PILLAR 3 DISCLOSURE

UNAUDITED AS AT JUNE 30, 2026

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1 SCOPE OF APPLICATION

The Pillar 3 Disclosure is prepared on a bank solo as well as on a consolidated basis of the Group, i.e. the Bank ("Baiduri Bank Sdn Bhd") and its subsidiaries ("Baiduri Finance Berhad" & "Baiduri Capital Sdn Bhd"). The financial statements of the Bank and the Group have been prepared in accordance with the Brunei Darussalam Companies Act, Chapter. 39, the Brunei Darussalam Banking Act (Chapter 95) and International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB").

2 OVERVIEW OF KEY PRUDENTIAL METRICS AND RWA

2.1 Key Metrics

	Bank	Jun 2026 B$'000	Mar 2026 B$'000	Dec 2025 B$'000	Sep 2025 B$'000	Jun 2025 B$'000
	Available capital					
1	Tier 1	699,217	698,336	697,436	638,438	637,313
2	Total Capital	667,488	664,640	660,998	604,604	601,725
	Risk-weighted assets					
3	Total risk-weighted assets (RWA)	3,158,801	3,001,429	2,853,650	2,869,074	2,653,766
	Risk-based capital ratios as a percentage of RWA					
4	Tier 1 ratio (%)	22.14%	23.27%	24.44%	22.25%	24.02%
5	Total capital ratio (%)	21.13%	22.14%	23.16%	21.07%	22.67%

	Group	Jun 2026 B$'000	Mar 2026 B$'000	Dec 2025 B$'000	Sep 2025 B$'000	Jun 2025 B$'000
	Available capital					
1	Tier 1	818,988	817,913	816,859	759,981	758,617
2	Total Capital	838,350	835,354	831,602	780,253	777,473
	Risk-weighted assets					
3	Total risk-weighted assets (RWA)	3,820,463	3,676,394	3,551,379	3,576,656	3,371,031
	Risk-based capital ratios as a percentage of RWA					
4	Tier 1 ratio (%)	21.44%	22.25%	23.00%	21.25%	22.50%
5	Total capital ratio (%)	21.94%	22.72%	23.42%	21.82%	23.06%

2.2 Overview of Risk Weighted Assets (RWA)

		Risk-weighted Assets		Minimum Capital Requirements
		Jun 2026	Mar 2026	
		B$'000	B$'000	B$,000
	Bank			
1	Credit risk (Standardised)	2,794,723	2,613,433	279,472
2	Market risk (Standardised)	4,962	28,880	496
3	Operational risk (Basic indicator Approach)	359,116	359,116	35,912
4	**Total**	**3,158,801**	**3,001,429**	**315,880**
	Group			
1	Credit risk (Standardised)	3,394,964	3,226,796	339,496
2	Market risk (Standardised)	3,792	27,891	379
3	Operational risk (Basic indicator Approach)	421,707	421,707	42,171
4	**Total**	**3,820,463**	**3,676,394**	**382,046**

3 COMPOSITION OF CAPITAL

3.1 Composition of Regulatory Capital as at Jun 30, 2026

		Bank	Group
		B$'000	B$'000
	Tier 1 capital: Instruments and reserves	**699,217**	**818,988**
1	Paid-up Ordinary Shares/Assigned Capital (after deduction of holdings of own capital)	**180,000**	**180,000**
2	Non-Cumulative, Non-Redeemable Preference Shares	-	-
3	Share Premium	-	-
4	Statutory Reserve Fund	**209,029**	**260,942**
5	Published Retained Profits/(Accumulated Losses)	**305,034**	**372,892**
6	General Reserves	**5,154**	**5,154**
7	Fair Value Reserves	-	-
8	**Tier 1 capital before regulatory adjustments**	**699,217**	**818,988**
	Tier 1 capital: regulatory adjustments	-	-
9	Reciprocal crossholdings of ordinary shares (as required by BDCB)	-	-
10	Goodwill	-	-
11	Other intangible assets	-	-
12	Advances/financing granted to employees of the bank for the purchase of shares of the bank under a share ownership plan	-	-
13	Minority interests held by 3rd parties in Financial Subsidiary	-	-
14	**Total Regulatory adjustments to Tier 1 Capital**	-	-
15	**Tier 1 capital**	-	-
	Tier 2 capital: instruments and provisions	**16,220**	**19,362**
16	General Credit Loss Reserves (Capped at 1.25% of Credit Risk)	**16,220**	**19,362**
17	Hybrid (debt/equity) Capital Instruments	-	-
18	Approved Subordinated Term Debt (Capped at 50% of Core Capital Element)	-	-
19	**Tier 2 capital before regulatory adjustments**	-	-
	Tier 2 capital: regulatory adjustments	-	-
20	Reciprocal crossholdings of Tier 2 Capital Instruments	-	-
21	Minority Interests Arising from Holdings of Tier 2 Instruments in Financial Subsidiaries by Third Parties	-	-
22	**Total regulatory adjustments to Tier 2 capital**	-	-
23	**Tier 2 capital (T2)**	**16,220**	**19,362**
24	**Allowable Supplementary Capital (Tier 2 Capital)**	**16,220**	**19,362**
25	**Sub-Total of Tier 1 and Tier 2 Capital**	**715,437**	**838,350**
26	**Deductions/Adjustments 3 to total Amount of Tier 1 and Tier 2 Capital**	**47,949**	-
27	Significant Investments in Banking, Securities and other Financial Entities	-	-
28	Significant Investments in Insurance, Entities & Subsidiary	**47,949**	-
29	Significant Investments in Commercial Entities	-	-
30	Securitisation Exposures (Rated B or Below and Unrated)	-	-
31	Re-securitisation Exposures (Rated B+ or Below and Unrated)	-	-
32	**Total regulatory capital (TC = T1 + T2)**	**667,488**	**838,350**
33	**Total risk-weighted assets**	**3,158,801**	**3,820,463**
	Capital ratios		
34	**Tier 1 (as a percentage of risk-weighted assets)**	**22.14%**	**21.44%**
35	**Total capital (as a percentage of risk-weighted assets)**	**21.13%**	**21.94%**

4 CREDIT RISK

4.1 Credit Quality of Assets

		Gross Carrying Values of		Allowances/ impairments	Of which: ECL accounting provisions for credit losses on SA exposures		Net Values
		Defaulted Exposures	Non-Defaulted Exposures		Of which: Specific Allowances	Of which: General Allowances	
		B$'000	B$'000	B$'000	B$'000	B$'000	B$'000
	Bank as at Jun 30, 2026						
1	Loans	65,251	2,269,063	(52,164)	(36,683)	(15,481)	2,282,150
2	Debt securities	-	1,233,156	(125)	(125)	-	1,233,031
3	Off-balance sheet exposures	3,056	927,167	(847)	(108)	(739)	929,376
4	**Total**	**68,307**	**4,429,386**	**(53,136)**	**(36,916)**	**(16,220)**	**4,444,557**
	Group as at Jun 30, 2026						
1	Loans	89,071	3,121,001	(71,087)	(52,464)	(18,623)	3,138,985
2	Debt securities	-	1,233,156	(125)	(125)	-	1,233,031
3	Off-balance sheet exposures	3,056	927,167	(847)	(108)	(739)	929,376
4	**Total**	**92,127**	**5,281,324**	**(72,059)**	**(52,697)**	**(19,362)**	**5,301,392**

Definition of default:

The Baiduri Bank Group considers the following definition as an event of default:

- the borrower is past due more than 90 days on any material credit obligation to the Group; or
- the borrower is unlikely to pay its credit obligations to the Group in full.

When assessing if the borrower is unlikely to pay its credit obligation, the Group takes into account both qualitative and quantitative indicators of Credit-impaired financial assets. The definition is applied consistently period to period and reviewed to ensure accurate reflection of what constitutes a default in the current economic environment.

The Group ensures its list of Unlikely to Pay ("UTP") criteria reflect the current UTP indicators that are evident from borrowers' non-payment behaviour in the current economic environment. Where an increasing amount of balances may be subject to longer 'days past due', the Group exercises care in applying the 90 dpd rebuttable presumption, especially where principal payment holidays are introduced, during which borrowers are permitted to defer certain payments, where such payments are no longer past due.

4.2 Changes in Stock of Defaulted Loans and Debt Securities as at Jun 30, 2026

		Bank B$'000	Group B$'000
1	Defaulted loans and debt securities at end of the previous reporting period	**84,221**	**101,826**
2	Loans and debt securities that have defaulted since the last reporting period	**6,640**	**22,297**
3	Returned to non-defaulted status	**(524)**	**(3,623)**
4	Amounts written off	**(1,549)**	**(7,606)**
5	Other changes*	**(20,481)**	**(20,767)**
6	Defaulted loans and debt securities at end of the reporting period	**68,307**	**92,127**

*Reduction due to settlement of defaulted restructured contracts.

4.3 Overview of Credit Risk Mitigation (CRM) Techniques as at Jun 30, 2026

		Exposures Unsecured B$'000	Exposures Secured B$'000	Exposures secured by Collateral B$'000	Exposures secured by Financial Guarantees B$'000	Exposures secured by credit Derivatives B$'000
	Bank					
1	Loans	1,473,103	809,047	809,047	-	-
2	Debt securities	1,233,031	-	-	-	-
3	**Total**	**2,706,134**	**809,047**	**809,047**	**-**	**-**
4	Of which defaulted	607	32,871	32,871		
	Group					
1	Loans	1,571,270	1,567,715	1,567,715	-	-
2	Debt securities	1,233,031	-	-	-	-
3	**Total**	**2,804,301**	**1,567,715**	**1,567,715**	**-**	**-**
4	Of which defaulted	764	47,027	47,027	-	-

4.4 Standardised Approach for Credit Risk Exposure and Credit Risk Mitigation (CRM) Effects

		Bank as at Jun 30, 2026					
	Asset Classes	Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns and their central banks	916,629	-	916,629	-	-	0.00%
2	Non-central government public sector entities	-	-	-	-	-	0.00%
3	Multilateral development banks	-	-	-	-	-	0.00%
4	Claims on banks and financial institutions	1,423,405	222,165	1,423,405	111,082	747,825	48,73%
5	Securities firms	-	-	-	-	-	0.00%
6	Corporates	1,405,455	1,883,015	1,268,182	117,055	1,336,575	96,49%
7	Regulatory retail portfolios	217,225	-	214,310	-	161,864	75.53%
8	Secured by residential property	268,035	-	265,090	-	192,022	72.44%
9	Secured by commercial real estate	250,952	-	245,467	-	245,467	100.00%
10	Equity	292	-	292	-	438	150.00%
11	Past due loans	33,477	-	27,207	-	29,368	107.94%
12	Higher-risk categories	-	-	-	-	-	0.00%
13	Other assets	107,005	-	107,005	-	81,164	75.85%
14	Total	4,622,475	2,105,180	4,467,587	228,137	2,794,723	59.52%

		Group as at Jun 30, 2026					
	Asset Classes	Exposures before CCF and CRM		Exposures post CCF and CRM		RWA and RWA density	
		On-balance sheet amount	Off-balance sheet amount	On-balance sheet amount	Off-balance sheet amount	RWA	RWA density
1	Sovereigns and their central banks	963,271	-	963,271	-	-	0.00%
2	Non-central government public sector entities	-	-	-	-	-	0.00%
3	Multilateral development banks	-	-	-	-	-	0.00%
4	Claims on banks and financial institutions	1,221,959	222,165	1,221,959	111,082	650,607	48.81%
5	Securities firms	-	-	-	-	-	0.00%
6	Corporates	1,455,740	1,883,015	1,318,467	117,055	1,386,860	96.61%
7	Regulatory retail portfolios	1,012,604	-	1,009,689	-	758,398	75,11%
8	Secured by residential property	268,035	-	265,090	-	192,022	72.44%
9	Secured by commercial real estate	250,952	-	245,467	-	245,467	100.00%
10	Equity	292	-	292	-	438	150.00%
11	Past due loans	47,790	-	41,520	-	43,681	105,20%
12	Higher-risk categories	-	-	-	-	-	0.00%
13	Other assets	146,099	-	146,099	-	117,491	80.42%
14	Total	5,366,742	2,105,180	5,211,854	228,137	3,394,964	62.41%

4.5 Standardised Approach for Exposure by Asset Classes and Risk Weights

	Bank as at Jun 30, 2026	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total Credit exposures (post CCF and post CRM)
1	Sovereigns and their central banks	916,629	-	-	-	-	-	-	-	-	916,629
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
4	Claims on banks and financial institutions	-	-	430,341	-	884,779	-	219,367	-	-	1,534,487
5	Securities firms	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	23,565	-	60,222	-	1,301,450	-	-	1,385,237
7	Regulatory retail portfolios	-	-	-	-	-	209,784	4,526	-	-	214,310
8	Secured by residential property	-	-	-	16,990	-	248,100	-	-	-	265,090
9	Secured by commercial real estate	-	-	-	-	-	-	245,467	-	-	245,467
10	Equity	-	-	-	-	-	-	-	292	-	292
11	Past due loans	-	-	-	-	-	-	22,886	4,321	-	27,207
12	Higher risk categories	-	-	-	-	-	-	-	-	-	-
13	Other assets	25,840	-	-	-	-	-	81,165	-	-	107,005
14	Total	942,469	-	453,906	16,990	945,001	457,884	1,874,861	4,613	-	4,695,724

	Group as at Jun 30, 2026	0%	10%	20%	35%	50%	75%	100%	150%	Others	Total Credit exposures (post CCF and post CRM)
1	Sovereigns and their central banks	963,271	-	-	-	-	-	-	-	-	963,271
2	Non-central government public sector entities	-	-	-	-	-	-	-	-	-	-
3	Multilateral development banks	-	-	-	-	-	-	-	-	-	-
4	Claims on banks and financial institutions	-	-	430,341	-	676,322	-	226,378	-	-	1,333,041
5	Securities firms	-	-	-	-	-	-	-	-	-	-
6	Corporates	-	-	23,565	-	60,222	-	1,351,735	-	-	1,435,522
7	Regulatory retail portfolios	-	-	-	-	-	1,005,163	4,526	-	-	1,009,689
8	Secured by residential property	-	-	-	16,990	-	248,100	-	-	-	265,090
9	Secured by commercial real estate	-	-	-	-	-	-	245,467	-	-	245,467
10	Equity	-	-	-	-	-	-	-	292	-	292
11	Past due loans	-	-	-	-	-	-	37,199	4,321	-	41,520
12	Higher risk categories	-	-	-	-	-	-	-	-	-	-
13	Other assets	28,608	-	-	-	-	-	117,491	-	-	146,099
14	Total	991,879	-	453,906	16,990	736,544	1,253,263	1,982,796	4,613	-	5,439,991

5 MARKET RISK

5.1 Market Risk under Standardised Approach as at Jun 30, 2026

	Risk Weighted Assets	
	Bank	**Group**
	B$'000	**B$,000**
Interest/Profit Rate Risk	-	-
Equity Position Risk	-	-
Foreign Exchange Risk	4,962	3,792
Commodity Risk	-	-
Total	4,962	3,792