



BNP PARIBAS MALAYSIA BERHAD
(Company No.201001034168 (918091 - T))
Incorporated in Malaysia

**UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025**

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

1. PERFORMANCE REVIEW

The Bank registered profit after tax of RM18.34 million for the three month financial period ended 31 March 2025, compared to RM23.92 million in the corresponding period last year.

Higher net interest income by RM3.34 million or 21% year on year was inter alia driven by higher average loan balances by 15% as compared to the comparative period last year, coupled with lower funding costs subsequent to the initiation of interest rate cuts in Eurozone and United States last year.

Other operating income was lower by RM8.41 million or 21% against last year, mainly attributable to lower gains from Global Markets businesses in view of lower client activities.

Other operating expenses were higher by RM0.89 million or 4% partially due to lumpy costs incurred during the quarter.

Expected Credit Losses charge amounted to RM0.33 million this period compared to a writeback of RM0.68 million last year. There was one significant Stage 2 repayment in the first quarter of 2024 which did not recur this period.

Loans, advances and financing grew by RM94.22 million, or 5% during the quarter and closed at RM1.91 billion while Deposits from customers recorded a marginal growth of RM63.42 million, or 2% during the period to close at RM2.97 billion. Strong current account growth of RM141.68 million or 6% was partially offset by reduction in fixed deposits of RM80.94 million, or 13%.

The Bank remained well capitalised with CET 1 and Total Capital Ratio of 14.968% and 22.156% respectively as at 31 March 2025.

2. CURRENT YEAR PROSPECTS

Malaysia's Gross Domestic Product grew by 5.0% in the fourth quarter of 2024, supported by strong domestic demand, robust investment activities and a recovering external sector.

The United States' recent announcement of Reciprocal Tariffs increased uncertainties in global trade. Uncertainties and sentiments are further exacerbated with prevailing geopolitical tensions, inflationary pressures and volatility in global financial markets. Bank Negara Malaysia ("BNM") indicated that clearer information on the tariff situation is required before making any changes to its GDP growth projection of 4.5% to 5.5% for 2025.

The recent US Federal Open Market Committee ("FOMC") meeting in March 2025 also highlighted concerns surrounding persistent inflation and indicated two rate cuts by year-end. This resulted in a more cautious interest rate policy approach. For Malaysia, BNM indicated that it will maintain the overnight policy rate ("OPR") at 3%.

Amidst this outlook, the Bank plans to continue driving the underlying growth momentum of its loans, financing, Transaction Banking and Global Market activities by deepening its existing relationships whilst broadening its client base.

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	Bank 31-Mar 2025 RM'000	Bank 31-Dec 2024 RM'000
ASSETS			
Cash and short-term funds	2	517,247	974,907
Reverse repurchase agreements		1,946,534	1,980,300
Financial assets at fair value through profit or loss ('FVTPL')	3	1,367,878	1,258,871
Financial assets at fair value through other comprehensive income ('FVOCI')	4	1,376,376	1,155,219
Loans, advances and financing	5	1,907,896	1,813,673
Derivative financial assets		671,483	967,525
Other assets	6	107,781	123,125
Property, plant and equipment	7	9,609	10,346
Intangible assets	8	66	82
Tax recoverable		1,207	3,169
Deferred tax assets		3,707	4,462
TOTAL ASSETS		7,909,784	8,291,679
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	9	2,973,355	2,909,929
Deposits and placements from banks and other financial institutions	10	1,051,951	655,228
Repurchase agreements		1,054,599	1,391,725
Derivative financial liabilities		543,840	906,844
Subordinated term loan		394,724	384,907
Other liabilities	11	960,483	1,130,460
TOTAL LIABILITIES		6,978,952	7,379,093

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025 (CONTD.)

	Note	Bank 31-Mar 2025 RM'000	Bank 31-Dec 2024 RM'000
Share capital	12	650,000	650,000
Retained profits		255,186	239,793
Reserves	13	25,646	22,793
SHAREHOLDER'S EQUITY		930,832	912,586
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		7,909,784	8,291,679
COMMITMENTS AND CONTINGENCIES	21	142,680,873	144,962,591

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BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	Note	Bank 31-Mar 2025 RM'000	Bank 31-Mar 2024 RM'000
Interest income	14	70,988	81,963
Interest expenses	15	(51,743)	(66,056)
Net interest income		19,245	15,907
Net income from Islamic banking business	22	293	297
Other operating income	16	31,201	39,606
Other operating expenses	17	(25,802)	(24,917)
Expected credit losses (made)/written back	18	(328)	683
Profit before tax		24,609	31,576
Taxation		(6,266)	(7,653)
Profit for the financial period		18,343	23,923
Other comprehensive loss, net of income tax:			
Items that may be reclassified subsequently to profit or loss :			
Debts instruments at fair value through other comprehensive income :			
Net changes in fair value		(132)	(97)
Net change in cash flow hedge			
Net changes in fair value		35	(380)
Other comprehensive loss		(97)	(477)
Total comprehensive income for the financial period		18,246	23,446

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	Bank 31-Mar 2025 RM'000	Bank 31-Mar 2024 RM'000
Cash Flows from/(Used In) Operating Activities		
Profit before tax	24,609	31,576
Adjustments for:		
Depreciation of property, plant and equipment	764	827
Amortisation of intangible assets	16	16
Expected credit losses on loans, advances and financing	328	(683)
Amortisation of premium less accretion of discount	331	(3,512)
Interest income on financial assets at FVOCI	(13,046)	(11,745)
Interest expense on lease liabilities	46	79
Unrealised (gain)/loss on derivative financial instruments	(13,747)	2,716
Unrealised gain on foreign exchange	(53,467)	(41,058)
Unrealised (gain)/loss on financial assets at FVTPL	(761)	3,713
Unrealised gain on reverse repurchase agreements	(274)	(20)
Realised (gain)/loss on repurchase agreements	(653)	831
Right of use asset	-	2,472
Operating loss before working capital changes	<u>(55,854)</u>	<u>(14,788)</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

	Bank 31-Mar 2025 RM'000	Bank 31-Mar 2024 RM'000
(Increase)/Decrease in:		
Reverse repurchase agreements	34,040	(1,113,372)
Financial assets at FVTPL	(108,246)	(403,803)
Loans, advances and financing	(94,551)	55,295
Other assets	15,344	(8,767)
(Decrease)/Increase in:		
Deposits from customers	63,426	387,345
Deposits and placements from banks and other financial institutions	396,723	170,518
Repurchase agreements	(336,473)	507,973
Derivative financial assets/liabilities	10,414	(91,315)
Subordinated term loan	(311)	(11)
Other liabilities	(169,730)	(17,376)
Net cash used in operations	(245,218)	(528,301)
Income taxes paid	(3,508)	(2,817)
Net cash used in operating activities	(248,726)	(531,118)
Cash Flows Used In Investing Activities		
Purchase of property, plant and equipment	(27)	(3,807)
Net (purchase)/sales of financial assets at FVOCI	(222,509)	88,761
Interest received on financial assets at FVOCI	13,894	10,506
Net cash (used in)/generated from investing activities	(208,642)	95,460

BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

	Bank 31-Mar 2025 RM'000	Bank 31-Mar 2024 RM'000
Cash Flows Used In Financing Activities		
Payment for lease liabilities	<u>(292)</u>	<u>(354)</u>
Net cash used in financing activities	<u>(292)</u>	<u>(354)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(457,660)	(436,012)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	<u>974,907</u>	<u>741,700</u>
CASH AND CASH EQUIVALENTS AT END OF YEAR	<u>517,247</u>	<u>305,688</u>
Cash and cash equivalents comprise the following:		
Cash and short-term funds	<u>517,247</u>	<u>305,688</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	← Non-distributable →			Revaluation reserve- financial assets at FVOCI	Retained profits	Total
	Share capital RM'000	Hedging reserves RM'000	Regulatory reserves RM'000	RM'000	RM'000	RM'000
At 1 January 2025	650,000	(597)	23,223	167	239,793	912,586
Profit for the period	-	-	-	-	18,343	18,343
Transfer to regulatory reserve	-	-	2,950	-	(2,950)	-
Other comprehensive gain/(loss)	-	35	-	(132)	-	(97)
At 31 March 2025	650,000	(562)	26,173	35	255,186	930,832

	← Non-distributable →			Revaluation reserve- financial assets at FVOCI	Retained profits	Total
	Share capital RM'000	Hedging reserves RM'000	Regulatory reserves RM'000	RM'000	RM'000	RM'000
At 1 January 2024	650,000	1,605	18,532	173	277,067	947,377
Profit for the period	-	-	-	-	89,104	89,104
Other comprehensive loss	-	(2,202)	-	(6)	-	(2,208)
Transfer to regulatory reserve	-	-	4,691	-	(4,691)	-
Dividend paid on ordinary shares	-	-	-	-	(121,687)	(121,687)
At 31 December 2024	650,000	(597)	23,223	167	239,793	912,586

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES

Basis of Preparation of the Financial Statements

The financial statement of the Bank have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

2. CASH AND SHORT-TERM FUNDS

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
At Amortised Cost:		
Cash and balances with banks and other financial institutions	66,098	56,831
Money at call and deposit placements maturing within one month	451,149	918,076
	<u>517,247</u>	<u>974,907</u>

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

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
At Fair Value:		
Government Securities:		
Malaysian Government Securities	737,818	805,148
Malaysian Government Investment Issues	630,060	447,077
Malaysian Islamic Treasury Bills	-	6,646
	<u>1,367,878</u>	<u>1,258,871</u>

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

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
At Fair Value:		
Government securities:		
Malaysian Government Securities	253,740	153,808
Malaysian Government Investment Issues	121,592	112,311
Bank Negara Malaysia Bills	1,001,044	889,100
	<u>1,376,376</u>	<u>1,155,219</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
5. LOANS, ADVANCES AND FINANCING

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
At amortised cost:		
(i) By type		
Revolving credit	937,893	905,042
Term loans	578,852	578,911
Bill receivables	3,188	2,259
Factoring receivables	377,202	291,007
Trust receipts	-	14,237
Overdrafts	13,858	25,001
Gross loans, advances and financing	1,910,993	1,816,457
Less: Expected Credit Losses ('ECL')	(3,097)	(2,784)
Net loans, advances and financing	<u>1,907,896</u>	<u>1,813,673</u>
Funding extended to BNP Paribas Najmah (an Islamic Banking window in the Bank) under Profit Sharing Investment Account ("PSIA") are included as Loans, Advances and Financing. As at current reporting date, the amount is RM12.00 million (31 December 2024: RM 14.24 million). The PSIA is a contract based on the Wakalah principle.		
(ii) By type of customer		
Domestic business enterprises	1,822,768	1,729,413
Domestic non-bank financial institutions	40,093	40,098
Financial institutions	48,132	46,946
	<u>1,910,993</u>	<u>1,816,457</u>
(iii) By interest rate sensitivity		
Variable rate:		
Cost plus	<u>1,910,993</u>	<u>1,816,457</u>
(iv) By residual contractual maturity		
Maturing within one year	1,333,256	1,239,819
More than one year to five years	290,364	286,562
More than five years	287,373	290,076
	<u>1,910,993</u>	<u>1,816,457</u>
(v) By geographical distribution		
In Malaysia	<u>1,910,993</u>	<u>1,816,457</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
5. LOANS, ADVANCES AND FINANCING (CONTD.)

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
(vi) By Sector		
Mining & Quarrying	4,068	4,022
Manufacturing	960,972	950,612
Electricity, gas and water supply	197,272	198,703
Construction	6,364	8,655
Wholesale and retail	282,570	222,095
Transport, storage and communication	174,959	139,681
Financial services	88,225	103,516
Real estate activities	-	1,157
Other business services	196,563	188,016
	<u>1,910,993</u>	<u>1,816,457</u>

(vii) Movements in ECL on loans, advances and financing are as follows:

	12 mth 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 2025				
Balance at beginning of financial year	1,094	1,690	-	2,784
Changes in credit risk	28	(28)	-	-
Allowances made/ (written-back) during the financial period	394	(74)	-	320
Derecognised during the financial period	(7)	-	-	(7)
Balance at end of financial period	<u>1,509</u>	<u>1,588</u>	<u>-</u>	<u>3,097</u>
31 December 2024				
Balance at beginning of financial year	2,307	1,880	-	4,187
Changes in credit risk	(295)	295	-	-
Allowances (written-back)/made during the financial period	(274)	1,292	-	1,018
Derecognised during the financial period	(644)	(1,777)	-	(2,421)
Balance at end of financial period	<u>1,094</u>	<u>1,690</u>	<u>-</u>	<u>2,784</u>

(viii) Movements on loans, advances and financing are as follows:

	12 mth 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 2025				
Balance at beginning of financial year	1,548,320	268,137	-	1,816,457
Changes in credit risk	124,333	(124,333)	-	-
Purchases and origination	181,016	25,172	-	206,188
Derecognised during the financial period	(111,075)	(577)	-	(111,652)
Balance at end of financial period	<u>1,742,594</u>	<u>168,399</u>	<u>-</u>	<u>1,910,993</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
5. LOANS, ADVANCES AND FINANCING (CONTD.)

(viii) Movements on loans, advances and financing are as follows (continued):

	12 mth 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 December 2024				
Balance at beginning of financial year	1,486,897	173,577	-	1,660,474
Changes in credit risk	(200,506)	200,506	-	-
Purchases and origination	692,513	-	-	692,513
Derecognised during the financial period	(430,584)	(105,946)	-	(536,530)
Balance at end of financial period	<u>1,548,320</u>	<u>268,137</u>	<u>-</u>	<u>1,816,457</u>

6. OTHER ASSETS

	31-Mar 2024 RM'000	31-Dec 2024 RM'000
Collateral assets	90,699	111,037
Other receivables	15,557	10,560
Deposit	606	606
Prepayments	919	922
	<u>107,781</u>	<u>123,125</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

7. PROPERTY, PLANT AND EQUIPMENT

	Office equipment and machinery RM'000	Renovation and installation RM'000	Furniture, fixtures and fittings RM'000	Computer equipment and hardware RM'000	Motor vehicles RM'000	Right of use asset RM'000	Total RM'000
31 March 2025							
Cost							
At beginning of the financial year	656	2,557	1,369	5,061	6	8,318	17,967
Additions	3	-	-	24	-	-	27
At end of the financial period	659	2,557	1,369	5,085	6	8,318	17,994
Accumulated Depreciation							
At beginning of the financial year	381	505	432	3,127	4	3,172	7,621
Depreciation charged for financial period	22	104	59	218	-	361	764
Write-off	-	-	-	-	-	-	-
At end of the financial period	403	609	491	3,345	4	3,533	8,385
Net Book Value							
As at 31 March 2025	256	1,948	878	1,740	2	4,785	9,609

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
7. PROPERTY, PLANT AND EQUIPMENT (CONTD.)

	Office equipment and machinery RM'000	Renovation and installation RM'000	Furniture, fixtures and fittings RM'000	Computer equipment and hardware RM'000	Motor vehicles RM'000	Right of use asset RM'000	Total RM'000
31 December 2024							
Cost							
At beginning of the financial year	638	1,589	1,049	10,664	6	10,609	24,555
Additions	111	968	320	518	-	-	1,917
Write-off	(93)	-	-	(6,121)	-	-	(6,214)
Lease remeasurement	-	-	-	-	-	(2,291)	(2,291)
At end of the financial year	<u>656</u>	<u>2,557</u>	<u>1,369</u>	<u>5,061</u>	<u>6</u>	<u>8,318</u>	<u>17,967</u>
Accumulated Depreciation							
At beginning of the financial year	378	86	197	8,339	3	1,656	10,659
Depreciation charged for financial period	89	419	235	909	1	1,516	3,169
Write-off	(86)	-	-	(6,121)	-	-	(6,207)
At end of the financial year	<u>381</u>	<u>505</u>	<u>432</u>	<u>3,127</u>	<u>4</u>	<u>3,172</u>	<u>7,621</u>
Net Book Value							
As at 31 December 2024	<u>275</u>	<u>2,052</u>	<u>937</u>	<u>1,934</u>	<u>2</u>	<u>5,146</u>	<u>10,346</u>

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)
NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
8. INTANGIBLE ASSETS

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
<u>Computer Software:</u>		
Cost		
At beginning of the financial year	190	3,280
Write-off	-	(3,090)
At end of the financial period/year	<u>190</u>	<u>190</u>
Accumulated Amortisation		
At beginning of the financial year	108	3,135
Amortisation for the year	16	63
Write-off	-	(3,090)
At end of the financial period/year	<u>124</u>	<u>108</u>
Total Net Book Value	<u>66</u>	<u>82</u>

9. DEPOSITS FROM CUSTOMERS

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Type		
At amortised cost:		
Demand deposits	2,411,754	2,270,071
Fixed deposits	549,966	630,906
Commodity Murabahah	11,635	8,952
	<u>2,973,355</u>	<u>2,909,929</u>

(i) Maturity structure of fixed deposits and Commodity Murabahah are as follows:

Due within six months	561,601	635,136
Six months to one year	-	4,722
	<u>561,601</u>	<u>639,858</u>

(ii) The deposits are sourced from the following types of customers:

Business enterprises	2,939,035	2,880,389
Non-bank financial institutions	34,320	29,540
	<u>2,973,355</u>	<u>2,909,929</u>

10. DEPOSITS AND PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
At amortised cost:		
Other financial institutions	<u>1,051,951</u>	<u>655,228</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
11. OTHER LIABILITIES

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Collateral deposits	891,151	1,064,243
Other payables	52,083	44,900
Accruals and charges	12,192	16,028
Expected credit losses on loans commitment and financial guarantee	82	68
Lease Liabilities	4,975	5,221
	<u>960,483</u>	<u>1,130,460</u>

(i) Movements in ECL on loans commitments and financial guarantee are as follows:

	12 mth 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 2025				
Balance at beginning of financial year	68	-	-	68
Changes in credit risk	(1)	1	-	-
Allowances written back				
during the financial period	6	8	-	14
At end of financial period	<u>73</u>	<u>9</u>	<u>-</u>	<u>82</u>
31 December 2024				
Balance at beginning of financial year	204	15	-	219
Allowances written back				
during the financial period	(136)	(15)	-	(151)
At end of financial period	<u>68</u>	<u>-</u>	<u>-</u>	<u>68</u>

12. SHARE CAPITAL

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Ordinary shares issued and fully paid:		
Balance as at 31 March/31 December	<u>650,000</u>	<u>650,000</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

13. RESERVES

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Non-distributable:		
Revaluation reserve - financial assets at FVOCI	35	167
Regulatory reserve	26,173	23,223
Hedging reserve	(562)	(597)
	<u>25,646</u>	<u>22,793</u>

14. INTEREST INCOME

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Loans and advances	23,126	21,217
Money at call and deposit placements with financial institutions	5,254	7,541
Reverse repurchase agreements	15,596	18,294
Financial assets at FVTPL	13,365	11,745
Financial assets at FVOCI	12,822	17,463
Other interest income	1,156	2,191
	<u>71,319</u>	<u>78,451</u>
Amortisation of premium less accretion of discount	(331)	3,512
	<u>70,988</u>	<u>81,963</u>

15. INTEREST EXPENSE

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Deposits from customers	14,437	15,622
Deposits and placements from banks and other financial institutions	10,118	13,088
Repurchase agreements	13,395	14,765
Lease Liabilities	46	79
Subordinated term loan	3,838	5,491
Financial collateral	9,846	16,803
Other interest expense	63	208
	<u>51,743</u>	<u>66,056</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

16. OTHER OPERATING INCOME

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Fee income:		
Commissions	101	90
Guarantee fees	65	156
Other fee income	3,795	816
	<u>3,961</u>	<u>1,062</u>
Gain/(Loss) arising from sale of:		
Financial assets at FVTPL	<u>2,012</u>	<u>(1,940)</u>
(Loss)/Gain on derivatives trading:		
Realised (loss)/gain	(17,271)	11,522
Unrealised gain/(loss)	13,747	(2,716)
	<u>(3,524)</u>	<u>8,806</u>
Unrealised gain/(loss) on revaluation of:		
Financial assets at FVTPL	761	(3,713)
Net loss arising from hedging activities	(176)	(88)
Unrealised gain on reverse repurchase agreements	274	20
Realised gain/(loss) on repurchase agreements	653	(831)
Other income:		
Foreign exchange:		
- Realised loss	(28,827)	(6,871)
- Unrealised gain	53,467	41,058
Others	2,600	2,103
	<u>27,240</u>	<u>36,290</u>
	<u>31,201</u>	<u>39,606</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

17. OTHER OPERATING EXPENSES

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Personnel costs (Note a)	14,657	13,088
Establishment costs (Note b)	7,902	5,373
Marketing expenses	504	330
Administration and general expenses (Note c)	2,739	6,126
	<u>25,802</u>	<u>24,917</u>

(a) Personnel costs

Salaries, bonuses and allowances	11,403	10,631
Defined contribution plan	1,663	1,527
Social security cost	-	41
Other staff related expenses	1,591	889
	<u>14,657</u>	<u>13,088</u>

(b) Establishment costs

Information technology costs	2,963	1,551
Depreciation of property, plant and equipment	764	827
Amortization of intangible asset	16	16
Others	4,159	2,979
	<u>7,902</u>	<u>5,373</u>

(c) Administration and general expenses

Legal and professional fees	384	360
Communication & transportation	305	323
Others general expenses	2,050	5,443
	<u>2,739</u>	<u>6,126</u>

18. EXPECTED CREDIT LOSSES

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Expected credit losses:		
Allowance made/(written-back) during the financial period	<u>328</u>	<u>(683)</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

19. CAPITAL ADEQUACY

The components of Tier I and Tier II capital are as follows:

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Tier-I capital		
Paid-up share capital	650,000	650,000
Retained profits	236,843	239,793
Other disclosed reserves	25,646	22,793
	<u>912,489</u>	<u>912,586</u>
<u>Less : Regulatory adjustments</u>		
Intangible assets	(66)	(82)
Deferred tax assets	(3,707)	(4,462)
55% of cumulative gains of financial instruments at FVOCI	(19)	(92)
Hedging reserve	562	597
Regulatory reserve	<u>(26,173)</u>	<u>(23,223)</u>
Total Tier-I capital	<u>883,086</u>	<u>885,324</u>
Tier-II Capital		
General provisions (Expected Credit Losses and regulatory reserve)	29,352	26,074
Subordinated term loan	394,724	384,907
Total Tier-II capital	<u>424,076</u>	<u>410,981</u>
Total capital base	<u>1,307,162</u>	<u>1,296,305</u>
Capital Ratios		
Before deducting proposed dividend		
Common Equity Tier 1 Ratio	14.968%	21.000%
Tier 1 Capital Ratio	14.968%	21.000%
Total Capital Ratio	<u>22.156%</u>	<u>30.748%</u>
After deducting proposed dividend		
Common Equity Tier 1 Ratio	13.458%	18.886%
Tier 1 Capital Ratio	13.458%	18.886%
Total Capital Ratio	<u>20.645%</u>	<u>28.635%</u>

The breakdown of risk-weighted assets by each major risk category is as follows:

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Credit Risk	3,265,937	3,042,104
Market Risk	2,329,052	930,764
Operational Risk	304,908	243,010
Total risk-weighted assets	<u>5,899,897</u>	<u>4,215,878</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

20. INTEREST RATE RISK

The following table represents the Bank's assets and liabilities at carrying amounts as at 31 March 2025

		Non-Trading Book						
	Up to	> 1 - 3	> 3 - 12	> 1 - 5	Over	Trading	Non-interest	Total
	1 month	months	months	years	5 years	book	sensitive	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Assets								
Cash and short-term funds	517,099	-	-	-	-	-	148	517,247
Reverse repurchase agreements	-	-	-	-	-	1,937,440	9,094	1,946,534
Financial assets at fair value through profit or loss	-	-	-	-	-	1,367,878	-	1,367,878
Financial assets at fair value through other comprehensive income	-	1,001,043	30,287	343,253	-	-	1,793	1,376,376
Loans, advances and financing	897,179	527,639	108,374	183,673	187,491	-	3,540	1,907,896
Derivatives Financial assets	-	-	-	-	-	671,483	-	671,483
Other assets	-	-	-	-	-	-	106,256	106,256
Total Assets	1,414,278	1,528,682	138,661	526,926	187,491	3,976,801	120,830	7,893,670
Liabilities								
Deposits from customers	2,844,581	92,646	34,562	-	-	-	1,566	2,973,355
Deposits and placements from banks and other financial institutions	711,515	338,942	1,300	-	-	-	194	1,051,951
Repurchase agreements	-	-	-	-	-	1,048,882	5,717	1,054,599
Derivatives Financial Liabilities	-	-	-	17,334	-	526,506	-	543,840
Subordinated term loan	-	-	-	-	392,068	-	2,656	394,724
Other liabilities	-	-	-	-	-	-	960,483	960,483
Total Liabilities	3,556,096	431,588	35,862	17,334	392,068	1,575,388	970,616	6,978,952
Net interest rate gap	(2,141,818)	1,097,094	102,799	509,592	(204,577)	2,401,413	(849,786)	914,718

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
20. INTEREST RATE RISK (CONTD)

The following table represents the Bank's assets and liabilities at carrying amounts as of 31 December 2024

	Non-Trading Book							
	Up to 1 month RM'000	> 1 - 3 months RM'000	> 3 - 12 months RM'000	> 1 - 5 years RM'000	Over 5 years RM'000	Trading book RM'000	Non-interest sensitive RM'000	Total RM'000
Assets								
Cash and short-term funds	974,831	-	-	-	-	-	76	974,907
Reverse repurchase agreements	-	-	-	-	-	1,964,373	15,927	1,980,300
Financial assets at fair value through profit or loss	-	-	-	-	-	1,258,871	-	1,258,871
Financial assets at fair value through other comprehensive income	445,970	443,130	20,121	242,314	-	-	3,684	1,155,219
Loans, advances and financing	631,955	888,218	250,903	40,000	-	-	2,597	1,813,673
Derivative financial assets	-	-	-	-	-	967,525	-	967,525
Other assets	-	-	-	-	-	-	121,597	121,597
Total Assets	2,052,756	1,331,348	271,024	282,314	-	4,190,769	143,881	8,272,092
Liabilities								
Deposits from customers	2,707,440	191,410	9,400	-	-	-	1,679	2,909,929
Deposits and placements from banks and other financial institutions	425,886	228,725	500	-	-	-	117	655,228
Repurchase agreements	-	-	-	-	-	1,371,952	19,773	1,391,725
Derivatives financial liabilities	-	-	-	-	-	906,844	-	906,844
Subordinated term loan	-	-	-	-	381,940	-	2,967	384,907
Other liabilities	-	-	-	-	-	-	1,130,460	1,130,460
Total Liabilities	3,133,326	420,135	9,900	-	381,940	2,278,796	1,154,996	7,379,093
Net interest rate gap	(1,080,570)	911,213	261,124	282,314	(381,940)	1,911,973	(1,011,115)	892,999

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

21. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The principal amount of the commitments and contingencies of the Bank are as follows:

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
<u>Commitments and Contingent Liabilities</u>		
Direct credit substitutes	248,558	215,349
Transaction-related contingent items	36,839	64,963
Short-term self-liquidating trade-related contingencies	392	1,442
Irrevocable commitments to extend credit:		
Maturity more than one year	430,568	232,890
Total credit related commitments and contingencies	<u>716,357</u>	<u>514,644</u>
Foreign exchange derivatives:		
One year or less	56,262,308	61,555,463
Over one year to five years	2,671,470	4,199,783
Over five years	596,893	609,453
Interest rate derivatives:		
One year or less	17,380,025	19,783,793
Over one year to five years	62,425,721	55,533,496
Over five years	1,390,133	1,549,453
Credit Derivatives:		
One year or less	22,648	72,609
Over one year to five years	1,215,318	1,143,897
Total treasury related commitments and contingencies	<u>141,964,516</u>	<u>144,447,947</u>
Total commitment and contingencies	<u>142,680,873</u>	<u>144,962,591</u>

BNP PARIBAS MALAYSIA BERHAD
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22. Islamic Banking Window

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	31-Mar 2025 RM'000	31-Dec 2024 RM'000
ASSETS			
Cash and short-term funds	(a)	17,769	26,630
Financial assets at fair value through other comprehensive income ('FVOCI')	(b)	30,667	20,276
Property, plant and equipment	(d)	-	-
Intangible assets	(e)	-	-
Deferred tax assets		-	2
TOTAL ASSETS		48,436	46,908
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	(f)	12,145	10,926
Other liabilities	(g)	11,854	11,713
Total liabilities		23,999	22,639
Capital fund		26,850	26,850
Accumulated losses		(2,412)	(2,575)
Reserves		(1)	(6)
Islamic banking funds		24,437	24,269
TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS		48,436	46,908

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
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22. Islamic Banking Window

UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

		31-Mar 2025 RM'000	31-Mar 2024 RM'000
Income derived from investment of Islamic banking funds and depositors' funds	(h)	363	357
Profit expense to depositors		(70)	(60)
Net income derived from investment of Islamic banking funds and depositors' funds		293	297
Other operating income	(i)	273	414
Other operating expenses	(j)	(403)	(305)
Profit for the financial period before taxation		163	406
Taxation		-	-
Profit for the financial period after taxation		163	406
Other comprehensive income, net of income tax:			
Items that may be reclassified subsequently to profit or loss :			
Debt instruments at fair value through other comprehensive income :			
Net changes in fair value		5	-
Other comprehensive income		5	-
Total comprehensive profit for the period		168	406

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
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22. Islamic Banking Window

UNAUDITED STATEMENT OF CHANGES IN EQUITY IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

	Capital fund RM'000	Regulatory reserve RM'000	Revaluation reserve- financial assets at FVOCI RM'000	Accumulated losses RM'000	Total RM'000
At 1 January 2025	26,850	-	(6)	(2,575)	24,269
Profit for the period	-	-	-	163	163
Other comprehensive income	-	-	5	-	5
At 31 March 2025	<u>26,850</u>	<u>-</u>	<u>(1)</u>	<u>(2,412)</u>	<u>24,437</u>

	Capital fund RM'000	Regulatory reserve RM'000	Revaluation reserve- financial assets at FVOCI RM'000	Accumulated losses RM'000	Total RM'000
At 1 January 2024	26,850	-	4	(3,242)	23,612
Profit for the year	-	-	-	667	667
Other comprehensive loss	-	-	(10)	-	(10)
At 31 December 2024	<u>26,850</u>	<u>-</u>	<u>(6)</u>	<u>(2,575)</u>	<u>24,269</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2024.

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025

22. Islamic Banking Window

(a) CASH AND SHORT-TERM FUNDS

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
<u>At Amortised Cost</u>		
Cash and balances with banks and other financial institutions	763	2,628
Money at call and deposit placements maturing within one month	17,006	24,002
	<u>17,769</u>	<u>26,630</u>

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

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
<u>At Fair value</u>		
Government securities:		
Malaysian Government Investment Issues	30,667	20,276
	<u>30,667</u>	<u>20,276</u>

(c) LOANS, ADVANCES AND FINANCING

Funding extended to BNP Paribas Najmah under Profit Sharing Investment Account ("PSIA") are included in the Bank's loans, advances and financing. As at current reporting date, the amount is RM12.00 million (31 December 2024: RM 14.24 million). The PSIA is a contract based on the Wakalah principle.

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

22. Islamic Banking Window

(d) PROPERTY, PLANT AND EQUIPEMENT

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
<u>Computer Equipment:</u>		
Cost		
At 1 January	-	23
Write-off	-	(23)
At 31 December	-	-
Accumulated Amortisation		
At 1 January	-	23
Write-off	-	(23)
At 31 December	-	-
Net Book Value	-	-

(e) INTANGIBLE ASSETS

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
<u>Computer Software:</u>		
Cost		
At 1 January	-	41
Write-off	-	(41)
At 31 December	-	-
Accumulated Amortisation		
At 1 January	-	41
Write-off	-	(41)
At 31 December	-	-
Net Book Value	-	-

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

22. Islamic Banking Window

(f) DEPOSITS FROM CUSTOMERS

Type	31-Mar 2025 RM'000	31-Dec 2024 RM'000
At Amortised Cost:		
Non-Mudharabah Fund		
Demand deposits	510	1,974
Commodity Murabahah	11,635	8,952
	<u>12,145</u>	<u>10,926</u>

(i) Maturity structure of Commodity Murabahah is as follows:

Due within six months	<u>11,635</u>	<u>8,952</u>
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(ii) The deposits are sourced from the following types of customers:

Business enterprises	18	18
Non-bank financial institution	12,127	10,908
	<u>12,145</u>	<u>10,926</u>

(g) OTHER LIABILITIES

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Other payables	<u>11,854</u>	<u>11,713</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)
22. Islamic Banking Window
(h) INCOME DERIVED FROM INVESTMENT OF ISLAMIC BANKING FUNDS AND DEPOSITORS' FUNDS

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Money at call and deposit placement with financial institutions	178	140
Financial assets at FVOCI	224	-
Amortisation of premium less accretion of discount	(39)	217
	<u>363</u>	<u>357</u>

(i) OTHER OPERATING INCOME

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Foreign exchange:		
- Unrealised (loss)/gain	(1)	63
Others	274	351
	<u>273</u>	<u>414</u>

(j) OTHER OPERATING EXPENSES

	31-Mar 2025 RM'000	31-Mar 2024 RM'000
Personnel costs (Note i)	306	228
Establishment costs (Note ii)	35	17
Marketing expenses	3	-
Administration and general expenses (Note iii)	59	60
	<u>403</u>	<u>305</u>

(i) Personnel Costs

Salaries, bonuses and allowances	240	222
Defined contribution plan	58	5
Other staff related expenses	8	1
	<u>306</u>	<u>228</u>

(ii) Establishment costs

Rental of premises	10	11
Information technology costs	1	-
Others	24	6
	<u>35</u>	<u>17</u>

(iii) Administration and general expenses

Legal and professional fees	39	37
Communication & transportation	2	4
Others	18	19
	<u>59</u>	<u>60</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2025 (CONTD.)

22. Islamic Banking Window

(k) CAPITAL ADEQUACY

The components of Tier I and Tier II capital are as follows:

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Tier-I capital		
Capital fund	26,850	26,850
Accumulated losses	(2,575)	(2,575)
Other disclosed reserves	(1)	(6)
	<u>24,274</u>	<u>24,269</u>
Less : Regulatory adjustments		
Deferred tax assets	-	(2)
55% of cumulative gains of financial instruments at FVOCI	-	-
	<u>-</u>	<u>(2)</u>
Total capital base	<u>24,274</u>	<u>24,267</u>
Capital Ratios		
Common Equity Tier 1 Capital Ratio	1005.968%	878.602%
Tier 1 Capital Ratio	1005.968%	878.602%
Total Capital Ratio	<u>1005.968%</u>	<u>878.602%</u>

The breakdown of risk-weighted assets by each major risk category is as follows:

	31-Mar 2025 RM'000	31-Dec 2024 RM'000
Credit Risk	393	548
Market Risk	24	23
Operational Risk	1,996	2,191
Total risk-weighted assets	<u>2,413</u>	<u>2,762</u>