

Unaudited Interim Financial Statements

Condensed consolidated statements of financial position
As at 30 September 2021

	Note	Group		Bank	
		30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Assets					
Cash and short-term funds	11	798,387	321,736	791,694	308,360
Financial assets at fair value through profit or loss ("FVTPL")	12	20,605	-	20,605	-
Financial investments at fair value through other comprehensive income ("FVOCI")	13	2,422,922	2,324,776	2,422,922	2,324,776
Financial investments at amortised cost	14	2,383,115	2,299,532	2,383,115	2,299,532
Loans, advances and financing	15	1,613,185	1,369,240	1,613,185	1,369,240
Derivative assets	19	5,320	-	5,320	-
Other assets	16	95,824	72,022	102,459	85,346
Statutory deposits with Bank Negara Malaysia		109,660	104,495	109,660	104,495
Investment in subsidiaries		-	-	*	*
Property, plant and equipment		231	446	231	446
Intangible assets		1,558	1,729	1,558	1,729
Right-of-use asset		2,722	4,355	2,722	4,355
Deferred tax assets		12,366	5,281	12,366	5,281
Total assets		7,465,895	6,503,612	7,465,837	6,503,560
Liabilities					
Deposits from customers	17	5,120,355	4,489,737	5,120,355	4,489,737
Deposits and placements of bank and other financial institutions	18	1,354,909	1,049,399	1,354,909	1,049,399
Derivative liabilities	19	-	86	-	86
Other liabilities	20	88,435	82,388	88,435	82,385
Lease liabilities		2,760	4,355	2,760	4,355
Provision for taxation and zakat		9,665	1,586	9,665	1,584
Total liabilities		6,576,124	5,627,551	6,576,124	5,627,546
Equity					
Share capital		369,111	369,111	369,111	369,111
Reserves		520,660	506,950	520,602	506,903
Total equity		889,771	876,061	889,713	876,014
Total liabilities and equity		7,465,895	6,503,612	7,465,837	6,503,560
Commitments and contingencies					
	29	913,281	1,057,125	913,281	1,057,125

* Denotes RM4

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

Consolidated statements of profit or loss
For the nine months ended 30 September 2021

Group	Note	Individual Quarter		Cumulative Quarter	
		3 Months Ended		9 Months Ended	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Operating revenue		71,303	76,100	221,492	215,646
Interest income	21	17,645	14,729	51,479	41,369
Interest expense	22	(6,733)	(7,458)	(21,505)	(24,198)
Net interest income		10,912	7,271	29,974	17,171
Net income from Islamic					
Banking operation	34(q)	26,410	27,926	81,828	71,117
Non-interest income	23	7,292	7,190	24,498	16,427
		44,614	42,387	136,300	104,715
Operating expenses	24	(18,330)	(18,756)	(56,202)	(51,356)
Operating profit before allowances		26,284	23,631	80,098	53,359
Impairment loss (made)/ written back on:					
- loans, advances and financing	25	(852)	(3,036)	(4,040)	(14,466)
- financial investments	26	(54)	(1,084)	269	(1,860)
- other assets	27	205	(58)	(179)	37
Profit before taxation and zakat		25,583	19,453	76,148	37,070
Taxation		(7,037)	(3,689)	(19,410)	(8,391)
Zakat		(484)	(489)	(1,445)	(960)
Profit for the period attributable to equity holder of the Bank		18,062	15,275	55,293	27,719
Earnings per ordinary share (sen)					
- Basic and diluted	28	11.65	9.85	35.67	17.88

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

**Consolidated statements of comprehensive income
For the nine months ended 30 September 2021**

Group	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Profit for the period attributable to equity holder of the Bank	18,062	15,275	55,293	27,719
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Changes in allowance for expected credit loss ("ECL")	7	53	30	169
Net (loss)/gain on financial investments at FVOCI:				
- Transfer of gain to profit or loss upon disposal	(1,139)	(7,807)	(8,240)	(22,051)
- Fair value changes	(5,881)	8,933	(13,373)	33,333
Other comprehensive (loss)/income for the period, net of tax	(7,013)	1,179	(21,583)	11,451
Total comprehensive income for the period attributable to equity holder of Bank	11,049	16,454	33,710	39,170

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

Consolidated statements of profit or loss
For the nine months ended 30 September 2021

Bank	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Operating revenue		71,176	75,955	221,461	215,575
Interest income	21	17,645	14,729	51,479	41,369
Interest expense	22	(6,733)	(7,458)	(21,505)	(24,198)
Net interest income		10,912	7,271	29,974	17,171
Net income from Islamic Banking operation	34(q)	26,410	27,926	81,828	71,117
Non-interest income	23	7,284	7,232	24,467	16,411
		44,606	42,429	136,269	104,699
Operating expenses	24	(18,325)	(18,751)	(56,187)	(51,341)
Operating profit before allowances		26,281	23,678	80,082	53,358
Impairment loss (made)/ written back on:					
- loans, advances and financing	25	(852)	(3,036)	(4,040)	(14,466)
- financial investments	26	(54)	(1,084)	269	(1,860)
- other assets	27	205	(58)	(179)	37
Profit before taxation and zakat		25,580	19,500	76,132	37,069
Taxation		(7,035)	(3,687)	(19,405)	(8,377)
Zakat		(484)	(489)	(1,445)	(960)
Profit for the period attributable to equity holder of the Bank		18,061	15,324	55,282	27,732

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

**Consolidated statements of comprehensive income
For the nine months ended 30 September 2021**

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Bank				
Profit for the period attributable to equity holder of the Bank	18,061	15,324	55,282	27,732
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Changes in allowance for expected credit loss ("ECL")	7	53	30	169
Net (loss)/gain on financial investments at FVOCI:				
- Transfer of gain to profit or loss upon disposal	(1,139)	(7,807)	(8,240)	(22,051)
- Fair value changes	(5,881)	8,933	(13,373)	33,333
Other comprehensive (loss)/income for the period, net of tax	(7,013)	1,179	(21,583)	11,451
Total comprehensive income for the period attributable to equity holder of Bank	11,048	16,503	33,699	39,183

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

**Consolidated statements of changes in equity
 For the nine months ended 30 September 2021**

Group	<----- Non-distributable ----->			Distributable	Total RM'000
	Share capital RM'000	Regulatory reserve# RM'000	FVOCI reserve^ RM'000	Retained profits RM'000	
At 1 January 2021	369,111	16,324	15,002	475,624	876,061
Profit for the financial period	-	-	-	55,293	55,293
Other comprehensive loss for the period	-	-	(21,583)	-	(21,583)
Total comprehensive (loss)/ income for the period	-	-	(21,583)	55,293	33,710
Transactions with owner					
Transfer from regulatory reserve	-	(1,490)	-	1,490	-
Dividends (Note 7)	-	-	-	(20,000)	(20,000)
At 30 September 2021	369,111	14,834	(6,581)	512,407	889,771
At 1 January 2020	369,111	17,430	3,687	429,362	819,590
Profit for the financial period	-	-	-	27,719	27,719
Other comprehensive income for the period	-	-	11,451	-	11,451
Total comprehensive income for the period	-	-	11,451	27,719	39,170
Transactions with owner					
Transfer to regulatory reserve	-	(937)	-	937	-
At 30 September 2020	369,111	16,493	15,138	458,018	858,760

The regulatory reserve is maintained in compliance with the revised Bank Negara Malaysia guidelines on Financial Reporting in which the Bank is required to maintain, in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserves of no less than 1% of total exposures, net of loss allowance for credit-impaired exposures.

^ The financial investments at FVOCI reserve arises from the change in the fair value of the underlying instruments and it is not distributable as cash dividends.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

**Consolidated statements of changes in equity
 For the nine months ended 30 September 2021 (cont'd.)**

Bank	<----- Non-distributable ----->			Distributable	Total RM'000
	Share capital RM'000	Regulatory reserve# RM'000	FVOCI reserve^ RM'000	Retained profits RM'000	
At 1 January 2021	369,111	16,324	15,002	475,577	876,014
Profit for the financial period	-	-	-	55,282	55,282
Other comprehensive loss for the period	-	-	(21,583)	-	(21,583)
Total comprehensive (loss)/ income for the period	-	-	(21,583)	55,282	33,699
Transactions with owner					
Transfer from regulatory reserve	-	(1,490)	-	1,490	-
Dividends (Note 7)	-	-	-	(20,000)	(20,000)
At 30 September 2021	369,111	14,834	(6,581)	512,349	889,713
At 1 January 2020	369,111	17,430	3,687	429,321	819,549
Profit for the financial period	-	-	-	27,732	27,732
Other comprehensive income for the period	-	-	11,451	-	11,451
Total comprehensive income for the period	-	-	11,451	27,732	39,183
Transactions with owner					
Transfer to regulatory reserve	-	(937)	-	937	-
At 30 September 2020	369,111	16,493	15,138	457,990	858,732

The regulatory reserve is maintained in compliance with the revised Bank Negara Malaysia guidelines on Financial Reporting in which the Bank is required to maintain, in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserves of no less than 1% of total exposures, net of loss allowance for credit-impaired exposures.

^ The financial investments at FVOCI reserve arises from the change in the fair value of the underlying instruments and it is not distributable as cash dividends.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

Consolidated statements of cash flows
For the nine months ended 30 September 2021

	Note	Group		Bank	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Profit before taxation and zakat		76,148	37,070	76,132	37,069
Adjustments for non-cash items		756	(71)	756	(126)
Operating profit before changes in working capital		76,904	36,999	76,888	36,943
Changes in working capital:					
Net changes in operating assets		(528,982)	(1,244,971)	(522,288)	(1,246,942)
Net changes in operating liabilities		948,826	1,038,154	948,831	1,038,144
Net cash generated from/(used in) operating activities		496,748	(169,818)	503,431	(171,855)
Net cash (used in)/generated from investing activities		(97)	(7)	(97)	48
Net cash used in financing activities activities - Dividends paid		(20,000)	-	(20,000)	-
Net change in cash and cash equivalents		476,651	(169,825)	483,334	(171,807)
Cash and cash equivalents at beginning of the period		321,736	573,537	308,360	571,264
Cash and cash equivalents at end of the period	11	798,387	403,712	791,694	399,457
Cash and cash equivalents comprise of:					
Cash and short-term funds		798,387	403,712	791,694	399,457

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134, Interim Financial Reporting ("MFRS 134"), IAS 34, Guidelines on Financial Reporting and Guidelines on Financial Reporting for Islamic Banking Institutions issued by Bank Negara Malaysia

1. Basis of preparation

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board ("MASB"), IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board ("IASB") and Bank Negara Malaysia ("BNM") Guidelines. They 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 Group and the Bank for the financial year ended 31 December 2020.

The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2020.

2. Significant accounting policies

The accounting policies applied by the Group and the Bank in these condensed interim financial statements are the same as those applied by the Group and the Bank in their financial statements for the year ended 31 December 2020.

2.1 Adoption of Amendments and Annual Improvements to Standards

The Group and the Bank have adopted the following Amendments and Annual Improvements to Standards, with a date of initial application of 1 January 2021.

Description

- Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16: *Interest Rate Benchmark Reform - Phase 2*

The above adoption did not result in any material impact to the financial statements of the Group and the Bank.

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2. Significant accounting policies (cont'd.)

2.2 Standards issued but not yet effective

At the date of authorisation of the unaudited condensed interim financial statements, the following Standards were issued but not yet effective and have not been adopted by the Group and the Bank.

	Effective for financial periods beginning on or after
Amendments to MFRS 116: <i>Covid-19 Related Rent Concessions beyond 30 June 2021</i>	1 April 2021
Amendments to MFRS 3: <i>Reference to Conceptual Framework</i>	1 January 2022
Annual improvements to MFRS Standards 2018 - 2020 Cycle	1 January 2022
Amendments to MFRS 116: <i>Proceeds before Intended Use</i>	1 January 2022
Amendments to MFRS 137: <i>Onerous Contracts - Cost of Fulfilling a Contract</i>	1 January 2022
Amendments to MFRS 101: <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 101: <i>Disclosure of Accounting Policies</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 108: <i>Definiton of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112: <i>Deferred Tax related to Assets and Liabilities arising from Single Transaction</i>	1 January 2023
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

3. Comments about seasonal or cyclical factors

The Group's and the Banks's performance is not materially affected by any seasonal or cyclical factors but is affected by the level of activities in the debt instruments and derivatives markets.

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4. Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows during the quarter ended 30 September 2021.

5. Significant estimates and changes in estimates

There were no changes in estimates that have had any material effect on the quarter ended 30 September 2021.

6. Debt and equity instruments

There were no changes to the debt and equity instruments for the quarter ended 30 September 2021.

7. Dividend paid/payable

A single tier interim dividend in respect of the financial year ended 31 December 2020 of 12.903 sen per share on 155,000,000 ordinary shares, amounting to a net dividend of RM20.0 million was been approved by the Board of Directors on 24 February 2021. On 21 June 2021, Bank Negara Malaysia ("BNM") approved this dividend. The dividend has been paid on 29 June 2021.

8. Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2020 was not qualified.

9. Performance review

The Group and the Bank recorded a higher pre-tax profit of RM25.6 million for the third quarter ended 30 September 2021, as compared to the pre-tax profit of RM19.5 million recorded in the corresponding quarter ended 30 September 2020. The higher profit for the current period is mainly due to higher net operating income by RM2.2 million, lower impairment made by RM3.5 million and lower operating expenses by RM0.4 million.

The pre-tax profit for the nine months period ended 30 September 2021 amounted to RM76.1 million, an increase of RM39.1 million as compared to pre-tax profit of RM37.0 million recorded in the previous corresponding quarter ended 30 September 2020. The higher profit for the current period is mainly due to higher net operating income by RM31.6 million and lower impairment made by RM12.3 million offset with higher operating expenses by RM4.8 million.

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10. Review for 2021

Malaysia's economy rebounded in second quarter of 2021, recording a robust year-on-year ("yoy") gross domestic product ("GDP") growth of +16.1% partially due to the low base effect in the second quarter of 2020 when the imposition of the movement control order (MCO) 1.0 resulted in a sharp contraction in GDP then. The expansion was also underpinned by rising exports, domestic demand and production activities during the quarter.

As of 30 September 2021, the FBM KLCI saw a 5.5% decline in its year-to-date performance. This was largely due to profit taking activity throughout the year namely in glove stocks and political uncertainties that caused the sentiment to remain cautious. This was exacerbated by the resurgence in Covid-19 cases which led to a prolonged movement restrictions which dented sentiment even further. Nonetheless, trading activities remain strong as evidenced as average daily value of shares traded for 1st half 2021 rose 41.4% year-on-year to RM4.42 billion when compared against the same period last year.

The banking system continued to be flooded with surplus liquidity in the third quarter of 2021, in-line with easy and accommodative monetary policy stance adopted by Bank Negara Malaysia ("BNM") to foster the nation's economic recovery from the severe impact of on-going Covid-19 pandemic. BNM also decided to keep the Overnight Policy Rate ("OPR") unchanged at 1.75% throughout third quarter of 2021, indicating the need for low interest rate environment for now to support and accelerate the economic activities.

In the fixed income market, the local sovereign bond market was relatively volatile in the third quarter of 2021 due to persistent market uncertainty following stricter lockdown measures under the Phase 1 of the National Recovery Plan (NRP) for Malaysia. In addition, the local bond market was also under selling pressure towards the end of third quarter under following the rise in the US Treasury yield after the U.S. Federal Reserve revealed its intention to taper asset purchases as soon as in November 2021.

Moving into the fourth quarter of 2021, despite concerns on oversupply of government bonds which may lead to further rise in the local bond yields, it is expected that ample surplus liquidity in the banking system would be able to absorb the potential additional issuances of bond and sukuk in the coming months, albeit at higher yields.

The Bank will remain vigilant in the evolving 2021 operating landscape, whilst maintaining a cautiously optimistic outlook. The Bank will strive to maintain a healthy balance between growth and diligence as it pursues its activities in 2021.

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11. Cash and short-term funds

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Cash and balances with banks and other financial institutions	30,387	31,936	23,694	18,560
Money at call and deposits placements maturing within one month	768,000	289,800	768,000	289,800
	<u>798,387</u>	<u>321,736</u>	<u>791,694</u>	<u>308,360</u>

As at reporting date, the dealer's representatives' and clients' monies held in trust by the Group and the Bank amounted to approximately RM30,457,000 and RM28,365,000 respectively (2020: RM6,928,000 and RM6,925,000 respectively). These amounts are excluded from the cash and short-term funds of the Group and of the Bank.

12. Financial assets at FVTPL

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Money market instruments: Government Investment Issues	20,605	-
	<u>20,605</u>	<u>-</u>

Unaudited Interim Financial Statements

13. Financial investments at FVOCI

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
At fair value		
Money market instruments:		
Government Investment Issues	1,284,629	1,363,641
Malaysian Treasury Bills	258,901	230,386
Cagamas Berhad Bonds	-	70,000
Negotiable Instruments of Deposit	199,888	-
	1,743,418	1,664,027
Unquoted instruments in Malaysia:		
Corporate Bonds/Sukuk	674,221	655,466
Loan Stocks	3,783	3,783
Shares	1,500	1,500
	679,504	660,749
	2,422,922	2,324,776

An analysis of changes in the corresponding ECL allowances in relation to FVOCI is, as follows:

Group and Bank	Stage 1 Collective RM'000	Stage 3 Individual RM'000	Total RM'000
At 1 January 2021	303	74,427	74,730
Impairment made during the financial period [Note 26]	30	-	30
At 30 September 2021	333	74,427	74,760
At 1 January 2020	79	110,228	110,307
Impairment made during the financial year	224	477	701
Written back	-	(1,609)	(1,609)
Written off	-	(34,669)	(34,669)
At 31 December 2020	303	74,427	74,730

There was no Stage 2 exposure as at 30 September 2021 and 31 December 2020.

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14. Financial investments at amortised cost

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Money market instruments:		
Government Investment Issues	472,471	563,195
	<u>472,471</u>	<u>563,195</u>
Unquoted instruments in Malaysia:		
Corporate Bonds/Sukuk	1,910,823	1,736,757
Loan stocks	9,854	9,789
	<u>1,920,677</u>	<u>1,746,546</u>
Less: ECL allowance	(10,033)	(10,209)
	<u>2,383,115</u>	<u>2,299,532</u>

An analysis of changes in the corresponding ECL allowances in relation to amortised cost is, as follows:

Group and Bank	Stage 1 Collective RM'000	Stage 2 Collective RM'000	Stage 3 Individual RM'000	Total RM'000
At 1 January 2021	789	2,426	6,994	10,209
Impairment made during the financial period	-	-	138	138
Written back	(314)	-	-	(314)
At 30 September 2021	<u>475</u>	<u>2,426</u>	<u>7,132</u>	<u>10,033</u>
At 1 January 2020	207	887	5,532	6,626
Impairment made during the financial year	582	1,539	1,498	3,619
Written back	-	-	(36)	(36)
At 31 December 2020	<u>789</u>	<u>2,426</u>	<u>6,994</u>	<u>10,209</u>

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15. Loans, advances and financing

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Term loans/financing		
Syndicated term loans	61,129	61,129
Other term loans	156,392	91,965
Islamic financing	877,633	738,330
	<u>1,095,154</u>	<u>891,424</u>
Margin accounts	590,496	546,408
Staff loans	250	333
	<u>1,685,900</u>	<u>1,438,165</u>
Gross loans, advances and financing	1,685,900	1,438,165
Less: ECL allowance	(72,715)	(68,925)
Net loans, advances and financing	<u>1,613,185</u>	<u>1,369,240</u>

The Group and the Bank operate principally in Malaysia and hence, disclosure of information by geographical area is not presented.

(a) Gross loans, advances and financing

(i) By type of customer

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Domestic other non-bank financial institutions	50,065	-
Domestic business enterprises		
- Small medium enterprises	1,257,454	1,061,985
Individuals	378,381	376,180
Gross loans, advances and financing	<u>1,685,900</u>	<u>1,438,165</u>

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15. Loans, advances and financing (cont'd.)

(a) Gross loans, advances and financing (cont'd.)

(ii) By interest rate sensitivity

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Fixed rate		
Staff loans	250	333
Margin accounts	590,496	546,408
Variable rate		
Cost-plus	217,521	153,094
Cost-plus (Islamic financing)	877,633	738,330
Gross loans, advances and financing	<u>1,685,900</u>	<u>1,438,165</u>

(iii) By economic sector

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Finance, insurance, real estate and business services	758,444	446,073
Household	378,381	376,180
Electricity, gas and water supply	174,671	323,724
Education, health and others	147,576	-
Construction	85,454	78,817
Manufacturing	74,086	72,584
Mining and quarrying	55,525	55,083
Wholesale & retail trade and restaurants & hotels	10,729	24,159
Others	1,034	4,473
Transport, storage and communications	-	57,072
Gross loans, advances and financing	<u>1,685,900</u>	<u>1,438,165</u>

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15. Loans, advances and financing (cont'd.)

(a) Gross loans, advances and financing (cont'd.)

(iv) By maturity profile

	Group and Bank	
	30 September 2021	31 December 2020
	RM'000	RM'000
Within one year	1,186,672	1,203,386
One year to five years	386,431	122,135
After five years	112,797	112,644
Gross loans, advances and financing	<u>1,685,900</u>	<u>1,438,165</u>

(b) Impaired loans, advances and financing ("ILs")

(i) Movements in ILs are as follows:

	Group and Bank	
	30 September 2021	31 December 2020
	RM'000	RM'000
At 1 January	61,147	61,189
Classified as impaired during the period/year	-	473
Recovered	-	(515)
	<u>61,147</u>	<u>61,147</u>
Less: ECL allowance	(54,462)	(54,462)
Net ILs	<u>6,685</u>	<u>6,685</u>
Ratio of net ILs to gross loans, advances and financing less ECL allowance	<u>0.41%</u>	<u>0.48%</u>

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15. Loans, advances and financing (cont'd.)

(b) Impaired loans, advances and financing ("ILs") (cont'd.)

(ii) ILs by economic sector:

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Manufacturing	50,400	50,400
Wholesale & retail trade and restaurants & hotels	10,728	10,728
Household	19	19
	<u>61,147</u>	<u>61,147</u>

(c) Movements in ECL allowances by class of financial assets

An analysis of changes in the corresponding ECL allowances in relation to loan, advances and financing is, as follows:

Group and Bank	Stage 1 Collective RM'000	Stage 3 Individual RM'000	Total RM'000
At 1 January 2021	14,463	54,462	68,925
Transfer	1,460	-	1,460
Impairment made during the financial period	2,330	-	2,330
At 30 September 2021	<u>18,253</u>	<u>54,462</u>	<u>72,715</u>
At 1 January 2020	1,427	53,669	55,096
Transfer	1,321	-	1,321
Impairment made during the financial year	11,715	834	12,549
Written back	-	(41)	(41)
At 31 December 2020	<u>14,463</u>	<u>54,462</u>	<u>68,925</u>

There was no Stage 2 exposure as at 30 September 2021 and 31 December 2020.

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16. Other assets

	Note	Group		Bank	
		30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Interest/profit receivables		41,279	38,047	41,279	38,047
Amounts due from brokers and clients	(a)	39,924	16,844	39,924	16,844
Deposits, prepayments and other receivables		18,130	17,712	18,130	17,712
Less: ECL allowance	(b)	(4,194)	(4,135)	(4,194)	(4,135)
		<u>13,936</u>	<u>13,577</u>	<u>13,936</u>	<u>13,577</u>
Amount recoverable from Danaharta		96,973	96,973	96,973	96,973
Less: ECL allowance		(96,973)	(96,973)	(96,973)	(96,973)
		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Amount due from related companies	(c)	676	419	676	419
Amount due from subsidiaries	(c)	-	-	6,644	13,324
Tax recoverable		9	3,135	-	3,135
		<u>95,824</u>	<u>72,022</u>	<u>102,459</u>	<u>85,346</u>

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16. Other assets (cont'd.)

(a) Amounts due from brokers and clients

	Group and Bank	
	30 September 2021	31 December 2020
	RM'000	RM'000
Brokers	4,323	4,925
Clients	35,601	11,919
	<u>39,924</u>	<u>16,844</u>

Clients' and brokers' debit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date under the Rules of Bursa Malaysia Securities Berhad.

(b) Deposits, prepayments and other receivables

(i) ECL allowance

Group and Bank	Total RM'000
At 1 January 2021	4,135
Impairment made during the financial period [Note 27]	196
Written off	(137)
At 30 September 2021	<u>4,194</u>
At 1 January 2020	4,072
Impairment made during the financial year	858
Written back	(33)
Written off	(762)
At 31 December 2020	<u>4,135</u>

(c) The amounts due from related companies and subsidiaries arose mainly from expenses paid on behalf of the companies. These amounts are non-trade in nature, unsecured, interest-free and are repayable on demand.

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17. Deposits from customers

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
(a) By types of deposit		
Call deposits	27,746	27,548
Fixed deposits	5,092,609	4,462,189
	5,120,355	4,489,737
(b) By types of customer		
Business enterprises	2,109,409	1,799,303
Government and statutory bodies	3,008,246	2,687,690
Individual	2,700	2,744
	5,120,355	4,489,737
(c) The maturity structure of term deposits is as follows:		
Due within six months	4,755,414	4,023,063
Six months to one year	278,641	466,674
One year to two years	86,300	-
	5,120,355	4,489,737

18. Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
(a) Call deposits		
- Other financial institutions	12,574	9,532
(b) Fixed deposits		
- Other financial institutions	1,342,335	1,039,867
	1,354,909	1,049,399

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19. Derivative liabilities

Group and Bank	Contract or underlying principal amount RM'000	Derivative assets RM'000	Derivative liabilities RM'000
30 September 2021			
Interest rate related derivatives:			
- Interest rate swaps	300,000	5,320	-
31 December 2020			
Interest rate related derivatives:			
- Interest rate swaps	400,000	-	(86)

20. Other liabilities

	Note	Group		Bank	
		30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Amounts due to brokers and clients	(a)	48,232	22,353	48,232	22,353
Interest/profit payables		19,633	27,598	19,633	27,598
Accrued liabilities and other payables		3,366	25,552	3,366	25,552
Employee benefits		2,131	2,348	2,131	2,348
Amount due to immediate holding company	(b)	12,330	1,914	12,330	1,914
Amount due to related company	(b)	-	29	-	26
ECL allowances on loans, advances and financing commitments and financial investments	(c)	2,743	2,594	2,743	2,594
		<u>88,435</u>	<u>82,388</u>	<u>88,435</u>	<u>82,385</u>

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20. Other liabilities (cont'd.)

- (a) Amount due to brokers and clients

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Brokers	4,764	8,179
Clients	43,468	14,174
	48,232	22,353

Clients' credit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date under the Rules of Bursa Malaysia Securities Berhad.

- (b) The amounts due to immediate holding company and related company are non-trade in nature, unsecured, interest-free and are repayable on demand.
- (c) Movements in the ECL allowances on loans, financing and advances commitments and financial investments are as follows:

Group and Bank	Loans, advances and financing commitments RM'000	Financial investments RM'000	Total RM'000
At 1 January 2021	2,493	101	2,594
Transfer	(1,460)	-	(1,460)
Made during the financial period	1,710	-	1,710
Written back	-	(101)	(101)
At 30 September 2021	2,743	-	2,743
At 1 January 2020	1,149	6	1,155
Transfer	(1,321)	-	(1,321)
Made during the financial period	3,213	106	3,319
Written back	(548)	(11)	(559)
At 31 December 2020	2,493	101	2,594

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21. Interest income

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Loans and advances				
- Interest income on non-impaired loans	13,355	8,723	37,397	22,718
Money at call and deposit placements with financial institutions	577	861	1,602	3,309
Financial assets at FVTPL	-	-	-	15
Financial investments at FVOCI				
- Interest income on non-impaired instruments	1,452	1,080	3,479	3,336
Financial investments at amortised cost				
- Interest income on non-impaired instruments	2,080	4,023	8,364	12,095
- Interest income on impaired instruments	32	72	65	188
Others	-	5	-	10
	<u>17,496</u>	<u>14,764</u>	<u>50,907</u>	<u>41,671</u>
Accretion of discount less amortisation of premium	149	(35)	572	(302)
	<u>17,645</u>	<u>14,729</u>	<u>51,479</u>	<u>41,369</u>

22. Interest expense

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Deposits from customers	4,526	5,517	15,341	19,301
Deposits and placements of bank and other financial institutions	1,733	1,413	4,438	4,142
Derivative instruments	444	528	1,623	755
	<u>6,703</u>	<u>7,458</u>	<u>21,402</u>	<u>24,198</u>
Lease liabilities	30	-	103	-
	<u>6,733</u>	<u>7,458</u>	<u>21,505</u>	<u>24,198</u>

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23. Non-interest income

Group	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Fee income:				
Fees on loans and advances	70	13	170	53
Corporate advisory fees	3,638	2,100	6,757	3,205
Underwriting fees	-	-	-	594
Brokerage commission	1,893	2,933	6,054	7,542
Rollover charges	1,158	316	2,656	1,657
Facility fee	175	620	1,285	1,155
Redemption fee	14	59	529	250
Placement fees	-	-	-	84
Other fee income	19	12	270	35
	<u>6,967</u>	<u>6,053</u>	<u>17,721</u>	<u>14,575</u>
Investment income/(loss):				
Net (loss)/gain on sale of financial assets at FVTPL	(1,241)	-	(1,241)	120
Net gain on sale of financial investments at FVOCI	2	13	1,981	1,560
Net unrealised gain on revaluation of financial assets at FVTPL	114	-	-	-
Net unrealised gain/(loss) on revaluation of derivative instruments	954	734	5,407	(406)
	<u>(171)</u>	<u>747</u>	<u>6,147</u>	<u>1,274</u>
Gross dividends from:				
Financial assets at FVTPL	52	-	52	-
Financial investments at FVOCI	196	196	196	196
	<u>248</u>	<u>196</u>	<u>248</u>	<u>196</u>
Other income:				
Intercompany management fee	119	132	135	144
Others	129	62	247	238
	<u>248</u>	<u>194</u>	<u>382</u>	<u>382</u>
	<u>7,292</u>	<u>7,190</u>	<u>24,498</u>	<u>16,427</u>

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23. Non-interest income (contd.)

Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Fee income:				
Fees on loans and advances	70	13	170	53
Corporate advisory fees	3,638	2,100	6,757	3,205
Underwriting fees	-	-	-	594
Brokerage commission	1,893	2,933	6,054	7,542
Rollover charges	1,158	316	2,656	1,657
Facility fee	175	620	1,285	1,155
Redemption fee	14	59	529	250
Placement fees	-	-	-	84
Other fee income	12	2	240	5
	<u>6,960</u>	<u>6,043</u>	<u>17,691</u>	<u>14,545</u>
Investment income/(loss):				
Net (loss)/gain on sale of financial assets at FVTPL	(1,241)	-	(1,241)	120
Net gain on sale of financial investments at FVOCI	2	13	1,981	1,560
Net unrealised gain on revaluation of financial assets at FVTPL	114	-	-	-
Net unrealised gain/(loss) on revaluation of derivative instruments	954	734	5,407	(406)
	<u>(171)</u>	<u>747</u>	<u>6,147</u>	<u>1,274</u>
Gross dividends from:				
Financial assets at FVTPL	52	-	52	-
Financial investments at FVOCI	196	196	196	196
Subsidiary	-	55	-	55
	<u>248</u>	<u>251</u>	<u>248</u>	<u>251</u>
Other income:				
Intercompany management fee	119	132	135	144
Others	128	59	246	197
	<u>247</u>	<u>191</u>	<u>381</u>	<u>341</u>
	<u>7,284</u>	<u>7,232</u>	<u>24,467</u>	<u>16,411</u>

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24. Operating expenses

Group	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
(i) Staff costs:				
Wages, salaries and bonuses	10,066	11,196	29,661	28,500
Employees' benefits	51	51	153	154
Defined contribution plans	1,679	1,749	4,680	4,348
Social security costs	43	39	125	116
Other staff related expenses	680	345	2,415	1,258
	<u>12,519</u>	<u>13,380</u>	<u>37,034</u>	<u>34,376</u>
(ii) Establishment costs:				
Depreciation and amortisation	222	260	769	1,068
Depreciation of right-of-use assets	544	-	1,633	-
Rental of:				
- office equipment	5	1	18	10
- premises	-	554	25	1,657
General repairs and maintenance	16	12	34	34
Insurance	27	42	81	121
Electricity	3	17	13	33
IT expenses	1,603	1,331	4,467	3,968
	<u>2,420</u>	<u>2,217</u>	<u>7,040</u>	<u>6,891</u>
(iii) Promotion and marketing -related expenses:				
Business promotion and advertisement	10	66	437	359
Corporate social responsibility	7	-	1,037	171
Entertainment	17	80	126	189
	<u>34</u>	<u>146</u>	<u>1,600</u>	<u>719</u>

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24. Operating expenses (cont'd.)

Group	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
(iv) Administrative and general expenses:				
Auditors' remuneration				
- Audit	64	67	195	200
Non-Executive Directors' remuneration	208	200	588	653
Management fees	2,206	2,073	7,095	6,145
Securities commission's levy	125	150	357	421
Brokerage fee	167	176	437	738
Bursa fee	53	50	207	173
License fee and stamp duty	8	4	169	169
Corporate dealers' and remisiers' commissions	44	55	384	107
Regulatory expenses	119	96	327	390
Professional fee	405	38	651	70
Others	(42)	104	118	304
	<u>3,357</u>	<u>3,013</u>	<u>10,528</u>	<u>9,370</u>
	<u>18,330</u>	<u>18,756</u>	<u>56,202</u>	<u>51,356</u>

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24. Operating expenses (cont'd.)

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Bank				
(i) Staff costs:				
Wages, salaries and bonuses	10,066	11,196	29,661	28,500
Employees' benefits	51	51	153	154
Defined contribution plans	1,679	1,749	4,680	4,348
Social security costs	43	39	125	116
Other staff related expenses	680	345	2,415	1,258
	<u>12,519</u>	<u>13,380</u>	<u>37,034</u>	<u>34,376</u>
(ii) Establishment costs:				
Depreciation and amortisation	222	260	769	1,068
Depreciation of right-of-use assets	544	-	1,633	-
Rental of:				
- office equipment	5	1	18	10
- premises	-	554	25	1,657
General repairs and maintenance	16	12	34	34
Insurance	27	42	81	121
Electricity	3	17	13	33
IT expenses	1,603	1,331	4,467	3,968
	<u>2,420</u>	<u>2,217</u>	<u>7,040</u>	<u>6,891</u>
(iii) Promotion and marketing -related expenses:				
Business promotion and advertisement	10	66	437	359
Corporate social responsibility	7	-	1,037	171
Entertainment	17	80	126	189
	<u>34</u>	<u>146</u>	<u>1,600</u>	<u>719</u>

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24. Operating expenses (cont'd.)

Bank	Individual Quarter		Cumulative Quarter	
	3 Months Ended		9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
(iv) Administrative and general expenses:				
Auditors' remuneration				
- Audit	64	67	195	200
Non-Executive Directors' remuneration	208	200	588	653
Management fees	2,201	2,068	7,080	6,130
Securities commission's levy	125	150	357	421
Brokerage fee	167	176	437	738
Bursa fees	53	50	207	173
License fee and stamp duty	8	4	169	169
Corporate dealers' and remisiers' commissions	44	55	384	107
Regulatory expenses	119	96	327	390
Professional fee	405	38	651	70
Others	(42)	104	118	304
	<u>3,352</u>	<u>3,008</u>	<u>10,513</u>	<u>9,355</u>
	<u>18,325</u>	<u>18,751</u>	<u>56,187</u>	<u>51,341</u>

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25. Impairment loss made on loans, advances and financing

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Group and Bank				
ECL allowance				
- Net made during the financial period	(852)	(3,036)	(4,040)	(14,466)
	<u>(852)</u>	<u>(3,036)</u>	<u>(4,040)</u>	<u>(14,466)</u>

26. Impairment loss written back/(made) on financial investments

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Group and Bank				
Financial investments at FVOCI				
FVOCI [Note 13]	(7)	(428)	(30)	1,065
Financial investments at amortised cost	(47)	(656)	277	(2,925)
Bad debts recovered	-	-	22	-
	<u>(54)</u>	<u>(1,084)</u>	<u>269</u>	<u>(1,860)</u>

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27. Impairment loss (made)/written back on other assets

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Group and Bank				
Other debtors				
- Net (made)/written back during the financial period [Note 16(b)(i)]	187	(58)	(196)	37
Bad debts recovered	18	-	18	-
Bad debts written off	-	-	(1)	-
	<u>205</u>	<u>(58)</u>	<u>(179)</u>	<u>37</u>

28. Basic earnings per ordinary shares

	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Group				
Profit for the period	<u>18,062</u>	<u>15,275</u>	<u>55,293</u>	<u>27,719</u>
Weighted average number of ordinary shares	<u>155,000</u>	<u>155,000</u>	<u>155,000</u>	<u>155,000</u>
Basic and diluted earnings per ordinary share (sen)	<u>11.65</u>	<u>9.85</u>	<u>35.67</u>	<u>17.88</u>

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29. Commitments and contingencies

Group and Bank	<----- 30 September 2021 ----->			<----- 31 December 2020 ----->		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount* RM'000	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount* RM'000
Direct credit substitutes	36,833	36,833	36,833	1,000	1,000	1,000
Interest rate related contract with an original maturity of:						
- over one year to five years	300,000	16,268	3,254	400,000	13,244	2,649
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:						
- not exceeding one year	316,527	63,305	63,305	384,155	76,831	76,831
- exceeding one year	259,921	129,960	129,960	271,970	135,985	135,985
Total	913,281	246,367	233,353	1,057,125	227,060	216,465

* The credit equivalent and risk weighted amount are arrived at using the credit conversion factors and risk weights respectively as per Bank Negara Malaysia Guidelines.

30. Credit exposures arising from credit transactions with connected parties

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
(i) Outstanding credit exposures with connected parties	228,540	244,801
(ii) Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	4.62%	5.23%
(iii) Percentage of outstanding credit exposures to connected parties which is impaired or in default	Nil	Nil

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31. Related party disclosures

(a) Significant related party transactions and balances

The following significant transactions between the Group and the Bank and related parties took place at arm's length during the financial period/year.

	Group and Bank	
	30 September 2021	30 September 2020
	RM'000	RM'000
Penultimate holding company		
Income:		
Interest income on financial investments	3,364	3,153
Brokerage fees earned	510	822
	<u> </u>	<u> </u>
Immediate holding company		
Income		
Fee income	1,000	1,200
	<u> </u>	<u> </u>
Expenditure:		
Rental of premises	10	1,656
Management fees	7,080	6,130
	<u> </u>	<u> </u>
Other related companies		
Income:		
Interest income on financial investments	-	1,492
Interest income on loans, advances and financing	2,749	2,961
Brokerage fees earned	1,316	1,795
Fee income	231	222
	<u> </u>	<u> </u>
Expenditure:		
Interest expense on deposits	8,622	5,762
	<u> </u>	<u> </u>

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31. Related party disclosures (cont'd.)

(a) Significant related party transactions and balances (cont'd.)

In addition to the related party information disclosed elsewhere in the financial statements, the significant outstanding balances of the Group and of the Bank with their related parties are as follows:

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Penultimate holding company		
Amount due from:		
Financial investments	100,000	81,000
Other related companies		
Amount due to:		
Deposits from customers	188,781	123,301
Deposits from placements of banks and other financial institutions	43,260	21,516
Other payables	324	341
Amount due from:		
Fee receivable	-	91
Sundry deposits	553	553
Loans, advances and financing	85,207	78,571
Financial investments	-	30,000

Other related companies include companies within the Yayasan Perlaburan Bumiputra Group and companies related to the Directors of the Bank.

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32. Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's and the Bank's assets and liabilities. The different levels have been defined as follows:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: Inputs for the asset or liability that are not based on observable market data (unobservable inputs).

Group and Bank	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
30 September 2021				
Assets measured at fair value				
Financial assets at FVTPL				
- Money market instruments	-	20,605	-	20,605
Financial investments at FVOCI				
- Money market instruments	-	1,743,418	-	1,743,418
- Unquoted instruments	-	674,221	3,783	678,004
Derivative assets	-	5,320	-	5,320
Assets for which fair values are disclosed:				
Financial investments at amortised cost				
- Money market instruments	-	451,092	-	451,092
- Unquoted instruments	-	1,877,915	9,854	1,887,769
Loans, advances and financing				
- staff loans	-	188	-	188

Unaudited Interim Financial Statements

32. Fair value hierarchy (cont'd.)

Group and Bank	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 December 2020				
Assets measured at fair value				
Financial investments at FVOCI				
- Money market instruments	-	1,664,027	-	1,664,027
- Unquoted instruments	-	655,466	3,783	659,249
	<hr/>	<hr/>	<hr/>	<hr/>
Assets for which fair values are disclosed:				
Financial investments at amortised cost				
- Money market instruments	-	531,414	-	531,414
- Unquoted instruments	-	1,686,959	9,789	1,696,748
Loans, advances and financing				
- staff loans	-	271	-	271
	<hr/>	<hr/>	<hr/>	<hr/>
Liability measured at fair value				
Derivative liabilities	-	86	-	86
	<hr/>	<hr/>	<hr/>	<hr/>

There was no transfer between Level 1 and Level 2 of the fair value hierarchy during the financial period/year.

Unaudited Interim Financial Statements

32. Fair value hierarchy (cont'd.)

The following table shows a reconciliation of the opening and closing amounts of Level 3 financial instruments which are recorded at fair value:

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Financial investments at FVOCI		
Unquoted instruments		
At 1 January	3,783	4,260
Revaluation gain	-	1,132
	3,783	5,392
Settlements	-	(1,609)
At 30 September 2021 / 31 December 2020	3,783	3,783

Changing one or more of the unobservable inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

Unaudited Interim Financial Statements

33. Capital management

(i) The capital adequacy ratio of the Group and of the Bank are as follows:

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Tier 1 Capital				
Common Equity Tier 1 ("CET1") Capital				
Ordinary shares	369,111	369,111	369,111	369,111
Regulatory reserve	14,834	16,324	14,834	16,324
FVOCI reserve	(6,581)	15,002	(6,581)	15,002
Retained profits	457,114	475,624	457,067	475,577
	<u>834,478</u>	<u>876,061</u>	<u>834,431</u>	<u>876,014</u>
Less: Regulatory adjustments	(28,758)	(31,585)	(28,758)	(31,585)
<i>Total CET1 Capital</i>	<u>805,720</u>	<u>844,476</u>	<u>805,673</u>	<u>844,429</u>
Total Tier 1 Capital	<u>805,720</u>	<u>844,476</u>	<u>805,673</u>	<u>844,429</u>
Tier 2 Capital				
Loss provision and regulatory reserve	31,484	27,330	31,550	27,463
Total Tier 2 capital	<u>31,484</u>	<u>27,330</u>	<u>31,550</u>	<u>27,463</u>
Total Capital	<u>837,204</u>	<u>871,806</u>	<u>837,223</u>	<u>871,892</u>
CET1 Capital Ratio	28.077%	33.855%	28.023%	33.709%
Tier 1 Capital Ratio	28.077%	33.855%	28.023%	33.709%
Total Capital Ratio	29.174%	34.950%	29.121%	34.805%

Unaudited Interim Financial Statements

33. Capital management (cont'd.)

- (ii) Breakdown of gross risk-weighted assets in the various categories of risk-weights are as follows:

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Total risk-weighted assets for credit risk	2,518,704	2,186,373	2,523,999	2,197,022
Total risk-weighted assets equivalent for market risk	110,688	126,987	110,688	126,987
Total risk-weighted assets equivalent for operational risk	240,311	181,066	240,311	181,066
	2,869,703	2,494,426	2,874,998	2,505,075

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI)

Condensed consolidated statements of financial position
As at 30 September 2021

	Note	Group and Bank	
		30 September 2021 RM'000	31 December 2020 RM'000
Assets			
Cash and short-term funds	(a)	602,602	171,599
Financial assets at FVTPL	(b)	20,605	-
Financial investments at FVOCI	(c)	2,176,180	2,127,193
Financial investments at amortised cost	(d)	2,050,628	1,937,364
Financing and advances	(e)	860,903	724,819
Other assets	(f)	41,877	38,776
Deferred tax assets		3,698	1,201
Total assets		5,756,493	5,000,952
Liabilities			
Deposits from customers	(g)	3,872,002	3,381,029
Deposits and placements of banks and other financial institutions	(h)	1,007,224	774,671
Other liabilities	(i)	130,581	90,754
Provision for taxation and zakat		1,445	24,434
Total liabilities		5,011,252	4,270,888
Islamic banking capital funds			
Islamic banking funds		426,600	426,600
Reserves		318,641	303,464
Total Islamic banking capital funds		745,241	730,064
Total liabilities and Islamic banking capital funds		5,756,493	5,000,952

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

Condensed consolidated statements of profit or loss
For the nine months ended 30 September 2021

Group and Bank	Note	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Income derived from investment of depositors' funds	(j)	39,380	47,610	121,930	137,290
Income derived from investment of Islamic Banking funds	(k)	7,038	6,571	23,772	20,704
Impairment loss made on financing and advances	(l)	(223)	(1,981)	(3,587)	(13,009)
Impairment loss written back/(made) on financial investments	(m)	(36)	(707)	19	(2,240)
Impairment loss written back on other assets	(n)	244	10	22	145
Total attributable income		46,403	51,503	142,156	142,890
Income attributable to depositors	(o)	(20,008)	(26,255)	(63,874)	(86,877)
Total net income		26,395	25,248	78,282	56,013
Operating expenses	(p)	(1,334)	(1,351)	(4,502)	(4,363)
Profit before taxation and zakat		25,061	23,897	73,780	51,650
Taxation		(5,678)	(4,923)	(17,368)	(14,424)
Zakat		(484)	(489)	(1,445)	(960)
Profit for the period		18,899	18,485	54,967	36,266

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

Condensed consolidated statements of comprehensive income
For the nine months ended 30 September 2021

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Profit for the period attributable to equity holder of the Bank	18,899	18,485	54,967	36,266
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Changes in allowance for ECL for investments at FVOCI	(13)	53	(21)	169
Net (loss)/gain on financial investments at FVOCI				
- Transfer of gain to profit or loss upon disposal	(1,137)	(7,794)	(6,259)	(20,491)
- Fair value changes	(5,512)	8,515	(13,510)	30,717
Other comprehensive (loss)/income for the period, net of tax	(6,662)	774	(19,790)	10,395
Total comprehensive income for the period attributable to equity holder of the Bank	12,237	19,259	35,177	46,661

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

Condensed consolidated statements of changes in equity
For the nine months ended 30 September 2021

Group and Bank	<----- Non-distributable ----->			Distributable	
	Islamic banking funds RM'000	Regulatory reserve# RM'000	FVOCI reserve^ RM'000	Retained profits RM'000	Total RM'000
At 1 January 2021	426,600	5,945	12,774	284,745	730,064
Profit for the financial period	-	-	-	54,967	54,967
Other comprehensive loss for the financial period	-	-	(19,790)	-	(19,790)
Total comprehensive (loss)/ income for the financial period	-	-	(19,790)	54,967	35,177
Transactions with owner					
Transfer from regulatory reserve	-	(1,454)	-	1,454	-
Dividends (Note 7)	-	-	-	(20,000)	(20,000)
At 30 September 2021	<u>426,600</u>	<u>4,491</u>	<u>(7,016)</u>	<u>321,166</u>	<u>745,241</u>
At 1 January 2020	396,600	7,603	3,139	223,238	630,580
Profit for the financial period	-	-	-	36,266	36,266
Other comprehensive income for the financial period	-	-	10,395	-	10,395
Total comprehensive income for the period	-	-	10,395	36,266	46,660
Transactions with owner					
Transfer to regulatory reserve	-	(182)	-	182	-
Allocation from Head Office	30,000	-	-	-	30,000
At 30 September 2020	<u>426,600</u>	<u>7,421</u>	<u>13,534</u>	<u>259,686</u>	<u>707,240</u>

The regulatory reserve is maintained in compliance with the revised Bank Negara Malaysia guidelines on Financial Reporting in which the Bank is required to maintain, in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserves of no less than 1% of total exposures, net of loss allowance for credit-impaired exposures.

^ The financial investments at FVOCI reserve arises from the change in the fair value of the underlying instruments and it is not distributable as cash dividends.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

Condensed consolidated statements of cash flows
For the nine months ended 30 September 2021

	Group and Bank	
	30 September	30 September
Profit before taxation and zakat	73,780	51,650
Adjustments for non-cash items	6,972	(2,854)
Operating profit before changes in working capital	80,752	48,796
Changes in working capital:		
Net changes in operating assets	(368,668)	(925,519)
Net changes in operating liabilities	738,919	1,016,013
Net cash generated from operating liabilities	451,003	139,290
Net cash (used in)/generated from financing activities		
- Dividend paid	(20,000)	-
- Allocation of capital from Head Office	-	30,000
	(20,000)	30,000
Net change in cash and cash equivalents	431,003	169,290
Cash and cash equivalents at beginning of the period	171,599	416,493
Cash and cash equivalents at end of the period	602,602	585,783
	34(a)	
Cash and cash equivalents comprise of:		
Cash and short-term funds	602,602	585,783

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(a) Cash and short-term funds

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Cash and balances with banks and other financial institutions	5,602	1,599
Money at call and deposit placements maturing within one month	597,000	170,000
	602,602	171,599

(b) Financial assets at FVTPL

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Money market instruments:		
Government Investment Issue	20,605	-
	20,605	-

(c) Financial investments at FVOCI

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Money market instruments:		
Government Investment Issues	1,233,062	1,320,469
Malaysian Treasury Bills	199,014	230,386
Cagamas Berhad Bonds	-	20,000
Islamic Negotiable Instruments	199,888	-
	1,631,964	1,570,855
Corporate Sukuk	544,216	556,338
	2,176,180	2,127,193

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(c) Financial investments at FVOCI (cont'd.)

An analysis of changes in the corresponding ECL allowances in relation to FVOCI is, as follows:

Group and Bank	Stage 1 Collective RM'000	Stage 3 Individual RM'000	Total RM'000
At 1 January 2021	303	8,112	8,415
Written back [Note 34(m)]	(21)	-	(21)
At 30 September 2021	282	8,112	8,394
At 1 January 2020	79	8,112	8,191
Impairment made during the financial year	224	-	224
At 31 December 2020	303	8,112	8,415

There was no Stage 2 exposure as at 30 September 2021 and 31 December 2020.

(d) Financial investments at amortised costs

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Money market instruments:		
Government Investment Issues	472,471	563,195
Corporate Sukuk	1,580,391	1,376,394
	2,052,862	1,939,589
Less: ECL allowance	(2,234)	(2,225)
	2,050,628	1,937,364

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(d) Financial investments at amortised costs (cont'd.)

An analysis of changes in the corresponding ECL allowances in relation to amortised cost is, as follows:

Group and Bank	Stage 1 Collective RM'000	Stage 2 Collective RM'000	Total RM'000
At 1 January 2021	341	1,884	2,225
Impairment made during the financial period	9	-	9
At 30 September 2021	350	1,884	2,234
At 1 January 2020	187	671	858
Impairment made during the financial year	154	1,213	1,367
At 31 December 2020	341	1,884	2,225

There was no Stage 3 exposure as at 30 September 2021 and 31 December 2020.

(e) Financing and advances

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Term financing		
- Syndicated term financing	268,287	203,088
- Other term financing	609,346	535,242
	877,633	738,330
Staff financing	7	9
Gross financing and advances	877,640	738,339
Less: ECL allowance	(16,737)	(13,520)
Net financing and advances	860,903	724,819

The Group and the Bank operate principally in Malaysia and hence, disclosure of information by geographical area is not presented.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(e) Financing and advances (cont'd.)

(a) Gross financing and advances

(i) By type of customer

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Domestic business enterprises	877,633	738,330
Individuals	7	9
Gross financing and advances	<u>877,640</u>	<u>738,339</u>

(ii) By profit rate sensitivity

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Fixed rate		
Staff financing	7	9
Variable rate		
Cost-plus	877,633	738,330
Gross financing and advances	<u>877,640</u>	<u>738,339</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(e) Financing and advances (cont'd.)

(a) Gross financing and advances (cont'd.)

(iii) By economic sector

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Finance, insurance and business services	496,995	293,416
Electricity, gas and water supply	128,225	231,759
Education, health and others	87,748	-
Construction	85,454	78,817
Mining and quarrying	55,525	55,083
Manufacturing	23,686	22,183
Household	7	9
Transport, storage and communications	-	57,072
Gross financing and advances	877,640	738,339

(iv) By maturity profile

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Within one year	488,579	503,788
One year to five years	276,378	121,927
After five years	112,683	112,624
Gross financing and advances	877,640	738,339

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(e) Financing and advances (cont'd.)

(a) Gross financing and advances (cont'd.)

(v) By classification of Shariah contracts

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Term financing		
Commodity Murabahah	877,633	738,330
Staff financing	7	9
Gross financing and advances	877,640	738,339

(b) Movement in impairment allowances by class of financial assets

(i) ECL allowances

An analysis of changes in the corresponding ECL allowances in relation to financing and advances is, as follows:

Group and Bank	Stage 1 Collective RM'000	Total RM'000
At 1 January 2021	13,520	13,520
Transfer	1,045	1,045
Impairment made during the financial period	2,172	2,172
At 30 September 2021	16,737	16,737
At 1 January 2020	1,427	1,427
Transfer	1,112	1,112
Impairment made during the financial year	10,981	10,981
At 31 December 2020	13,520	13,520

There was no Stage 2 exposure as at 30 September 2021 and 31 December 2020.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(f) Other assets

	Note	Group and Bank	
		30 September 2021 RM'000	31 December 2020 RM'000
Other debtors, deposits and prepayments		5,318	5,152
Less: ECL allowance	(i)	(1,565)	(1,587)
		3,753	3,565
Profit receivables		36,930	34,575
Amounts due from brokers and clients	(ii)	1,194	636
		41,877	38,776

(i) Other debtors, deposits and prepayments

Movement in ECL allowance

Group and Bank	Total RM'000
At 1 January 2021	1,587
Written back [Note 34(n)]	(22)
At 30 September 2021	1,565
At 1 January 2020	1,168
Impairment made during the financial year	705
Written off	(286)
At 31 December 2020	1,587

(ii) Amounts due from brokers and clients

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Brokers	34	635
Clients	229	1
	263	636

Clients' and brokers' debit balances arose from trading of securities through the Bank which are not yet due for settlement as at reporting date under the Rules of Bursa Malaysia Securities Berhad.

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(g) Deposits from customers

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
(i) By type of deposit		
Commodity Murabahah fund		
Term deposits	3,872,002	3,381,029
(ii) By type of customer		
Commodity Murabahah fund		
Business enterprises	1,287,751	997,632
Government and statutory bodies	2,584,251	2,383,397
	<u>3,872,002</u>	<u>3,381,029</u>
(iii) The maturity structure of term deposits is as follows:		
Due within six months	3,516,692	2,927,930
Six months to one year	269,010	453,099
One year to two years	86,300	-
	<u>3,872,002</u>	<u>3,381,029</u>

(h) Deposits and placements of banks and other financial institutions

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
(i) By types of deposit		
Commodity Murabahah fund		
Term deposits	1,007,224	774,671
(ii) By type of customer		
Commodity Murabahah fund		
Other financial institutions	1,007,224	774,671
	<u>1,007,224</u>	<u>774,671</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(i) Other liabilities

	Note	Group and Bank	
		30 September 2021 RM'000	31 December 2020 RM'000
Profit payable to depositors		15,282	20,414
Amount due to clients		3,544	633
Sundry creditors and accruals		9,551	6,163
Amount due to related company		292	-
Amount due to Head Office		99,170	61,165
ECL allowances on financing and advances commitments and financial investments	(a)	2,742	2,379
		<u>130,581</u>	<u>90,754</u>

(a) Movements in the ECL allowances on financing and advances commitments and financial investments are as follows:

Group and Bank	Financing and advances commitments RM'000	Financial investments RM'000	Total RM'000
Stage 1 Collective			
At 1 January 2021	2,372	7	2,379
Transfer	(1,045)	-	(1,045)
Made during the financial period	1,415	-	1,415
Written back	-	(7)	(7)
At 30 September 2021	<u>2,633</u>	<u>-</u>	<u>2,742</u>
At 1 January 2020	1,149	3	1,152
Transfer	(1,112)	-	(1,112)
Made during the financial year	2,335	4	2,339
At 31 December 2020	<u>2,372</u>	<u>7</u>	<u>2,379</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(j) Income derived from investment of depositors' funds

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah:				
Financing and advances	8,830	6,980	25,420	16,450
Money at call and deposit placements with financial institutions	1,780	1,350	3,990	4,840
Financial assets at FVTPL	660	-	660	60
Financial investments at FVOCI				
- Profit on non-impaired instruments	15,640	13,970	47,740	38,440
Financial investments at amortised costs				
- Profit on non-impaired instruments	14,480	20,300	47,210	61,240
	<u>41,390</u>	<u>42,600</u>	<u>125,020</u>	<u>121,030</u>
Accretion of discount less amortisation of premium	(3,580)	(2,000)	(10,880)	(1,880)
Total finance income and hibah	<u>37,810</u>	<u>40,600</u>	<u>114,140</u>	<u>119,150</u>
Other operating income:				
Net gain/(loss) on sale of financial assets at FVTPL	860	-	2,470	(300)
Net gain on sale of financial investments at FVOCI	1,020	7,010	5,630	18,440
Net unrealised loss on revaluation of financial assets at FVTPL	(310)	-	(310)	-
	<u>1,570</u>	<u>7,010</u>	<u>7,790</u>	<u>18,140</u>
	<u>39,380</u>	<u>47,610</u>	<u>121,930</u>	<u>137,290</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(k) Income derived from investment of Islamic Banking funds

Group and Bank	Individual Quarter 3 Months Ended		Cumulative quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Finance income and hibah:				
Financing and advances	986	768	2,829	1,825
Money at call and deposit placements with financial institutions	196	145	447	533
Financial assets at FVTPL	72	-	72	11
Financial investments at FVOCI				
- Profit on non-impaired instruments	1,740	1,549	5,306	4,271
Financial investments at amortised costs				
- Profit on non-impaired instruments	1,604	2,254	5,241	6,808
	<u>4,598</u>	<u>4,716</u>	<u>13,895</u>	<u>13,448</u>
Accretion of discount less amortisation of premium	(396)	(220)	(1,209)	(204)
Total finance income and hibah	<u>4,202</u>	<u>4,496</u>	<u>12,686</u>	<u>13,244</u>
Other operating income:				
Net gain/(loss) on sale of financial assets at FVTPL	97	-	279	(28)
Net gain on sale of financial investments at FVOCI	117	784	629	2,051
Net unrealised loss on revaluation of financial assets at FVTPL	(35)	-	(35)	-
	<u>179</u>	<u>784</u>	<u>873</u>	<u>2,023</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(k) Income derived from investment of Islamic Banking funds (cont'd.)

Group and Bank	Individual Quarter 3 Months Ended		Cumulative quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Fees and others:				
Fee income				
- Fees on financing and advances	163	175	452	535
- Corporate advisory fees	1,440	1,840	5,058	4,390
- Management fees	16	-	2,794	-
- Brokerage commission	85	44	141	77
- Participation fees	78	(771)	245	171
- Placement fee	824	-	1,074	260
- Other fee income	51	1	448	1
	<u>2,657</u>	<u>1,289</u>	<u>10,212</u>	<u>5,434</u>
Other income	-	2	1	3
	<u>2,657</u>	<u>1,291</u>	<u>10,213</u>	<u>5,437</u>
	<u>7,038</u>	<u>6,571</u>	<u>23,772</u>	<u>20,704</u>

(l) Impairment loss made on financing and advances

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
ECL allowance				
- Made in the financial period	(223)	(1,981)	(3,587)	(13,009)
	<u>(223)</u>	<u>(1,981)</u>	<u>(3,587)</u>	<u>(13,009)</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(m) Impairment loss written back/(made) on financial investments

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Financial investments at FVOCI [Note 34(c)]	13	(53)	21	(169)
Financial investments at amortised cost	(49)	(654)	(2)	(2,071)
	<u>(36)</u>	<u>(707)</u>	<u>19</u>	<u>(2,240)</u>

(n) Impairment loss written back on other assets

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Other assets				
- Written back during the financial period [Note 34(f)(i)]	244	10	22	145
	<u>244</u>	<u>10</u>	<u>22</u>	<u>145</u>

(o) Income attributable to depositors

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Commodity Murabahah fund				
Deposits from customers	14,310	20,729	49,349	68,113
Deposits and placements of banks and other financial institutions	5,698	5,526	14,525	18,764
	<u>20,008</u>	<u>26,255</u>	<u>63,874</u>	<u>86,877</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(p) Operating expenses

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
(i) Staff costs:				
Wages, salaries and bonuses	536	551	1,520	1,851
Social security costs	3	3	9	9
Defined contribution plan	129	112	322	346
Other staff related expenses	23	29	81	80
	<u>691</u>	<u>695</u>	<u>1,932</u>	<u>2,286</u>
(ii) Establishment costs:				
Amortisation	11	-	11	121
Rental	-	36	50	107
IT expenses	133	107	357	311
Others	(10)	11	6	32
	<u>134</u>	<u>154</u>	<u>424</u>	<u>571</u>
(iii) Promotion and marketing related expenses				
Business promotion and advertisement	(1)	-	-	2
Entertainment	-	-	-	6
	<u>(1)</u>	<u>-</u>	<u>-</u>	<u>8</u>
(iv) Administrative and general expenses:				
Audit fees	-	7	9	20
Non-Executive Directors' remuneration	-	19	25	63
Management fees	442	207	1,827	631
Professional fees	-	15	1	44
Brokerage fees	93	97	227	274
Others	(25)	157	57	466
	<u>510</u>	<u>502</u>	<u>2,146</u>	<u>1,498</u>
	<u>1,334</u>	<u>1,351</u>	<u>4,502</u>	<u>4,363</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(q) Net income from Islamic banking

For consolidation with conventional business, net income from operations of Islamic Banking comprises the followings:

Group and Bank	Individual Quarter 3 Months Ended		Cumulative Quarter 9 Months Ended	
	30 September 2021	30 September 2020	30 September 2021	30 September 2020
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds	39,380	47,610	121,930	137,290
Income derived from investment of Islamic banking funds	7,038	6,571	23,772	20,704
Less: Income attributable to depositors	(20,008)	(26,255)	(63,874)	(86,877)
	<u>26,410</u>	<u>27,926</u>	<u>81,828</u>	<u>71,117</u>

(r) Capital adequacy

(i) The capital adequacy ratio of the Group and of the Bank are as follows:

	Group and Bank	
	30 September 2021	31 December 2020
	RM'000	RM'000
<u>Tier 1 Capital</u>		
Common Equity Tier 1 ("CET1") Capital		
Islamic banking fund	426,600	426,600
Regulatory reserve	4,491	5,945
FVOCI reserve	(7,016)	12,774
Retained profits	266,199	284,745
	<u>690,274</u>	<u>730,064</u>
Less: Regulatory adjustments	(8,189)	(14,172)
Total CET 1 Capital, representing Total Tier 1 Capital	<u>682,085</u>	<u>715,892</u>
<u>Tier 2 Capital</u>		
Loss provision and regulatory reserve	19,663	16,239
Total Tier 2 capital	<u>19,663</u>	<u>16,239</u>
Total Capital	<u>701,748</u>	<u>732,131</u>

Unaudited Interim Financial Statements

34. The operations of Islamic Banking Scheme (SPI) (cont'd.)

(r) Capital adequacy (cont'd.)

(i) The capital adequacy ratio of the Group and of the Bank are as follows: (cont'd.)

CET1 Capital Ratio	39.673%	51.241%
Tier 1 Capital Ratio	39.673%	51.241%
Total Capital Ratio	40.817%	52.404%

(ii) Breakdown of gross risk-weighted assets in the various categories of risk-weights are as follows:

	Group and Bank	
	30 September	31 December
	2021	2020
	RM'000	RM'000
Total risk-weighted assets for credit risk	1,573,011	1,299,140
Total risk-weighted assets equivalent for market risk	-	-
Total risk-weighted assets equivalent for operational risk	146,238	97,961
	<u>1,719,249</u>	<u>1,397,101</u>

Unaudited Interim Financial Statements

I, Datuk Joseph Dominic Silva being the Chief Executive Officer primarily responsible for the financial management of MIDF Amanah Investment Bank Berhad, do hereby state that, the unaudited interim financial statements for the nine months ended 30 September 2021, as set out on pages 1 to 62 have been prepared from the Group and the Bank's accounting and other records and that to the best of my knowledge and belief, are drawn up so as to give a true and fair view of the state of affairs of the Group and the Bank as at 30 September 2021. The financial performance and cash flows of the Group and the Bank for the period ended on that date are prepared in accordance with the Malaysian Financial Reporting Standards issued by the Malaysian Accounting Standards Board, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

A handwritten signature in black ink, appearing to read "Datuk Joseph Dominic Silva", with a horizontal line underneath it.

DATUK JOSEPH DOMINIC SILVA
CHIEF EXECUTIVE OFFICER

Date: 28 October 2021