

**CHINA CONSTRUCTION BANK (MALAYSIA) BERHAD**  
(Company Registration No. 201601032761 (1203702-U))  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**31 MARCH 2026**

**CHINA CONSTRUCTION BANK (MALAYSIA) BERHAD**

(Company Registration No. 201601032761 (1203702-U))

(Incorporated in Malaysia)

**MANAGEMENT'S CERTIFICATION**

I hereby certify that the unaudited condensed interim financial statements for the period from 1 January 2026 to 31 March 2026 have been prepared from the Bank's accounting and other records and that they are in accordance with the requirements of Malaysian Financial Reporting Standard ("MFRS") 134: Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB") and the Guidelines on Financial Reporting issued by Bank Negara Malaysia.

On behalf of

**CHINA CONSTRUCTION BANK (MALAYSIA) BERHAD**

**Peng AnPing**

Chief Executive Officer

Date:

**CHINA CONSTRUCTION BANK (MALAYSIA) BERHAD**

(Company Registration No. 201601032761 (1203702-U))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
STATEMENTS OF FINANCIAL POSITION  
AS AT 31 MARCH 2026**

	Note	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<b>Assets</b>			
Cash and short-term funds	A8	805,838	1,316,122
Deposits and placements with banks and other financial institutions	A9	682,148	402,606
Debt instruments at fair value through other comprehensive income ("FVOCI")	A10	4,762,238	4,290,263
Other assets	A11	157,089	196,948
Derivative financial assets	A12	133,252	45,049
Loans and advances	A13	3,375,317	3,188,047
Tax recoverable		1,020	27,531
Statutory deposits with Bank Negara Malaysia		19,000	7,500
Right-of-use assets		27,192	26,191
Property and equipment		5,486	6,070
Intangible assets		5,053	5,499
Deferred tax assets		11,831	7,242
<b>Total assets</b>		<b>9,985,464</b>	<b>9,519,068</b>
<b>Liabilities</b>			
Deposits from customers	A14	3,496,012	3,071,547
Deposits and placements of banks and other financial institutions	A15	2,412,640	3,028,229
Obligations on securities sold under repurchase agreements ("Repo")		1,163,306	475,733
Other liabilities	A16	101,983	80,834
Derivative financial liabilities	A12	81,631	141,250
Lease liabilities		28,529	27,532
Borrowings	A17	817,006	811,505
Subordinated loan	A18	835,239	834,851
<b>Total liabilities</b>		<b>8,936,346</b>	<b>8,471,481</b>
<b>Equity attributable to equity holder of the Bank</b>			
Share capital		822,600	822,600
Reserves		226,518	224,987
<b>Total equity</b>		<b>1,049,118</b>	<b>1,047,587</b>
<b>Total liabilities and equity</b>		<b>9,985,464</b>	<b>9,519,068</b>
<b>Commitments and contingencies</b>	A24	<b>14,619,847</b>	<b>12,861,350</b>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2025.

**CHINA CONSTRUCTION BANK (MALAYSIA) BERHAD**

(Company Registration No. 201601032761 (1203702-U))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

	Note	Current quarter ended		Year-to-date ended	
		31 March	31 March	31 March	31 March
		2026	2025	2026	2025
		RM'000	RM'000	RM'000	RM'000
Interest income	A19	78,612	80,553	78,612	80,553
Interest expense	A20	(56,697)	(65,582)	(56,697)	(65,582)
Net interest income		21,915	14,971	21,915	14,971
Other operating income	A21	16,136	21,438	16,136	21,438
Net income		38,051	36,409	38,051	36,409
Other operating expenses	A22	(18,956)	(19,099)	(18,956)	(19,099)
Operating profit/(loss) before allowances		19,095	17,310	19,095	17,310
Writeback of/(Allowances for)					
expected credit losses ("ECL")	A23	(14)	1,313	(14)	1,313
Profit/(Loss) before taxation		19,081	18,623	19,081	18,623
Taxation		(6,476)	(5,758)	(6,476)	(5,758)
Net profit/(Loss) for the financial period		12,605	12,865	12,605	12,865
Other comprehensive income in respect of:					
Items that will be reclassified subsequently to profit or loss:					
<u>Debt instruments at FVOCI</u>					
Net fair value change in debt instruments					
at FVOCI		(14,834)	7,839	(14,834)	7,839
Income tax effect		3,760	(1,843)	3,760	(1,843)
		(11,074)	5,996	(11,074)	5,996
Total other comprehensive income, net of tax, for the financial period		(11,074)	5,996	(11,074)	5,996
Total comprehensive income for the financial period		1,531	18,861	1,531	18,861

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2025.

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

Note	← Non-Distributable →					Distributable	Total Equity
	Share Capital	Regulatory Reserve	FVOCI Reserve	Cash flow hedge Reserve	Cost of hedging Reserve	Retained Profits	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2026	822,600	-	19,143	-	-	205,844	1,047,587
Net profit for the financial period	-	-	-	-	-	12,605	12,605
Other comprehensive income/(loss), net of tax, for the financial period	-	-	(11,074)	-	-	-	(11,074)
Total comprehensive income/(loss) for the financial period	-	-	(11,074)	-	-	12,605	1,531
Balance as at 31 March 2026	822,600	-	8,069	-	-	218,449	1,049,118
Balance as at 1 January 2025	822,600	-	(9,806)	-	-	170,074	982,868
Net profit for the financial year	-	-	-	-	-	35,770	35,770
Other comprehensive income/(loss), net of tax, for the financial year	-	-	28,949	-	-	-	28,949
Total comprehensive income/(loss) for the financial year	-	-	28,949	-	-	35,770	64,719
Transfer to retained profits	-	-	-	-	-	-	-
Balance as at 31 December 2025	822,600	-	19,143	-	-	205,844	1,047,587

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2025.

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation	19,081	18,623
Adjustments for:		
(Writeback of)/Allowance for expected credit losses	14	(1,313)
Net unrealised fair value gain/(loss) on derivatives	(147,317)	60,748
Depreciation of property and equipment	584	420
Depreciation of right-of-use assets	1,207	1,124
Amortisation of intangible assets	446	461
Interest income from debt instruments at FVOCI	(38,079)	(28,348)
Interest expense from subordinated loan	5,002	6,091
Net foreign exchange gain/(loss) on subordinated loan	5,405	6,474
Interest expense from lease liabilities	273	267
Operating profit before working capital changes	<u>(153,384)</u>	<u>64,547</u>
Change in derivative financial assets and financial liabilities	(505)	(1)
Change in loans and advances	(188,493)	(207,266)
Change in statutory deposits with Bank Negara Malaysia	(11,500)	(7,500)
Change in other assets	39,859	16,530
Change in deposits from customers	424,465	418,606
Change in deposits and placements of banks and other financial institutions	(615,589)	(435,342)
Change in other liabilities	21,978	(91,244)
Change in borrowing	5,501	(5,093)
Change in obligations on securities sold under Repo	<u>687,573</u>	<u>369,173</u>
	<u>363,289</u>	<u>57,863</u>
Cash generated/(used in) from operations	209,905	122,410
Net tax refund/(tax paid)	<u>19,206</u>	<u>(6,580)</u>
Net cash generated/(used in) from operating activities	<u>229,111</u>	<u>115,830</u>
<b>Cash flows from investing activities</b>		
Change in deposits and placements with banks and other financial institutions with original maturity of more than 3 months	22,141	440,083
Purchase of debt investments at FVOCI	(1,322,863)	(572,931)
Proceeds from redemption and disposal of debt investments at FVOCI	838,802	812,875
Interest received from debt investments at FVOCI	35,499	40,011
Purchase of property and equipment	-	(189)
Purchase of intangible assets	-	(275)
Net cash (used in)/generated from investing activities	<u>(426,421)</u>	<u>719,574</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2025.

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**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
STATEMENTS OF CASH FLOWS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

	<b>31 March 2026</b>	<b>31 March 2025</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows from financing activities</b>		
Interest payment of subordinated loan	(10,019)	(20,286)
Lease payments	(1,484)	(1,303)
Net cash generated/(used in) financing activities	<u>(11,503)</u>	<u>(21,589)</u>
<b>Net decrease in cash and cash equivalents</b>	(208,813)	813,815
Cash and cash equivalents, at gross:		
- at the beginning of the financial year	1,014,866	480,768
- at the end of the financial period	<u>806,053</u>	<u>1,294,583</u>
<b>Cash and cash equivalents comprise:</b>		
Cash and short-term funds	805,967	1,550,942
Deposits and placements with banks and other financial institutions	682,234	1,054,325
	<u>1,488,201</u>	<u>2,605,267</u>
Less: Deposits and placements with banks and other financial institutions with original maturity of more than 3 months	<u>(682,148)</u>	<u>(1,310,684)</u>
	<u>806,053</u>	<u>1,294,583</u>

The Condensed Interim Financial Statements should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2025.

## **CHINA CONSTRUCTION BANK (MALAYSIA) BERHAD**

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### **NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

#### **A1. Basis of Preparation**

The interim financial statements are unaudited and have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board ("MASB") and the Guidelines on Financial Reporting issued by Bank Negara Malaysia ("BNM").

The unaudited condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 December 2025. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Bank since the financial year ended 31 December 2025.

All the significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2025. The following are the accounting standards, interpretations and amendments that have been issued by the MASB but have not been adopted by the Bank:

***Effective for financial periods beginning on or after 1 January 2027***

*MFRS 18 - Presentation and Disclosure in Financial Statements*

*Amendments to MFRS 19 - Subsidiaries without Public Accountability: Disclosures*

*Amendments to MFRS 121 - The Effects of Changes in Foreign Exchange Rates - Translation to a Hyperinflationary Presentation Currency*

***Effective for financial periods to be determined by the MASB***

*Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.*

The Bank plans to adopt the above pronouncements when they become effective in the respective financial periods. Except for MFRS 18, these pronouncements are expected to have no material impact to the financial statements of the Bank upon their initial application. The Bank is currently assessing the impact to the financial statements, if any, upon the initial application of MFRS 18.

#### **A2. Auditors' Report on Preceding Annual Financial Statements**

The audit report on the audited annual financial statements for the financial year ended 31 December 2025 was not subject to any qualification.

#### **A3. Seasonal or Cyclical Factors**

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

#### **A4. Exceptional or Unusual Items**

There were no exceptional or unusual items for the period from 1 January 2026 to 31 March 2026.

#### **A5. Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial year that have a material effect in the current financial period.

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**NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026****A6. 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 period under review.

**A7. Dividend Paid**

No dividend was paid during the period from 1 January 2026 to 31 March 2026.

**A8. Cash and Short-Term Funds**

	<b>As at 31 March 2026 RM'000</b>	<b>As at 31 December 2025 RM'000</b>
Cash and balances with banks and other financial institutions	286,401	348,823
Money at call and deposit placements maturing within one month	519,566	967,726
	<u>805,967</u>	<u>1,316,549</u>
Less: ECL allowances	(129)	(427)
	<u><u>805,838</u></u>	<u><u>1,316,122</u></u>

Movements in ECL allowances for cash and short-term funds are as follows:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month ECL RM'000</b>	<b>Lifetime ECL non credit- impaired RM'000</b>	<b>Lifetime ECL credit- impaired RM'000</b>	<b>Total ECL RM'000</b>
<b>ECL Allowances</b>				
At 1 January 2026	427	-	-	427
Financial assets derecognised during the financial period	(403)	-	-	(403)
New financial assets acquired	105	-	-	105
Net total	<u>(298)</u>	<u>-</u>	<u>-</u>	<u>(298)</u>
At 31 March 2026	<u><u>129</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>129</u></u>
At 1 January 2025	258	-	-	258
Financial assets derecognised during the financial year	(590)	-	-	(590)
New financial assets acquired	759	-	-	759
Net total	<u>169</u>	<u>-</u>	<u>-</u>	<u>169</u>
At 31 December 2025	<u><u>427</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>427</u></u>

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**NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026****A9. Deposits and Placements with Banks and Other Financial Institutions**

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
Licensed banks	682,234	402,606
Less: ECL allowances	(86)	-
	<u>682,148</u>	<u>402,606</u>

Movements in ECL allowances for deposit and placements with banks and other financial institutions are as follows:

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL non credit- impaired RM'000	Lifetime ECL credit- impaired RM'000	Total ECL RM'000
ECL Allowance				
At 1 January 2026	-	-	-	-
Financial assets derecognised during the financial year	-	-	-	-
New financial assets purchased	86	-	-	86
At 31 March 2026	<u>86</u>	<u>-</u>	<u>-</u>	<u>86</u>

**A10. Debt Instruments at Fair Value Through Other Comprehensive Income ("FVOCI")**

	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<b>At fair value</b>		
<b><u>Money market instruments</u></b>		
Malaysian Government Securities	942,519	633,808
Malaysian Government Investment Issues	2,502,418	2,028,302
Negotiable Instruments of Deposits	501,095	752,148
	<u>3,946,032</u>	<u>3,414,258</u>
<b><u>Unquoted securities</u></b>		
Corporate bonds within Malaysia	552,086	556,306
Cagamas debt securities	264,120	319,699
	<u>816,206</u>	<u>876,005</u>
	<u>4,762,238</u>	<u>4,290,263</u>

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**NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026****A10. Debt Instruments at Fair Value Through Other Comprehensive Income ("FVOCI") (cont'd)**

The following ECL for debt instruments are not recognised in the statement of financial position as the carrying amount of debt instruments at FVOCI is equivalent to their fair value:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<u>12-month</u>	<u>Lifetime</u>	<u>Lifetime</u>	
<b>ECL Allowances</b>	<b>ECL</b>	<b>ECL</b>	<b>ECL</b>	<b>ECL</b>
	<b>RM'000</b>	<b>non credit- impaired RM'000</b>	<b>credit- impaired RM'000</b>	<b>RM'000</b>
At 1 January 2026	811	-	-	811
Financial assets derecognised during the financial period	(184)	-	-	(184)
New financial assets purchased	16	-	-	16
Net total	(168)	-	-	(168)
At 31 March 2026	<u>643</u>	<u>-</u>	<u>-</u>	<u>643</u>
At 1 January 2025	910	-	-	910
Financial assets derecognised during the financial year	(152)	-	-	(152)
New financial assets purchased	53	-	-	53
Net total	(99)	-	-	(99)
At 31 December 2025	<u>811</u>	<u>-</u>	<u>-</u>	<u>811</u>

**A11. Other Assets**

	<u>As at</u>	<u>As at</u>
	<u>31 March</u>	<u>31 December</u>
	<u>2026</u>	<u>2025</u>
	<u>RM'000</u>	<u>RM'000</u>
Deposits	2,235	2,235
Prepayments	2,234	1,636
Cash collateral pledged for derivative transactions	68,958	129,847
Amount due from ultimate holding company	21,372	13,872
Other receivables	62,290	49,358
	<u>157,089</u>	<u>196,948</u>

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**NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026****A12. Derivative Financial Assets/(Liabilities)**

The Bank's derivative financial instruments are measured at their fair values together with their corresponding contract/notional amounts as at reporting date. The notional amounts of these derivative financial instruments refer to the underlying contract value on which changes in the value of the derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the financial period but are not indicative of either the market risk or credit risk inherent in the derivative contracts.

	<b>31 March 2026</b>		
	<b>Contract/ Notional Amount</b>	<b>Fair Value</b>	
		<b>Assets</b>	<b>Liabilities</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Trading derivatives</u></b>			
Foreign exchange related contracts:			
- Currency forwards/spot	639,932	7,798	7,839
- Currency swaps	10,663,947	121,490	72,483
Interest rate related contracts:			
- Interest rate swaps	885,000	3,964	1,309
	<u>12,188,879</u>	<u>133,252</u>	<u>81,631</u>

	<b>31 December 2025</b>		
	<b>Contract/ Notional Amount</b>	<b>Fair Value</b>	
		<b>Assets</b>	<b>Liabilities</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Trading derivatives</u></b>			
Foreign exchange related contracts:			
- Currency forwards/spot	376,834	4,332	2,417
- Currency swaps	9,318,809	38,680	132,961
Interest rate related contracts:			
- Interest rate swaps	885,000	2,037	5,872
	<u>10,580,643</u>	<u>45,049</u>	<u>141,250</u>

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**NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026****A12. Derivative Financial Assets/(Liabilities) (cont'd)**

	<b>31 March 2026</b>		
	<b>Contract/ Notional Amount</b>	<b>Fair Value</b>	
		<b>Assets</b>	<b>Liabilities</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>By remaining period to maturity/next re-pricing date</b>			
<b><u>Trading derivatives</u></b>			
Foreign exchange related contracts			
- Less than one year	10,495,874	122,050	77,721
- More than one year	808,005	7,238	2,601
Interest rate related contracts:			
- Less than one year	75,000	161	-
- More than one year	810,000	3,803	1,309
	<u>12,188,879</u>	<u>133,252</u>	<u>81,631</u>

	<b>31 December 2025</b>		
	<b>Contract/ Notional Amount</b>	<b>Fair Value</b>	
		<b>Assets</b>	<b>Liabilities</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>By remaining period to maturity/next re-pricing date</b>			
<b><u>Trading derivatives</u></b>			
Foreign exchange related contracts			
- Less than one year	8,872,194	18,573	113,970
- More than one year	823,449	24,439	21,408
Interest rate related contracts:			
- More than one year	885,000	2,037	5,872
	<u>10,580,643</u>	<u>45,049</u>	<u>141,250</u>

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**NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026****A13. Loans and Advances**

	<b>As at 31 March 2026 RM'000</b>	<b>As at 31 December 2025 RM'000</b>
<b>(i) By type:</b>		
<b>At amortised cost</b>		
Overdrafts	4,200	4,641
Term loans:		
- Syndicated term loans	196,424	189,556
- Other term loans	638,390	505,384
- Factoring receivables	482,100	733,137
Trust receipts	235,310	238,982
Revolving credits	1,851,126	1,547,357
Gross loans and advances	<u>3,407,550</u>	<u>3,219,057</u>
Less: ECL allowances		
- Stage 1	(28,216)	(25,834)
- Stage 2	(4,017)	(5,176)
Net loans and advances	<u><u>3,375,317</u></u>	<u><u>3,188,047</u></u>
<b>(ii) Gross loans and advances by type of customers:</b>		
Business enterprises	<u>3,407,550</u>	<u>3,219,057</u>
	<u><u>3,407,550</u></u>	<u><u>3,219,057</u></u>
<b>(iii) Gross loans and advances by geographical distribution:</b>		
Malaysia	3,391,529	3,203,209
China	16,021	15,848
	<u><u>3,407,550</u></u>	<u><u>3,219,057</u></u>

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	<b>As at 31 March 2026 RM'000</b>	<b>As at 31 December 2025 RM'000</b>
<b>(iv) Gross loans and advances by interest rate sensitivity:</b>		
Fixed rate	25,496	21,500
Variable rate (cost-plus)	3,382,054	3,197,557
	<u>3,407,550</u>	<u>3,219,057</u>
<b>(v) Gross loans and advances by economic purpose:</b>		
Working capital	2,655,306	2,595,968
Purchase of land	89,372	108,471
Construction	389,165	280,939
Lending to related entities	42,424	46,081
Purchase of machinery and equipments	125,113	126,625
Other purposes	106,170	60,973
	<u>3,407,550</u>	<u>3,219,057</u>
<b>(vi) Gross loans and advances by remaining contractual maturity:</b>		
Maturity within one year	2,637,140	2,533,365
One year to three years	153,289	149,860
Three years to five years	404,860	198,459
Over five years	212,261	337,373
	<u>3,407,550</u>	<u>3,219,057</u>
<b>(vii) Gross loans and advances by industry:</b>		
Agriculture, hunting, forestry and fishing	45,125	45,124
Mining and quarrying	23,517	23,257
Manufacturing	747,312	608,112
Electricity, gas and water	125,782	125,622
Construction	597,414	682,622
Wholesale, retail trade, restaurants and hotels	300,565	291,088
Transport, storage and communication	862,831	867,828
Real estate	144,715	189,347
Finance, insurance and business services	334,763	227,268
Information and Communication	188,245	116,709
Professional, Scientific and Technical Activities	37,281	42,080
	<u>3,407,550</u>	<u>3,219,057</u>

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**A13. Loans and Advances (cont'd)**

**(viii) Movements in the gross carrying amount of loans and advances that contributed to changes in the ECL allowances:**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2026	3,173,523	45,534	-	3,219,057
Financial assets derecognised during the financial period	(4,408,286)	(9,700)	-	(4,417,986)
New financial assets originated	4,606,479	-	-	4,606,479
At 31 March 2026	<u>3,371,716</u>	<u>35,834</u>	<u>-</u>	<u>3,407,550</u>
At 1 January 2025	2,642,932	60,530	-	2,703,462
Financial assets derecognised during the financial year	(16,396,581)	(120,858)	-	(16,517,439)
New financial assets originated	17,033,034	-	-	17,033,034
Transferred to Stage 2	(105,862)	105,862	-	-
At 31 December 2025	<u>3,173,523</u>	<u>45,534</u>	<u>-</u>	<u>3,219,057</u>

**(ix) Movements in ECL allowances for loans and advances:**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month ECL</b>	<b>Lifetime ECL non credit-impaired</b>	<b>Lifetime ECL credit-impaired</b>	<b>Total ECL</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2026	25,834	5,176	-	31,010
Financial assets derecognised during the financial period	(10,304)	(5,176)	-	(15,480)
New financial assets originated	12,686	4,017	-	16,703
Net total	2,382	(1,159)	-	1,223
At 31 March 2026	<u>28,216</u>	<u>4,017</u>	<u>-</u>	<u>32,233</u>
At 1 January 2025	17,942	3,265	-	21,207
Financial assets derecognised during the financial year	(23,142)	(3,265)	-	(26,407)
New financial assets originated	31,915	-	-	31,915
Transferred to Stage 2	(881)	5,176	-	4,295
Net total	7,892	1,911	-	9,803
At 31 December 2025	<u>25,834</u>	<u>5,176</u>	<u>-</u>	<u>31,010</u>

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	As at 31 March 2026 RM'000	As at 31 December 2025 RM'000
<b>A14. Deposits from Customers</b>		
<b>(i) By type of deposits:</b>		
Demand deposits	2,462,485	1,992,354
Saving deposits	7,319	9,747
Fixed deposits	1,026,208	1,069,446
	<u>3,496,012</u>	<u>3,071,547</u>
<b>(ii) By type of customer:</b>		
Business enterprises	2,697,620	2,511,565
Domestic non-banking financial institutions	53,277	99,740
Local government and statutory authorities	718,005	431,260
Individuals	27,110	28,982
	<u>3,496,012</u>	<u>3,071,547</u>
<b>(iii) By maturity structure of fixed deposits:</b>		
Due within six months	996,447	1,035,674
Six months to one year	29,761	30,158
One year to three years	-	3,614
	<u>1,026,208</u>	<u>1,069,446</u>
<b>A15. Deposits and Placements of Banks and Other Financial Institutions</b>		
Licensed banks in Malaysia	501,289	1,227,220
Ultimate holding company	1,829,052	1,695,312
Other financial institutions	82,299	105,697
	<u>2,412,640</u>	<u>3,028,229</u>

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	As at 31 March 2026 <u>RM'000</u>	As at 31 December 2025 <u>RM'000</u>
Other payables and accruals	30,069	38,576
Deferred Income	5,849	6,437
Cash collateral received for derivative transactions	38,524	6,460
Cash collateral from corporate customers	23,795	24,786
ECL allowances for loan commitments and financial guarantees	3,746	4,575
	<u>101,983</u>	<u>80,834</u>

Movements in ECL allowances for loan commitments and financial guarantees are as follows:

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	<b>12-month ECL RM'000</b>	<b>Lifetime ECL non credit- impaired RM'000</b>	<b>Lifetime ECL credit- impaired RM'000</b>	<b>Total ECL RM'000</b>
At 1 January 2026	3,880	695	-	4,575
Credit exposures relinquished	(1,478)	(690)	-	(2,168)
Credit exposures assumed	1,046	293	-	1,339
Net total	(432)	(397)	-	(829)
At 31 March 2026	<u>3,448</u>	<u>298</u>	<u>-</u>	<u>3,746</u>
At 1 January 2025	3,017	-	-	3,017
Credit exposures relinquished	(2,748)	-	-	(2,748)
Credit exposures assumed	3,670	-	-	3,670
Trasferred to Stage 2	(59)	695	-	636
Net total	863	695	-	1,558
At 31 December 2025	<u>3,880</u>	<u>695</u>	<u>-</u>	<u>4,575</u>

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	As at 31 March 2026 <u>RM'000</u>	As at 31 December 2025 <u>RM'000</u>
<b>A17. Borrowings</b>		
Unsecured borrowings	<u>817,006</u>	<u>811,505</u>

The term loans are denominated in Chinese Yuan bearing a fixed interest rate with remaining maturity of less than 1 year to 2 years.

**A18. Subordinated Loan**

At amortised cost

RMB 1.425 billion subordinated loan 2024/2034, at par	<u>835,239</u>	<u>834,851</u>
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The RMB 1.425 billion Tier II subordinated loan has a 10 years maturity, non-callable 5 years, which bears interest rate at 1-year LPR minus 0.55% payable every 6 months throughout the tenure.

The issuance of the subordinated loan was approved by BNM as Basel III compliant Tier II subordinated loan, and to be classified as Tier II capital of the Bank pursuant to BNM's Capital Adequacy Framework (Capital Components).

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	Current quarter ended		Year-to-date ended	
	31 March 2026	31 March 2025	31 March 2026	31 March 2025
	RM'000	RM'000	RM'000	RM'000
<b>A19. Interest Income</b>				
Loans and advances	31,980	30,298	31,980	30,298
Deposits and placements with banks and other financial institutions	8,553	21,907	8,553	21,907
Debt instruments at FVOCI	38,079	28,348	38,079	28,348
	<u>78,612</u>	<u>80,553</u>	<u>78,612</u>	<u>80,553</u>
<b>A20. Interest Expense</b>				
Deposits and placements of banks and other financial institutions	20,959	35,294	20,959	35,294
Deposits from customers	25,859	19,881	25,859	19,881
Obligations on securities sold under repurchase agreements ("Repo")	3,693	490	3,693	490
Subordinated loan	5,002	6,091	5,002	6,091
Lease liabilities	273	267	273	267
Derivative financial instruments	911	3,559	911	3,559
	<u>56,697</u>	<u>65,582</u>	<u>56,697</u>	<u>65,582</u>
<b>A21. Other Operating Income</b>				
<b>Fee income:</b>				
Service charges and fees	96	67	96	67
Guarantee fees	807	946	807	946
Commitment fees	7	19	7	19
Syndication fees	602	-	602	-
Management fees	7,500	7,500	7,500	7,500
	<u>9,012</u>	<u>8,532</u>	<u>9,012</u>	<u>8,532</u>
Less: Fees expense	(332)	(113)	(332)	(113)
Net fee income	<u>8,680</u>	<u>8,419</u>	<u>8,680</u>	<u>8,419</u>
<b>Trading and investment income:</b>				
Net realised (loss)/gain on derivatives	(135,485)	37,006	(135,485)	37,006
Net unrealised fair value (loss)/gain on derivatives	147,317	(60,748)	147,317	(60,748)
Net foreign exchange gain/(loss)	(4,473)	36,437	(4,473)	36,437
	<u>7,359</u>	<u>12,695</u>	<u>7,359</u>	<u>12,695</u>
Less: Brokerage charges	(134)	(141)	(134)	(141)
	<u>7,225</u>	<u>12,554</u>	<u>7,225</u>	<u>12,554</u>
<b>Other income:</b>				
Rental income	212	212	212	212
Other non-operating income	19	253	19	253
	<u>231</u>	<u>465</u>	<u>231</u>	<u>465</u>
	<u>16,136</u>	<u>21,438</u>	<u>16,136</u>	<u>21,438</u>

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	Current quarter ended		Year-to-date ended	
	31 March	31 March	31 March	31 March
	2026	2025	2026	2025
	RM'000	RM'000	RM'000	RM'000
<b>A22. Other Operating Expenses</b>				
<b>Personnel costs</b>				
Salaries, bonuses, wages and allowances	12,511	12,255	12,511	12,255
Defined contribution plan	1,109	1,210	1,109	1,210
Other staff related costs	1,022	424	1,022	424
	<u>14,642</u>	<u>13,889</u>	<u>14,642</u>	<u>13,889</u>
<b>Establishment costs</b>				
Depreciation of property and equipment	584	420	584	420
Depreciation of right-of-use assets	1,207	1,124	1,207	1,124
Amortisation of intangible assets	446	461	446	461
Repair and maintenance	1,003	1,419	1,003	1,419
Short-term leases expenses	55	64	55	64
Others	32	76	32	76
	<u>3,327</u>	<u>3,564</u>	<u>3,327</u>	<u>3,564</u>
<b>Promotion and marketing expenses</b>				
Advertisement and publicity	169	153	169	153
<b>Administration and general expenses</b>				
Communication expenses	260	198	260	198
Auditors' remuneration	107	95	107	95
Legal and professional fees	22	88	22	88
Travelling and accommodation expenses	54	108	54	108
Subscription fees	137	262	137	262
Directors' fees and allowances	157	150	157	150
Insurance premium	2	1	2	1
Printing, stationery and postage	68	29	68	29
Others	11	562	11	562
	<u>818</u>	<u>1,493</u>	<u>818</u>	<u>1,493</u>
	<u>18,956</u>	<u>19,099</u>	<u>18,956</u>	<u>19,099</u>
<b>A23. (Writeback of)/Allowance for Expected Credit Losses ("ECL")</b>				
Stage 1:				
- Cash and short-term funds	(298)	(234)	(298)	(234)
- Deposits and placements with banks and other financial institutions	86	-	86	-
- Debt instruments at FVOCI	(168)	(11)	(168)	(11)
- Loans and advances	2,382	1,312	2,382	1,312
- Loan commitments and financial guarantees	(432)	885	(432)	885
	<u>1,570</u>	<u>1,952</u>	<u>1,570</u>	<u>1,952</u>
Stage 2:				
- Loans and advances	(1,159)	(3,265)	(1,159)	(3,265)
- Loan commitments and financial guarantees	(397)	-	(397)	-
	<u>(1,556)</u>	<u>(3,265)</u>	<u>(1,556)</u>	<u>(3,265)</u>
	<u>14</u>	<u>(1,313)</u>	<u>14</u>	<u>(1,313)</u>

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	As at 31 March 2026 <u>RM'000</u>	As at 31 December 2025 <u>RM'000</u>
The notional amounts of the commitments and contingencies are as follows:		
Short-term self-liquidating trade-related contingencies	128,121	128,532
Transaction-related contingent items	429,682	378,687
Irrevocable commitments to extend credit:		
- Less than one year	165,216	90,934
- More than one year	1,707,949	1,682,554
Foreign exchange related contracts:		
- Less than one year	10,495,874	8,872,194
- More than one year	808,005	823,449
Interest rate related contracts:		
- Less than one year	75,000	-
- More than one year	810,000	885,000
	<u>14,619,847</u>	<u>12,861,350</u>

**A25. Capital Adequacy Ratio**

The total capital and capital adequacy ratios of the Bank is computed in accordance with BNM's Capital Adequacy Framework (Capital Components). The Bank is currently adopting the Standardised Approach for Credit Risk and Market Risk (Basel II) and Operational Risk (Basel III). The minimum capital adequacy and capital buffer requirement for Common Equity Tier I Capital Ratio ("CET I"), Tier I Capital Ratio and Total Capital Ratio are 7.000%, 8.500% and 10.500% respectively.

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	<b>As at 31 March 2026 RM'000</b>	<b>As at 31 December 2025 RM'000</b>
<b>CET I/Tier I Capital</b>		
Paid-up ordinary share capital	822,600	822,600
Retained profits	205,844	205,844
Other reserves	8,069	19,143
Regulatory adjustments applied in the calculation of CET I Capital	(33,117)	(34,696)
Total CET I/Tier I Capital	<u>1,003,396</u>	<u>1,012,891</u>
<b>Tier II Capital</b>		
Tier II capital instruments meeting all relevant criteria	833,367	827,808
Loss provisions	36,837	36,823
Total Tier II Capital	<u>870,204</u>	<u>864,631</u>
<b>Total Capital</b>	<u>1,873,600</u>	<u>1,877,522</u>
<b>Analysis of risk-weighted assets</b>		
Credit risk	3,573,027	3,373,775
Market risk	306,749	286,798
Operational risk	229,655	228,555
Total risk-weighted assets	<u>4,109,431</u>	<u>3,889,128</u>
<b>Capital adequacy ratio (before proposed dividends)</b>		
CET I Capital Ratio	24.417%	26.044%
Tier I Capital Ratio	24.417%	26.044%
Total Capital Ratio	45.593%	48.276%
<b>Capital adequacy ratio (after proposed dividends)</b>		
CET I Capital Ratio	24.417%	26.044%
Tier I Capital Ratio	24.417%	26.044%
Total Capital Ratio	45.593%	48.276%

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### **NOTES TO UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2026**

#### **B1. Performance Review**

For the first quarter ended 31 March 2026, China Construction Bank (Malaysia) Berhad's ("CCBM or the Bank") registered a profit before tax ("PBT") of RM19.1 million. The PBT was mainly attributable to higher net interest income of RM21.9 million.

As at 31 March 2026, the Bank's total assets increased to RM10.0 billion, consist of loans and advances RM3.4 billion and debt instruments at FVOCI RM4.8 billion. Gross impaired loan ratio remained at 0% as at 31 March 2026. The Bank's deposits from customers grew to RM3.5 billion an increased of RM424 million or 14% as compared to previous financial year end.

The Bank maintained healthy capital position and ample liquidity buffer. The Bank's Common Equity Tier I capital ratio/Tier I capital ratio and Total capital ratio stood at 24.417% and 45.593% respectively as at 31 March 2026, which remained above the minimum regulatory requirements.

#### **B2. Prospects for 2026**

The 4 main pillars of growth in 2025, i.e. wealth creation from stock markets, government fiscal policies, central banks' easy monetary policy and The Federal Reserve Bank stance as an independent institution which instilled market confident and resilient, continued to support the growth story into early 2026. However, he same was dampened with U.S.'s attack on Iran recently. Crude oil and commodities prices soaring which triggered inflationary fear and altered the rates outlook. Global stock indexes slumped and emerging market currencies weakened with MYR losing more than 3 % from 3.88 to 4.03 post 28 February strike on Iran.

As Middle East crisis deepen, many countries begin energy conservation initiatives and other cost cutting measures as austerity drive to minimize the impact from this geopolitical crisis, Malaysia included.

China had earlier lowered their 2026 GDP forecast growth target from 5.0 % to 4.5 % to 5.0 % while Malaysia widen GDP outlook from earlier range of 4.0 % - 4.5 % to 4.0 % - 5.0 % range, a cautiously optimistic revision due to external risk factors.

International Monetary Fund (IMF), World Bank and Asia Development Bank (ADB) had lowered their 2026 growth outlook amid prolong Middle East crisis where ADB revised downward developing Asia countries growth outlook from 5.4 % to 5.10 % while IMF pledged a USD 50 billion assistance to countries affected by the war.

Looking forward, the risk factors that likely to derail the market rates outlook are:

1. Ballooning U.S. debt and its associated cost which has fast approaching USD 40 trillion and USD 1.2 trillion respectively
2. Impact of Trumps new tariff strategy using section 301 of the Trade Act of 1974
3. Private credit funds redemption challenges due to liquidity constrain where institutions like Blue Owl, Blackrock, Morgan Stanley, Apollo Global, Barings and Ares Management etc putting a cap on redemption request by investors
4. U.S. mid-term election which has swing towards favouring Democratic candidates
5. The Federal Reserve Bank leadership change in May 2026
6. Growing U.S. presidential impeachment odds

Amid the challenging backdrop and high oil price shock that potentially inflict higher operating cost, there are various collaboration opportunities among ASEAN countries that CCBM can leverage on to boost our lending activities in 2026 via syndication arrangement leveraging on our HQ capability and expertise and branch networks to provide funding to these business sectors to promote and support their strategic domestic growth agendas.

CCBM can also play an unique role to compliment China's 15th Five Years Plan (2026-2030) objectives and 13th Malaysia Plan (2026-20230) agendas which mostly focused on high quality development , industry innovation, strengthening technology self-reliance and promoting green transformation via business matching leveraging on CCB Group network for both inbound and outbound businesses and investments between China, Malaysia and ASEAN countries , particularly in AI related sector, digital trade and transformation capability, strengthening regional supply chains, green technology, strategic infrastructure projects, EV sector, petrochemical , tourism (Visit Malaysia year2026) and financial services collaboration.to expand and boost our lending and investment portfolios.

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Malaysian Rating Corporation Berhad ("MARC") has affirmed the Bank's long-term and short-term financial institution ratings of AA+ and MARC-1, respectively with stable outlook.

**B4. 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 one or more significant inputs are not based on observable market data.

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

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>31 March 2026</b>				
<b>Financial assets</b>				
Debt instruments at FVOCI	-	4,762,238	-	4,762,238
Derivative financial assets	-	133,252	-	133,252
	<u>-</u>	<u>4,895,490</u>	<u>-</u>	<u>4,895,490</u>
<b>Financial liabilities</b>				
Derivative financial liabilities	<u>-</u>	<u>81,631</u>	<u>-</u>	<u>81,631</u>
<b>31 December 2025</b>				
<b>Financial assets</b>				
Debt instruments at FVOCI	-	4,290,263	-	4,290,263
Derivative financial assets	-	45,049	-	45,049
	<u>-</u>	<u>4,335,312</u>	<u>-</u>	<u>4,335,312</u>
<b>Financial liabilities</b>				
Derivative financial liabilities	<u>-</u>	<u>141,250</u>	<u>-</u>	<u>141,250</u>

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#### **B4. Fair Value of Financial Instruments (cont'd)**

##### **(i) Valuation techniques**

Financial instruments are classified as Level 1 if their value is 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 is 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.

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.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Such inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or other analytical techniques.

#### **B5. Valuation of Property and Equipment**

The property and equipment are stated at cost less accumulated depreciation on straight line method.

#### **B6. Significant Events**

There were no material events subsequent to the end of the reporting date that require disclosure or adjustments to the unaudited interim financial statements.

#### **B7. Changes in the Composition**

There were no significant change in the composition of the Bank in the current financial period.

#### **B8. Dividends**

No dividend has been proposed for the quarter under review.