

MEDIA RELEASE

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BIMB GROUP ANNOUNCES 9M2022 PBZT OF RM559.6 MILLION

3Q2022 HIGHLIGHTS

- Group's Profit Before Zakat and Taxation (PBZT) up 20.9% from 2Q2022 to register at RM219.0 million
 - Annualised Net Return on Equity (ROE) at 7.6% and Earnings per Share (EPS) of 17.02 sen.
 - Gross Financing grew by 9.1% y-o-y to RM62.1 billion.
 - Robust CASATIA composition at 36.0%.
 - Healthy Total Capital Ratio of 20.4%.
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KUALA LUMPUR, Wednesday, [30 November 2022]: Bank Islam Malaysia Berhad (BIMB or the Group) recorded a PBZT of RM559.6 million for the first nine-months ended 30 September 2022 (9M2022), lower by 10.9% or RM68.3 million over the corresponding period last year. The performance translates to the Group's earnings per share of 17.02 sen and annualised net ROE of 7.6%.

On the back of improved economic activities, the Group achieved a PBZT of RM219.0 million for the third quarter ended on 30 September 2022 (3Q2022). A marked increase in PBZT of 43.3% over the corresponding quarter last year (3Q2021) of RM152.8 million and 20.9% against the preceding quarter ended 30 June 2022 (2Q2022) of RM181.2 million. The increase was primarily attributed to higher net income and lower net allowance for financing and advances.

The Group's total assets grew by 12.9% y-o-y to stand at RM86.2 billion at the end of September 2022. Gross financing grew by 9.1% y-o-y to RM62.1 billion, while customer deposits and investment accounts stood at RM72.3 billion, with a y-o-y increase of RM7.9 billion or 12.2%.

Total current, saving and transactional investment accounts (CASATIA) have grown 3.7% y-o-y to stand at RM26.0 billion. This composition made a healthy level of 36.0% of total customer deposits and investment accounts. The Group's Total Capital Ratio remained strong at 20.4% on the back of healthy liquidity support.

The Group Outlook

Being predominantly retail-driven, BIMB continues to build on its core strengths, sustaining its secured payment financing model while building strategic partnerships with targeted organisations. Adopting and focusing on customer-centricity, BIMB looks to provide financial solutions across segments through its Retail Banking distribution and Premier Wealth Banking. The GO by Bank Islam mobile banking app saw significant growth in the number of users as it continues to roll out new features. While it improves operational business processes, BIMB plans to optimise digitalisation

in delivering convenient and personalised services to its customers to enhance customer experience.

"In advancing our goals to become future-ready, we have embarked on the second phase of our four-year IT Blueprint to uplift BIMB's ways of working. The move also enables us to strengthen our IT infrastructure effectively while focusing on improving customer experience and delivering business objectives," said BIMB's Group CEO, Mohd Muazzam Mohamed.

As part of its sustainability journey and ESG commitment, BIMB is expanding its green financing portfolio and widening its exposure to new green segments such as energy efficiency, net energy metering, office automation and waste management.

"To date, we have approved around RM2.9 billion in green financing for projects in renewable energy, sustainable waste management, public transportation, and green manufacturing. The Bank has set an aspirational target to increase its green financing portfolio to RM4 billion by 2025. In achieving this, BIMB is actively pursuing climate finance by developing targeted products, including low-carbon transition financing for SMEs and ESG-linked financing for corporates embarking on business transformation towards low-carbon operations," added Muazzam.

BIMB is also developing a digital supply chain model to meet the requirements of corporate clients. Optimising digital platforms will help BIMB strengthen its collaboration and open more business opportunities with its existing partners and potential clients.

Meanwhile, BIMB aims to cultivate and grow new-to-bank sectorial focus, mainly on green financing and unrated Sukuk, as part of its commitment to diversify its income contribution. BIMB remains vigilant in preserving asset quality by being cautious in onboarding new customers.

In recognition of its commitment towards ESG, its subsidiary, BIMB Investment Management Bhd (BIMB Investment), received top honours at the Inaugural The Edge ESG Awards 2022 held recently. BIMB Investment received two gold prize wins under the Funds category for its BIMB-Arabesque Global Shariah-ESG AI Tech MYR; The Best Overall Winner and The Best Fund-Based on Asset Class (Equity). As of 31 October 2022, BIMB Investment had seven Shariah-ESG-compliant funds totalling over RM800 million assets under management.

BIMB is staying the course of its five-year roadmap to become a prominent provider of Shariah-ESG total financing solutions, premised on VBI at the heart of its business model. In advancing sustainable banking, BIMB has implemented approaches to consider the ESG risk profile of its customers as part of the origination process while its ESG Risk Management Framework is in progress.

New financing applications are now assessed for ESG risks with elevated concerns on ESG based on industry-specific context, aligned with regulators' efforts to build a resilient financial system.

About Bank Islam Malaysia Berhad

Bank Islam is Malaysia's first publicly listed Islamic Bank on the Main Market of Bursa Malaysia. Established in July 1983 as Malaysia's first Islamic Bank, Bank Islam has 135 branches and more than 900 self-service terminals nationwide. As a full-fledged and pure-play Islamic bank, Bank Islam provides banking and financial solutions that strictly adhere to the Shariah rules and principles and are committed to the ideals of sustainable prosperity and ESG values. The core subsidiaries of the Bank Islam Group are pioneers in various Islamic financial services, including investment and stockbroking, namely BIMB Investment Management Berhad and BIMB Securities Sendirian Berhad. For more information on the Group's products and services, visit www.bankislam.com.

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