YTL DIGITAL BANK BERHAD

(Incorporated in Malaysia)
Registration No. 202201037182 (1482879-P)

UNAUDITED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED

30 JUNE 2026

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 30 JUNE 2026

	Note	30 June 2026 RM'000	31 December 2025 RM'000
ASSETS			
Cash and short-term funds	9	1,170,837	483,300
Deposits with licensed financial institutions	10	588,229	682,932
Financial investments at fair value through other comprehensive income ("FVOCI")	11	991,390	798,817
Financial investments at amortised cost (“AC”)	12	20,520	20,564
Loans and advances	13	116,843	21,826
Other assets	14	30,961	25,997
Statutory deposits with Bank Negara Malaysia	15	9,023	6,379
Current tax assets		11	362
Right-of-use assets	16	4,940	5,870
Plant and equipment	17	1,940	2,554
Intangible assets	18	76,973	68,195
Total assets		**3,011,667**	**2,116,796**
LIABILITIES AND EQUITY			
Deposits from customers	19	2,658,578	1,606,499
Obligations on securities sold under repurchase agreements	20	-	197,508
Other liabilities	21	78,932	39,402
Lease liabilities	22	5,380	6,328
Total liabilities		**2,742,890**	**1,849,737**
Share capital		560,000	480,000
Reserves		(2,921)	(140)
Accumulated losses		(288,302)	(212,801)
Total equity		**268,777**	**267,059**
Total liabilities and equity		**3,011,667**	**2,116,796**
Commitments	23	**134,048**	**39,960**

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF PROFIT OR LOSS AND COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	Note	Individual Quarter Ended 30 June 2026 RM'000	Individual Quarter Ended 30 June 2025 RM'000	Six Months Ended 30 June 2026 RM'000	Six Months Ended 30 June 2025 RM'000
Interest income		24,617	1,011	43,450	1,970
Interest expense		(21,219)	(162)	(37,976)	(166)
Net interest income	**24**	**3,398**	**849**	**5,474**	**1,804**
Fee and commission	25	(2,714)	(38)	(4,677)	(38)
Other operating income	26	8,934	-	8,935	34
Non-interest income/(expense)		**6,220**	**(38)**	**4,258**	**(4)**
Total net operating income		**9,618**	**811**	**9,732**	**1,800**
Operating expenses					
Personnel expenses		(13,403)	(13,699)	(29,512)	(26,646)
Other overhead expenses		(19,130)	(9,047)	(41,873)	(16,660)
Total operating expenses	**27**	**(32,533)**	**(22,746)**	**(71,385)**	**(43,306)**
Loss before allowances		**(22,915)**	**(21,935)**	**(61,653)**	**(41,506)**
Allowances for expected credit losses ("ECL")	28	(9,740)	(3)	(13,848)	(2)
Loss before taxation		**(32,655)**	**(21,938)**	**(75,501)**	**(41,508)**
Taxation		-	-	-	-
Net loss for the financial period		**(32,655)**	**(21,938)**	**(75,501)**	**(41,508)**
Other comprehensive income/ (loss):					
Movement in financial investments at FVOCI:					
- Net gain/ (loss) on change in fair value		658	685	(2,797)	708
- Changes in ECL		7	2	16	2
Total comprehensive loss for the financial period		**(31,990)**	**(21,251)**	**(78,282)**	**(40,798)**

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	Share Capital RM'000	Other Reserve RM'000	Regulatory Reserve RM'000	Accumulated Losses RM'000	Total Equity RM'000
2026					
At 1 January 2026	**480,000**	**(140)**	**-**	**(212,801)**	**267,059**
Net loss for the period	-	-	-	(75,501)	(75,501)
Other comprehensive loss	-	(2,781)	-	-	(2,781)
Issue of ordinary shares	80,000	-	-	-	80,000
At 30 June 2026	**560,000**	**(2,921)**	**-**	**(288,302)**	**268,777**
2025					
At 1 January 2025	**260,000**	**-**	**-**	**(103,982)**	**156,018**
Net loss for the period	-	-	-	(41,508)	(41,508)
Other comprehensive gain	-	710	-	-	710
Issue of ordinary shares	50,000	-	-	-	50,000
Transfer to regulatory reserve	-	-	212	(212)	-
At 30 June 2025	**310,000**	**710**	**212**	**(145,702)**	**165,220**

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026

	30 June 2026 RM'000	30 June 2025 RM'000
Cash flows from operating activities		
Loss before taxation	(75,501)	(41,508)
Adjustments for:		
Amortisation of intangible assets	4,204	1,703
Depreciation of plant and equipment	936	897
Depreciation of right-of-use assets	930	930
Interest expense on lease liabilities	131	166
Allowance for impairment on financial investments	17	2
Allowance for impairment on loans and advances	9,933	-
Allowance for impairment on other financial assets	20	-
Net gain on disposal of financial assets at FVOCI	(1)	-
Unrealised foreign exchange gain	(121)	(26)
Unrealised gain on financial investments at FVTPL	-	124
Interest expense	37,976	166
Interest income	(43,450)	(1,970)
Operating loss before changes in working capital	**(64,926)**	**(39,516)**
Changes in working capital:	**-**	**-**
Changes in other assets	(2,329)	(1,502)
Changes in other liabilities	43,523	(949)
Changes in financial investments at FVTPL	-	6,782
Changes in loans and advances	(100,803)	-
Changes in statutory deposits with Bank Negara Malaysia	(2,644)	-
Changes in deposits from customers	1,015,226	16,728
Changes in obligations under repurchase agreements	(198,631)	19,458
Interest received	41,070	2,447
Tax refund received	351	18
Net cash from operating activities	**730,837**	**3,466**

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2026 (CONT'D)

Cash flows from investing activities		
Purchase of plant and equipment	(346)	(1,030)
Additions to intangible assets	(12,449)	(12,515)
Changes in deposits with licensed financial institutions with original maturity of more than 3 months	(90,000)	27,140
Net acquisition of financial investments at FVOCI	(204,832)	(83,067)
Increase in pledged deposits	(3,059)	(2,468)
Net cash used in investing activities	**(310,686)**	**(71,940)**
Cash flows from financing activities		
Proceeds from issuance of ordinary shares	80,000	50,000
Lease payments	(356)	(1,011)
Net cash generated from financing activities	**79,644**	**48,989**
Net increase in cash and cash equivalents	**499,795**	**(19,485)**
Cash and cash equivalents at beginning of period	783,309	63,724
Cash and cash equivalents at end of period	**1,283,104**	**44,239**
Cash and cash equivalents comprise:		
Cash and short-term funds	1,170,865	9,106
Deposits with licensed financial institutions	588,244	60,887
	1,759,109	**69,993**
Less: Deposits with original maturity more than 3 months	(470,000)	(22,887)
Less: Pledged deposits	(6,005)	(2,867)
	1,283,104	**44,239**

NOTES TO THE UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 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 IAS 34 Interim Financial Reporting. It should be read in conjunction with the audited financial statements of YTL Digital Bank Berhad ('Bank') for the financial year ended 31 December 2025.

(a) Statement of Compliance
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 period ended 31 December 2025, except for those listed below:

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2026

- Amendments to MFRS 9, *Financial Instruments* and MFRS 7, *Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments*
- Amendments that are part of Annual Improvements - Volume 11:
  - Amendments to MFRS 1, *First-time Adoption of Malaysian Financial Reporting Standards*
  - Amendments to MFRS 7, *Financial Instruments: Disclosures*
  - Amendments to MFRS 9, *Financial Instruments*
  - Amendments to MFRS 10, *Consolidated Financial Statements*
  - Amendments to MFRS 107, *Statement of Cash Flows*
- Amendments to MFRS 9, Financial Instruments and MFRS 7, Financial Instruments: *Disclosures - Contracts Referencing Nature-dependent Electricity*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after 1 January 2027

- MFRS 18, *Presentation and Disclosure in Financial Statements*
- 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*

MFRS Accounting Standards, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- 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 apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 January 2026 for amendments effective on or after 1 January 2026.
- from the annual period beginning on 1 January 2027 for amendments effective on or after 1 January 2027.

The initial application of the abovementioned accounting standards, amendments and interpretations is not expected to have any material financial impact to the current period financial statements of the Bank, except for MFRS 18 where the Bank is currently assessing the impact.

2. AUDITORS' REPORT

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

3. SEASONAL OR CYCLICAL FACTORS

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 financial period ended 30 June 2026.

5. CHANGES IN ESTIMATES

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

6. CHANGES IN DEBT AND EQUITY SECURITIES

There were no issuances, cancellations, repurchases, resales or repayments of debt and equity securities during the financial period ended 30 June 2026, other than the issuance of ordinary shares as disclosed in the Statement of Changes in Equity.

7. DIVIDEND PAID AND PROPOSED DIVIDEND

No interim dividend was declared nor paid during the financial period ended 30 June 2026.

8. SIGNIFICANT AND SUBSEQUENT EVENTS

There were no significant events subsequent to the date of statement of financial position that have not been reflected in the unaudited interim financial statements.

9. CASH AND SHORT-TERM FUNDS

	30 June 2026 RM'000	**31 December 2025 RM'000**
Cash and bank balances	50,865	13,309
Deposits with licensed financial institutions maturing within a month	1,120,000	470,000
	1,170,865	**483,309**
Less: Allowance for expected credit losses (“ECL”)		
- Stage 1: 12-month ECL	(28)	(9)
	1,170,837	**483,300**
Movement in allowances for ECL:		
Stage 1: 12-month ECL		
Balance at beginning of the financial period/year	9	1
New financial assets originated	28	9
Financial assets derecognised	(9)	(1)
Balance at end of the financial period/year	**28**	**9**

10. DEPOSITS WITH LICENSED FINANCIAL INSTITUTIONS

	30 June 2026 RM'000	31 December 2025 RM'000
Deposits with licensed financial institutions maturing more than one month	588,244	682,946
Less: Allowance for expected credit losses ("ECL")		
- Stage 1: 12-month ECL	(15)	(14)
	588,229	**682,932**
Movement in allowances for ECL:		
Stage 1: 12-month ECL		
Balance at beginning of the financial period/year	14	1
New financial assets originated	16	14
Financial assets derecognised	(15)	(1)
Balance at end of the financial period/year	**15**	**14**

Deposits with licensed financial institutions include restricted cash amounts which have been pledged to a bank as security for a bank guarantee and a standby letter of credit of RM440,000 (2025: RM433,000) and RM5,565,000 (2025: RM2,513,000) respectively. As such, these amounts are not available for general use.

11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	30 June 2026 RM'000	31 December 2025 RM'000
Money market instruments:		
Malaysian Government Securities	171,372	60,732
Malaysian Government Investment Issues	481,614	485,143
Total money market instruments	**652,986**	**545,875**
Non-money market instruments:		
Corporate bonds in Malaysia		
Quoted securities	20,122	15,152
Unquoted securities	318,282	237,790
Total non-money market instruments	**338,404**	**252,942**
Total financial investments at FVOCI	**991,390**	**798,817**

Included in financial investments at fair value through other comprehensive income are Malaysia Government Investment Issues, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to Nil (2025: RM206,961,000).

11. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (CONT'D)

	30 June 2026 RM'000	31 December 2025 RM'000
Stage 1: 12-month ECL		
Balance at beginning of the financial period/year	31	-
New financial assets originated	19	31
Derecognised financial assets	(2)	-
Balance at end of the financial period/year	**48**	**31**

12. FINANCIAL INVESTMENTS AT AMORTISED COST ("AC")

	30 June 2026 RM'000	31 December 2025 RM'000
Money market instruments:		
Malaysian Government Investment Issues	20,520	20,564
	20,520	**20,564**

No expected credit loss was recognised for financial investments at amortised cost as the Bank's exposure comprises solely Malaysian Government Investment Issues, which are assessed to have low credit risk.

13. LOANS AND ADVANCES

	30 June 2026 RM'000	31 December 2025 RM'000
At amortised cost		
Revolving credit		
- Retail loans	77,657	28,600
- Other loans	55,893	-
Gross loans and advances	**133,550**	**28,600**
Less: Allowance for expected credit losses ("ECL")		
- Stage 1 : 12-month ECL	(10,241)	(4,039)
- Stage 2 : Lifetime ECL not credit impaired	(2,755)	(1,982)
- Stage 3 : Lifetime ECL credit impaired	(3,711)	(753)
Total loans and advances	**116,843**	**21,826**

13. LOANS AND ADVANCES (CONT'D)

	30 June 2026 RM'000	31 December 2025 RM'000
(a) Gross loans and advances analysed by type of customer:		
Individuals	77,657	28,600
Business enterprise		
- Small and medium enterprise ("SME")	43,054	-
- Corporate	12,839	-
	133,550	**28,600**
(b) Gross loans and advances analysed by geographical distribution:		
In Malaysia	133,550	28,600
	133,550	**28,600**
(c) Gross loans and advances analysed by interest rate sensitivity:		
Fixed rate	133,550	28,600
	133,550	**28,600**
(d) Gross loans and advances analysed by sector:		
Household	77,657	28,600
Electricity, gas, water and air conditioning	17,063	-
Wholesale trade	33,136	-
Others	5,694	-
	133,550	**28,600**
(e) Gross loans and advances analysed by residual contractual maturity:		
Maturing within one year	133,550	28,600
	133,550	**28,600**
(f) Movements in impaired loans and advances:		
Balance at beginning of the financial period/year	753	-
Impaired during the financial period	3,200	753
Balance at end of the financial period/year	**3,953**	**753**
Gross impaired loans as % of gross loans and advances	2.96%	2.63%
(g) Impaired loans and advances by geographical distribution:		
In Malaysia	3,953	753
	3,953	**753**
(h) Impaired loans and advances by sector:		
Household	3,953	753
	3,953	**753**

13. LOANS AND ADVANCES (CONT'D)

(i) Movement in allowances in ECL:

	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL Not Credit Impaired RM'000	Stage 3 Lifetime ECL Credit Impaired RM'000	Total RM'000
2026				
Balance as of 1 January 2026	4,039	1,982	753	6,774
Transfer to stage 1	1,885	(1,476)	(409)	-
Transfer to stage 2	(2,324)	2,333	(9)	-
Transfer to stage 3	-	(6,587)	6,587	-
Transfer between stages	**(439)**	**(5,730)**	**6,169**	**-**
New financial asset originated	2,926	-	-	2,926
Financial assets derecognised	(144)	(48)	(50)	(242)
Net remeasurement of allowance	3,859	6,551	523	10,933
Amount written off	-	-	(3,684)	(3,684)
Balance as of 30 June 2026	**10,241**	**2,755**	**3,711**	**16,707**
2025				
Balance as of 1 January 2025	-	-	-	-
New financial assets originated	4,039	1,982	753	6,774
Balance as of 31 December 2025	**4,039**	**1,982**	**753**	**6,774**

13. LOANS AND ADVANCES (CONT'D)

(j) Movement in gross carrying amount of loans and advances are as follows:

	Stage 1 12-month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
2026				
Balance as of 1 January 2026	25,802	2,045	753	28,600
Transfer to stage 1	2,378	(1,943)	(435)	-
Transfer to stage 2	(11,238)	11,247	(9)	-
Transfer to stage 3	-	(7,667)	7,667	-
Transfer between stages	**(8,860)**	**1,637**	**7,223**	**-**
New financial asset originated	78,389	-	-	78,389
Financial asset derecognised	(3,753)	(62)	(53)	(3,868)
Net remeasurement of allowance	34,412	(15)	(8)	34,389
Amount written off	-	-	(3,960)	(3,960)
Balance as of 30 June 2026	**125,990**	**3,605**	**3,955**	**133,550**
2025				
Balance as of 1 January 2025	-	-	-	-
New financial asset originated	25,802	2,045	753	28,600
Balance as of 31 December 2025	**25,802**	**2,045**	**753**	**28,600**

14. OTHER ASSETS

	30 June 2026 RM'000	31 December 2025 RM'000
Deposits	742	740
Interest receivables	13,140	10,505
Other receivables	9,883	5,571
Prepayments	7,196	9,181
	30,961	**25,997**

15. STATUTORY DEPOSITS WITH BANK NEGARA MALAYSIA

The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia in compliance with Section 26(2)(c) and 26(3) of the Central Bank of Malaysia Act 2009, the amounts of which are determined as a set percentage of total eligible liabilities.

16. RIGHT-OF-USE ASSETS

	30 June 2026 RM'000	31 December 2025 RM'000
Building		
Carrying amount	-	-
Balance at the beginning of financial period/ year	5,870	7,686
Additions	-	43
Depreciation	(930)	(1,859)
At end of the period/ year	**4,940**	**5,870**

17. PLANT AND EQUIPMENT

	Computer Equipment RM'000	Office Equipment RM'000	Furniture & Fittings RM'000	Renovations RM'000	Capital Work- in-Progress RM'000	Total RM'000
2026						
Cost:						
At 1 January 2026	2,631	274	837	2,695	21	6,458
Additions	301	21	-	-	-	322
At 30 June 2026	**2,932**	**295**	**837**	**2,695**	**21**	**6,780**
Accumulated Depreciation:						
At 1 January 2026	1,233	55	507	2,109	-	3,904
Charge for the period	382	46	116	392	-	936
At 30 June 2026	**1,615**	**101**	**623**	**2,501**	**-**	**4,840**
Carrying amount at 30 June 2026	**1,317**	**194**	**214**	**194**	**21**	**1,940**
2025						
Cost:						
At 1 January 2025	1,596	15	605	2,499	147	4,862
Additions	1,033	225	183	124	31	1,596
Reclassification	2	34	49	72	(157)	-
At 31 December 2025	**2,631**	**274**	**837**	**2,695**	**21**	**6,458**
Accumulated Depreciation:						
At 1 January 2025	499	1	260	1,228	-	1,988
Charge for the year	734	54	247	881	-	1,916
At 31 December 2025	**1,233**	**55**	**507**	**2,109**	**-**	**3,904**
Carrying amount at 31 December 2025	**1,398**	**219**	**330**	**586**	**21**	**2,554**

18. INTANGIBLE ASSETS

	Computer Software-Core Systems RM'000	Computer Software-Others RM'000	Mobile Banking Development RM'000	Core Banking System RM'000	Software Development Work-in-Progress RM'000	Total RM'000
2026						
Cost:						
At 1 January 2026	6,869	3,064	48,500	9,937	5,520	73,890
Additions	125	178	9,881	1,182	1,616	12,982
Reclassifications	-	425	-	1,155	(1,580)	-
At 30 June 2026	**6,994**	**3,667**	**58,381**	**12,274**	**5,556**	**86,872**
Accumulated Amortisation:						
At 1 January 2026	843	972	3,196	684	-	5,695
Charge for the period	368	621	2,703	512	-	4,204
At 30 June 2026	**1,211**	**1,593**	**5,899**	**1,196**	**-**	**9,899**
Carrying amount at 30 June 2026	**5,783**	**2,074**	**52,482**	**11,078**	**5,556**	**76,973**
2025						
Cost:						
At 1 January 2025	3,191	930	-	-	47,617	51,738
Additions	205	228	14,843	910	5,966	22,152
Reclassifications	3,473	1,906	33,657	9,027	(48,063)	-
At 31 December 2025	**6,869**	**3,064**	**48,500**	**9,937**	**5,520**	**73,890**
Accumulated Amortisation:						
At 1 January 2025	255	131	-	-	-	386
Charge for the year	586	841	3,198	684	-	5,309
At 31 December 2025	**841**	**972**	**3,198**	**684**	**-**	**5,695**
Carrying amount at 31 December 2025	**6,028**	**2,092**	**45,302**	**9,253**	**5,520**	**68,195**

19. DEPOSITS FROM CUSTOMERS

	30 June 2026 RM'000	31 December 2025 RM'000
By type of deposit:		
Savings accounts	2,658,578	1,606,499
	2,658,578	**1,606,499**
By type of customer:		
Individual customers	2,658,578	1,606,499
	2,658,578	**1,606,499**

All customer deposits as at 30 June 2026 are non-term deposits payable on demand.

20. OBLIGATIONS ON SECURITIES SOLD UNDER REPURCHASE AGREEMENTS

	30 June 2026 RM'000	31 December 2025 RM'000
At amortised cost		
Financial investments at FVOCI	-	197,508
	-	**197,508**

The obligation of financial investments at FVOCI sold under repurchase agreements for the previous financial period have fixed interest rate of 3.09% per annum maturing within 1 year from the reporting date.

21. OTHER LIABILITIES

	30 June 2026 RM'000	31 December 2025 RM'000
Amount due to related parties	2,797	2,725
Other payables and accrued expenses	70,611	28,295
Provisions	5,524	8,382
	78,932	**39,402**

22. LEASE LIABILITIES

	30 June 2026 RM'000	31 December 2025 RM'000
Total lease liabilities	5,380	6,328
Scheduled repayments:		
Within one year	1,950	1,918
More than one year	3,430	4,410
	5,380	**6,328**

23. COMMITMENTS

	30 June 2026 RM'000	31 December 2025 RM'000
Undrawn credit commitments	134,048	39,960
	134,048	**39,960**

24. NET INTEREST INCOME

	Individual Quarter Ended 30 June 2026 RM'000	Individual Quarter Ended 30 June 2025 RM'000	Six Months Ended 30 June 2026 RM'000	Six Months Ended 30 June 2025 RM'000
Interest income:				
Deposits with licensed financial institutions	13,771	572	24,030	1,493
Financial investments at FVOCI	8,066	439	14,940	477
Financial investments at amortised cost	167	-	333	-
Loans and advances	2,613	-	4,147	-
Total interest income	**24,617**	**1,011**	**43,450**	**1,970**
Interest expense on:				
Deposits from customers	(21,219)	(83)	(36,853)	(87)
Deposits and placements from financial institutions	-	(79)	(1,123)	(79)
Total interest expense	**(21,219)**	**(162)**	**(37,976)**	**(166)**
Net interest income	**3,398**	**849**	**5,474**	**1,804**

25. FEE AND COMMISSION

	Individual Quarter Ended 30 June 2026 RM'000	Individual Quarter Ended 30 June 2025 RM'000	Six Months Ended 30 June 2026 RM'000	Six Months Ended 30 June 2025 RM'000
Interchange and payment network fees	(3,110)	(38)	(5,073)	(38)
Commission income	396	-	396	-
Net fee and commission (expense)	**(2,714)**	**(38)**	**(4,677)**	**(38)**

26. OTHER OPERATING INCOME

	Individual Quarter Ended 30 June 2026 RM'000	Individual Quarter Ended 30 June 2025 RM'000	Six Months Ended 30 June 2026 RM'000	Six Months Ended 30 June 2025 RM'000
Incentive income	8,934	-	8,934	-
Distribution income from financial investments at FVTPL	-	-	-	1
Realised gain from financial investments at FVTPL	-	-	-	157
Unrealised loss from financial investments at FVTPL	-	-	-	(124)
Realised gain from disposal of financial investments at FVOCI	-	-	1	-
	8,934	**-**	**8,935**	**34**

27. OPERATING EXPENSES

	Individual Quarter Ended 30 June 2026 RM'000	Individual Quarter Ended 30 June 2025 RM'000	Six Months Ended 30 June 2026 RM'000	Six Months Ended 30 June 2025 RM'000
Personnel expenses				
Salaries, bonus, wages and allowances	10,376	9,736	22,848	19,803
Defined contribution plan	1,328	1,260	2,895	2,547
Other staff related costs	1,699	2,703	3,769	4,296
Total personnel expenses	**13,403**	**13,699**	**29,512**	**26,646**
Establishment expenses				
Information technology expenses	10,291	4,675	20,487	9,435
Occupancy expenses	109	114	200	235
Interest expenses on lease liabilities	63	81	131	166
Amortisation of intangible assets	2,181	1,546	4,204	1,703
Depreciation of plant and equipment	437	472	936	897
Depreciation of right-of-use assets	465	470	930	930
Total establishment expenses	**13,546**	**7,358**	**26,888**	**13,366**
Marketing expenses	**2,748**	**460**	**9,430**	**665**
Administration and general expenses				
Legal and professional fees	605	162	871	576
Auditors' remuneration	76	55	152	100
Directors' fees	272	272	545	545
Realised foreign exchange loss/(gain)	34	2	(15)	48
Unrealised foreign exchange (gain)/loss	(152)	(2)	(121)	(26)
Expenses related to short-term leases	46	42	93	84
Other expenses	1,955	698	4,030	1,302
Total administration and general expenses	**2,836**	**1,229**	**5,555**	**2,629**
Total other overhead expenses	**19,130**	**9,047**	**41,873**	**16,660**
Total operating expenses	**32,533**	**22,746**	**71,385**	**43,306**

28. ALLOWANCES FOR EXPECTED CREDIT LOSSES ("ECL")

	Individual Quarter Ended 30 June 2026 RM'000	Individual Quarter Ended 30 June 2025 RM'000	Six Months Ended 30 June 2026 RM'000	Six Months Ended 30 June 2025 RM'000
Stage 1: 12-month ECL:				
Cash and short-term funds	(14)	1	(19)	1
Deposits with licensed financial institutions	5	(2)	(1)	(1)
Financial investments at FVOCI	(8)	(2)	(17)	(2)
Loans and advances	(5,799)	-	(6,202)	-
	(5,816)	**(3)**	**(6,239)**	**(2)**
Stage 2: Lifetime ECL, not credit impaired:				
Loans and advances	**(301)**	**-**	**(773)**	**-**
Stage 3: Lifetime ECL, credit impaired:				
Loans and advances	**220**	**-**	**(2,958)**	**-**
Bad debt written off:				
Loans and advances	**(3,925)**	**-**	**(3,960)**	**-**
Bad debts recovered:				
Loans and advances	**82**	**-**	**82**	**-**
Total allowances for ECL	**(9,740)**	**(3)**	**(13,848)**	**(2)**

29. CAPITAL ADEQUACY

The capital adequacy ratios of the Bank are analysed as follows:

	30 June 2026 RM'000	31 December 2025 RM'000
Tier 1 capital:		
Paid-up ordinary share capital	560,000	480,000
Accumulated losses	(288,302)	(212,801)
Other reserves	(2,921)	(140)
	268,777	**267,059**
Less: Regulatory deductions (intangible assets)	(77,185)	(68,716)
Total Common Equity Tier 1 ("CET1") and Tier 1 Capital	**191,592**	**198,343**
Tier 2 capital:		
Expected credit losses	-	-
Regulatory reserve	-	-
Total Tier 2 capital	**-**	**-**
Total capital base	**191,592**	**198,343**
Capital ratios:		
CET1 capital ratio	20.325%	31.404%
Tier 1 capital ratio	20.325%	31.404%
Total capital ratio	20.325%	31.404%
Total risk-weighted assets:		
Credit risk	923,094	626,005
Market risk	8,492	197
Operational risk	11,035	5,392
Total risk-weighted assets	**942,621**	**631,594**
Credit risk-weighted assets:		
Subject to 20% risk weight	249,963	122,249
Subject to 50% risk weight	265,099	259,950
Subject to 75% risk weight	90,533	21,450
Subject to 100% risk weight	317,499	222,356