

RHB ISLAMIC BANK BERHAD
(Incorporated in Malaysia)
Registration No. 200501003283 (680329-V)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2026

	Note	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
ASSETS			
Cash and short-term funds		1,873,882	1,372,302
Securities purchased under resale agreements	9	4,198,090	4,657,644
Financial assets at fair value through profit or loss ('FVTPL')	10	721,037	496,021
Financial assets at fair value through other comprehensive income ('FVOCI')	11	8,705,162	8,752,865
Financial investments at amortised cost	12	8,991,010	9,289,768
Financing and advances	13	102,009,240	99,442,774
Other assets	14	242,610	242,869
Derivative assets		647,726	643,588
Statutory deposits		878,000	850,000
Deferred tax assets		248,960	235,642
Property, plant and equipment		4,111	4,488
Intangible assets		5,734	5,861
TOTAL ASSETS		128,525,562	125,993,822
LIABILITIES AND EQUITY			
Deposits from customers	15	98,606,191	95,599,207
Deposits and placements of banks and other financial institutions	16	6,329,608	7,243,268
Obligations on securities sold under repurchase agreements		535,731	531,451
Investment accounts	17	6,796,606	6,730,880
Bills and acceptances payable		831	2,205
Other liabilities	18	3,770,482	3,125,556
Derivative liabilities		520,477	804,905
Recourse obligation on financing sold to Cagamas Berhad ('Cagamas')		2,767,181	2,772,403
Provision for taxation and zakat		105,328	73,745
Borrowings		913,618	915,856
Subordinated sukuk		765,241	760,278
TOTAL LIABILITIES		121,111,294	118,559,754
Share capital		1,673,424	1,673,424
Reserves		5,740,844	5,760,644
TOTAL EQUITY		7,414,268	7,434,068
TOTAL LIABILITIES AND EQUITY		128,525,562	125,993,822
COMMITMENTS AND CONTINGENCIES	27	73,229,449	73,289,401

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Bank for the financial year ended 31 December 2025.

RHB ISLAMIC BANK BERHAD
(Incorporated in Malaysia)
Registration No. 200501003283 (680329-V)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Note	Three Months Ended	
		31 March 2026	31 March 2025
		RM'000	RM'000
Income derived from investment of depositors' funds	19	1,252,580	1,232,530
Income derived from investment of investment account funds	20	97,123	81,916
Income derived from investment of shareholders' funds	21	133,129	105,941
Allowance for credit losses on financial assets	22	(53,473)	(53,783)
Total distributable income		1,429,359	1,366,604
Income attributable to depositors	23	(826,291)	(852,356)
Profit distributed to investment account holders		(62,303)	(53,736)
		540,765	460,512
Personnel expenses	24	(7,772)	(6,868)
Other overheads and expenditures	25	(205,519)	(211,149)
Profit before taxation and zakat		327,474	242,495
Taxation and zakat		(82,834)	(60,831)
Net profit for the financial period		244,640	181,664
Basic earnings per share (sen)	26	14.62	10.86

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Bank for the financial year ended 31 December 2025.

RHB ISLAMIC BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	<u>Three Months Ended</u>	
	<u>31 March 2026</u>	<u>31 March 2025</u>
	<u>RM'000</u>	<u>RM'000</u>
Net profit for the financial period	<u>244,640</u>	<u>181,664</u>
Other comprehensive income/(loss) in respect of:		
Items that will be reclassified subsequently to profit or loss:		
Debt instruments measured at FVOCI:		
- Unrealised net (loss)/gain on revaluation	(53,408)	41,357
- Net transfer to income statement on disposal	(9,029)	(6,678)
- Changes in expected credit losses	277	(89)
Income tax relating to components of other comprehensive loss/(income)	<u>14,984</u>	<u>(8,323)</u>
Other comprehensive (loss)/income, net of tax, for the financial period	<u>(47,176)</u>	<u>26,267</u>
Total comprehensive income for the financial period	<u><u>197,464</u></u>	<u><u>207,931</u></u>

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RHB ISLAMIC BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Non distributable			Distributable		Total RM'000
	Share capital RM'000	FVOCI reserve RM'000	Regulatory reserve RM'000	Capital contribution by holding company RM'000	Retained profits RM'000	
Balance as at 1 January 2026	1,673,424	16,151	557,071	1,560	5,185,862	7,434,068
Net profit for the financial period	-	-	-	-	244,640	244,640
Other comprehensive income/(loss):						
Debt instruments measured at FVOCI:						
- Unrealised net loss on revaluation	-	(53,408)	-	-	-	(53,408)
- Net transfer to income statement on disposal	-	(9,029)	-	-	-	(9,029)
- Changes in expected credit losses	-	277	-	-	-	277
Income tax relating to components of other comprehensive loss	-	14,984	-	-	-	14,984
Other comprehensive loss, net of tax, for the financial period	-	(47,176)	-	-	-	(47,176)
Total comprehensive income/(loss) for the financial period	-	(47,176)	-	-	244,640	197,464
Dividend paid	-	-	-	-	(217,545)	(217,545)
Share-based payment expenses	-	-	-	281	-	281
Transfer to regulatory reserve	-	-	37,889	-	(37,889)	-
Balance as at 31 March 2026	1,673,424	(31,025)	594,960	1,841	5,175,068	7,414,268

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Non distributable			Distributable		Total RM'000
	Share capital RM'000	FVOCI reserve RM'000	Regulatory reserve RM'000	Capital contribution by holding company RM'000	Retained profits RM'000	
Balance as at 1 January 2025	1,673,424	(36,943)	533,757	1,775	4,765,880	6,937,893
Net profit for the financial period	-	-	-	-	181,664	181,664
Other comprehensive income/(loss):						
Debt instruments measured at FVOCI:						
- Unrealised net gain on revaluation	-	41,357	-	-	-	41,357
- Net transfer to income statement on disposal	-	(6,678)	-	-	-	(6,678)
- Changes in expected credit losses	-	(89)	-	-	-	(89)
Income tax relating to components of other comprehensive income	-	(8,323)	-	-	-	(8,323)
Other comprehensive income, net of tax, for the financial period	-	26,267	-	-	-	26,267
Total comprehensive income for the financial period	-	26,267	-	-	181,664	207,931
Dividend paid	-	-	-	-	(217,545)	(217,545)
Share-based payment expenses	-	-	-	294	-	294
Transfer to regulatory reserve	-	-	28,182	-	(28,182)	-
Balance as at 31 March 2025	1,673,424	(10,676)	561,939	2,069	4,701,817	6,928,573

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RHB ISLAMIC BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and zakat	327,474	242,495
Adjustments for non-cash items	<u>(92,753)</u>	<u>(121,699)</u>
Operating profit before changes in working capital	234,721	120,796
Changes in working capital:		
Net changes in operating assets	(2,447,233)	(1,512,040)
Net changes in operating liabilities	<u>2,519,850</u>	<u>4,129,945</u>
Cash generated from operations	307,338	2,738,701
Profit paid	(9,961)	(10,309)
Zakat paid	-	(4,000)
Tax paid	<u>(49,586)</u>	<u>(53,750)</u>
Net cash generated from operating activities	<u>247,791</u>	<u>2,670,642</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Property, plant and equipment:		
- Purchase	-	(10)
Intangible assets:		
- Purchase	(199)	(430)
Net proceed from disposal/(purchase) of financial assets at FVOCI and financial investments at amortised cost	263,156	(825,831)
Investment income received from financial assets at FVOCI and financial investments at amortised cost	<u>193,303</u>	<u>147,121</u>
Net cash generated from/(used in) investing activities	<u>456,260</u>	<u>(679,150)</u>
CASH FLOWS FROM FINANCING ACTIVITIES		
Principal lease payment	-	(209)
Dividend paid	<u>(217,545)</u>	<u>(217,545)</u>
Net cash used in financing activities	<u>(217,545)</u>	<u>(217,754)</u>
Net increase in cash and cash equivalents	486,506	1,773,738
Cash and cash equivalents at the beginning of the financial period	<u>1,372,302</u>	<u>552,945</u>
Cash and cash equivalents at the end of the financial period	<u>1,858,808</u>	<u>2,326,683</u>
Cash and cash equivalents comprise the following:		
- Cash and short-term funds	1,873,882	2,326,683
- Deposits and placements with banks and other financial institutions	<u>-</u>	<u>-</u>
	1,873,882	2,326,683
Less:		
- Cash and short-term funds and deposits and placements with banks and other financial institutions with original maturity of more than one month	(15,074)	-
	<u>1,858,808</u>	<u>2,326,683</u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Bank for the financial year ended 31 December 2025.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

1 BASIS OF PREPARATION

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Board ('MASB') and should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2025.

The accounting policies and presentation adopted by the Bank for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2025, except for the adoption of the following accounting standards, annual improvements and amendments to MFRS which are effective and applicable for the Bank for financial period beginning on or after 1 January 2026 during the current financial period:

- Amendments to the Classification and Measurement of Financial Instruments - Amendments to MFRS 9 and MFRS 7
- Amendments to MFRS 9 and MFRS 7 'Contract Referencing Nature-dependent Electricity
- Annual Improvements to MFRS Accounting Standards - Volume 11

The adoption of the above amendments do not give rise to any material financial impact to the Bank.

2 AUDITORS' REPORT

The auditors' report for the financial year ended 31 December 2025 was not subject to any qualification.

3 SEASONAL OR CYCLICAL ITEMS

The business operations of the Bank have not been affected by any material seasonal or cyclical factors.

4 EXCEPTIONAL OR UNUSUAL ITEMS

There were no exceptional or unusual items for the three months ended 31 March 2026.

5 CHANGES IN ESTIMATES

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the three months ended 31 March 2026.

6 CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuances and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the three months ended 31 March 2026.

7 DIVIDEND PAID

The second interim dividend in respect of the financial year ended 31 December 2025 has been accounted for in shareholders' equity as an appropriation of retained profits, with the payment made to the holding company on 30 March 2026.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

8 INVESTMENT ACCOUNTS ('IA')

IA is defined by the application of Shariah contracts as investment with non-principal guaranteed feature. Under the Islamic Financial Services Act 2013, the priority payment for IA upon liquidation of Islamic Financial Institution ('IFI') is treated separately from Islamic deposit, in accordance with the rights and obligations accrued to the investment account holders. IA is further categorised to Restricted Investment Account ('RA') and Unrestricted Investment Account ('UA').

RA refers to a type of investment account where the Investment Account Holder ('IAH') provides a specific investment mandate to the IFI such as purpose, asset class, economic sector and period for investment, while UA refers to a type of investment account where the IAH provides the IFI with the mandate to make the ultimate investment decision without specifying any particular restrictions or conditions.

IA are contracts based on the Shariah concept below:

- Mudharabah between two parties, customer and the Bank, to finance a business venture where the customer provides capital and the business venture is managed solely by the Bank. The profit of the business venture will be shared based on pre-agreed ratios with the Bank as Mudharib (manager or manager of funds), and losses shall be borne solely by customers.
- Wakalah Bi Al-Istithmar refers to a contract where a party (muwakkil) appoints another party as his agent (wakil) to perform a particular task, in matters that may be delegated, either voluntarily or with imposition of a fee. The fee shall be recognised based on agreement. Profit generated/losses incurred is based on net distributable income calculated. Net distributable income is derived after deducting Wakalah fee, direct expenses and provisions (if any). Losses (if any) will solely be borne by the investors unless such losses is due to the Bank's misconduct, negligence or breach of specified terms in the contract between the investors and the Bank.
- Details of the IA are as disclosed in Note 17.

9 SECURITIES PURCHASED UNDER RESALE AGREEMENTS

	As at 31 March 2026	As at 31 December 2025
	RM'000	RM'000
At amortised cost		
Malaysian Government Investment Issues	1,751,620	2,231,702
Islamic Khazanah bonds	159,475	158,108
Corporate sukuk	2,286,995	2,267,834
	4,198,090	4,657,644

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026**

10 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ('FVTPL')

	<u>As at</u> <u>31 March 2026</u>	<u>As at</u> <u>31 December 2025</u>
	<u>RM'000</u>	<u>RM'000</u>
Mandatory measured at fair value		
<u>Money market instruments:</u>		
Malaysian Government Investment Issues	679,954	257,868
Cagamas bonds	-	15,382
<u>Unquoted securities:</u>		
<u>In Malaysia</u>		
Corporate sukuk	41,083	222,771
	<u>721,037</u>	<u>496,021</u>

11 FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ('FVOCI')

	<u>As at</u> <u>31 March 2026</u>	<u>As at</u> <u>31 December 2025</u>
	<u>RM'000</u>	<u>RM'000</u>
At fair value		
Debt instruments	<u>8,705,162</u>	<u>8,752,865</u>
<u>Money market instruments:</u>		
Malaysian Government Investment Issues	3,342,207	3,214,481
Islamic Cagamas bonds	236,878	256,038
<u>Unquoted securities:</u>		
<u>In Malaysia</u>		
Corporate sukuk	5,126,077	5,282,346
	<u>8,705,162</u>	<u>8,752,865</u>

(a) Movement in allowance for credit losses recognised in FVOCI reserve

	<u>12-month</u> <u>ECL</u> <u>(Stage 1)</u> <u>RM'000</u>	<u>Lifetime ECL</u> <u>not credit</u> <u>impaired</u> <u>(Stage 2)</u> <u>RM'000</u>	<u>Lifetime ECL</u> <u>credit</u> <u>impaired</u> <u>(Stage 3)</u> <u>RM'000</u>	<u>Total</u> <u>RM'000</u>
31 March 2026				
Balance as at the beginning of the financial period	2,988	-	-	2,988
Changes in credit risk	446	-	-	446
Purchases and origination	107	-	-	107
Derecognition and disposal	(276)	-	-	(276)
Balance as at the end of the financial period	<u>3,265</u>	<u>-</u>	<u>-</u>	<u>3,265</u>
31 December 2025				
Balance as at the beginning of the financial year	1,628	-	-	1,628
Changes in credit risk	84	-	-	84
Purchases and origination	1,903	-	-	1,903
Changes to model methodologies	88	-	-	88
Derecognition and disposal	(715)	-	-	(715)
Balance as at the end of the financial year	<u>2,988</u>	<u>-</u>	<u>-</u>	<u>2,988</u>

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**NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026**

12 FINANCIAL INVESTMENTS AT AMORTISED COST

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
At amortised cost		
<u>Money market instruments:</u>		
Malaysian Government Investment Issues	2,178,224	2,592,547
Islamic Cagamas bonds	414,789	410,916
Islamic Khazanah bonds	45,756	45,283
<u>Unquoted securities:</u>		
<u>In Malaysia</u>		
Corporate sukuk	6,328,986	6,216,946
<u>Outside Malaysia</u>		
Corporate sukuk	30,794	30,394
	8,998,549	9,296,086
Fair value changes arising from fair value hedge	(2,234)	645
	8,996,315	9,296,731
Allowance for credit losses	(5,305)	(6,963)
	8,991,010	9,289,768

Included in financial investment at amortise cost of the Bank is debt instruments, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to RM551,325,000 (31 December 2025: RM551,325,000).

(a) Movement in allowance for credit losses

	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
31 March 2026				
Balance as at the beginning of the financial period	6,963	-	-	6,963
Changes in credit risk	(1,618)	-	-	(1,618)
Purchases and origination	39	-	-	39
Derecognition	(79)	-	-	(79)
Balance as at the end of the financial period	5,305	-	-	5,305
31 December 2025				
Balance as at the beginning of the financial year	7,461	-	-	7,461
Changes in credit risk	(578)	-	-	(578)
Purchases and origination	355	-	-	355
Changes to model methodologies	295	-	-	295
Derecognition	(570)	-	-	(570)
Balance as at the end of the financial year	6,963	-	-	6,963

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

13 FINANCING AND ADVANCES

	Bai' Bithaman Ajil ('BBA') RM'000	Ijarah * RM'000	Murabahah RM'000	Musyarakah RM'000	Qard RM'000	Others RM'000	Total RM'000
(i) By type and Shariah concepts							
31 March 2026							
At amortised cost							
Cashline	-	-	1,705,990	-	27,173	-	1,733,163
Term financing:							
- Housing financing	144,228	-	23,347,416	18,806,032	-	387	42,298,063
- Syndicated term financing	-	-	2,548,834	-	-	-	2,548,834
- Hire purchase receivables	-	13,402,374	-	-	-	-	13,402,374
- Other term financing	99	3,158	36,900,208	-	-	10	36,903,475
Bills receivables	-	-	1,965,329	-	-	-	1,965,329
Trust receipts	-	-	27,516	-	-	-	27,516
Share margin financing	-	-	31,039	-	-	-	31,039
Staff financing	269	-	33,400	-	-	-	33,669
Credit/charge card receivables	-	-	584,218	-	-	-	584,218
Revolving financing	-	-	3,283,845	-	-	-	3,283,845
Gross financing and advances	<u>144,596</u>	<u>13,405,532</u>	<u>70,427,795</u>	<u>18,806,032</u>	<u>27,173</u>	<u>397</u>	<u>102,811,525</u>
Fair value changes arising from fair value hedge							(29,194)
							<u>102,782,331</u>
Allowance for credit losses							(773,091)
Net financing and advances							<u><u>102,009,240</u></u>

* The Bank is the owner of the assets throughout the tenure of the Ijarah financing. The ownership of the assets will be transferred to the customers via sale at the end of the Ijarah financing.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

13 FINANCING AND ADVANCES (CONTINUED)

	Bai' Bithaman Ajil ('BBA')	Ijarah *	Murabahah	Musyarakah	Qard	Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
(i) By type and Shariah concepts (continued)							
31 December 2025							
At amortised cost							
Cashline	-	-	1,686,102	-	26,363	-	1,712,465
Term financing:							
- Housing financing	150,481	-	23,059,134	18,314,558	-	471	41,524,644
- Syndicated term financing	-	-	2,475,351	-	-	-	2,475,351
- Hire purchase receivables	-	13,186,885	-	-	-	-	13,186,885
- Other term financing	99	93,254	35,275,966	-	-	110	35,369,429
Bills receivables	-	-	2,270,080	-	-	-	2,270,080
Trust receipts	-	-	32,906	-	-	-	32,906
Share margin financing	-	-	33,878	-	-	-	33,878
Staff financing	357	-	33,202	-	-	-	33,559
Credit/charge card receivables	-	-	574,119	-	-	-	574,119
Revolving financing	-	-	3,007,253	-	-	-	3,007,253
Gross financing and advances	150,937	13,280,139	68,447,991	18,314,558	26,363	581	100,220,569
Fair value changes arising from fair value hedge							(20,718)
							100,199,851
Allowance for credit losses							(757,077)
Net financing and advances							99,442,774

* The Bank is the owner of the assets throughout the tenure of the Ijarah financing. The ownership of the assets will be transferred to the customers via sale at the end of the Ijarah financing.

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NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

13 FINANCING AND ADVANCES (CONTINUED)

(i) By type and Shariah concepts (continued)

- (a) Included in financing and advances are exposures to RA and UA as part of arrangement between the Bank and its holding company, RHB Bank and other investors ('the investors').

As at 31 March 2026, gross exposure to RA financing funded by RHB Bank is RM6,554,172,000 (31 December 2025: RM6,583,468,000) and gross exposure to UA financing funded by the investors is RM98,668,000 (31 December 2025: RM11,000,000).

The portfolio expected credit losses for financing and advances relating to RA and UA is borne solely by RHB Bank and the investors and the amount recognised in the financial statements of RHB Bank is RM62,455,000 as at 31 March 2026 (31 December 2025: RM66,654,000).

- (b) Included in term financing is housing financing sold to Cagamas amounting to RM2,630,644,000 as at 31 March 2026 (31 December 2025: RM2,643,734,000).

(c) Movement of Qard financing

	As at	As at
	31 March 2026	31 December 2025
	RM'000	RM'000
Balance as at the beginning of the financial period/year	26,363	32,880
New disbursement	19,805	17,314
Repayment	(18,995)	(23,831)
Balance as at the end of the financial period/year	<u>27,173</u>	<u>26,363</u>
Sources of Qard fund:		
- Depositors' fund	<u>27,173</u>	<u>26,363</u>
Uses of Qard fund:		
- Personal use	289	321
- Business purpose	<u>26,884</u>	<u>26,042</u>
	<u>27,173</u>	<u>26,363</u>

(ii) By type of customer

Domestic non-bank financial institutions	3,304,684	2,833,520
Domestic business enterprises:		
- Small and medium enterprises	11,983,316	10,684,280
- Others	10,624,639	11,096,754
Government and statutory bodies	7,367,448	7,369,559
Individuals	67,788,767	66,492,312
Other domestic entities	107,469	112,269
Foreign entities	<u>1,635,202</u>	<u>1,631,875</u>
	<u>102,811,525</u>	<u>100,220,569</u>

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13 FINANCING AND ADVANCES (CONTINUED)

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
(iii) By profit rate sensitivity		
Fixed rate:		
- Housing financing	33,400	33,202
- Hire-purchase receivables	223,261	225,592
- Other fixed rate financing	11,613,530	11,701,622
Variable rate:		
- Base financing rate-plus	75,536,950	74,312,030
- Cost-plus	15,404,384	13,948,123
	102,811,525	100,220,569
(iv) By economic sector		
Agriculture, hunting, forestry and fishing	1,596,850	1,668,448
Mining and quarrying	110,202	136,494
Manufacturing	2,646,011	2,802,377
Electricity, gas and water	314,240	308,479
Construction	3,465,007	2,575,877
Wholesale and retail trade and restaurant and hotel	4,726,005	4,766,296
Transport, storage and communication	1,446,898	1,902,925
Finance, insurance, real estate and business services	12,211,578	11,331,204
Education, health and others	8,056,349	7,803,392
Household sector	68,238,385	66,925,077
	102,811,525	100,220,569
(v) By purpose		
Purchase of securities	6,281,452	6,086,451
Purchase of transport vehicles	13,433,765	13,214,564
Purchase of landed property:		
- Residential	40,697,670	39,967,771
- Non-residential	7,212,565	5,813,116
Purchase of property, plant and equipment other than land and building	124,643	130,870
Personal use	7,316,734	7,244,177
Credit card	584,218	574,119
Construction	1,676,469	1,632,462
Working capital	15,965,237	16,412,843
Merger and acquisition	74,639	75,067
Other purposes	9,444,133	9,069,129
	102,811,525	100,220,569

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13 FINANCING AND ADVANCES (CONTINUED)

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
(vi) By geographical distribution		
In Malaysia	<u>102,811,525</u>	<u>100,220,569</u>
(vii) By remaining contractual maturities		
Maturing within one year	9,844,752	10,048,493
More than one year to three years	3,910,388	3,413,969
More than three years to five years	13,504,707	13,074,307
Over five years	75,551,678	73,683,800
	<u>102,811,525</u>	<u>100,220,569</u>
(viii) Impaired financing and advances		
(a) Movement in impaired financing and advances		
Balance as at the beginning of the financial period/year	1,109,336	852,536
Transfer to 12-month ECL (Stage 1)	(7,896)	(37,613)
Transfer to lifetime ECL not credit impaired (Stage 2)	(87,835)	(137,502)
Transfer to lifetime ECL credit impaired (Stage 3)	305,328	579,700
Purchases and origination	113,703	125,587
Derecognition	(156,989)	(77,421)
Amount written off	(50,701)	(196,228)
Other movements	(4,571)	277
Balance as at the end of the financial period/year	<u>1,220,375</u>	<u>1,109,336</u>
(b) By economic sector		
Agriculture, hunting, forestry and fishing	8,493	5,650
Mining and quarrying	4,774	2,548
Manufacturing	38,179	32,661
Electricity, gas and water	79,404	79,025
Construction	27,457	24,309
Wholesale and retail trade and restaurant and hotel	166,642	131,187
Transport, storage and communication	13,867	11,959
Finance, insurance, real estate and business services	78,352	61,219
Education, health and others	126,567	130,960
Household sector	676,640	629,818
	<u>1,220,375</u>	<u>1,109,336</u>

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13 FINANCING AND ADVANCES (CONTINUED)

(viii) Impaired financing and advances (continued)

	As at	As at
	31 March 2026	31 December 2025
	RM'000	RM'000
(c) By purpose		
Purchase of securities	678	804
Purchase of transport vehicles	58,611	57,035
Purchase of landed property:		
- Residential	551,452	504,390
- Non-residential	211,727	208,984
Purchase of property, plant and equipment other than land and building	1	1
Personal use	63,152	62,677
Credit card	5,564	5,017
Construction	12,358	12,778
Working capital	294,784	237,604
Merger and acquisition	1,125	1,122
Other purposes	20,923	18,924
	<u>1,220,375</u>	<u>1,109,336</u>
(d) By geographical distribution		
In Malaysia	<u>1,220,375</u>	<u>1,109,336</u>

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13 FINANCING AND ADVANCES (CONTINUED)

(e) Movement in allowance for credit losses

	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
31 March 2026	RM'000	RM'000	RM'000	RM'000
Balance as at the beginning of the financial period	203,866	223,284	329,927	757,077
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	22,324	(19,748)	(2,576)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(9,725)	36,841	(27,116)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(433)	(22,690)	23,123	-
Changes in credit risk	12,166	(5,597)	(6,569)	-
Purchases and origination	(18,459)	(14,998)	85,744	52,287
Bad debts written off	27,221	465	90	27,776
Derecognition	-	-	(34,834)	(34,834)
Other movements	(6,330)	(5,915)	(12,399)	(24,644)
Balance as at the end of the financial period	-	-	(4,571)	(4,571)
	218,464	197,239	357,388	773,091

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13 FINANCING AND ADVANCES (CONTINUED)

(e) Movement in allowance for credit losses (continued)

	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
31 December 2025	RM'000	RM'000	RM'000	RM'000
Balance as at the beginning of the financial year	133,953	236,111	252,671	622,735
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	54,727	(42,211)	(12,516)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(9,442)	53,652	(44,210)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(1,000)	(27,154)	28,154	-
	44,285	(15,713)	(28,572)	-
Changes in credit risk	(75,480)	(19,641)	257,405	162,284
Purchases and origination	56,702	9,945	6,194	72,841
Bad debts written off	-	-	(129,252)	(129,252)
Changes to model methodologies	50,691	21,895	(3,090)	69,496
Derecognition	(6,285)	(9,313)	(25,706)	(41,304)
Other movements	-	-	277	277
Balance as at the end of the financial year	<u>203,866</u>	<u>223,284</u>	<u>329,927</u>	<u>757,077</u>

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14 OTHER ASSETS

	Note	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
Prepayments		65,592	60,265
Deposits		776	775
Amount due from other related companies		274	215
Other receivables	(a)	175,968	181,614
		242,610	242,869

(a) This is stated net of allowance for impairment losses of RM5,800,000 (31 December 2025: RM5,800,000)

15 DEPOSITS FROM CUSTOMERS

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<u>Savings Deposits</u>		
Qard	1,323,028	1,298,698
Commodity Murabahah	1,945,051	1,780,781
<u>Demand Deposits</u>		
Qard	9,773,987	9,613,991
Commodity Murabahah	6,966,272	6,869,839
<u>Term Deposits</u>		
Commodity Murabahah	63,096,476	58,805,244
<u>Specific Investment Account</u>		
Commodity Murabahah	15,501,377	17,230,654
	98,606,191	95,599,207

(a) The maturity structure of investment accounts and term deposits are as follows:

Due within six months	59,361,106	61,622,978
More than six months to one year	17,938,553	13,050,755
More than one year to three years	1,288,731	1,352,548
More than three years to five years	9,463	9,617
	78,597,853	76,035,898

(b) The deposits are sourced from the following classes of customers:

Government and statutory bodies	20,848,918	17,596,994
Business enterprises	39,987,810	40,544,807
Individuals	37,001,735	36,784,179
Others	767,728	673,227
	98,606,191	95,599,207

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16 DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Note	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<u>Non-Mudharabah Funds:</u>			
Licensed Islamic banks		-	415,158
Licensed banks		5,506,613	5,844,922
BNM/Other central bank	(a)	822,995	883,172
		<u>6,329,608</u>	<u>7,143,252</u>
<u>Mudharabah Funds:</u>			
Other financial institutions		-	100,016
		<u>6,329,608</u>	<u>7,243,268</u>

(a) Included in deposits and placements with BNM is an amount received under the Government scheme as part of the COVID-19 relief measures for the purpose of financing to SMEs at a concessionary rate and with six-year maturity period.

17 INVESTMENT ACCOUNTS

	Note	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
Restricted Investment Account	(a)		
- Mudharabah		2,841,462	2,849,513
- Wakalah		3,856,175	3,870,363
		<u>6,697,637</u>	<u>6,719,876</u>
Unrestricted Investment Account	(b)		
- Wakalah		98,969	11,004
		<u>6,796,606</u>	<u>6,730,880</u>

(a) Restricted Investment Account

By type of counterparty:

Licensed banks	<u>6,697,637</u>	<u>6,719,876</u>
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Investment assets (principal):

Personal financing (Note 13 (i)(a))	3,050,000	3,050,000
Other term financing (Note 13 (i)(a))	3,504,172	3,533,468
	<u>6,554,172</u>	<u>6,583,468</u>

As at 31 March 2026, the amount of the restricted investment account placed by the holding company, RHB Bank, amounted to RM6,697,637,000 (31 December 2025: RM6,719,876,000).

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17 INVESTMENT ACCOUNTS (CONTINUED)

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
(b) Unrestricted Investment Account		
<u>By type of counterparty:</u>		
Business enterprises	98,969	11,004
<u>Investment asset (principal):</u>		
Personal financing (Note 13 (i)(a))	78,934	8,800
Housing financing (Note 13 (i)(a))	19,734	2,200
	98,668	11,000

18 OTHER LIABILITIES

	Note	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
Sundry creditors		41,148	37,426
Amount due to holding company		901,662	542,646
Amount due to other related companies		610	6,436
Contract liability	(a)	651,533	659,958
Short-term employee benefits		1,126	4,181
Accrual for operational expenses		20,561	14,939
Cash collateral pledged for derivative transactions		55,683	73,577
Structured deposits	(b)	1,832,381	1,182,302
Other accruals and payables		265,778	604,091
		3,770,482	3,125,556

(a) Contract liabilities represent fee income and fee advances received from a 20-year bancassurance/bancatakaful partnership commencing from 1 August 2025 and will be amortised as revenue in the income statements over the term of the agreement. During the current financial period/year, an amount of RM8,424,000 (31 December 2025: RM36,665,000) has been recognised in the income statements.

(b) The maturity structure of structured deposits are as follows:

- One year to three years		690	25,537
- More than three years		1,831,691	1,156,765
		1,832,381	1,182,302

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19 INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
Income derived from investment of:		
(i) Other deposits	1,252,580	1,232,530
	1,252,580	1,232,530
(i) Income derived from investment of other deposits:		
Financing and advances	1,033,831	1,037,602
Securities purchased under resale agreements	34,963	21,248
Financial assets at FVTPL	5,363	3,025
Financial assets at FVOCI	76,892	67,917
Financial investments at amortised cost	86,376	76,754
Money at call and deposits with banks and other financial institutions	2,510	14,125
Total finance income and hibah	1,239,935	1,220,671
Other operating income (Note a)	12,645	11,859
	1,252,580	1,232,530
Of which:		
Financing income earned on impaired financing	3,110	8,869
(a) Other operating income comprise of:		
Fee income:		
- Commission	66	457
- Guarantee fees	6,039	3,561
	6,105	4,018
Net gain on revaluation of financial assets at FVTPL	627	453
Net (loss)/gain on disposal of financial assets at FVTPL	(2,968)	822
Net gain on disposal of debt instruments of financial assets at FVOCI	8,881	6,566
	12,645	11,859

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20 INCOME DERIVED FROM INVESTMENT OF INVESTMENT ACCOUNT FUNDS

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
Financing and advances	97,123	58,599
Financial investments at amortised cost	-	23,317
Total finance income and hibah	97,123	81,916

21 INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
Financing and advances	17,136	17,802
Securities purchased under resale agreements	580	365
Financial assets at FVTPL	89	52
Financial assets at FVOCI	1,275	1,165
Financial investments at amortised cost	1,432	1,317
Money at call and deposits with banks and other financial institutions	42	242
Total finance income and hibah	20,554	20,943
Other operating income (Note a)	112,575	84,998
	133,129	105,941
 Of which:		
Financing income earned on impaired financing	52	152
 (a) Other operating income comprise of:		
Fee income:		
- Commission	17,335	15,296
- Service charges and fees	70,269	31,891
- Guarantee fees	100	61
	87,704	47,248
 Net gain on revaluation of financial assets at FVTPL	10	8
 Net (loss)/gain on disposal of financial assets at FVTPL	(49)	14
 Net gain on disposal of debt instruments of financial investments at FVOCI	147	112
 Net gain on revaluation of derivatives	7,216	7,183
 Net (loss)/gain on fair value hedges	(313)	82
 Other income:		
- Foreign exchange gain	24,166	35,585
- Other non-operating loss	(6,306)	(5,234)
	112,575	84,998

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22 ALLOWANCE FOR CREDIT LOSSES ON FINANCIAL ASSETS

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
<u>Charge/(Writeback)</u>		
Financing and advances:		
- Net charge	55,419	44,098
- Bad debts recovered	(16,577)	(12,805)
- Bad debts written off	15,946	16,637
	54,788	47,930
Financial assets at FVOCI	277	(89)
Financial investments at amortised cost	(1,658)	5,814
Other financial assets	66	128
	53,473	53,783

23 INCOME ATTRIBUTABLE TO DEPOSITORS

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
Deposits from customers:		
- Mudharabah funds	12,304	12,277
- Non-Mudharabah funds	702,032	711,477
Deposits and placements of banks and other financial institutions:		
- Non-Mudharabah funds	47,449	86,594
Others:		
- Subordinated sukuk	7,447	7,447
- Recourse obligation on financing sold to Cagamas	25,991	12,589
- Borrowings	9,757	10,107
- Obligations on securities sold under repurchase agreements	4,923	-
- Others	16,388	11,865
	826,291	852,356

24 PERSONNEL EXPENSES

	Note	Three Months Ended	
		31 March 2026	31 March 2025
		RM'000	RM'000
Salaries, allowances and bonuses		6,180	5,115
Contributions to Employees' Provident Fund		895	814
Share-based expenses	(a)	281	294
Other staff related costs		416	645
		7,772	6,868

- (a) The Share Grant Scheme ('SGS') was established and implemented by the holding company, RHB Bank in June 2022. The SGS is intended to motivate employees, attract talents and retain key employees through the grant of the ordinary shares in RHB Bank for eligible employees, which include certain employees of the Bank. The SGS shall be in force for a period of nine years commencing from the effective implementation date of the SGS, and the vesting period for each grant offered will be 3 years from the offer date.

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25 OTHER OVERHEADS AND EXPENDITURES

	Three Months Ended	
	31 March 2026	31 March 2025
	RM'000	RM'000
<u>Establishment costs</u>		
Property, plant and equipment:		
- Depreciation	377	400
Computer software license:		
- Amortisation	326	283
Right-of-use assets:		
- Depreciation	-	209
Information technology expenses	317	302
Repair and maintenance	13	99
Rental of premises	174	163
Water and electricity	5	6
Rental of equipment	1	1
Printing and stationeries	1,690	1,150
Takaful	3,534	2,958
Others	667	819
	7,104	6,390
<u>Marketing expenses</u>		
Advertisement and publicity	246	382
Sales commission	6,741	5,770
Travelling expenses	70	31
Motor vehicle expenses	12	24
Others	4,370	4,323
	11,439	10,530
<u>Administration and general expenses</u>		
Communication expenses	2,321	1,920
Legal and professional fee	3,204	1,461
Management fee	173,436	187,643
Others	8,015	3,205
	186,976	194,229
	205,519	211,149

26 EARNINGS PER SHARE

	Three Months Ended	
	31 March 2026	31 March 2025
Net profit for the financial period (RM'000)	244,640	181,664
Weighted average number of ordinary shares in issue ('000)	1,673,424	1,673,424
Basic earnings per share (sen)	14.62	10.86

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27 COMMITMENTS AND CONTINGENCIES

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

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
Contingent liabilities		
Transaction-related contingent items	1,155,477	872,273
Short-term self-liquidating trade related contingencies	<u>396,629</u>	<u>437,853</u>
	<u>1,552,106</u>	<u>1,310,126</u>
Commitments		
Commitment to buy-back Islamic securities under Sell and Buy Back Agreement transactions *	558,049	562,648
Forward asset purchases, forward deposits, partly paid shares and securities which represent commitments with certain drawdowns	4,998	-
Irrevocable commitments to extend credit:		
- Maturity less than one year	575,035	352,511
- Maturity more than one year	9,199,632	9,073,503
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	<u>3,932,018</u>	<u>3,143,904</u>
	<u>14,269,732</u>	<u>13,132,566</u>
Derivative financial instruments		
Foreign exchange related contracts ^:		
- Less than one year	38,700,733	40,026,041
- One year to less than five years	744,657	745,480
Profit rate related contracts ^:		
- Less than one year	500,000	915,000
- One year to less than five years	12,740,907	11,388,824
- More than five years	-	500,000
Commodity related contracts ^:		
- Less than one year	26,985	77,012
- One year to less than five years	21,329	21,352
	<u>52,734,611</u>	<u>53,673,709</u>
Securities financing transactions *		
- Less than one year	4,673,000	5,173,000
	<u>73,229,449</u>	<u>73,289,401</u>

^ These derivatives are revalued on gross position basis and the unrealised gains or losses has been reflected in the income statement and statement of financial position as derivative assets or derivative liabilities.

* In accordance with BNM's guideline on the Capital Adequacy Framework for Islamic Banks ('CAFIB'), securities under a Sell and Buy Back Agreement ('SBBA') are undertaken based on outright purchase and sale transactions. Positions held under both SBBA and Reverse SBBA shall be subject to capital requirements based on the risk profile incurred by the parties involved, as outlined in Appendix XVIII of CAFIB.

The disclosure is presented in accordance with the BNM's guideline on the Capital Adequacy Framework for Islamic Banks.

28 CAPITAL COMMITMENTS

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
Capital expenditure for property, plant and equipment:		
- Authorised and contracted for	<u>4,722</u>	<u>4,914</u>

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Registration No. 200501003283 (680329-V)

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2026

29 FAIR VALUE OF FINANCIAL INSTRUMENTS

The Bank analyses its financial instruments measured at fair value into three categories as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuations derived from valuation techniques in which significant inputs are not based on observable market data.

The table below shows financial instruments carried at fair value analysed by level within the fair value hierarchy:

	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
31 March 2026				
<u>Financial assets</u>				
Financial assets at FVTPL:	-	721,037	-	721,037
- money market instruments	-	679,954	-	679,954
- unquoted securities	-	41,083	-	41,083
Financial assets at FVOCI:	-	8,705,162	-	8,705,162
- money market instruments	-	3,579,085	-	3,579,085
- unquoted securities	-	5,126,077	-	5,126,077
Derivative assets	-	647,726	-	647,726
	-	10,073,925	-	10,073,925
<u>Financial liabilities</u>				
Derivative liabilities	-	520,477	-	520,477
31 December 2025				
<u>Financial assets</u>				
Financial assets at FVTPL:	-	496,021	-	496,021
- money market instruments	-	273,250	-	273,250
- unquoted securities	-	222,771	-	222,771
Financial assets at FVOCI:	-	8,752,865	-	8,752,865
- money market instruments	-	3,470,519	-	3,470,519
- unquoted securities	-	5,282,346	-	5,282,346
Derivative assets	-	643,588	-	643,588
	-	9,892,474	-	9,892,474
<u>Financial liabilities</u>				
Derivative liabilities	-	804,905	-	804,905

There were no transfers between Level 1 and 2 during the financial year.

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29 FAIR VALUE OF FINANCIAL INSTRUMENTS (CONTINUED)

(i) Valuation techniques and sensitivity analysis

Financial instruments are classified as Level 1 if their values are observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices are readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. This would include quoted securities.

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Bank then determines fair value based upon valuation techniques that use market parameters including but not limited to yield curves, volatilities and foreign exchange rates as inputs. The majority of valuation techniques employ only observable market data. These would include certain bonds, government bonds, corporate debt securities and derivatives.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). This category includes non-transferable and non-tradable perpetual sukuk and impaired securities.

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30 CAPITAL ADEQUACY

BNM guidelines on capital adequacy requires the Bank to maintain an adequate level of capital to withstand any losses which may result from credit and other risks associated with financing operations. The capital adequacy ratio is computed based on the eligible capital in relation to the total risk-weighted assets as determined by BNM.

The capital adequacy ratios of the Bank are as follows:

	As at 31 March 2026	As at 31 December 2025
	RM'000	RM'000
<u>Common Equity Tier I ('CET I') Capital /Tier I Capital</u>		
Share capital	1,673,424	1,673,424
Retained profits	4,930,428	5,185,862
Other reserve	1,841	1,560
FVOCI reserve	(34,290)	13,163
	6,571,403	6,874,009
Less:		
Deferred tax assets	(239,134)	(240,659)
Intangible assets (include associated deferred tax liabilities)	(4,732)	(5,005)
55% of cumulative gains arising from change in value of FVOCI instruments	-	(7,240)
Other deductions*	(13,148)	(15,818)
Total CET I/Total Tier I Capital	6,314,389	6,605,287
<u>Tier II Capital</u>		
Subordinated sukuk	749,825	749,812
Surplus eligible provisions over expected losses	204,957	196,165
General provisions^	77,697	72,362
Total Tier II Capital	1,032,479	1,018,339
Total Capital	7,346,868	7,623,626
<u>Capital Ratios</u>		
Before proposed dividends:		
CET I Capital Ratio	14.117%	15.443%
Tier I Capital Ratio	14.117%	15.443%
Total Capital Ratio	16.425%	17.823%
After proposed dividends:		
CET I Capital Ratio	14.117%	14.934%
Tier I Capital Ratio	14.117%	14.934%
Total Capital Ratio	16.425%	17.315%

* Pursuant to the Basel II Market Risk para 5.18 and 5.19 on Valuation Adjustments, the calculations under Capital Adequacy Framework for Islamic Banks ('CAFIB') shall account for the ageing, liquidity and holding back adjustments/reserves on its trading portfolio.

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30 CAPITAL ADEQUACY (CONTINUED)

[^] Pursuant to BNM's policy document on Financial Reporting for Islamic Banking Institutions, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserve, to the extent they are ascribed to non-credit-impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserve of the Bank of RM64,805,000 (31 December 2025: RM62,064,000).

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

	As at	As at
	31 March 2026	31 December 2025
	RM'000	RM'000
Credit risk	46,419,819	44,828,821
Credit risk absorbed by PSIA ⁺	(6,044,569)	(6,345,660)
Market risk	710,743	731,554
Operational risk	3,642,585	3,558,325
Total risk-weighted assets	<u>44,728,578</u>	<u>42,773,040</u>

The total risk-weighted assets of the Bank are computed based on BNM's guideline on the Capital Adequacy Framework for Islamic Banks ('CAFIB'): Internal Ratings Based Approach for Credit Risk and Standardised Approach for Market Risk (Basel II) and Operational Risk (Basel III).

⁺ In accordance with BNM's 'Guidelines on the Recognition and Measurement of Profit Sharing Investment Account ('PSIA') as Risk Absorbent', the credit risk weighted assets funded by the Restricted Investment Account and Unrestricted Investment Account which qualifies as risk absorbent are excluded from the capital adequacy ratio calculation.

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31 VALUATION OF PROPERTY, PLANT AND EQUIPMENT

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

32 EVENTS SUBSEQUENT TO BALANCE SHEET DATE

The Bank had on 24 April 2026, completed its first Senior Sukuk Wakalah issuance of RM300 million in nominal value under the Multi-Currency Sukuk Wakalah Programme of up to RM5 billion (or its equivalent in other currencies) in nominal value. The Senior Sukuk Wakalah is issued for a tenure of 5 years with a fixed periodic distribution rate of 3.79% per annum, payable semi-annually in arrears.

33 CHANGES IN PROFIT FOR THE QUARTER

The Bank reported a pre-tax profit of RM327.5 million for the current quarter, 1.7% lower as compared to the preceding quarter ended 31 December 2025 of RM333.0 million. The lower profit was mainly attributed to higher allowance for credit losses on financing by RM37.3 million and lower non funding income by RM31.6 million, partly offset by lower overhead expenses by RM42.7 million, higher net funding income by RM16.6 million and higher impairment write-back on other assets by RM4.1 million .

34 PERFORMANCE REVIEW

For the three months ended 31 March 2026, the Bank recorded a pre-tax profit of RM327.5 million, 35.1% higher than previous corresponding year of RM242.5 million. The higher profit was mainly due to higher net funding income by RM51.6 million, higher non funding income by RM28.3 million, higher impairment write-back on other assets by RM7.2 million and lower overhead expenses by RM4.7 million, partly offset by higher allowance for credit losses on financing by RM6.8 million.

35 PROSPECTS FOR FINANCIAL YEAR 2026

Malaysia's economic path in 2026 could see some moderation stemming from a complex external environment. Growth will continue to be underpinned by continued domestic demand, relatively stable external trade conditions, and supportive government policies. However, the outlook is subject to heightened downside risks, particularly from intensified geopolitical tensions in the Middle East. Prolonged disruptions to global oil supply chains could exert upward pressure on energy prices, and its spillover effects on domestic inflation.

Within the banking sector, financial institutions continue to maintain fundamentally strong capital adequacy and ample liquidity buffers. Monetary policy decisions are expected to remain data-dependent, guided primarily by developments in economic growth prospects and evolving inflation dynamics.

Looking ahead, the Bank remains committed to disciplined execution while proactively positioning itself to capitalise on emerging growth opportunities across its operating footprint. Concurrently, the Bank will continue to maintain a vigilant stance toward external developments and evolving risks within the global macroeconomic environment.