained growth in core operations as well as income stream diversification post-merger with Malaysian Industrial Development Finance Berhad (MIDF).

Financial Highlights:

Profit Before Tax (PBT): MBSB Group reported a notable Year-on-Year (YoY) increase of 25% in PBT, reaching RM105.9 million in 1Q24, up from RM84.4 million in 1Q23. This growth was bolstered by contributions from MIDF integration and improvement in overall net financing margin from 1.42% in 1Q23 to 1.68% in 1Q24.

Net Funded Income: Increased by RM60.3 million, primarily driven by a healthy 9.7% increase in financing.

Non-Funded Income: Improved by RM36.3 million, supported by MIDF's RM27.9 million contribution mainly from fee income, setting up the Group well on its income diversification journey.

Highlights:

Current Account and Savings Account (CASA) Growth: The Group's CASA ratio stood at 7.6%, and the CASA deposits increased to RM3.7 billion in 1Q24, against RM2.7 billion in 1Q23, reflecting renewed focus and progress in the right direction. MBSB Bank also reported an improved CASA ratio at 8.7% in 1Q24.

Financing Growth: The Group's overall financing increased by RM3.7 billion YoY, reaching RM42.9 billion in the first quarter of 2024, up from RM39.2 billion in the same period last

year. Corporate/Commercial Banking was the largest contributor to this growth, adding RM2.2 billion predominantly from the merger exercise with MIDF, while Consumer Banking delivered an increase of RM1.6 billion, demonstrating continued competitiveness across our consumer financing initiatives.

Stability and Expansion:

Capital Adequacy: The Group's Common Equity Tier 1 / Tier 1 Capital Ratios and Total Capital Ratio remained stable at 19.5% and 23.3% respectively as at 31 March 2024 indicating robust capital strength and potential for future investments.

Liquidity Ratios: The liquidity coverage ratio (LCR) and Net Stable Funding Ratio (NSFR) remain well above the regulatory requirement of 100% for the MBSB Group.

Executive Statement:

"Our first-quarter results are a testament to increasing synergy within MBSB Group following the strategic inclusion of MIDF. The enhancements in our CASA ratio and robust growth in our non-funded income streams reflect the progress in our transformation workstreams. We are progressing in the right direction towards expanding our market presence," stated Rafe Haneef, Group Chief Executive Officer of MBSB Group.

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About MBSB Group

Malaysia Building Society Berhad (MBSB) has been a vital contributor of the nation's financial services industry and economic development for more than 70 years. MBSB is also the financial holding company of MBSB Bank Berhad (MBSB Bank) and Malaysian Industrial Development Finance Berhad (MIDF). MBSB Bank is a progressive Islamic Bank that offers Shariah compliant banking facilities to retail, SME and corporate customers while MIDF is a financial services provider focusing on investment banking, development finance, and asset management.

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