



AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD.
(Incorporated in Malaysia)
Co. Reg. No. 200501036909 (719057-X)

**INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL QUARTER ENDED
30 SEPTEMBER 2021**

Registered Office

Ground Floor, East Block
Wisma Golden Eagle Realty
142-B Jalan Ampang
50450 Kuala Lumpur

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021

| | Note | Group | | Bank | |
|---|------|---|--|---|--|
| | | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| ASSETS | | | | | |
| Cash and short-term funds | | 69,936 | 80,991 | 69,936 | 80,991 |
| Deposits and placements with banks and other financial institutions | 9 | 447,660 | 378,940 | 447,660 | 378,940 |
| Derivatives assets | | - | 155 | - | 155 |
| Financial investment at amortised cost | 10 | 679,676 | 739,095 | 679,676 | 739,095 |
| Financial investments at fair value through other comprehensive income ("FVOCI") | 11 | 1,765,624 | 647,547 | 1,765,624 | 647,547 |
| Financing and advances | 12 | 5,442,772 | 5,054,253 | 5,442,772 | 5,054,253 |
| Other assets | | 33,730 | 17,242 | 33,696 | 17,218 |
| Statutory deposit with Bank Negara Malaysia | | 891 | 7,217 | 891 | 7,217 |
| Deferred tax assets | | 49,497 | 49,497 | 49,497 | 49,497 |
| Investment in a subsidiary | | -* | -* | -* | -* |
| Investment properties | | 95,400 | 95,400 | 95,400 | 95,400 |
| Property and equipment | | 13,127 | 15,132 | 13,127 | 15,132 |
| Intangible assets | | 26,274 | 30,909 | 26,274 | 30,909 |
| Right-of-use assets | | 11,934 | 11,693 | 11,934 | 11,693 |
| Total Assets | | 8,636,521 | 7,128,071 | 8,636,487 | 7,128,047 |
| LIABILITIES AND SHAREHOLDER'S EQUITY | | | | | |
| Liabilities | | | | | |
| Deposits from customers | 13 | 6,089,003 | 5,234,489 | 6,089,003 | 5,234,489 |
| Deposits and placements of banks and other financial institutions | 14 | 1,224,231 | 751,239 | 1,224,231 | 751,239 |
| Bills and acceptances payable | | 1,397 | 4,812 | 1,397 | 4,812 |
| Other liabilities | | 59,631 | 58,421 | 59,640 | 58,569 |
| Lease liabilities | | 13,817 | 13,607 | 13,817 | 13,607 |
| Subordinated Sukuk | | 558,163 | 374,843 | 558,163 | 374,843 |
| Total Liabilities | | 7,946,242 | 6,437,411 | 7,946,251 | 6,437,559 |
| Shareholder's equity | | | | | |
| Share capital | | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Reserves | | (309,721) | (309,340) | (309,764) | (309,512) |
| Total Shareholder's Equity | | 690,279 | 690,660 | 690,236 | 690,488 |
| Total Liabilities and Shareholder's Equity | | 8,636,521 | 7,128,071 | 8,636,487 | 7,128,047 |
| COMMITMENTS AND CONTINGENCIES | 21 | 1,965,554 | 1,662,327 | 1,965,554 | 1,662,327 |
| CAPITAL ADEQUACY | | | | | |
| CET 1 / Core capital ratio | 23 | 10.121% | 11.596% | 10.120% | 11.593% |
| Risk-weighted capital ratio | | 20.202% | 18.540% | 20.202% | 18.537% |

The 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.

* The amount is significantly below the rounding threshold.

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

| Group | Note | Quarter Ended | | Period Ended | |
|--|------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| Revenue | | 83,430 | 57,575 | 257,063 | 237,536 |
| Income derived from investment of depositors' funds and others | 15 | 75,069 | 49,864 | 211,588 | 211,086 |
| Income derived from investment of shareholder's funds | 16 | 8,361 | 7,711 | 45,475 | 26,450 |
| Writeback/(Allowance) for credit losses on financial assets | 17 | (5,217) | 11,140 | (7,254) | 15,693 |
| Total distributable income | | 78,213 | 68,715 | 249,809 | 253,229 |
| Income attributable to depositors | 18 | (31,850) | (32,377) | (88,421) | (117,576) |
| Total Net Income | | 46,363 | 36,338 | 161,388 | 135,653 |
| Personnel expenses | | (34,335) | (29,437) | (94,849) | (88,613) |
| Other overheads and expenditures | | (18,590) | (17,530) | (57,928) | (54,587) |
| (Loss)/Profit before zakat and taxation | | (6,562) | (10,629) | 8,611 | (7,547) |
| Zakat | | - | - | - | - |
| Taxation | | - | - | - | - |
| Net (loss)/profit for the financial period | | (6,562) | (10,629) | 8,611 | (7,547) |
| Other comprehensive (loss)/income | | | | | |
| Items that may be reclassified subsequently to profit or loss | | | | | |
| Financial investment held at fair value through other comprehensive income: | | | | | |
| - Net unrealised (loss)/gain on changes in fair value | | (2,902) | 9,213 | (8,992) | 7,664 |
| Other comprehensive (loss)/gain income for the financial period net of tax | | (2,902) | 9,213 | (8,992) | 7,664 |
| Total comprehensive (loss)/gain income for the financial period | | (9,464) | (1,416) | (381) | 117 |
| Total comprehensive (loss)/gain income for the financial period attributable to equity holder of the Bank | | (9,464) | (1,416) | (381) | 117 |

The 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

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

| Bank | Note | Quarter Ended | | Period Ended | |
|--|------|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| Revenue | | 83,298 | 57,505 | 256,663 | 237,279 |
| Income derived from investment of depositors' funds and others | 15 | 75,069 | 49,864 | 211,588 | 211,086 |
| Income derived from investment of shareholder's funds | 16 | 8,229 | 7,641 | 45,075 | 26,193 |
| Writeback/(Allowance) for credit losses on financial assets | 17 | (5,217) | 11,140 | (7,254) | 15,693 |
| Total distributable income | | 78,081 | 68,645 | 249,409 | 252,972 |
| Income attributable to depositors | 18 | (31,850) | (32,377) | (88,421) | (117,576) |
| Total Net Income | | 46,231 | 36,268 | 160,988 | 135,396 |
| Personnel expenses | | (34,308) | (29,410) | (94,765) | (88,536) |
| Other overheads and expenditures | | (18,416) | (17,462) | (57,483) | (54,423) |
| (Loss)/Profit before zakat and taxation | | (6,493) | (10,604) | 8,740 | (7,563) |
| Zakat | | - | - | - | - |
| Taxation | | - | - | - | - |
| Net (loss)/profit for the financial period | | (6,493) | (10,604) | 8,740 | (7,563) |
| Other comprehensive (loss)/income | | | | | |
| Items that may be reclassified subsequently to profit or loss | | | | | |
| Financial investment held at fair value through other comprehensive income: | | | | | |
| - Net unrealised (loss)/gain on changes in fair value | | (2,902) | 9,213 | (8,992) | 7,664 |
| Other comprehensive (loss)/gain income for the financial period net of tax | | (2,902) | 9,213 | (8,992) | 7,664 |
| Total comprehensive (loss)/gain income for the financial period | | (9,395) | (1,391) | (252) | 101 |
| Total comprehensive (loss)/gain income for the financial period attributable to equity holder of the Bank | | (9,395) | (1,391) | (252) | 101 |

The 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.

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

| | Share capital RM'000 | Statutory reserve RM'000 | Regulatory reserve RM'000 | Fair value of financial investments ("FVOCI") RM'000 | Accumulated losses RM'000 | Total RM'000 |
|---|-------------------------|-----------------------------|------------------------------|---|------------------------------|-----------------|
| Group | | | | | | |
| At 1 January 2020 | 1,000,000 | 13,206 | 4,500 | (542) | (263,799) | 753,365 |
| Total comprehensive income for the financial year | - | - | - | 3,303 | (66,008) | (62,705) |
| Transfer to statutory reserve | - | - | (4,500) | - | 4,500 | - |
| At 31 December 2020 | 1,000,000 | 13,206 | - | 2,761 | (325,307) | 690,660 |
| Group | | | | | | |
| At 1 January 2021 | 1,000,000 | 13,206 | - | 2,761 | (325,307) | 690,660 |
| Total comprehensive income for the financial period | - | - | - | (8,992) | 8,611 | (381) |
| At 30 September 2021 | 1,000,000 | 13,206 | - | (6,231) | (316,696) | 690,279 |
| Bank | | | | | | |
| At 1 January 2020 | 1,000,000 | 13,206 | 4,500 | (542) | (264,012) | 753,152 |
| Total comprehensive income for the financial year | - | - | - | 3,303 | (65,967) | (62,664) |
| Transfer to statutory reserve | - | - | (4,500) | - | 4,500 | - |
| At 31 December 2020 | 1,000,000 | 13,206 | - | 2,761 | (325,479) | 690,488 |
| Bank | | | | | | |
| At 1 January 2021 | 1,000,000 | 13,206 | - | 2,761 | (325,479) | 690,488 |
| Total comprehensive income for the financial period | - | - | - | (8,992) | 8,740 | (252) |
| At 30 September 2021 | 1,000,000 | 13,206 | - | (6,231) | (316,739) | 690,236 |

The 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.

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2021

| | Group | | Bank | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit/(loss) before zakat and taxation | 8,611 | (7,547) | 8,740 | (7,563) |
| Adjustments for: | | | | |
| Depreciation of property and equipment | 4,318 | 4,474 | 4,318 | 4,474 |
| Depreciation of right-of-use ("ROU") assets | 5,585 | 5,783 | 5,585 | 5,783 |
| Amortisation of intangible assets | 8,801 | 9,453 | 8,801 | 9,453 |
| Finance charges on lease liabilities | 355 | 447 | 355 | 447 |
| Allowance/(write-back) for credit losses | 12,421 | (11,168) | 12,421 | (11,168) |
| Allowance for doubtful debt | 27 | - | 27 | - |
| Bad debts on financing - Written off | 1,756 | 545 | 1,756 | 545 |
| Bad debts on financing - Recovered | (6,924) | (4,309) | (6,924) | (4,309) |
| Gain on disposal of financial at amortised cost | (23,191) | - | (23,191) | - |
| Gain on disposal of financial investment at FVOCI | (2,414) | (10,745) | (2,414) | (10,745) |
| Unrealised (gain)/loss from foreign exchange translations | (465) | 750 | (465) | 750 |
| Operating cashflow before workings capital changes | <u>8,880</u> | <u>(12,317)</u> | <u>9,009</u> | <u>(12,333)</u> |
| (Increase)/decrease in operating activities | | | | |
| Deposits and placements with banks and other financial institutions | (68,255) | (1,315) | (68,255) | (1,315) |
| Derivative assets | 155 | 34 | 155 | 34 |
| Financing and advances | (395,799) | 442,962 | (395,799) | 442,962 |
| Other assets | (16,488) | (5,817) | (16,478) | (5,801) |
| Statutory deposit with Bank Negara Malaysia | 6,326 | 128,327 | 6,326 | 128,327 |
| (Increase)/decrease in operating liabilities | | | | |
| Deposits from customers | 854,514 | (785,176) | 854,514 | (785,176) |
| Deposits and placements of banks and other financial institutions | 472,992 | 264,978 | 472,992 | 264,978 |
| Bills and acceptances payable | (3,415) | (3,697) | (3,415) | (3,699) |
| Other liabilities | 1,439 | (7,857) | 1,300 | (7,855) |
| Cash generated from operating activities | <u>860,349</u> | <u>20,123</u> | <u>860,349</u> | <u>20,123</u> |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchase of property and equipment | (2,313) | (2,264) | (2,313) | (2,264) |
| Purchase of intangible asset | (4,166) | (5,022) | (4,166) | (5,022) |
| Proceeds from disposal of financial investments at FVOCI | 456,052 | 420,345 | 456,052 | 420,345 |
| Proceeds from disposal of financial investments at amortised cost | 741,415 | - | 741,415 | - |
| Repayment of Financial investment at amortised cost | (475,485) | 18,114 | (475,485) | 18,114 |
| Purchase of financial investment at FVOCI | (1,580,708) | (584,282) | (1,580,708) | (584,282) |
| Net cash used in investing activities | <u>(865,204)</u> | <u>(153,110)</u> | <u>(865,204)</u> | <u>(153,110)</u> |

INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE QUARTER ENDED 30 SEPTEMBER 2021 (CONTINUED)

CASH FLOWS FROM FINANCING ACTIVITY

| | | | | |
|---|---------|---------|---------|---------|
| Lease payments, representing Net cash used in financing activities | (6,199) | (6,275) | (6,199) | (6,275) |
|---|---------|---------|---------|---------|

NET DECREASE IN CASH AND

| | | | | |
|--|-----------------|------------------|-----------------|------------------|
| SHORT-TERM FUNDS | (11,055) | (139,262) | (11,055) | (139,262) |
| Cash and short-term funds as at 1 January | 80,991 | 237,229 | 80,991 | 237,229 |
| Cash and cash equivalents at 30 September | 69,936 | 97,967 | 69,936 | 97,967 |

Cash and cash equivalents comprise:

| | | | | |
|--|---------|---------|---------|---------|
| Cash and short-term funds | 69,935 | 89,644 | 69,935 | 89,644 |
| Deposits and placements with banks and other financial institutions | 447,661 | 398,750 | 447,661 | 398,750 |
| | 517,596 | 488,394 | 517,596 | 488,394 |

Less:

| | | | | |
|---|---------------|---------------|---------------|---------------|
| Deposits and placements with banks and other financial institutions, with original maturity of more than three months | (447,660) | (390,427) | (447,660) | (390,427) |
| Cash and cash equivalents at 30 September | 69,936 | 97,967 | 69,936 | 97,967 |

The 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.

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

1. BASIS OF PREPARATION

The unaudited condensed interim financial statements have been prepared in accordance with the applicable requirements of MFRS 134: Interim Financial Reporting in Malaysia issued by Malaysian Accounting Standards Board (MASB), Financial Reporting for Islamic Banking Institution policy issued by Bank Negara Malaysia (BNM) and Shariah requirements.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2020. The explanatory notes attached to the consolidated 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 of the Bank since the year ended 31 December 2020.

2. ACCOUNTING POLICIES

The accounting policies adopted in the preparation of the condensed interim financial statement are consistent with those adopted in the preparation of the Group's audited financial statements for the year ended 31 December 2020, except for the adoption of new standards effective as of 1 January 2021.

New standards, interpretations and amendments issued has been applied consistently in the preparation of these interim financial statements effective 1 January 2021.

MFRSs, Amendments to MFRSs and Interpretations

**Effective for
financial period
beginning on or after**

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

1 January 2021

The adoption of the new standards, interpretations and amendments do not have any impact on the financial results of the Group and the Bank.

New and amendment to MFRSs issued but not effective

The standards and interpretations that are issued and which are applicable the Group and the Bank, but not yet effective up to the date of issuance of the Group's and the Bank's financial statements are disclosed below. The Group and the Bank intend to adopt these standards, if applicable, when they become effective.

MFRSs, Amendments to MFRSs and Interpretations

**Effective for
financial period
beginning on or after**

Annual Improvements to MFRS Standards 2018-2020

1 January 2022

Amendments to MFRS 3 Business Combinations: Reference to the Conceptual Framework

1 January 2022

Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use

1 January 2022

Amendments to MFRS 137: Provision, Contingent Liabilities and Contingent Assets

1 January 2022

Amendments to MFRS 101: Classification of Liabilities as Current or Non-current

1 January 2023

MFRS 17: Insurance Contracts

1 January 2023

Amendments to MFRS 17: Insurance Contracts

1 January 2023

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

To be announced

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

3. 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.

4. COMMENTS ABOUT SEASONAL OR CYCLICAL FACTORS

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the 3rd Quarter ended 30 September 2021.

5. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank in the 3rd Quarter ended 30 September 2021.

6. CHANGES IN ESTIMATE

There were no changes in estimates of amounts reported in prior financial years that have a material effect in the 3rd Quarter ended 30 September 2021.

7. DEBT AND EQUITY SECURITIES

There were no issuances, cancellation, repurchases, resale or repayments of debt and equity securities in the 3rd Quarter ended 30 September 2021.

8. DIVIDENDS PAID

There were no dividends paid during the 3rd Quarter ended 30 September 2021.

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

9. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

| | Group and Bank | |
|--------------------------------|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Foreign financial institutions | 447,660 | 378,940 |

10. FINANCIAL INVESTMENT AT AMORTISED COST

| | Group and Bank | |
|---|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| At amortised cost | | |
| Unquoted : | | |
| Islamic government securities in Malaysia | 556,230 | 725,059 |
| Islamic private debt securities in Malaysia | 123,551 | 14,268 |
| | <u>679,781</u> | <u>739,327</u> |
| Expected credit loss ("ECL") | (105) | (232) |
| | <u>679,676</u> | <u>739,095</u> |

Movements in ECL

Group and Bank

| | Stage 1 RM'000 | Stage 2 RM'000 | Stage 3 RM'000 | Total RM'000 |
|--------------------------------|-------------------|-------------------|-------------------|-----------------|
| At 1 January 2021 | 232 | - | - | 232 |
| Write-back for the period, net | (127) | - | - | (127) |
| At 30 September 2021 | <u>105</u> | - | - | <u>105</u> |
| | Stage 1 RM'000 | Stage 2 RM'000 | Stage 3 RM'000 | Total RM'000 |
| At 1 January 2020 | 51 | - | - | 51 |
| Charge for the year, net | 181 | - | - | 181 |
| At 31 December 2020 | <u>232</u> | - | - | <u>232</u> |

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

| | Group and Bank | |
|---|--------------------------------|-------------------------------|
| | 30 September 2021 RM'000 | 31 December 2020 RM'000 |
| At fair value | | |
| Quoted : | | |
| Islamic government securities in Malaysia | 1,765,624 | 647,547 |
| Total Financial Investments at FVOCI | <u>1,765,624</u> | <u>647,547</u> |

The following expected credit losses ("ECL") for financial investment quoted for government securities were not recognised in the statement of financial position as the carrying amount of financial investment are at FVOCI is equivalent to their fair value.

Movements in allowances for impairment on financial investment which reflect the ECL model on impairment are as follows:

| | Stage 1 ECL RM'000 | Stage 2 ECL RM'000 | Stage 3 ECL RM'000 | Total RM'000 |
|--------------------------------|--------------------------|--------------------------|--------------------------|-----------------|
| At 1 January 2021 | 224 | - | - | 224 |
| Write-back for the period, net | (13) | - | - | (13) |
| At 30 September 2021 | <u>211</u> | - | - | <u>211</u> |
| | Stage 1 ECL RM'000 | Stage 2 ECL RM'000 | Stage 3 ECL RM'000 | Total RM'000 |
| At 1 January 2020 | - | - | - | - |
| Charge for the year, net | 224 | - | - | 224 |
| At 31 December 2020 | <u>224</u> | - | - | <u>224</u> |

AL RAJHI BANKING & INVESTMENT CORPORATION (MALAYSIA) BHD.

(Incorporated in Malaysia)

Co. Reg. No. 200501036909 (719057-X)

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

12. FINANCING AND ADVANCES

(a) Financing and advances analysed by types and Shariah contracts are as follows:

| Group and Bank | Unaudited 30 September 2021 | | |
|----------------------------------|-----------------------------------|----------------|--|
| | Murabahah RM'000 | Qard RM'000 | Total financing and advances RM'000 |
| At amortised cost | | | |
| Term Financing: | | | |
| Corporate financing | 4,199,478 | - | 4,199,478 |
| Home financing | 813,414 | - | 813,414 |
| Personal financing | 480,640 | - | 480,640 |
| SME financing | 26,909 | - | 26,909 |
| Vehicle financing | 29,025 | - | 29,025 |
| Shop-house financing | 25,284 | - | 25,284 |
| Charge cards | - | 133 | 133 |
| Gross financing and advances | 5,574,750 | 133 | 5,574,883 |
| Less : Modification loss | | | (21,117) |
| Less: Impairment allowance | | | 5,553,766 |
| - Stage 1 | | | (41,793) |
| - Stage 2 | | | (34,944) |
| - Stage 3 | | | (34,257) |
| Total net financing and advances | | | 5,442,772 |

Movement in gross financing and advances

| | Stage 1 RM'000 | Stage 2 RM'000 | Stage 3 RM'000 | Total RM'000 |
|--|-------------------|-------------------|-------------------|-----------------|
| Gross carrying amount at 1 January 2020 | 4,761,161 | 369,783 | 53,413 | 5,184,357 |
| Transfer to stage 1 | 30,762 | (30,084) | (678) | - |
| Transfer to stage 2 | (50,277) | 51,867 | (1,590) | - |
| Transfer to stage 3 | (8,121) | (4,800) | 12,921 | - |
| Financing derecognised during the period (other than write-off) | (2,348,676) | (243,767) | (275) | (2,592,717) |
| Write off | - | - | (12,375) | (12,375) |
| New financing originated | 2,960,122 | 208,247 | 115 | 3,168,485 |
| Changes to contractual cash flow (excluding derecognition) | (165,036) | (14,931) | 7,101 | (172,866) |
| | 5,179,936 | 336,315 | 58,632 | 5,574,883 |
| Effects of modifications loss to contractual cash flows of financial assets | (21,117) | - | - | (21,117) |
| Gross carrying amount as at 30 September 2021 | 5,158,819 | 336,315 | 58,632 | 5,553,766 |

| Group and Bank | Audited 31 December 2020 | | |
|----------------------------------|--------------------------------|----------------|--|
| | Murabahah RM'000 | Qard RM'000 | Total financing and advances RM'000 |
| At amortised cost | | | |
| Term Financing: | | | |
| Corporate financing | 3,717,057 | - | 3,717,057 |
| Home financing | 861,951 | - | 861,951 |
| Personal financing | 517,598 | - | 517,598 |
| Vehicle financing | 37,473 | - | 37,473 |
| SME financing | 22,999 | - | 22,999 |
| Shop-house financing | 27,122 | - | 27,122 |
| Charge cards | - | 157 | 157 |
| Gross financing and advances | 5,184,200 | 157 | 5,184,357 |
| Less: Modification loss | | | (21,117) |
| Less: Impairment allowance | | | 5,163,240 |
| - Stage 1 | | | (41,450) |
| - Stage 2 | | | (37,460) |
| - Stage 3 | | | (30,077) |
| Total net financing and advances | | | 5,054,253 |

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12. FINANCING AND ADVANCES (Continued)

(a) Financing and advances analysed by types and Shariah contracts are as follows: (continued)

Movement in gross financing and advances

| | Stage 1 RM'000 | Stage 2 RM'000 | Stage 3 RM'000 | Total RM'000 |
|---|-------------------|-------------------|-------------------|------------------|
| Gross carrying amount at 1 January 2020 | 4,992,876 | 300,100 | 62,574 | 5,355,550 |
| Transfer to stage 1 | 71,370 | (69,284) | (2,086) | - |
| Transfer to stage 2 | (39,065) | 39,909 | (844) | - |
| Transfer to stage 3 | (5,250) | (3,130) | 8,380 | - |
| Financing derecognised during the period (other than write-off) | (2,572,093) | (117,537) | (1,037) | (2,690,667) |
| Write off | - | - | (15,641) | (15,641) |
| New financing originated | 2,465,144 | 245,252 | 168 | 2,710,564 |
| Changes to contractual cash flow (excluding derecognition) | (151,821) | (25,527) | 1,899 | (175,449) |
| | <u>4,761,161</u> | <u>369,783</u> | <u>53,413</u> | <u>5,184,357</u> |
| Effects of modifications loss to contractual cash flows of financial assets | (21,117) | - | - | (21,117) |
| Gross carrying amount as at 31 December 2020 | <u>4,740,044</u> | <u>369,783</u> | <u>53,413</u> | <u>5,163,240</u> |

(b) The gross financing and advances analysed by type of customers are as follows:

| | Group and Bank | |
|--|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Domestic non-bank financial institutions | 15,065 | 28,875 |
| Domestic business enterprise | 4,210,799 | 3,710,509 |
| Individuals | 1,317,231 | 1,412,746 |
| Foreign entities | 10,671 | 11,110 |
| | <u>5,553,766</u> | <u>5,163,240</u> |

(c) The gross financing and advances analysed by profit rate sensitivity are as follows:

| | Group and Bank | |
|----------------------|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Fixed rate: | | |
| Corporate financing | 155,497 | 127,393 |
| Personal financing | 469,170 | 505,255 |
| SME financing | 21,073 | 17,365 |
| Home financing | 3,757 | 4,364 |
| Vehicle financing | 28,017 | 36,377 |
| Charge card | 133 | 157 |
| Shop-house financing | 360 | 426 |
| Variable rate: | | |
| Home financing | 801,929 | 850,819 |
| Shop-house financing | 24,726 | 26,498 |
| Corporate financing | 4,049,104 | 3,594,586 |
| | <u>5,553,766</u> | <u>5,163,240</u> |

(d) The gross financing and advances analysed by maturity structure are as follows:

| | Group and Bank | |
|------------------------------------|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Due within three months | 1,780,937 | 1,567,778 |
| More than three months to one year | 909,706 | 937,228 |
| More than one year to five years | 485,802 | 581,983 |
| More than five years | 2,377,321 | 2,076,251 |
| | <u>5,553,766</u> | <u>5,163,240</u> |

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12. FINANCING AND ADVANCES (Continued)

(e) The gross financing and advances analysed by geographical distribution are as follows :

| | Group and Bank | |
|----------|-----------------------|--------------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Malaysia | 5,553,766 | 5,163,240 |

(f) The gross financing and advances analysed by economic purpose are as follows:

| | Group and Bank | |
|---|-----------------------|--------------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Working capital | 3,181,538 | 2,863,972 |
| Purchase of property - residential property | 810,918 | 859,353 |
| Personal use | 469,170 | 510,756 |
| Purchase of land | 221,816 | 196,168 |
| Others | 363,100 | 176,302 |
| Purchase of industrial buildings and factories | 132,203 | 151,469 |
| Construction | 95,071 | 89,060 |
| Purchase of other non-residential property | 89,716 | 79,789 |
| Purchase of commercial complex | 71,511 | 78,480 |
| Purchase fixed assets (excluding land & building) | 50,101 | 79,088 |
| Purchase of shop-houses | 40,483 | 42,529 |
| Purchase of vehicles | 28,006 | 36,117 |
| Charge card | 133 | 157 |
| | <u>5,553,766</u> | <u>5,163,240</u> |

(g) The gross financing and advances analysed by sectors are as follows:

| | Group and Bank | |
|---|-----------------------|--------------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Household | 1,329,257 | 1,423,897 |
| Wholesale & Retail trade | 1,135,916 | 1,081,692 |
| Real estate, renting and business activities | 932,686 | 887,585 |
| Manufacturing | 1,024,405 | 847,965 |
| Construction | 514,943 | 545,473 |
| Agriculture, hunting and related service activities | 157,262 | 101,854 |
| Education, health and others | 71,344 | 68,796 |
| Other business | 229,404 | 67,597 |
| Transportation | 60,355 | 43,088 |
| Hotel and restaurant | 44,790 | 41,223 |
| Mining and Quarrying | 38,339 | 25,195 |
| Finance intermediation | 15,065 | 28,875 |
| | <u>5,553,766</u> | <u>5,163,240</u> |

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12. FINANCING AND ADVANCES (Continued)

(h) Movements in impaired financing and advances

| | Group and Bank | |
|--|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| At 1 January | 53,413 | 62,574 |
| Impaired during the financial period / year | 36,441 | 28,911 |
| Reclassified as non impaired | (87) | (9,701) |
| Recoveries | (18,760) | (12,730) |
| Write-off | (12,375) | (15,641) |
| Closing Balance | <u>58,632</u> | <u>53,413</u> |
| Ratio of net impaired financing and advances to gross financing and advances less individual impairment allowances | <u>0.44%</u> | <u>0.45%</u> |

Included in amount classified as impaired during the financial period is profit accrued on impaired financing of RM3,872,000 (Dec 2020: RM3,489,000).

All impaired financing are within Malaysia.

(i) Movements in ECL

| | Group and Bank | |
|--|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| ECL - Stage 1 & Stage 2 | | |
| At 1 January | | |
| Stage 1 ECL | 41,450 | 29,854 |
| Stage 2 ECL | 37,460 | 25,044 |
| Net stage 1 ECL provided during the financial period/year | 343 | 11,596 |
| Net stage 2 ECL (written-back)/provided during the financial period/year | (2,516) | 12,416 |
| Closing Balance | <u>76,737</u> | <u>78,910</u> |
| As % of total gross financing and advances less individual impairment allowances | <u>1.39%</u> | <u>1.53%</u> |

ECL Stage 3

| | | |
|---|---------------|---------------|
| At 1 January | 30,077 | 33,783 |
| Net stage 3 ECL provided during financial period/year | 14,799 | 7,814 |
| Amount written off | (10,619) | (11,520) |
| Closing Balance | <u>34,257</u> | <u>30,077</u> |

| Group and Bank | Stage 1 RM'000 | Stage 2 RM'000 | Stage 3 RM'000 | Total RM'000 |
|---|---------------------------|---------------------------|---------------------------|-------------------------|
| At 1 January | 41,450 | 37,460 | 30,077 | 108,987 |
| Changes due to financial assets recognised in the opening balance : | | | | |
| Transferred to 12-mth ECL | 11,123 | (10,653) | (470) | - |
| Transferred to Lifetime ECL not credit impaired | (779) | 2,010 | (1,232) | - |
| Transferred to Lifetime ECL credit impaired | (128) | (2,129) | 2,256 | - |
| Financing derecognised during the period (other than write-offs) | (3,024) | (1,462) | (255) | (4,741) |
| Write-offs | - | - | (10,619) | (10,619) |
| New financing originated | 6,261 | 1,365 | 110 | 7,736 |
| Changes due to change in credit risk | (24,021) | 18,871 | 14,289 | 9,139 |
| ECL made/(written back) | 10,910 | (10,518) | 100 | 492 |
| At 30 September 2021 | <u>41,793</u> | <u>34,944</u> | <u>34,257</u> | <u>110,994</u> |

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(j) Impaired financing analysed by geographical distribution are as follows:

| | Group and Bank | |
|----------|-----------------------|--------------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Malaysia | 58,632 | 53,413 |

(k) Impaired financing analysed by economic purpose are as follows:

| | Group and Bank | |
|--------------------------------------|-----------------------|--------------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Working capital | 40,577 | 40,642 |
| Purchase of properties - residential | 8,691 | 6,248 |
| Personal use | 8,970 | 6,209 |
| Purchase of vehicles | 259 | 157 |
| Charge card | 135 | 157 |
| | 58,632 | 53,413 |

(l) Impaired financing analysed by sector are as follows:

| | Group and Bank | |
|----------------|-----------------------|--------------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Construction | 34,587 | 31,603 |
| Household | 18,055 | 15,756 |
| Other business | 5,596 | 5,660 |
| Manufacturing | 394 | 394 |
| | 58,632 | 53,413 |

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13. DEPOSITS FROM CUSTOMERS

(a) By type of deposit

| | Note | Group and Bank | |
|-----------------------------------|------|---|--|
| | | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Savings deposits | | | |
| Qard | | 108,644 | 110,279 |
| Commodity Murabahah | | 116,255 | 70,245 |
| Demand deposits | | | |
| Qard | | 252,509 | 299,227 |
| Mudharabah | (i) | 116 | 206 |
| Commodity Murabahah | | 1,482,901 | 970,285 |
| Term deposit | | | |
| Commodity Murabahah | | 4,126,884 | 3,781,769 |
| General investment account | | | |
| Mudharabah | (i) | 506 | 499 |
| Wakalah | | 808 | 1,596 |
| Other deposits | | 380 | 383 |
| | | <u>6,089,003</u> | <u>5,234,489</u> |

(i) In line with the Bank's IFSA Transition Plan as communicated to BNM, the Bank will continue to include the balances relating to its general investment account and demand deposits based on mudharabah principles, as part of deposits from customers. This is because these products were approved prior to the IFSA and the investment account guideline and are being solely used as securities against financing facility provided to the customers. The balances will continue to reduce until full settlement of the related financing.

(b) By type of customer

| | Group and Bank | |
|---------------------------------|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Business enterprises | 1,871,416 | 1,890,627 |
| Government and statutory bodies | 1,772,068 | 1,678,335 |
| Non-bank financial institutions | 1,735,556 | 1,023,773 |
| Individuals | 446,027 | 363,220 |
| Other entities | 189,173 | 142,669 |
| Non resident | 74,763 | 135,865 |
| | <u>6,089,003</u> | <u>5,234,489</u> |

(c) By maturity structure

| | Group and Bank | |
|------------------------------------|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Due within three months | 4,370,601 | 3,476,348 |
| More than three months to one year | 1,048,714 | 1,755,912 |
| More than one year to five years | 669,688 | 2,229 |
| | <u>6,089,003</u> | <u>5,234,489</u> |

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14. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

| | Group and Bank | |
|---------------------------------|------------------|----------------|
| | Unaudited | Audited |
| | 30 September | 31 December |
| | 2021 | 2020 |
| | RM'000 | RM'000 |
| Non-Mudharabah Funds | | |
| Licensed Islamic banks | 816,867 | 351,768 |
| Licensed financial institutions | 407,364 | 399,471 |
| | <u>1,224,231</u> | <u>751,239</u> |

15. INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

| | Group and Bank | | Group and Bank | |
|------------------------------------|----------------|---------------|----------------|----------------|
| | Quarter Ended | | Period Ended | |
| | 30 September | 30 September | 30 September | 30 September |
| | 2021 | 2020 | 2021 | 2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income derived from investment of: | | | | |
| (i) General investment deposits | 8 | 9 | 24 | 27 |
| (ii) Other deposits | 75,061 | 49,855 | 211,564 | 211,059 |
| | <u>75,069</u> | <u>49,864</u> | <u>211,588</u> | <u>211,086</u> |

(i) Income derived from investment of general investment deposits

| | Group and Bank | | Group and Bank | |
|---|----------------|--------------|----------------|--------------|
| | Quarter Ended | | Period Ended | |
| | 30 September | 30 September | 30 September | 30 September |
| | 2021 | 2020 | 2021 | 2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Finance income and hibah | | | | |
| Financing and advances | 7 | 8 | 23 | 26 |
| Money at call and deposit with financial institutions | 1 | 1 | 1 | 1 |
| Total finance income and hibah | <u>8</u> | <u>9</u> | <u>24</u> | <u>27</u> |

(ii) Income derived from investment of other deposits

| | Group and Bank | | Group and Bank | |
|--|----------------|---------------|----------------|----------------|
| | Quarter Ended | | Period Ended | |
| | 30 September | 30 September | 30 September | 30 September |
| | 2021 | 2020 | 2021 | 2020 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Finance income and hibah | | | | |
| Financing and advances | 60,958 | 60,276 | 175,391 | 195,909 |
| Financial investment at amortised cost | 3,883 | 7,483 | 13,204 | 22,342 |
| Financial investments at fair value through other comprehensive income (FVOCI) | 8,725 | 3,498 | 19,001 | 9,902 |
| Money at call and deposit with financial institutions | 714 | 1,284 | 2,897 | 5,592 |
| Effects of modifications loss to contractual cash flows of financial assets. | 781 | (22,686) | 1,071 | (22,686) |
| | <u>75,061</u> | <u>49,855</u> | <u>211,564</u> | <u>211,059</u> |

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16. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

| | Group Quarter Ended | | Group Period Ended | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| Finance income and hibah | | | | |
| Money at call and deposit with financial institutions | 236 | 520 | 1,066 | 2,085 |
| Other operating income | | | | |
| - Net gain/(loss) from foreign exchange translations | | | | |
| - Realised | 237 | (38) | 348 | (142) |
| - Unrealised | (162) | 189 | 117 | 892 |
| - Rental income | 356 | 433 | 1,113 | 1,193 |
| - Realised gain on gold | 304 | 635 | 1,302 | 1,203 |
| - Gain on disposal of financial investment at amortised cost | (1) | - | 23,191 | - |
| - Gain on disposal of financial investment at FVOCI | 1,113 | 1,501 | 2,414 | 10,745 |
| - Others | 65 | 77 | 210 | 213 |
| Other income | | | | |
| - Agency fees | 132 | 70 | 401 | 258 |
| - Service charges | 322 | 358 | 1,139 | 1,220 |
| - Commission received | 5,759 | 3,966 | 14,174 | 8,783 |
| | 8,361 | 7,711 | 45,475 | 26,450 |

| | Bank Quarter Ended | | Bank Period Ended | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| Finance income and hibah | | | | |
| Money at call and deposit with financial institutions | 236 | 520 | 1,066 | 2,085 |
| Other operating income | | | | |
| - Net (loss) / gain from foreign exchange translations | | | | |
| - Realised | 237 | (38) | 348 | (142) |
| - Unrealised | (162) | 189 | 117 | 892 |
| - Rental income | 356 | 433 | 1,113 | 1,193 |
| - Realised gain on gold | 305 | 635 | 1,303 | 1,203 |
| - Gain on disposal of financial investment at amortised cost | - | - | 23,192 | - |
| - Gain on disposal of financial investment at FVOCI | 1,113 | 1,501 | 2,414 | 10,745 |
| - Others | 64 | 77 | 210 | 214 |
| Other income | | | | |
| - Agency fees | | | | |
| - Service charges | 321 | 358 | 1,138 | 1,220 |
| - Commission received | 5,759 | 3,966 | 14,174 | 8,783 |
| | 8,229 | 7,641 | 45,075 | 26,193 |

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17. ALLOWANCE FOR CREDIT LOSSES ON FINANCIAL ASSETS

| | Group and Bank | | | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Quarter Ended | | Period Ended | |
| | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| Financing and advances: | | | | |
| (a) Stage 1 | | | | |
| - provided during the financial period | (2,648) | (454) | (3,458) | (1,446) |
| - written back during the financial period | 3,160 | 5,749 | 3,115 | 11,171 |
| Stage 2 | | | | |
| - provided during the financial period | (3,174) | (2,175) | (9,126) | (2,868) |
| - written back during the financial period | 565 | 3,279 | 11,642 | 5,811 |
| Stage 3 | | | | |
| - provided during the financial period | (5,157) | - | (14,819) | (3,550) |
| - written back during the financial period | - | 3,300 | 19 | 3,357 |
| | <u>(7,254)</u> | <u>9,700</u> | <u>(12,627)</u> | <u>12,474</u> |
| (b) Bad debts on financing: | | | | |
| - recovered during the financial period | 2,372 | 1,948 | 6,924 | 4,309 |
| - written off during the financial period | (337) | (118) | (1,756) | (545) |
| Total | <u>2,035</u> | <u>1,830</u> | <u>5,168</u> | <u>3,764</u> |
| (c) Financial investment at amortised cost | | | | |
| - provided in the financial period | - | (181) | - | (357) |
| - written back | 19 | - | 127 | - |
| Total | <u>19 -</u> | <u>181</u> | <u>127</u> | <u>(357)</u> |
| (d) Impairment allowance for Financial Investment at FVOCI | | | | |
| - Provided in the financial year | (42) | - | (149) | - |
| - Written back | 32 | - | 162 | - |
| Total | <u>(10)</u> | <u>-</u> | <u>13</u> | <u>-</u> |
| (d) Impairment allowance for off balance sheet | | | | |
| - provided in the financial period | - | (147) | - | (108) |
| - written back | (7) | (63) | 65 | (80) |
| Total | <u>(7)</u> | <u>(210)</u> | <u>65</u> | <u>(188)</u> |
| Grand total | <u>(5,217)</u> | <u>11,139</u> | <u>(7,254)</u> | <u>15,693</u> |

18. INCOME ATTRIBUTABLE TO DEPOSITORS

| | Group and Bank | | Group and Bank | |
|--|--------------------------------|--------------------------------|--------------------------------|--------------------------------|
| | Quarter Ended | | Period Ended | |
| | 30 September 2021 RM'000 | 30 September 2020 RM'000 | 30 September 2021 RM'000 | 30 September 2020 RM'000 |
| Deposits from customers | | | | |
| - Non-Mudharabah | 28,399 | 31,373 | 82,047 | 112,511 |
| - Mudharabah | 2 | 3 | 8 | 10 |
| - Wakalah | 6 | 13 | 26 | 40 |
| | <u>28,407</u> | <u>31,389</u> | <u>82,081</u> | <u>112,561</u> |
| Deposits and placements of banks and other financial institutions | | | | |
| - Non-Mudharabah | 3,443 | 988 | 6,340 | 5,015 |
| | <u>31,850</u> | <u>32,377</u> | <u>88,421</u> | <u>117,576</u> |

19. SUBSEQUENT EVENTS

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

20. CHANGES IN THE COMPOSITION OF THE GROUP

There were no changes in the composition of the Group since the last audited financial statements as at 31 December 2020.

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21. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group and the Bank made various commitments and incurred certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The commitments and contingencies and the related risk-weighted exposures of the Group and the Bank as are as follows:

| | Unaudited 30 June 2021 | | | Audited 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 |
| Group and Bank | | | | | | |
| Transaction-related contingent items | 125,332 | 62,666 | 62,666 | 120,496 | 60,248 | 60,248 |
| Trade-related contingencies | 80,240 | 16,048 | 16,048 | 6,522 | 1,304 | 1,304 |
| Irrevocable commitments to extend credit: | | | | | | |
| - Maturity not exceeding one year | 1,613,919 | 322,755 | 304,019 | 1,400,231 | 279,997 | 276,335 |
| - Maturity exceeding one year | 146,063 | 73,005 | 71,254 | 135,078 | 67,521 | 67,618 |
| Unutilised charge card lines | - | - | - | - | - | - |
| | 1,965,554 | 474,474 | 453,987 | 1,662,327 | 409,070 | 405,505 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”) AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT

(d) Market Risk Management (Continued)

(iii) Profit Rate Risk

The Group is exposed to various risks associated with the effects of fluctuations in the prevailing levels of yield/profit rate on its financial position. The rate of return risk is the potential impact of market factors affecting rates on returns in comparison with the expected rates of return for investment account holders. Yield/profit rate is monitored and managed by the ALCO to protect the income of its operations. The assets and liabilities at carrying amount are categorised by the earlier of the next contractual repricing dates and maturity dates as follows:

| Group | Non-trading book | | | | | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|---|-------------------------|--------------------------|---------------------------|-----------------------|---------------------|--------------------------------|------------------|------------------------------------|
| | Up to 1 month RM'000 | > 1 - 3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | | | |
| Unaudited 30 September 2021 | | | | | | | | |
| Assets | | | | | | | | |
| Cash and short term funds | - | - | - | - | - | 69,936 | 69,936 | 1.49 |
| Deposit and placement with other FI / Institutions | 167,449 | - | 279,081 | - | - | 1,130 | 447,660 | 0.60 |
| Financial investment at amortised cost | - | - | 4,000 | 7,000 | 646,528 | 22,148 | 679,676 | 2.31 |
| Financial investments at fair value through other comprehensive income (FVOCI) | - | 60,000 | 135,000 | 1,400,000 | 100,000 | 70,624 | 1,765,624 | 2.47 |
| Financing and advances | | | | | | | | |
| - Performing ⁽¹⁾ | 90,918 | 514,131 | 1,227,871 | 2,198,930 | 1,420,267 | 20,940 | 5,431,177 | 4.10 |
| - Non-performing | - | - | - | - | - | 32,712 | 32,712 | |
| - Modification loss | - | - | - | - | - | (21,117) | (21,117) | |
| Other assets ⁽²⁾ | - | - | - | - | - | 218,919 | 218,919 | |
| Right-of-use assets | - | - | - | - | - | 11,934 | 11,934 | |
| Total assets | 258,367 | 574,131 | 1,645,952 | 3,605,930 | 2,166,795 | 385,346 | 8,636,521 | |

Note:

⁽¹⁾ This is arrived at after deducting the stage 1 and stage 2 ECL from the outstanding gross performing financing.

⁽²⁾ Other assets include property and equipment, intangible assets, deferred tax assets, investment properties and statutory deposits with Bank Negara Malaysia.

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”) AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(d) Market Risk Management (Continued)

| Group (Continued) | Up to 1 month RM'000 | > 1 -3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|--|----------------------------|----------------------------|------------------------------|--------------------------|---------------------|-----------------------------------|------------------|--|
| Unaudited (Continued) 30 September 2021 | | | | | | | | |
| Liabilities | | | | | | | | |
| Deposits from customers | 963,327 | 1,425,842 | 1,048,716 | 669,688 | - | 1,981,430 | 6,089,003 | 1.94 |
| Deposits and placements of banks and other financial institutions | 1,075,183 | 140,000 | - | - | 7,250 | 1,798 | 1,224,231 | 1.80 |
| Bills and acceptance payable | - | - | - | - | - | 1,397 | 1,397 | |
| Other liabilities | - | - | - | - | - | 59,631 | 59,631 | |
| Lease Liabilities | - | - | - | - | - | 13,817 | 13,817 | |
| Subordinated Sukuk | 167,449 | - | 279,081 | - | 111,633 | - | 558,163 | |
| Total liabilities | 2,205,959 | 1,565,842 | 1,327,797 | 669,688 | 118,883 | 2,058,073 | 7,946,242 | |
| Shareholders' fund | - | - | - | - | - | 690,279 | 690,279 | |
| Total liabilities and shareholders' fund | 2,205,959 | 1,565,842 | 1,327,797 | 669,688 | 118,883 | 2,748,352 | 8,636,521 | |
| On-balance sheet profit sensitivity gap | (1,947,591) | (991,711) | 318,155 | 2,936,242 | 2,047,912 | (2,363,006) | | |
| Off-balance sheet profit sensitivity gap | - | - | - | - | - | 1,965,554 | | |
| Total profit sensitivity gap | (1,947,591) | (991,711) | 318,155 | 2,936,242 | 2,047,912 | (397,452) | | |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”) AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(d) Market Risk Management (Continued)

| Bank | Non-trading book | | | | | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|--|-------------------------|--------------------------|---------------------------|-----------------------|---------------------|--------------------------------|------------------|---------------------------------|
| | Up to 1 month RM'000 | > 1 - 3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | | | |
| Unaudited 30 September 2021 | | | | | | | | |
| Assets | | | | | | | | |
| Cash and short term funds | - | - | - | - | - | 69,936 | 69,936 | 1.49 |
| Deposit and placement with other FI / Institutions | 167,449 | - | 279,081 | - | - | 1,130 | 447,660 | 0.60 |
| Financial investment at amortised cost | - | - | 4,000 | 7,000 | 646,528 | 22,148 | 679,676 | 2.31 |
| Financial investments at fair value through other comprehensive income (FVOCI) | - | 60,000 | 135,000 | 1,400,000 | 100,000 | 70,624 | 1,765,624 | 2.47 |
| Financing and advances | | | | | | | | |
| - Performing ⁽¹⁾ | 90,918 | 514,131 | 1,227,871 | 2,198,930 | 1,420,266 | (20,940) | 5,431,176 | 4.10 |
| - Non-performing | - | - | - | - | - | 32,713 | 32,713 | |
| - Modification loss | - | - | - | - | - | (21,117) | (21,117) | |
| Other assets ⁽²⁾ | - | - | - | - | - | 218,885 | 218,885 | |
| Right-of-use assets | - | - | - | - | - | 11,934 | 11,934 | |
| Total assets | 258,367 | 574,131 | 1,645,952 | 3,605,930 | 2,166,794 | 385,313 | 8,636,487 | |

Note:

- (1) This is arrived at after deducting the stage 1 and stage 2 ECL from the outstanding gross performing financing.
(2) Other assets include property and equipment, intangible assets, deferred tax assets, investment properties and statutory deposits with Bank Negara Malaysia.

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”) AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(d) Market Risk Management (Continued)

| Bank (Continued) | Up to 1 month RM'000 | > 1 -3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|--|----------------------------|----------------------------|------------------------------|--------------------------|---------------------|-----------------------------------|------------------|--|
| Unaudited (Continued) 30 September 2021 | | | | | | | | |
| Liabilities | | | | | | | | |
| Deposits from customers | 963,327 | 1,425,842 | 1,048,716 | 669,688 | - | 1,981,430 | 6,089,003 | 1.94 |
| Deposits and placements of banks and other financial institutions | 1,075,183 | 140,000 | - | - | 7,250 | 1,798 | 1,224,231 | 1.80 |
| Bills and acceptance payable | - | - | - | - | - | 1,397 | 1,397 | |
| Other liabilities | - | - | - | - | - | 59,640 | 59,640 | |
| Lease Liabilities | - | - | - | - | - | 13,817 | 13,817 | |
| Subordinated Sukuk | 167,449 | - | 279,081 | - | 111,633 | - | 558,163 | |
| Total liabilities | 2,205,959 | 1,565,842 | 1,327,797 | 669,688 | 118,883 | 2,058,082 | 7,946,251 | |
| Shareholders' fund | - | - | - | - | - | 690,236 | 690,236 | |
| Total liabilities and shareholders' fund | 2,205,959 | 1,565,842 | 1,327,797 | 669,688 | 118,883 | 2,748,318 | 8,636,487 | |
| On-balance sheet profit sensitivity gap | (1,947,591) | (991,711) | 318,155 | 2,936,242 | 2,047,912 | (2,363,005) | | |
| Off-balance sheet profit sensitivity gap | - | - | - | - | - | 1,965,554 | | |
| Total profit sensitivity gap | (1,947,591) | (991,711) | 318,155 | 2,936,242 | 2,047,912 | (397,451) | | |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(e) Market Risk - Profit Rate Risk (continued)

| Group | Non-trading book | | | | | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|--|-------------------------|-------------------------|---------------------------|-----------------------|---------------------|--------------------------------|------------------|---------------------------------|
| | Up to 1 month RM'000 | > 1 -3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | | | |
| Audited | | | | | | | | |
| 31 December 2020 (Continued) | | | | | | | | |
| Assets | | | | | | | | |
| Cash and short term funds | 8,036 | - | - | - | - | 72,955 | 80,991 | 1.68 |
| Derivatives assets | - | - | - | - | - | 155 | 155 | |
| Deposit and placement with other FI / Institutions | - | - | 374,843 | - | - | 4,097 | 378,940 | 1.56 |
| Financial investments at amortised cost | - | 3,000 | - | 651,000 | 69,768 | 15,327 | 739,095 | 4.05 |
| Financial investments at fair value through other comprehensive income ("FVOCI") | - | 20,000 | 60,000 | 165,000 | 380,000 | 22,547 | 647,547 | 3.00 |
| Financing and advances | | | | | | | | |
| - Performing ⁽¹⁾ | 601,635 | 937,251 | 931,248 | 570,102 | 2,025,755 | (21,701) | 5,044,290 | 4.76 |
| - Non performing | - | - | - | - | - | 31,080 | 31,080 | |
| - Modification loss | - | - | - | - | - | (21,117) | (21,117) | |
| Other assets ⁽²⁾ | - | - | - | - | - | 215,397 | 215,397 | |
| Right-of-use assets | - | - | - | - | - | 11,693 | 11,693 | |
| Total assets | 609,671 | 960,251 | 1,366,091 | 1,386,102 | 2,475,523 | 330,433 | 7,128,071 | |

Note:

⁽¹⁾ This is arrived at after deducting the stage 1 and stage 2 ECL from the outstanding gross performing financing.

⁽²⁾ Other assets include property and equipment, intangible assets, deferred tax assets, investment properties and statutory deposits with Bank Negara Malaysia.

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(e) Market Risk - Profit Rate Risk (continued)

| Group (Continued) | Up to 1 month RM'000 | > 1 -3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|--|----------------------------|----------------------------|------------------------------|--------------------------|---------------------|-----------------------------------|------------------|--|
| Audited (Continued) 31 December 2020 (Continued) | | | | | | | | |
| Liabilities | | | | | | | | |
| Deposits from customers | 842,436 | 1,156,908 | 1,750,509 | 2,228 | - | 1,482,408 | 5,234,489 | 2.60 |
| Deposits and placements of banks and other financial institutions | 477,860 | 230,000 | 37,000 | - | 3,000 | 3,379 | 751,239 | 1.80 |
| Bills and acceptance payable | - | - | - | - | - | 4,812 | 4,812 | |
| Other liabilities | - | - | - | - | - | 58,421 | 58,421 | |
| Lease liabilities | - | - | - | - | - | 13,607 | 13,607 | |
| Subordinated Sukuk | - | - | 374,843 | - | - | - | 374,843 | |
| Total liabilities | 1,320,296 | 1,386,908 | 2,162,352 | 2,228 | 3,000 | 1,562,627 | 6,437,411 | |
| Shareholders' fund | - | - | - | - | - | 690,660 | 690,660 | |
| Total liabilities and shareholders' fund | 1,320,296 | 1,386,908 | 2,162,352 | 2,228 | 3,000 | 2,253,287 | 7,128,071 | |
| On-balance sheet profit sensitivity gap | (710,625) | (426,657) | (796,261) | 1,383,874 | 2,472,523 | (1,922,854) | | |
| Off-balance sheet profit sensitivity gap | - | - | - | - | - | (1,922,852) | | |
| Total profit sensitivity gap | (710,625) | (426,657) | (796,261) | 1,383,874 | 2,472,523 | (3,845,706) | | |

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 (“MFRS 134”) AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(e) Market Risk - Profit Rate Risk (continued)

| Bank | Non-trading book | | | | | Non-profit sensitive RM'000 | Total RM'000 | Average effective profit rate % |
|--|-------------------------|-------------------------|---------------------------|-----------------------|---------------------|--------------------------------|------------------|---------------------------------|
| | Up to 1 month RM'000 | > 1 -3 months RM'000 | > 3 - 12 months RM'000 | 1 - 5 years RM'000 | > 5 years RM'000 | | | |
| Audited 31 December 2020 (Continued) | | | | | | | | |
| Assets | | | | | | | | |
| Cash and short term funds | 8,036 | - | - | - | - | 72,955 | 80,991 | 1.68 |
| Derivative assets | - | - | - | - | - | 155 | 155 | |
| Deposit and placement with other FI / Institutions | - | - | 374,843 | - | - | 4,097 | 378,940 | 1.56 |
| Financial investments at amortised cost | - | 3,000 | - | 651,000 | 69,768 | 15,327 | 739,095 | 4.05 |
| Financial investments at fair value through other comprehensive income (FVOCI) | - | 20,000 | 60,000 | 165,000 | 380,000 | 22,547 | 647,547 | 3.00 |
| Financing and advances | | | | | | | | |
| - Performing ⁽¹⁾ | 601,635 | 937,251 | 931,248 | 570,102 | 2,025,754 | (21,699) | 5,044,291 | 4.76 |
| - Non performing | - | - | - | - | - | 31,079 | 31,079 | |
| - Modification loss | - | - | - | - | - | (21,117) | (21,117) | |
| Other assets ⁽²⁾ | - | - | - | - | - | 215,374 | 215,374 | |
| Right-of-use assets | - | - | - | - | - | 11,692 | 11,692 | |
| Total assets | 609,671 | 960,251 | 1,366,091 | 1,386,102 | 2,475,522 | 330,410 | 7,128,047 | |

(1) This is arrived at after deducting the stage 1 and stage 2 ECL from the outstanding gross performing financing.

(2) Other assets include property and equipment, intangible assets, deferred tax assets, investment properties and statutory deposits with Bank Negara Malaysia.

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

22. FINANCIAL RISK MANAGEMENT (Continued)

(e) Market Risk - Profit Rate Risk (continued)

| Bank (Continued) | Up to 1 month | > 1 -3 months | > 3 - 12 months | 1 - 5 years | > 5 years | Non-profit sensitive | Total | Average effective profit rate % |
|--|------------------|------------------|--------------------|------------------|------------------|-------------------------|------------------|--|
| Audited (Continued) 31 December 2020 (Continued) | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | |
| Liabilities | | | | | | | | |
| Deposits from customers | 842,439 | 1,156,908 | 1,750,509 | 2,228 | - | 1,482,405 | 5,234,489 | 2.60 |
| Deposits and placements of banks and other financial institutions | 477,860 | 230,000 | 37,000 | - | 3,000 | 3,379 | 751,239 | 1.80 |
| Bills and acceptance payable | - | - | - | - | - | 4,812 | 4,812 | |
| Other liabilities | - | - | - | - | - | 58,569 | 58,569 | |
| Lease liabilities | - | - | - | - | - | 13,607 | 13,607 | |
| Subordinated Sukuk | - | - | 374,843 | - | - | - | 374,843 | |
| Total liabilities | 1,320,299 | 1,386,908 | 2,162,352 | 2,228 | 3,000 | 1,562,772 | 6,437,559 | |
| Shareholders' fund | - | - | - | - | - | 690,488 | 690,488 | |
| Total liabilities and shareholders' fund | 1,320,299 | 1,386,908 | 2,162,352 | 2,228 | 3,000 | 2,253,260 | 7,128,047 | |
| On-balance sheet profit sensitivity gap | (710,628) | (426,657) | (796,261) | 1,383,874 | 2,472,522 | (1,922,849) | | |
| Off-balance sheet profit sensitivity gap | - | - | - | - | - | (1,922,852) | | |
| Total profit sensitivity gap | (710,628) | (426,657) | (796,261) | 1,383,874 | 2,472,522 | (3,845,701) | | |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY

In December 2020, Bank Negara Malaysia issued a revised Policy Document on the Capital Adequacy Framework for Islamic Banks (Capital Components) ("CAFIB") and with immediate effect, superceding the previous issued in February 2020. The revised CAFIB has provided for an optional transitional arrangement for regulatory capital treatment of expected credit losses ("ECL") provisions.

The new optional transitional arrangements for regulatory capital treatment of accounting provisions allows Islamic Institutions to add back a portion of the Stage 1 and Stage 2 provisions for expected credit losses (ECL) to Common Equity Tier 1 Capital over a four-year period from financial year beginning 2020 or a three-year period from financial year beginning 2021

The Group and the Bank have elected to apply this optional transitional arrangement ("TA") for four financial years from the financial year beginning 1 January 2021 to 31 December 2023.

For the purpose of disclosures, the capital adequacy of the Group and the Bank are disclosed with "TA". However during the period under review the amount reported was Nil.

- a) The capital adequacy ratios of the Group and the Bank below are disclosed pursuant to the requirements of Bank Negara Malaysia's Risk Weighted Capital Adequacy Framework (Basel II) - Disclosure Requirements (Pillar 3):

| | Group With "TA" | | Bank With "TA" | |
|---|---|--|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| CET 1/ Tier I capital | | | | |
| Paid-up share capital | 1,000,000 | 1,000,000 | 1,000,000 | 1,000,000 |
| Reserves | (318,336) | (309,340) | (318,507) | (309,512) |
| | 681,664 | 690,660 | 681,493 | 690,488 |
| Less: Deferred tax | (49,497) | (49,497) | (49,497) | (49,497) |
| Other CET 1 regulatory adjustment | - | - | - | - |
| Total Tier I capital | 632,167 | 641,163 | 631,996 | 640,991 |
| Tier-II capital | | | | |
| Collective impairment for impairment loss on non-impaired financing | 71,446 | 62,646 | 71,445 | 62,646 |
| Subordinated Sukuk | 558,164 | 321,294 | 558,164 | 321,294 |
| Total Tier II capital | 629,610 | 383,940 | 629,609 | 383,940 |
| Capital base | 1,261,777 | 1,025,103 | 1,261,605 | 1,024,931 |
| CET 1 / Core capital ratio | 10.121% | 11.596% | 10.120% | 11.593% |
| Risk-weighted capital ratio | 20.202% | 18.540% | 20.202% | 18.537% |

- (b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

| | Group With "TA" | | Bank With "TA" | |
|------------------|---|--|---|--|
| | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 | Unaudited 30 September 2021 RM'000 | Audited 31 December 2020 RM'000 |
| Credit risk | 5,715,667 | 5,011,660 | 5,715,634 | 5,011,660 |
| Market risk | 153,357 | 156,534 | 153,357 | 156,534 |
| Operational risk | 376,848 | 360,862 | 376,109 | 360,862 |
| | 6,245,872 | 5,529,056 | 6,245,100 | 5,529,056 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

- (b) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category for the current financial period are as follows:

| Exposure Class | Group 30 September 2021 | | | |
|---|----------------------------|-------------------------|--------------------------------|--------------------------------|
| | Gross exposures RM'000 | Net exposures RM'000 | Risk weighted assets RM'000 | Capital requirements RM'000 |
| Credit Risk | | | | |
| <i>On-Balance Sheet Exposures</i> | | | | |
| <i>Sovereigns/Central</i> | | | | |
| Banks | 2,197,583 | 2,197,583 | - | - |
| <i>Banks, Development</i> | | | | |
| Financial Institutions ("DFIs") & MDBs | 477,111 | 477,112 | 179,435 | 14,355 |
| Corporate | 4,648,741 | 4,485,702 | 4,295,558 | 343,645 |
| Regulatory Retail | 224,924 | 220,776 | 165,581 | 13,246 |
| Residential Real Estate (RRE) Financing | 794,032 | 794,032 | 378,118 | 30,249 |
| Higher risk asset | 1,415 | 1,415 | 2,123 | 170 |
| Other assets | 103,892 | 103,892 | 88,786 | 7,103 |
| Defaulted Exposures | 24,448 | 24,448 | 17,433 | 1,394 |
| Total for On-Balance Sheet Exposures | 8,472,146 | 8,304,960 | 5,127,032 | 410,162 |
| <i>Off-Balance Sheet Exposures</i> | | | | |
| <i>Off-balance sheet exposures other than OTC derivatives or credit derivatives</i> | | | | |
| Total for Off-Balance Sheet Exposures | 610,118 | 610,118 | 588,635 | 47,091 |
| Total On and Off-Balance Sheet Exposures | 9,082,264 | 8,915,078 | 5,715,667 | 457,253 |
| Market Risk | | | | |
| Foreign Currency Risk | Long position 6,203 | Short position - | 6,203 | 496 |
| Inventory Risk | | | 147,155 | 11,772 |
| Operational Risk | | | | |
| Total RWA and Capital Requirements | | | 376,848 | 30,148 |
| | | | 6,245,872 | 499,669 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

(b) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category for the current financial period are as follows:

| Exposure Class | Bank 30 September 2021 | | | |
|---|---------------------------|-------------------------|--------------------------------|--------------------------------|
| | Gross exposures RM'000 | Net exposures RM'000 | Risk weighted assets RM'000 | Capital requirements RM'000 |
| Credit Risk | | | | |
| <i>On-Balance Sheet Exposures</i> | | | | |
| <i>Sovereigns/Central</i> | | | | |
| Banks | 2,197,583 | 2,197,583 | - | - |
| <i>Banks, Development</i> | | | | |
| Financial Institutions ("DFIs") & MDBs | 477,111 | 477,112 | 179,435 | 14,355 |
| Corporate | 4,648,741 | 4,485,702 | 4,295,558 | 343,645 |
| Regulatory Retail | 224,924 | 220,776 | 165,581 | 13,246 |
| Residential Real Estate (RRE) Financing | 794,032 | 794,032 | 378,118 | 30,249 |
| Higher risk asset | 1,415 | 1,415 | 2,123 | 170 |
| Other assets | 103,858 | 103,859 | 88,753 | 7,100 |
| Defaulted Exposures | 24,448 | 24,448 | 17,431 | 1,395 |
| Total for On-Balance Sheet Exposures | 8,472,112 | 8,304,927 | 5,126,999 | 410,160 |
| <i>Off-Balance Sheet Exposures</i> | | | | |
| <i>Off-balance sheet</i> | | | | |
| <i>exposures other than</i> | | | | |
| <i>OTC derivatives or</i> | | | | |
| <i>credit derivatives</i> | | | | |
| Total for Off-Balance Sheet Exposures | 610,118 | 610,118 | 588,635 | 47,091 |
| Total On and Off-Balance Sheet Exposures | 9,082,230 | 8,915,045 | 5,715,634 | 457,251 |
| Market Risk | | | | |
| Foreign Currency Risk | Long position 6,203 | Short position - | 6,203 | 496 |
| Inventory Risk | | | 147,155 | 11,772 |
| Operational Risk | | | 376,109 | 30,089 |
| Total RWA and Capital Requirements | | | 6,245,100 | 499,608 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES
ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

(b) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category for the current financial year are as follows: (continued)

| Exposure Class | Group 31 December 2020 | | | |
|--|---------------------------|-------------------------|--------------------------------|--------------------------------|
| | Gross exposures RM'000 | Net exposures RM'000 | Risk weighted assets RM'000 | Capital requirements RM'000 |
| Credit Risk | | | | |
| <i>On-Balance Sheet Exposures</i> | | | | |
| Sovereigns/Central Banks | 1,274,686 | 1,274,686 | - | - |
| Banks, Development Financial Institutions ("DFIs") & MDBs | 427,131 | 427,132 | 199,109 | 15,929 |
| Corporate | 4,068,242 | 3,922,141 | 3,757,835 | 300,627 |
| Regulatory Retail | 239,362 | 239,162 | 179,372 | 14,350 |
| Residential Real Estate (RRE) Financing | 845,484 | 845,483 | 375,710 | 30,057 |
| Higher Risk Asset | 1,396 | 1,396 | 2,094 | 168 |
| Other assets | 92,728 | 92,728 | 74,920 | 5,994 |
| Defaulted Exposures | 23,124 | 23,124 | 17,115 | 1,369 |
| Total for On-Balance Sheet Exposures | 6,972,153 | 6,825,852 | 4,606,155 | 368,494 |
| <i>Off-Balance Sheet Exposures</i> | | | | |
| Off-balance sheet exposures other than OTC derivatives or credit derivatives | 409,070 | 409,070 | 405,505 | 32,440 |
| Total for Off-Balance Sheet Exposures | 409,070 | 409,070 | 405,505 | 32,440 |
| Total On and Off-Balance Sheet Exposures | 7,381,223 | 7,234,922 | 5,011,660 | 400,934 |
| Market Risk | | | | |
| | Long position | Short position | | |
| Foreign Currency Risk | 1,867 | - | 1,867 | 149 |
| Inventory Risk | | | 154,667 | 12,373 |
| Operational Risk | | | 360,862 | 28,869 |
| Total RWA and Capital Requirements | | | 5,529,056 | 442,326 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES
ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

| Exposure Class | Bank 31 December 2020 | | | |
|---|---------------------------|-------------------------|--------------------------------|--------------------------------|
| | Gross exposures RM'000 | Net exposures RM'000 | Risk weighted assets RM'000 | Capital requirements RM'000 |
| Credit Risk | | | | |
| <i>On-Balance Sheet Exposures</i> | | | | |
| <i>Sovereigns/Central</i> | | | | |
| Banks | 1,274,686 | 1,274,686 | - | - |
| <i>Banks, Development</i> | | | | |
| Financial Institutions ("DFIs") & MDBs | 427,131 | 427,132 | 199,109 | 15,929 |
| Corporate | 4,068,242 | 3,922,141 | 3,757,835 | 300,627 |
| Regulatory Retail | 239,362 | 239,162 | 179,372 | 14,350 |
| Residential Real Estate (RRE) Financing | 845,484 | 845,483 | 375,710 | 30,057 |
| Higher Risk Asset | 1,396 | 1,396 | 2,094 | 168 |
| Other assets | 92,728 | 92,728 | 74,920 | 5,994 |
| Defaulted Exposures | 23,124 | 23,124 | 17,115 | 1,369 |
| Total for On-Balance Sheet Exposures | 6,972,153 | 6,825,852 | 4,606,155 | 368,494 |
| <i>Off-Balance Sheet Exposures</i> | | | | |
| Off-balance sheet exposures other than OTC derivatives or credit derivatives | 409,070 | 409,070 | 405,505 | 32,440 |
| Total for Off-Balance Sheet Exposures | 409,070 | 409,070 | 405,505 | 32,440 |
| Total On and Off-Balance Sheet Exposures | 7,381,223 | 7,234,922 | 5,011,660 | 400,934 |
| Market Risk | | | | |
| | Long position | Short position | | |
| Foreign Currency Risk | 1,867 | - | 1,867 | 149 |
| Inventory Risk | | | 154,667 | 12,373 |
| Operational Risk | | | 360,862 | 28,869 |
| Total RWA and Capital Requirements | | | 5,529,056 | 442,326 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

(c) The breakdown of credit risk disclosed by risk-weights (including deducted exposures) are as follows:

Group

Unaudited
30 September 2021

Exposures after netting and credit risk mitigation ("CRM")

| Risk weights | Sovereigns/ Central Bank RM'000 | Banks, DFIs & MDBs RM'000 | Corporate RM'000 | Regulatory Retail RM'000 | Residential Real Estate RM'000 | Higher Risk Assets RM'000 | Other assets RM'000 | Total exposure after netting and CRM RM'000 | Total weighted assets RM'000 |
|---------------------------------------|---------------------------------------|---------------------------------|---------------------|--------------------------------|--------------------------------------|---------------------------------|---------------------------|---|---------------------------------------|
| Performing Exposures | | | | | | | | | |
| 0% | 2,197,583 | - | - | - | - | - | 15,106 | 2,212,689 | - |
| 20% | - | 199,963 | 257,679 | - | - | - | - | 457,642 | 91,528 |
| 35% | - | - | - | - | 572,793 | - | - | 572,793 | 200,478 |
| 50% | - | 280,040 | - | - | 84,755 | - | - | 364,795 | 182,398 |
| 75% | - | - | - | 233,852 | 4,886 | - | - | 238,738 | 179,054 |
| 100% | - | - | 4,821,980 | - | 131,598 | - | 88,786 | 5,042,364 | 5,042,364 |
| 150% | - | - | - | - | - | 1,609 | - | 1,609 | 2,414 |
| Total | 2,197,583 | 480,003 | 5,079,659 | 233,852 | 794,032 | 1,609 | 103,892 | 8,890,630 | 5,698,234 |
| Defaulted Exposures | | | | | | | | | |
| 35% | - | - | - | - | - | - | - | - | - |
| 50% | - | - | 11,870 | 105 | 5,036 | - | - | 17,011 | 8,506 |
| 100% | - | - | 4,457 | - | - | - | - | 4,457 | 4,457 |
| 150% | - | - | 2,980 | - | - | - | - | 2,980 | 4,470 |
| Total | - | - | 19,307 | 105 | 5,036 | - | - | 24,448 | 17,433 |
| Total Performing and Defaulted | 2,197,583 | 480,003 | 5,098,966 | 233,957 | 799,068 | 1,609 | 103,892 | 8,915,078 | 5,715,667 |

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

(c) The breakdown of credit risk disclosed by risk-weights (including deducted exposures) are as follows: (continued)

Bank

Unaudited
30 September 2021

Exposures after netting and credit risk mitigation ("CRM")

| Risk weights | Sovereigns/ Central Bank RM'000 | Banks, DFIs & MDBs RM'000 | Corporate RM'000 | Regulatory Retail RM'000 | Residential Real Estate RM'000 | Higher Risk Assets RM'000 | Other assets RM'000 | Total exposure after netting and CRM RM'000 | Total weighted assets RM'000 |
|---------------------------------------|---------------------------------------|---------------------------------|---------------------|--------------------------------|--------------------------------------|---------------------------------|---------------------------|---|---------------------------------------|
| Performing Exposures | | | | | | | | | |
| 0% | 2,197,583 | - | - | - | - | - | 15,106 | 2,212,689 | - |
| 20% | - | 199,963 | 257,679 | - | - | - | - | 457,642 | 91,528 |
| 35% | - | - | - | - | 572,793 | - | - | 572,793 | 200,478 |
| 50% | - | 280,040 | - | - | 84,755 | - | - | 364,795 | 182,398 |
| 75% | - | - | - | 233,852 | 4,886 | - | - | 238,738 | 179,054 |
| 100% | - | - | 4,821,980 | - | 131,598 | - | 88,753 | 5,042,331 | 5,042,331 |
| 150% | - | - | - | - | - | 1,609 | - | 1,609 | 2,414 |
| Total | 2,197,583 | 480,003 | 5,079,659 | 233,852 | 794,032 | 1,609 | 103,859 | 8,890,597 | 5,698,201 |
| Defaulted Exposures | | | | | | | | | |
| 35% | - | - | - | - | - | - | - | - | - |
| 50% | - | - | 11,870 | 105 | 5,036 | - | - | 17,011 | 8,506 |
| 100% | - | - | 4,457 | - | - | - | - | 4,457 | 4,457 |
| 150% | - | - | 2,980 | - | - | - | - | 2,980 | 4,470 |
| Total | - | - | 19,307 | 105 | 5,036 | - | - | 24,448 | 17,433 |
| Total Performing and Defaulted | 2,197,583 | 480,003 | 5,098,966 | 233,957 | 799,068 | 1,609 | 103,859 | 8,915,045 | 5,715,634 |

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

(c) The breakdown of credit risk disclosed by risk-weights (including deducted exposures) are as follows:

Group and Bank

| Risk weights | Exposures after netting and credit risk mitigation ("CRM") | | | | | | | Total exposure after netting and CRM RM'000 | Total risk weighted assets RM'000 |
|---------------------------------------|--|---------------------------------|---------------------|--------------------------------|--------------------------------------|---------------------------------|---------------------------|--|--------------------------------------|
| | Sovereigns/ Central Bank RM'000 | Banks, DFIs & MDBs RM'000 | Corporate RM'000 | Regulatory Retail RM'000 | Residential Real Estate RM'000 | Higher Risk Assets RM'000 | Other assets RM'000 | | |
| Audited | | | | | | | | | |
| 31 December 2020 | | | | | | | | | |
| Performing Exposures | | | | | | | | | |
| 0% | 1,274,686 | - | - | - | - | - | 17,808 | 1,292,494 | - |
| 20% | - | 51,083 | 205,382 | - | - | - | - | 256,465 | 51,293 |
| 35% | - | - | - | - | 391,461 | - | - | 391,461 | 137,011 |
| 50% | - | 378,940 | - | - | 427,018 | - | - | 805,958 | 402,979 |
| 75% | - | - | - | 244,558 | 7,258 | - | - | 251,816 | 188,862 |
| 100% | - | - | 4,117,348 | - | 19,746 | - | 74,920 | 4,212,014 | 4,212,014 |
| 150% | - | - | - | - | - | 1,590 | - | 1,590 | 2,386 |
| Total | 1,274,686 | 430,023 | 4,322,730 | 244,558 | 845,483 | 1,590 | 92,728 | 7,211,798 | 4,994,545 |
| Defaulted Exposures | | | | | | | | | |
| 35% | - | - | - | - | - | - | - | - | - |
| 50% | - | - | 11,741 | 78 | 3,180 | - | - | 14,999 | 7,500 |
| 100% | - | - | 4,522 | 623 | - | - | - | 5,145 | 5,145 |
| 150% | - | - | 2,980 | - | - | - | - | 2,980 | 4,470 |
| Total | - | - | 19,243 | 701 | 3,180 | - | - | 23,124 | 17,115 |
| Total Performing and Defaulted | 1,274,686 | 430,023 | 4,341,973 | 245,259 | 848,663 | 1,590 | 92,728 | 7,234,922 | 5,011,660 |

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

23. CAPITAL ADEQUACY (Continued)

(d) The breakdown of risk-weighted assets by risk-weights are as follows:

| | Group Unaudited 30 September 2021 | |
|---|--|---------------------------------|
| | Principal RM'000 | Risk-weighted RM'000 |
| 0% | 2,212,689 | - |
| 20% | 457,642 | 91,528 |
| 35% | 572,793 | 200,478 |
| 50% | 381,806 | 190,903 |
| 75% | 238,738 | 179,054 |
| 100% | 5,046,821 | 5,046,821 |
| 150% | 4,589 | 6,884 |
| Risk-weighted assets for credit risk | <u>8,915,078</u> | <u>5,715,667</u> |
| Large exposure risk-weighted assets for equity holdings | | 153,357 |
| Risk-weighted assets for market risk | | 376,848 |
| Risk-weighted assets for operational risk | | <u>6,245,872</u> |
| Total risk-weighted assets | | <u>6,245,872</u> |

(d) The breakdown of risk-weighted assets by risk-weights are as follows:

| | Bank Unaudited 30 September 2021 | |
|---|---|---------------------------------|
| | Principal RM'000 | Risk-weighted RM'000 |
| 0% | 2,212,689 | - |
| 20% | 457,642 | 91,528 |
| 35% | 572,793 | 200,478 |
| 50% | 381,806 | 190,903 |
| 75% | 238,738 | 179,054 |
| 100% | 5,046,788 | 5,046,788 |
| 150% | 4,589 | 6,884 |
| Risk-weighted assets for credit risk | <u>8,915,045</u> | <u>5,715,634</u> |
| Large exposure risk-weighted assets for equity holdings | | 153,357 |
| Risk-weighted assets for market risk | | 376,109 |
| Risk-weighted assets for operational risk | | <u>6,245,100</u> |
| Total risk-weighted assets | | <u>6,245,100</u> |

| | Group and Bank Audited 31 December 2020 | |
|---|--|---------------------------------|
| | Principal RM'000 | Risk-weighted RM'000 |
| 0% | 1,292,494 | - |
| 20% | 256,465 | 51,294 |
| 35% | 391,461 | 137,011 |
| 50% | 820,957 | 410,479 |
| 75% | 251,816 | 188,862 |
| 100% | 4,217,159 | 4,217,159 |
| 150% | 4,570 | 6,855 |
| Risk-weighted assets for credit risk | <u>7,234,922</u> | <u>5,011,660</u> |
| Large exposure risk-weighted assets for equity holdings | | 156,534 |
| Risk-weighted assets for market risk | | 360,862 |
| Risk-weighted assets for operational risk | | <u>5,529,056</u> |
| Total risk-weighted assets | | <u>5,529,056</u> |

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

24. CAPITAL ADEQUACY (Continued)

(e) Disclosure on off balance sheet and counterparty credit risk are as follows:

| Group and Bank | Disclosure on Off Balance and Counterparty Credit Risk | | | | | |
|---|--|------------------------------------|--------------------------------|-----------------------------|------------------------------------|--------------------------------|
| | Unaudited 30 September 2021 | | | Audited 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 |
| Transaction-related contingent items | 125,332 | 62,666 | 62,666 | 120,496 | 60,248 | 60,248 |
| Trade-related contingencies | 80,240 | 16,048 | 16,048 | 6,522 | 1,304 | 1,304 |
| Irrevocable commitments to extend credit: | | | | | | |
| - Maturity not exceeding one year | 1,613,919 | 322,755 | 304,019 | 1,400,231 | 279,997 | 276,335 |
| - Maturity exceeding one year | 146,063 | 73,005 | 71,254 | 135,078 | 67,521 | 67,618 |
| | <u>1,965,554</u> | <u>474,474</u> | <u>453,987</u> | <u>1,662,327</u> | <u>409,070</u> | <u>405,505</u> |

25. SEGMENTAL INFORMATION

| Group | Unaudited 30 September 2021 | | | | |
|--|--------------------------------|-----------------------------------|--|------------------|------------------|
| | Retail banking RM'000 | Treasury & money market RM'000 | Corporate investment banking RM'000 | Others RM'000 | Total RM'000 |
| Total revenue | 83,886 | 74,249 | 97,815 | 1,113 | 257,063 |
| Result | | | | | |
| Segment result | 53,638 | 46,246 | 60,390 | 1,113 | 161,388 |
| Unallocated corporate expenses | - | - | - | - | (152,777) |
| Profit before zakat and taxation | | | | | 8,611 |
| Zakat and taxation | | | | | - |
| Net profit for the financial period | | | | | <u>8,611</u> |
| Other information | | | | | |
| Segment assets | 1,311,148 | 503,402 | 4,146,729 | - | 5,961,278 |
| Unallocated corporate assets | - | - | - | - | 2,675,243 |
| Total assets | | | | | <u>8,636,521</u> |
| Segment liabilities | 1,903,607 | 2,391,497 | 3,018,129 | - | 7,313,234 |
| Unallocated corporate liabilities | - | - | - | - | 633,008 |
| Total liabilities | | | | | <u>7,946,242</u> |
| Other segment items | | | | | |
| Capital expenditure | 2,282 | 61 | - | - | 2,343 |
| Unallocated capital expenditure | - | - | - | - | 6,127 |
| | | | | | <u>8,470</u> |
| Depreciation and amortisation | 3,450 | 62 | 1,100 | - | 4,612 |
| Unallocated depreciation and amortisation | - | - | - | - | 8,506 |
| | | | | | <u>13,119</u> |
| Other non-cash (income)/expenses | (2,043) | (13) | 9,310 | - | 7,254 |

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

25. SEGMENTAL INFORMATION (Continued)

| Bank | Unaudited 30 September 2021 | | | | |
|--|--------------------------------|---|--|------------------|-----------------|
| | Retail banking RM'000 | Treasury & money market RM'000 | Corporate investment banking RM'000 | Others RM'000 | Total RM'000 |
| Total revenue | 83,886 | 74,249 | 97,815 | 713 | 256,663 |
| Result | | | | | |
| Segment result | 53,638 | 46,246 | 60,391 | 713 | 160,988 |
| Unallocated corporate expenses | | | | | (152,248) |
| Profit before zakat and taxation | | | | | 8,740 |
| Zakat and taxation | | | | | - |
| Net profit for the financial period | | | | | 8,740 |
| Other information | | | | | |
| Segment assets | 1,311,148 | 503,402 | 4,146,729 | | 5,961,278 |
| Unallocated corporate assets | | | | | 2,675,209 |
| Total assets | | | | | 8,636,487 |
| Segment liabilities | 1,903,607 | 2,391,497 | 3,018,129 | - | 7,313,234 |
| Unallocated corporate liabilities | | | | | 633,017 |
| Total liabilities | | | | | 7,946,251 |
| Other segment items | | | | | |
| Capital expenditure | 2,282 | 61 | - | - | 2,343 |
| Unallocated capital expenditure | | | | | 6,127 |
| | | | | | 8,470 |
| Depreciation and amortisation | 3,450 | 62 | 1,100 | - | 4,612 |
| Unallocated depreciation and amortisation | | | | | 8,506 |
| | | | | | 13,119 |
| Other non-cash (income)/expenses | (2,043) | (13) | 9,310 | - | 7,254 |

| Group | Unaudited 30 September 2020 | | | | |
|--|--------------------------------|---|--|------------------|-----------------|
| | Retail banking RM'000 | Treasury & money market RM'000 | Corporate investment banking RM'000 | Others RM'000 | Total RM'000 |
| Total revenue | 95,829 | 81,863 | 81,415 | 1,116 | 260,222 |
| Result | | | | | |
| Segment result | 34,452 | 31,672 | 68,413 | 1,116 | 135,653 |
| Unallocated corporate expenses | | | | | (143,200) |
| Profit before zakat and taxation | | | | | (7,547) |
| Zakat and taxation | | | | | - |
| Net profit for the financial period | | | | | (7,547) |
| Other information | | | | | |
| Segment assets | 1,475,620 | 476,415 | 3,382,767 | - | 5,334,801 |
| Unallocated corporate assets | | | | | 1,462,819 |
| Total assets | | | | | 6,797,620 |
| Segment liabilities | 1,777,672 | 403,726 | 3,409,655 | - | 5,591,053 |
| Unallocated corporate liabilities | | | | | 453,085 |
| Total liabilities | | | | | 6,044,138 |
| Other segment items | | | | | |
| Capital expenditure | 154 | 311 | 10 | - | 475 |
| Unallocated capital expenditure | | | | | 4,635 |
| | | | | | 5,110 |
| Depreciation and amortisation | 3,304 | 195 | 615 | - | 4,114 |
| Unallocated depreciation and amortisation | | | | | 9,813 |
| | | | | | 13,927 |
| Other non-cash (income)/expenses | 4,560 | - | 9,132 | - | 13,692 |

EXPLANATORY NOTES PERSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARDS 134 ("MFRS 134") AND GUIDELINES ON FINANCIAL REPORTING FOR LICENSED ISLAMIC BANKING INSTITUTIONS ISSUED BY BANK NEGARA MALAYSIA

25. SEGMENTAL INFORMATION (Continued)

| Bank | Unaudited | | | | Total RM'000 |
|--|-----------------------------|---|--|------------------|------------------|
| | 30 September 2020 | | | | |
| | Retail banking RM'000 | Treasury & money market RM'000 | Corporate investment banking RM'000 | Others RM'000 | |
| Total revenue | 96,688 | 81,863 | 81,414 | - | 259,965 |
| Result | | | | | |
| Segment result | 35,311 | 31,672 | 68,413 | - | 135,396 |
| Unallocated corporate expenses | - | - | - | - | (142,959) |
| Profit before zakat and taxation | | | | | (7,563) |
| Zakat and taxation | | | | | - |
| Net profit for the financial period | | | | | (7,563) |
| Other information | | | | | |
| Segment assets | 1,475,620 | 476,415 | 3,382,770 | - | 5,334,804 |
| Unallocated corporate assets | - | - | - | - | 1,462,796 |
| Total assets | | | | | <u>6,797,600</u> |
| Segment liabilities | 1,777,672 | 403,726 | 3,409,654 | - | 5,591,052 |
| Unallocated corporate liabilities | | | | | 453,295 |
| Total liabilities | | | | | <u>6,044,347</u> |
| Other segment items | | | | | |
| Capital expenditure | 154 | 311 | 10 | - | 475 |
| Unallocated capital expenditure | | | | | 4,635 |
| | | | | | <u>5,110</u> |
| Depreciation and amortisation | 3,304 | 195 | 615 | - | 4,114 |
| Unallocated depreciation and amortisation | | | | | 9,813 |
| | | | | | <u>13,927</u> |
| Other non-cash (income)/expenses | 4,560 | - | 9,132 | - | 13,692 |

26 REVIEW OF PERFORMANCE FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2021 AGAINST THE CORRESPONDING FINANCIAL QUARTER OF THE PRECEDING YEAR

For the financial period ended 30th September 2021, the Group and Bank recorded a pre tax profit of RM8.6 million and RM 8.7 million respectively as compared to a pre tax loss of RM7.5 million and RM 7.6 million respectively in the preceding year's corresponding period.

27 PROSPECTS FOR 2021

Malaysia is showing good signs of economic recovery, helped by the country's easing of movement restrictions since more than 90 per cent of Malaysia's adult population has been fully vaccinated with number of COVID-19 infections are on falling trend. The Government is concentrating on policies on both demand and supply-side to boost the economic recovery, with economic growth seen in sectors such as the electronic, pharmaceutical, financial, services, among others.

In order to boost the economic growth further, the Government is aiming to help the consumers especially B40 and M40 households as well as providing further targeted assistance for Micro, Small Medium Enterprises (MSMEs) will be the key agenda as they are the crucial for the economy.

The government will continue to offer fiscal support to spur private consumption. This includes higher pandemic-related aid programs, improve efforts in trade liberalisation, and reopening of more economic sectors following the various movement control order.

Malaysia is on course to achieve the GDP target of between 3.0 per cent and 4.0 per cent for the current fiscal year. The Government is committed to provide all the necessary support through its 12th Malaysian Plan, with the goal of maintaining macro-economic stability, which will support the growth outlook for the year.

Meanwhile, the Bank is gearing up its efforts on digital initiatives, cost optimizations, strengthening its governance and controls as well as venturing into new revenues streams in line with the Bank's 5 Years Strategic Plan.