



MALAYSIA BUILDING SOCIETY BERHAD (MBSB)
Registration No.197001000172

MEDIA RELEASE

For Immediate Release

**MBSB RECORDED AN IMPROVED PROFIT AFTER TAX BY 12.91%
IN THE SECOND QUARTER OF 2023**

Highlights

- Profit After Tax (PAT) improved by 12.91% to RM83.7 million in 2Q23 against RM74.1 million in 1Q23.
- CASA composition from retail depositors increased by 12% to 55% 2Q23.
- Capital remained strong with CET-1 ratio of 18.92%.
- Group's gross financing increased by 4.5% to RM40.3 billion contributed by consumer segment (3.8%) and corporate/commercial banking (up by 6.3%).

PETALING JAYA, 30 August 2023 – Malaysia Building Society Berhad (MBSB or The Group) today announced its financial performance results for the period ended 30 June 2023 (2Q23).

The Group delivered an improved Profit After Tax (PAT) of RM83.7 million in 2Q23 which is 12.91% higher against RM74.1 million in 1Q23. The gain in PAT is attributed by an increase in total income and Expected Credit Loss (ECL) writeback.

The Group's deposits rose by 5.54% to RM40 billion in 2Q23 compared to RM37.9 billion in 1Q23. On a year-on-year (Y-o-Y) basis, deposits grew by 9.67% from RM36.5 billion in 2Q22. The Group's Current and Savings Account (CASA) composition from retail depositors increased by 12% to 55% 2Q23 compared to 43% in 1Q23.

Commenting on the results, MBSB's Group Chief Executive Officer, Rafe Haneef said, "We are pleased to see an improvement in the net profit this quarter which reflects the positive trajectory and impact of our focused strategy."

He added, "In 2Q23, we saw a steady growth in deposits, where year-on-year (Y-o-Y), it grew by 9.67% and quarterly, it grew by 5.54%. We hope that with the consistent drive of our deposit campaigns, customers will recognise the competitiveness of our offerings and will get onboard to subscribe to MBSB Bank's CASA-i products."

Profitability, Capital and Liquidity Position

The Group's Return on Equity (ROE) stood at 3.58%, an increase by 0.19% from 3.39% in 1Q23 due to the higher PAT for the quarter. Return on Asset (ROA) grew marginally to 0.57% in 2Q23 compared to 0.54% in 1Q23.

Common Equity Tier (CET-1) is at 18.92% in 2Q23, due to higher Risk Weighted Assets (RWA) as a result of asset growth, while the Group's Liquidity Coverage Ratio (LCR) is at 193.37% in 2Q23 which is well above regulatory minimum requirement.

Asset Quality

Gross Impact Ratio (GIR) improved to 6.6% in 2Q23 from 7.0% in 1Q23 due to our recovery efforts and financing growth. Meanwhile, the Group's gross financing increased by 4.5% to RM40.3 billion contributed by consumer segment (3.8%) and corporate/commercial banking (up by 6.3%).

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About Malaysia Building Society Berhad (MBSB)

Malaysia Building Society Berhad (MBSB) has been at the forefront of the nation's financial services industry and economic development for more than 70 years. Our story began in the 1950s where we were one of the first financial institutions to extend home financing that helped Malaysians own their homes. MBSB is instrumental in the development of many residential areas, including Petaling Jaya, where the head office is currently located.

MBSB is also the financial holding company of MBSB Bank Berhad (MBSB Bank), a progressive Islamic Bank that offers Shariah compliant banking facilities to retail, SME and corporate customers. For more information, please visit www.mbsb.com.my

CORPORATE STRUCTURE



MALAYSIA BUILDING SOCIETY BERHAD

REGISTRATION NO: 197001000172

FINANCIAL HOLDING COMPANY



MBSB BANK BERHAD

REGISTRATION NO: 200501033981

100% OWNED BY MBSB

