

**Industrial and Commercial Bank of China (Malaysia) Berhad**  
(Registration No. 201001000001 (839839 M))  
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS**  
**31 MARCH 2024**

**Industrial and Commercial Bank of China (Malaysia) Berhad**

(Registration No. 201001000001 (839839 M))

(Incorporated in Malaysia)

**MANAGEMENT'S CERTIFICATION**

I hereby certify that the attached unaudited condensed financial statements for the 1st quarter and three months ended 31 March 2024 have been prepared from the Bank's accounting records and that they are in accordance with the requirements of Malaysian Financial Reporting Standards ("MFRS") 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and the Guidelines on Financial Reporting for Financial Institutions (BNM/RH/PD 032-13) issued by Bank Negara Malaysia ("BNM") on 29 April 2022.

Xie Shaoxiong  
Managing Director/Chief Executive Officer

Date: 26 April 2024

**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024**

	Note	31 Mar 2024 RM'000	31 Dec 2023 RM'000
<b>ASSETS</b>			
Cash and short-term funds	10	183,578	581,663
Deposits and placements with banks and other financial institutions	11	89,193	126,716
Financial investments measured at fair value through other comprehensive income ("FVOCI")	12	1,110,475	683,548
Financial investments measured at amortised cost	13	349,373	405,107
Loans, advances and financing	14	3,093,487	3,054,830
Derivative financial assets	15	6,404	6,734
Other assets	16	22,333	16,131
Statutory deposits with Bank Negara Malaysia		33,880	30,266
Tax recoverable		6,388	3,961
Property and equipment		3,437	3,351
Right-of-use assets		9,503	10,620
Intangible asset		-	-
Deferred tax assets		9,132	10,586
<b>TOTAL ASSETS</b>		<b>4,917,183</b>	<b>4,933,513</b>
<b>LIABILITIES</b>			
Deposits from customers	17	2,528,252	2,509,680
Deposits and placements of banks and other financial institutions	18	912,959	968,042
Derivative financial liabilities	15	6,248	6,385
Other liabilities	19	59,413	58,298
Lease liabilities		9,324	10,385
Provision for commitments and contingencies	20	2,779	2,885
Provision for taxation		298	215
<b>TOTAL LIABILITIES</b>		<b>3,519,273</b>	<b>3,555,890</b>
<b>EQUITY</b>			
Share capital		832,609	832,609
Reserves		565,301	545,014
<b>EQUITY ATTRIBUTABLE TO OWNER OF THE BANK</b>		<b>1,397,910</b>	<b>1,377,623</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>4,917,183</b>	<b>4,933,513</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	26	<b>2,523,716</b>	<b>2,543,650</b>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023 and accompanying explanatory notes on pages 7 to 29 attached to the unaudited condensed interim financial statements.

The financial statements were approved by the Board of Directors on 26 April 2024.

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Note	1st quarter ended		Year-To-Date ended	
		31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
		RM'000	RM'000	RM'000	RM'000
Interest income	21	58,799	42,575	58,799	42,575
Interest expense	21	(24,414)	(11,694)	(24,414)	(11,694)
Net interest income	21	34,385	30,881	34,385	30,881
Net non-interest income	22	7,086	10,711	7,086	10,711
Net operating income		41,471	41,592	41,471	41,592
Other operating expenses	23	(17,155)	(20,373)	(17,155)	(20,373)
Operating profit		24,316	21,219	24,316	21,219
Write-back of/(Allowance for) impairment on loans, advances and financing	24	521	(336)	521	(336)
Write-back of impairment on other financial assets	25	505	940	505	940
Profit before taxation		25,342	21,823	25,342	21,823
Tax expense		(5,748)	(5,184)	(5,748)	(5,184)
Profit for the financial period		19,594	16,639	19,594	16,639
Other comprehensive income, net of tax					
Items that are or may be reclassified subsequently to profit or loss					
Foreign currency translation reserve					
- Currency translation differences in respect of foreign operations		1,565	266	1,565	266
Fair value reserve					
- Changes in fair value		(1,147)	6,790	(1,147)	6,790
- Deferred tax adjustment		275	(1,630)	275	(1,630)
		(872)	5,160	(872)	5,160
Total other comprehensive income for the financial period		693	5,426	693	5,426
Total comprehensive income for the financial period		20,287	22,065	20,287	22,065
Basic earnings per ordinary share (sen):		2.35	2.00	2.35	2.00

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## UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	← Non-Distributable			→ Distributable		Total Equity RM'000
	Share capital RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Regulatory Reserve RM'000	Retained earnings RM'000	
<b>At 1 January 2023</b>	832,609	3,379	3,206	17,644	447,454	1,304,292
<b>Total comprehensive income for the financial period</b>						
<b>Other comprehensive income/(expense), net of tax</b>						
Items that are or may be reclassified subsequently to/(from) profit or loss						
Foreign currency translation reserve	-	266	-	-	-	266
- Currency translation differences in respect of foreign operations						
Fair value reserve						
- Changes in fair value	-	-	6,790	-	-	6,790
- Deferred tax adjustment	-	-	(1,630)	-	-	(1,630)
	-	-	5,160	-	-	5,160
<b>Total other comprehensive income/(expense) for the financial period</b>	-	266	5,160	-	-	5,426
Profit for the financial period	-	-	-	-	16,639	16,639
<b>Total comprehensive income/(expense) for the financial period</b>	-	266	5,160	-	16,639	22,065
<b>At 31 March 2023</b>	832,609	3,645	8,366	17,644	464,093	1,326,357

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## UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (continued)

	← Non-Distributable			→ Distributable		Total Equity RM'000
	Share capital RM'000	Foreign Currency Translation Reserve RM'000	Fair Value Reserve RM'000	Regulatory Reserve RM'000	Retained Earnings RM'000	
<b>At 1 January 2024</b>	832,609	5,571	6,495	17,644	515,304	1,377,623
<b>Total comprehensive income/(expense) for the financial period</b>						
<b>Other comprehensive income/(expense), net of tax</b>						
Items that are or may be reclassified subsequently to/(from) profit or loss						
Foreign currency translation reserve	-	1,565	-	-	-	1,565
- Currency translation differences in respect of foreign operations						
Fair value reserve						
- Changes in fair value	-	-	(1,147)	-	-	(1,147)
- Deferred tax adjustment	-	-	275	-	-	275
	-	-	(872)	-	-	(872)
<b>Total other comprehensive income/(expense) for the financial period</b>	-	1,565	(872)	-	-	693
Profit for the financial period	-	-	-	-	19,594	19,594
<b>Total comprehensive income/(expense) for the financial period</b>	-	1,565	(872)	-	19,594	20,287
<b>At 31 March 2024</b>	832,609	7,136	5,623	17,644	534,898	1,397,910

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023 and accompanying explanatory notes on pages 7 to 29 attached to the unaudited condensed interim financial statements.

The financial statements were approved by the Board of Directors on 26 April 2024.

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash flows (used in)/from operating activities</b>		
Profit before taxation	25,342	21,823
Adjustments for:		
Depreciation of property and equipment	444	397
Depreciation of right-of-use assets	1,117	1,139
Interest expense on lease liabilities	71	26
(Write-back of)/Allowance for impairment on loans, advances and financing	(521)	336
Write-back of impairment on other financial assets	(505)	(940)
Net unrealised losses arising from derivative trading	193	1,158
Transfer to foreign currency translation reserve	1,565	266
Accretion of discounts net of amortisation of premiums of financial investments measured at FVOCI	350	311
Accretion of discounts net of amortisation of premiums of financial investments measured at amortised cost	948	1,060
Operating profit before working capital changes	<u>29,004</u>	<u>25,576</u>
Changes in operating assets		
Deposits and placements with banks and other financial institutions	37,623	34,595
Loans, advances and financing	(38,246)	127,405
Other assets	(6,202)	1,790
Statutory deposits with Bank Negara Malaysia	(3,614)	390
Changes in operating liabilities		
Deposits from customers	18,572	1,588
Deposits and placements of banks and other financial institutions	(55,083)	(133,156)
Other liabilities	1,115	2,999
Provision for credit commitments and contingencies	4	-
Cash (used in)/from operations	<u>(16,827)</u>	<u>61,187</u>
Income taxes paid	<u>(6,363)</u>	<u>(2,920)</u>
<b>Net cash (used in)/from operating activities</b>	<u>(23,190)</u>	<u>58,267</u>
<b>Cash flows used in investing activities</b>		
Purchase of property and equipment	(531)	(470)
Net purchase of financial investments measured at FVOCI	(428,425)	-
Net proceeds from financial investments measured at amortised cost	55,000	-
<b>Net cash used in investing activities</b>	<u>(373,956)</u>	<u>(470)</u>
<b>Cash flows used in financing activity</b>		
Net payment of lease liabilities	<u>(1,132)</u>	<u>(1,145)</u>
<b>Net cash used in financing activity</b>	<u>(1,132)</u>	<u>(1,145)</u>

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE  
FINANCIAL PERIOD ENDED 31 MARCH 2024 (continued)**

	Note	31 Mar 2024 RM'000	31 Mar 2023 RM'000
<b>Net (decrease)/increase in cash and cash equivalents</b>		(398,278)	56,652
<b>Cash and cash equivalents at beginning of the financial period</b>		581,663	215,359
		<u>183,385</u>	<u>272,011</u>
Add: Allowance for/(Write-back of) credit loss for the financial period		193	(68)
<b>Cash and cash equivalents at end of the financial period</b>		<u>183,578</u>	<u>271,943</u>
<b>Cash and cash equivalents comprise:</b>			
Cash and short-term funds	10	<u>183,578</u>	<u>271,943</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023 and accompanying explanatory notes on pages 7 to 29 attached to the unaudited condensed interim financial statements.

The financial statements were approved by the Board of Directors on 26 April 2024.



**EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024****1. General information**

Industrial and Commercial Bank of China (Malaysia) Berhad is principally engaged in the provision of banking and other related financial services.

There were no significant changes in these activities during the financial period.

**2. Basis of preparation**

The unaudited condensed interim financial statements for the 1st quarter and three months ended 31 March 2024 have been prepared in accordance with the requirements of Malaysian Financial Reporting Standards (“MFRS”) 134: *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board (“MASB”) and the Guidelines on Financial Reporting for Financial Institutions (BNM/RH/PD 032-13) issued by Bank Negara Malaysia (“BNM”) on 29 April 2022.

The unaudited condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the audited financial statements of the Bank as at and for the financial year ended 31 December 2023. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Bank since the financial year ended 31 December 2023.

All the significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2023, except for the adoption of the following Amendments with effect from 1 January 2024:

- Amendments to MFRS 16, *Leases – Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements – Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 107, *Statement of Cash Flows* and MFRS 7, *Financial Instruments Disclosures – Supplier Finance Arrangements*

The initial application of the amendments to the above standards does not have any significant impact to the financial statements of the Bank.

The following are the accounting standards, interpretations and amendments that have been issued by the Malaysian Accounting Standards Board (“MASB”) but have not been adopted by the Bank:-

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability* (effective for annual periods beginning on or after 1 January 2025)
- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures – Sale of Contribution of Assets between an Investor and Its Associate or Joint Venture* (effective date yet to be determined)

The initial applications of the amendments are not expected to have any significant financial impact to the current period and prior period financial statements of the Bank.

**3. Auditors' Report on Preceding Annual Financial Statements**

The audit report on the audited annual financial statements for the financial year ended 31 December 2023 was not subject to any qualification.

**4. Seasonality or Cyclical Factors**

The business operations of the Bank are not subject to material seasonal or cyclical fluctuations.

**5. Unusual Items due to Their Nature, Size or Incidence**

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Bank for the 1st quarter and three months ended 31 March 2024.

**6. Changes in Estimates**

There were no material changes in the estimates of amounts reported in the prior financial year that have a material effect on the financial results and position of the Bank for the 1st quarter and three months ended 31 March 2024.

**7. Issue of Shares and Debentures**

There was no issuance of shares and debentures during the 1st quarter and three months ended 31 March 2024.

**8. Dividend Paid**

No dividend was paid during the 1st quarter and three months ended 31 March 2024.

**9. Significant Events**

There were no material events subsequent to the statement of financial position date that require disclosure in or adjustments to the unaudited condensed interim financial statements.

**10. Cash and short-term funds**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Cash and balances with banks and other financial institutions	90,289	85,924
Money at call and deposit placements maturing within one month	93,352	495,995
	<u>183,641</u>	<u>581,919</u>
Less: Allowance for credit loss	(63)	(256)
	<u>183,578</u>	<u>581,663</u>

An analysis of changes in the allowance for credit loss is as follows:-

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Allowance for credit loss</b>				
At 1 January 2024	256	-	-	256
New assets originated	8	-	-	8
Assets derecognised or repaid	(201)	-	-	(201)
Foreign exchange adjustments	-	-	-	-
At 31 March 2024	<u>63</u>	<u>-</u>	<u>-</u>	<u>63</u>
At 1 January 2023	416	-	-	416
New assets originated	252	-	-	252
Assets derecognised or repaid	(412)	-	-	(412)
At 31 December 2023	<u>256</u>	<u>-</u>	<u>-</u>	<u>256</u>

**11. Deposits and placements with banks and other financial institutions**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed Malaysian banks	50,000	75,000
Foreign banks	39,501	52,124
	<u>89,501</u>	<u>127,124</u>
Less: Allowance for credit loss	(308)	(408)
	<u>89,193</u>	<u>126,716</u>

An analysis of changes in the allowance for credit loss is as follows:-

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Allowance for credit loss</b>				
At 1 January 2024	408	-	-	408
New assets originated	-	-	-	-
Assets derecognised or repaid	(100)	-	-	(100)
At 31 March 2024	<u>308</u>	<u>-</u>	<u>-</u>	<u>308</u>
At 1 January 2023	1,372	-	-	1,372
New assets originated	(964)	-	-	(964)
At 31 December 2023	<u>408</u>	<u>-</u>	<u>-</u>	<u>408</u>

**12. Financial investments measured at fair value through other comprehensive income****(i) By type**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysian Government Securities	371,566	321,596
Malaysian Government Investment Issues	738,909	361,952
	<u>1,110,475</u>	<u>683,548</u>

**(ii) By maturity structure**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Within one year	265,563	266,112
More than one year to three years	122,469	112,395
More than three years to five years	334,584	233,376
More than five years	387,859	71,665
	<u>1,110,475</u>	<u>683,548</u>

**(iii) Movement of gross carrying amount and allowance for credit loss to other comprehensive income**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Gross carrying amount</b>				
At 1 January 2024	683,548	-	-	683,548
New assets originated	428,487	-	-	428,487
Assets derecognised or repaid	(413)	-	-	(413)
Changes in fair value	(1,147)	-	-	(1,147)
At 31 March 2024	<u>1,110,475</u>	<u>-</u>	<u>-</u>	<u>1,110,475</u>
At 1 January 2023	802,808	-	-	802,808
New assets originated or purchased	31,094	-	-	31,094
Assets derecognised or repaid	(154,682)	-	-	(154,682)
Changes in fair value	4,328	-	-	4,328
At 31 December 2023	<u>683,548</u>	<u>-</u>	<u>-</u>	<u>683,548</u>
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Allowance for credit loss</b>				
At 1 January/31 March 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 1 January/31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

The carrying amounts of financial investments measured at FVOCI are their respective fair values. Accordingly, the recognition of allowance for credit loss does not affect the carrying amount of those assets, but is reflected as a debit to profit or loss and credit to other comprehensive income.

**13. Financial investments measured at amortised cost****(i) By type**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Financial institutions' securities	45,097	45,292
Corporate bonds	205,265	261,007
Other debt securities		
- Cagamas bonds	100,064	100,073
	<u>350,426</u>	<u>406,372</u>
Less: Allowance for credit loss	(1,053)	(1,265)
	<u>349,373</u>	<u>405,107</u>

**(ii) By maturity structure**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Within one year	190,348	241,284
More than one year to three years	140,078	145,088
More than three years to five years	20,000	20,000
	<u>350,426</u>	<u>406,372</u>

**(iii) Movement of gross carrying amount and allowance for credit loss to profit or loss**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Gross carrying amount</b>				
At 1 January 2024	406,372	-	-	406,372
New assets originated or purchased	-	-	-	-
Assets derecognised or repaid	(55,946)	-	-	(55,946)
At 31 March 2024	<u>350,426</u>	-	-	<u>350,426</u>
At 1 January 2023	425,379	-	-	425,379
New assets originated or purchased	60,061	-	-	60,061
Assets derecognised or repaid	(79,068)	-	-	(79,068)
At 31 December 2023	<u>406,372</u>	-	-	<u>406,372</u>

**13. Financial investments measured at amortised cost (continued)****(iii) Movement of gross carrying amount and allowance for credit loss to profit or loss (continued)**

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<b>Allowance for credit loss</b>				
At 1 January 2024	1,265	-	-	1,265
New assets originated	-	-	-	-
Assets derecognised or repaid	(212)	-	-	(212)
Changes due to change in credit risk	-	-	-	-
At 31 March 2024	1,053	-	-	1,053
At 1 January 2023	1,487	-	-	1,487
New assets originated	87	-	-	87
Assets derecognised or repaid	(118)	-	-	(118)
Changes due to change in credit risk	(40)	-	-	(40)
Changes in model/risk parameter	(151)	-	-	(151)
At 31 December 2023	1,265	-	-	1,265

**14. Loans, advances and financing****(i) By type**

	31 Mar 2024 RM'000	31 Dec 2023 RM'000
Overdrafts	17,316	7,570
Term loans		
- Housing loans	110,281	108,740
- Syndicated term loans	910,984	843,419
- Other term loans	793,837	846,649
Bills receivable	49,201	88,664
Revolving credits	1,149,266	1,093,156
Bankers' acceptances	92,306	96,298
Staff loans	1,806	1,835
Credit card loans	2,783	3,020
	3,127,780	3,089,351
Gross loans, advances and financing		
Less: Allowance for credit loss		
- Stage 1 (12-month ECL)	(26,136)	(26,145)
- Stage 2 (Lifetime ECL - non-credit impaired)	(6,803)	(7,020)
- Stage 3 (Lifetime ECL - credit impaired)	(1,354)	(1,356)
	(34,293)	(34,521)
Net loans, advances and financing	3,093,487	3,054,830

**14. Loans, advances and financing (continued)****(ii) By type of customer**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Domestic non-bank financial institutions		
- Others	356,758	236,237
Domestic business enterprises		
- Small medium enterprises	252,092	258,373
- Others	1,823,113	1,955,184
Individuals	36,775	37,751
Foreign entities	659,042	601,806
	<u>3,127,780</u>	<u>3,089,351</u>

**(iii) By interest rate sensitivity**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate loan	233,789	231,199
Variable rate		
- Base rate/base lending rate plus	95,994	83,751
- Cost plus	2,671,028	2,705,285
- Other variable rates	126,969	69,116
	<u>3,127,780</u>	<u>3,089,351</u>

**(iv) By sector**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Agriculture, forestry and fishing	5,014	5,014
Manufacturing	684,226	739,292
Electricity, gas and water	40,505	42,110
Construction	208,927	258,181
Mining and quarrying	252,159	254,168
Real estate activities	455,582	467,769
Wholesale and retail trade; repair of motor vehicles and motorcycles	206,530	216,485
Information and communication	24,545	22,370
Finance and insurance	725,032	558,679
Education	199,620	199,668
Household	121,692	121,090
Transportation and Storage	171,061	172,512
Administrative and Support Services	32,602	31,700
Accommodation and Food Services	285	313
	<u>3,127,780</u>	<u>3,089,351</u>

**14. Loans, advances and financing (continued)****(v) By purpose**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchase of properties		
- Non-residential	502,457	513,635
- Residential	111,873	110,358
Construction	129,096	130,004
Credit card	2,783	3,020
Personal use	731	781
Working capital	1,785,533	1,634,752
Other purposes	595,307	696,801
	<u>3,127,780</u>	<u>3,089,351</u>

**(vi) By geographical distribution**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Within Malaysia	2,509,360	2,519,599
Outside Malaysia	618,420	569,752
	<u>3,127,780</u>	<u>3,089,351</u>

Concentration by location for loans, advances and financing is based on the geographical location where the credit risk resides.

**(vii) By residual contractual maturity**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Maturity within one year	1,441,349	1,429,963
More than one year to three years	738,972	770,309
More than three years to five years	543,078	466,153
More than five years	404,381	422,926
	<u>3,127,780</u>	<u>3,089,351</u>



**14. Loans, advances and financing (continued)****(viii) Impaired loans, advances and financing****(a) Movement in impaired loans, advances and financing**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2024/1 January 2023	1,356	1,279
Impaired during the financial period	2	136
Reclassified as performing during the financial period	(39)	(64)
Write-off	-	(48)
Exchange differences	35	53
At 31 March 2024/31 December 2023	<u>1,354</u>	<u>1,356</u>
As % of gross loans, advances and financing	<u><b>0.04%</b></u>	<u><b>0.04%</b></u>

**(b) By sector**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Wholesale and retail trade; repair of motor vehicles and Motorcycles	1,275	1,239
Household	79	117
	<u>1,354</u>	<u>1,356</u>

**(c) By purpose**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Working capital	1,275	1,239
Credit card	79	117
	<u>1,354</u>	<u>1,356</u>

**(d) By geographical distribution**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Within Malaysia	79	117
Outside Malaysia	1,275	1,239
	<u>1,354</u>	<u>1,356</u>

Concentration by location for impaired loans, advances and financing is based on the geographical location where the credit risk resides.

**14. Loans, advances and financing (continued)****(ix) Movements in gross loans, advances and financing**

	<b>Stage 1 RM'000</b>	<b>Stage 2 RM'000</b>	<b>Stage 3 RM'000</b>	<b>Total RM'000</b>
At 1 January 2024	2,771,080	316,915	1,356	3,089,351
New assets originated	301,582	14,673	2	316,257
Assets derecognised or repaid	(260,719)	(17,144)	-	(277,863)
Transfer to Stage 1	7,468	(7,429)	(39)	-
Transfer to Stage 2	(83)	83	-	-
Transfer to Stage 3	-	-	-	-
Write-off	-	-	-	-
Foreign exchange adjustments	-	-	35	35
At 31 March 2024	<u>2,819,328</u>	<u>307,098</u>	<u>1,354</u>	<u>3,127,780</u>
At 1 January 2023	2,190,753	278,074	1,279	2,470,106
New assets originated	1,770,831	24,221	10	1,795,062
Assets derecognised or repaid	(1,132,400)	(43,422)	-	(1,175,822)
Transfer to Stage 1	48,566	(48,530)	(36)	-
Transfer to Stage 2	(106,670)	106,698	(28)	-
Transfer to Stage 3	-	(126)	126	-
Write-off	-	-	(48)	(48)
Foreign exchange adjustments	-	-	53	53
At 31 December 2023	<u>2,771,080</u>	<u>316,915</u>	<u>1,356</u>	<u>3,089,351</u>

**(x) Movements in allowance for credit loss on loans, advances and financing**

	<b>Stage 1 RM'000</b>	<b>Stage 2 RM'000</b>	<b>Stage 3 RM'000</b>	<b>Total RM'000</b>
At 1 January 2024	26,145	7,020	1,356	34,521
New assets originated	2,102	368	2	2,472
Assets derecognised or repaid	(1,877)	(626)	-	(2,503)
Transfer to Stage 1	155	(116)	(39)	-
Transfer to Stage 2	(1)	1	-	-
Transfer to Stage 3	-	-	-	-
Write-off	-	-	-	-
Changes due to change in credit risk	(381)	1	-	(380)
Foreign exchange adjustments	(7)	155	35	183
At 31 March 2024	<u>26,136</u>	<u>6,803</u>	<u>1,354</u>	<u>34,293</u>
At 1 January 2023	18,871	4,178	1,279	24,328
New assets originated	8,708	984	9	9,701
Assets derecognised or repaid	(6,361)	(1,529)	-	(7,890)
Transfer to Stage 1	943	(907)	(36)	-
Transfer to Stage 2	(1,106)	1,134	(28)	-
Transfer to Stage 3	-	(2)	2	-
Changes due to change in credit risk	2,020	1,853	125	3,998
Changes in model/risk parameter	2,960	1,309	-	4,269
Write-off	-	-	(48)	(48)
Foreign exchange adjustments	110	-	53	163
At 31 December 2023	<u>26,145</u>	<u>7,020</u>	<u>1,356</u>	<u>34,521</u>

**15. Derivative financial assets/liabilities**

	<b>31 Mar 2024</b>		
	<b>Contract/ Nominal value RM'000</b>	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>
<b>Foreign exchange contracts</b>			
- Currency forwards and spots	216,762	205	38
- Currency swaps	82,177	14	58
<b>Interest rate contracts</b>			
- Cross currency interest rate swaps	89,080	5,491	5,458
- Interest rate swaps	100,000	694	694
Total recognised derivative assets/liabilities (Note 26)	<u>488,019</u>	<u>6,404</u>	<u>6,248</u>

  

	<b>31 Dec 2023</b>		
	<b>Contract/ Nominal value RM'000</b>	<b>Assets RM'000</b>	<b>Liabilities RM'000</b>
<b>Foreign exchange contracts</b>			
- Currency forwards and spots	146,876	251	196
- Currency swaps	159,988	1,354	1,109
<b>Interest rate contracts</b>			
- Cross currency interest rate swaps	87,774	4,237	4,188
- Interest rate swaps	200,000	892	892
Total recognised derivative assets/liabilities (Note 26)	<u>594,638</u>	<u>6,734</u>	<u>6,385</u>

**16. Other assets**

	<b>31 Mar 2024 RM'000</b>	<b>31 Dec 2023 RM'000</b>
Interest receivable	17,506	12,357
Deposits	1,500	1,502
Other receivables and prepayments	3,167	2,272
Collateral pledged for derivative transactions	160	-
	<u>22,333</u>	<u>16,131</u>

**17. Deposits from customers****(i) By type of deposits**

	<b>31 Mar 2024 RM'000</b>	<b>31 Dec 2023 RM'000</b>
Demand deposits	562,309	697,150
Fixed deposits	1,317,785	1,253,093
Savings deposits	161,746	160,650
Money market deposits	328,333	244,777
Others	158,079	154,010
	<u>2,528,252</u>	<u>2,509,680</u>

**17. Deposits from customers (continued)****(ii) By type of customers**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Business enterprises	1,286,873	1,343,131
Individuals	406,311	383,396
Foreign entities	834,800	782,805
Others	268	348
	<u>2,528,252</u>	<u>2,509,680</u>

**(iii) By maturity structure of term deposits**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within six months	1,341,508	1,060,473
More than six months to one year	304,610	437,397
	<u>1,646,118</u>	<u>1,497,870</u>

**18. Deposits and placements of banks and other financial institutions**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed Malaysian banks	175,184	326,239
Licensed investment banks	20,042	50,042
Licensed Islamic banks	31,441	25,862
Other financial institutions	32,078	31,984
Foreign banks	654,214	533,915
	<u>912,959</u>	<u>968,042</u>

**19. Other liabilities**

	<b>31 Mar 2024</b>	<b>31 Dec 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Interest payable	27,711	23,585
Other payables and accruals	31,702	34,713
	<u>59,413</u>	<u>58,298</u>

**20. Provision for commitments and contingencies**

	<b>Stage 1</b> <b>RM'000</b>	<b>Stage 2</b> <b>RM'000</b>	<b>Stage 3</b> <b>RM'000</b>	<b>Total</b> <b>RM'000</b>
At 1 January 2024	2,027	858	-	2,885
New commitments originated	304	25	-	329
Commitments derecognised	(240)	(191)	-	(431)
Transfer to Stage 1	26	(26)	-	-
Changes due to changes in credit risk	(9)	1	-	(8)
Foreign exchange adjustments	3	1	-	4
At 31 March 2024	<u>2,111</u>	<u>668</u>	<u>-</u>	<u>2,779</u>
At 1 January 2023	1,719	574	-	2,293
New commitments originated	2,117	202	-	2,319
Commitments derecognised	(1,773)	(105)	-	(1,878)
Transfer to Stage 1	6	(6)	-	-
Transfer to Stage 2	(8)	8	-	-
Changes due to changes in credit risk	(205)	63	-	(142)
Changes in model/risk parameter	171	122	-	293
At 31 December 2023	<u>2,027</u>	<u>858</u>	<u>-</u>	<u>2,885</u>

**21. Net Interest income**

	<b>1st quarter ended</b>		<b>Year-To-Date ended</b>	
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Interest income</b>				
Loans, advances and financing	43,095	28,905	43,095	28,905
Money at call and deposits and placements with financial institutions	3,899	2,614	3,899	2,614
Financial investments measured at fair value through other comprehensive income	8,355	7,704	8,355	7,704
Financial investments measured at amortised cost	3,450	3,352	3,450	3,352
	<u>58,799</u>	<u>42,575</u>	<u>58,799</u>	<u>42,575</u>
<b>Interest expense</b>				
Deposits and placements of banks and other financial institutions	(9,200)	(1,578)	(9,200)	(1,578)
Deposits from customers	(15,214)	(10,116)	(15,214)	(10,116)
	<u>(24,414)</u>	<u>(11,694)</u>	<u>(24,414)</u>	<u>(11,694)</u>
<b>Net interest income</b>	<u>34,385</u>	<u>30,881</u>	<u>34,385</u>	<u>30,881</u>

**22. Net Non-interest income****(i) Net fee income**

	<b>1st quarter ended</b>		<b>Year-To-Date ended</b>	
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fee income:				
- Commission	1	4	1	4
- Service charges and fees	954	1,315	954	1,315
- Loan processing fees	172	470	172	470
- Syndication fees	943	-	943	-
- Guarantee fees	1,367	1,270	1,367	1,270
- Commitment fees	231	218	231	218
- Other loan-related fee income	45	5	45	5
- Other fee income	2	3	2	3
	<u>3,715</u>	<u>3,285</u>	<u>3,715</u>	<u>3,285</u>
Fee expense:				
- Brokerage fees	(21)	(14)	(21)	(14)
- Other fee expense	(441)	(243)	(441)	(243)
	<u>(462)</u>	<u>(257)</u>	<u>(462)</u>	<u>(257)</u>
Net fee income	<u>3,253</u>	<u>3,028</u>	<u>3,253</u>	<u>3,028</u>

**(ii) Net trading income**

	<b>1st quarter ended</b>		<b>Year-To-Date ended</b>	
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Net gain from dealing in foreign exchange	23,193	4,099	23,193	4,099
Net gain/(losses) arising from derivative trading	(19,168)	4,465	(19,168)	4,465
Net unrealised revaluation gain/(losses) in foreign exchange	(1)	251	(1)	251
Net unrealised (losses) arising from derivative trading	(193)	(1,158)	(193)	(1,158)
	<u>3,831</u>	<u>7,657</u>	<u>3,831</u>	<u>7,657</u>

**(iii) Other income**

	<b>1st quarter ended</b>		<b>Year-To-Date ended</b>	
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Other operating income	2	26	2	26
<b>Total net non-interest income</b>	<u>7,086</u>	<u>10,711</u>	<u>7,086</u>	<u>10,711</u>

**23. Other operating expenses**

	<b>1st quarter ended</b>		<b>Year-To-Date ended</b>	
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Personnel costs:				
- Salaries, allowance and bonuses	10,426	13,469	10,426	13,469
- Pension fund contributions	1,174	1,534	1,174	1,534
- Other staff costs	1,663	1,632	1,663	1,632
Promotion and marketing related expenses:				
- Advertising and promotion	40	22	40	22
- Others	86	18	86	18
Establishment costs:				
- Depreciation of property and equipment	444	397	444	397
- Depreciation of right-of-use assets	1,117	1,139	1,117	1,139
- Interest expense on lease liabilities	71	26	71	26
- Expenses relating to leases of low-value assets	64	33	64	33
- Others	477	651	477	651
Administrative expenses:				
- Auditors' remuneration				
• statutory audit fees	63	63	63	63
• audit related services	3	3	3	3
- Professional fees	92	66	92	66
- Licence fee	86	84	86	84
- Membership fee	31	23	31	23
- Others	1,318	1,213	1,318	1,213
	<u>17,155</u>	<u>20,373</u>	<u>17,155</u>	<u>20,373</u>

**24. (Write-back of)/Allowance for impairment on loans, advances and financing**

	<b>1st quarter ended</b>		<b>Year-To-Date ended</b>	
	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>	<b>31 Mar 2024</b>	<b>31 Mar 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
(Write-back of)/Allowance for credit loss				
- Loans, advances and financing	(411)	(167)	(411)	(167)
- Provision for commitments and contingencies	(110)	503	(110)	503
	<u>(521)</u>	<u>336</u>	<u>(521)</u>	<u>336</u>

**25. (Write-back of) /Allowance for impairment on other financial assets**

	1st quarter ended		Year-To-Date ended	
	31 Mar 2024	31 Mar 2023	31 Mar 2024	31 Mar 2023
	RM'000	RM'000	RM'000	RM'000
(Write-back of) /Allowance for credit loss				
- Cash and short-term funds	(193)	68	(193)	68
- Deposit and placements with banks and other financial institutions	(100)	(1,005)	(100)	(1,005)
- Financial investments measured at amortised cost	(212)	(3)	(212)	(3)
	<u>(505)</u>	<u>(940)</u>	<u>(505)</u>	<u>(940)</u>

**26. Commitments and contingencies**

The commitments and contingencies comprise the following:-

	31 Mar 2024			
	Principal amount	Positive value of derivative contracts <sup>^</sup>	Credit equivalent amount*	Risk-weighted assets*
	RM'000	RM'000	RM'000	RM'000
<u>Credit-related exposures</u>				
Direct credit substitutes	118,014	-	118,014	23,603
Transaction-related contingent items	379,554	-	189,777	72,157
Short-term self-liquidating trade-related Contingencies	166,390	-	33,278	15,507
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- Exceeding one year	121,953	-	60,976	58,328
- Not exceeding one year	1,212,163	-	242,433	190,930
Unutilised credit card lines	37,622	-	7,525	5,643
<u>Derivative financial contracts</u>				
Foreign exchange related contracts:				
- Less than one year	298,939	219	3,709	2,261
Interest rate related contracts:				
- Less than one year	89,081	5,491	8,386	4,873
- One year to five years	100,000	694	1,694	339
Total	<u>2,523,716</u>	<u>6,404</u>	<u>665,792</u>	<u>373,641</u>

Note 15



**26. Commitments and contingencies (continued)**

	<b>31 Dec 2023</b>			
	<b>Principal amount RM'000</b>	<b>Positive value of derivative contracts<sup>^</sup> RM'000</b>	<b>Credit equivalent amount* RM'000</b>	<b>Risk- weighted assets* RM'000</b>
<u>Credit-related exposures</u>				
Direct credit substitutes	114,747	-	114,747	22,949
Transaction-related contingent items	410,711	-	205,356	88,050
Short-term self-liquidating trade-related contingencies	180,762	-	36,152	12,318
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- Exceeding one year	124,535	-	62,268	59,310
- Not exceeding one year	1,081,047	-	216,209	175,719
Unutilised credit card lines	37,210	-	7,442	5,582
<u>Derivative financial contracts</u>				
Foreign exchange related contracts:				
- Less than one year	306,864	1,605	4,553	1,917
Interest rate related contracts:				
- Less than one year	87,774	4,237	7,090	4,225
- One year to five years	200,000	892	4,892	3,446
<b>Total</b>	<b>2,543,650</b>	<b>6,734</b>	<b>658,709</b>	<b>373,516</b>

Note 15

^ The foreign exchange related contracts are off-balance sheet derivative financial instruments whose values change in response to changes in prices or rates (such as foreign exchange rates and interest rates) of the underlying instruments. The underlying principal amounts of these derivative financial instruments and their corresponding gross positive fair values (derivative financial assets) as at respective reporting dates are as shown above.

\* The credit equivalent and risk-weighted amounts are computed using credit conversion factors and risk-weighting rules as per BNM guidelines. The credit conversion factors and risk weighting rules are based on guidelines of the revised Capital Adequacy Framework on the Standardised Approach.

## 27. Capital adequacy

The total risk-weighted assets of the Bank are computed based on the following approaches:-

- (i) Standardised Approach for Credit risk;
- (ii) Standardised Approach for Market risk;
- (iii) Basic Indicator Approach for Operational risk.

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

	31 Mar 2024 RM'000	31 Dec 2023 RM'000
<b>Common Equity Tier 1 (“CET1”) Capital/Tier 1 Capital</b>		
Paid-up share capital	832,609	832,609
Retained earnings	515,304	515,304
Regulatory reserve	17,644	17,644
Foreign currency translation reserve	7,136	5,571
Unrealised gains on financial investments measured at FVOCI	5,623	6,495
	1,378,316	1,377,623
Less: Regulatory adjustments applied in the calculation of CET1 Capital		
- Deferred tax assets	(9,132)	(10,585)
- 55% cumulative gains of financial investments measured at FVOCI	(3,092)	(3,572)
- Regulatory reserve attributable to loans, advances and financing	(17,644)	(17,644)
	(29,868)	(31,801)
Total CET1 Capital/Tier 1 Capital	1,348,448	1,345,822
<b>Tier 2 Capital</b>		
Allowance for credit loss	25,870	26,107
Regulatory reserve	17,644	17,644
Total Tier 2 Capital	43,514	43,751
Total Capital	1,391,962	1,389,573
CET1 capital ratio	35.844%	35.618%
Tier 1 capital ratio	35.844%	35.618%
Total capital ratio	37.000%	36.776%

Breakdown of gross risk-weighted assets (“RWA”) in the various categories of risk-weights:-

	31 Mar 2024		31 Dec 2023	
	Exposures RM'000	Risk-weighted Assets RM'000	Exposures RM'000	Risk-weighted Assets RM'000
Total RWA for credit risk	5,601,801	3,481,139	5,609,996	3,500,113
Total RWA for market risk	-	8,635	-	12,534
Total RWA for operational risk	-	272,266	-	265,868
	5,601,801	3,762,040	5,609,996	3,778,515

**27. Capital adequacy (continued)**

- (a) The breakdown of RWA by exposures in each major risk category under the standardised approach as at the respective reporting dates are as follows:-

Risk Type	31 Mar 2024			
	Gross Exposures RM'000	Net Exposures RM'000	Risk-Weighted Assets RM'000	Capital Requirement RM'000
<i>Credit Risk</i>				
<u>On-balance sheet Exposures</u>				
Sovereigns/Central Banks	1,164,646	1,164,646	-	-
Banks, Development Financial Institutions and MDBs	424,050	424,050	134,280	10,742
Corporates	2,925,420	2,925,420	2,628,651	210,292
Regulatory Retail	267,804	267,804	263,321	21,066
Residential Mortgages	104,625	104,625	39,584	3,167
Other assets	49,464	49,464	41,662	3,333
<b>Total On-Balance Sheet Exposures</b>	<b>4,936,009</b>	<b>4,936,009</b>	<b>3,107,498</b>	<b>248,600</b>
<u>Off-balance sheet Exposures</u>				
Credit-related off-balance sheet exposures	652,003	652,003	366,168	29,293
OTC derivatives	13,789	13,789	7,473	598
<b>Total Off-Balance Sheet Exposures</b>	<b>665,792</b>	<b>665,792</b>	<b>373,641</b>	<b>29,891</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>5,601,801</b>	<b>5,601,801</b>	<b>3,481,139</b>	<b>278,491</b>
Large exposure risk requirement*	-	-	-	-
<i>Market Risk</i>				
	<b>Long Position</b>	<b>Short Position</b>		
Foreign currency risk	8,412	-	8,412	673
Interest rate risk	89,080	89,080	-	18
Operational risk	-	-	-	21,781
<b>Total RWA and Capital Requirements</b>			<b>3,762,040</b>	<b>300,963</b>

Note:

*MDBs - Multilateral Development Banks*

*OTC - Over the counter*

- \* The Bank does not need to fulfill the capital requirement for Large Exposure Risk as there is no amount in excess of the lowest threshold arising from equity holdings as specified in the BNM's Risk-Weighted Capital Adequacy Framework ("RWCAF").

**27. Capital adequacy (continued)**

Risk Type	31 Dec 2023			
	Gross Exposures RM'000	Net Exposures RM'000	Risk-Weighted Assets RM'000	Capital Requirement RM'000
<i>Credit Risk</i>				
<u>On-balance sheet Exposures</u>				
Sovereigns/Central Banks	783,631	783,631	-	-
Banks, Development Financial Institutions and MDBs	736,039	736,039	174,151	13,932
Corporates	3,013,126	3,013,126	2,610,544	208,844
Regulatory Retail	271,725	271,725	267,778	21,422
Residential Mortgages	106,381	106,381	40,061	3,205
Other assets	40,385	40,385	34,063	2,725
<b>Total On-Balance Sheet Exposures</b>	<b>4,951,287</b>	<b>4,951,287</b>	<b>3,126,597</b>	<b>250,128</b>
<u>Off-balance sheet Exposures</u>				
Credit-related off-balance sheet exposures	642,174	642,174	363,927	29,114
OTC derivatives	16,535	16,535	9,589	767
<b>Total Off-Balance Sheet Exposures</b>	<b>658,709</b>	<b>658,709</b>	<b>373,516</b>	<b>29,881</b>
<b>Total On and Off-Balance Sheet Exposures</b>	<b>5,609,996</b>	<b>5,609,996</b>	<b>3,500,113</b>	<b>280,009</b>
Large exposure risk requirement*	-	-	-	-
<i>Market Risk</i>				
	<b>Long Position</b>	<b>Short Position</b>		
Foreign currency risk	12,315	-	12,315	985
Interest rate risk	87,774	87,774	-	18
<i>Operational risk</i>	-	-	-	21,269
<b>Total RWA and Capital Requirements</b>			<b>3,778,515</b>	<b>302,281</b>

Note:

MDBs - Multilateral Development Banks

OTC - Over the counter

\* The Bank does not need to fulfill the capital requirement for Large Exposure Risk as there is no amount in excess of the lowest threshold arising from equity holdings as specified in the BNM's RWCAF.

**27. Capital adequacy (continued)**

(b) The breakdown of credit risk exposures by risk weights as at the respective reporting dates are as follows:-

31 Mar 2024 Risk Weights	Exposures after Netting and Credit Risk Mitigation						Total Exposures after Netting & Credit Risk Mitigation RM'000	Total Risk- Weighted Assets RM'000
	Sovereign/ Central Banks RM'000	Banks, MDBs, and DFIs RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Other Assets RM'000		
0%	1,164,646	-	90,856	1,942	48	7,802	1,265,294	-
20%	-	377,163	448,561	-	-	3,504	829,228	165,846
35%	-	-	-	-	86,307	-	86,307	30,207
50%	-	173,178	59,636	-	17,788	7,026	257,628	128,814
75%	-	-	-	28,285	-	-	28,285	21,213
100%	-	-	2,829,478	260,178	482	44,921	3,135,059	3,135,059
Total Exposures	1,164,646	550,341	3,428,531	290,405	104,625	63,253	5,601,801	<u>3,481,139</u>
Risk-Weighted Assets by Exposures	-	162,022	2,949,007	281,391	39,584	49,135	3,481,139	
Average Risk Weight	0.0%	29.4%	86.0%	96.9%	37.8%	77.7%	62.1%	
Deduction from Capital Base	-	-	-	-	-	-	-	-

The above are disclosures as required by the guidelines in the RWCAF on Standardised Approach.

Note:

*MDBs - Multilateral Development Banks*

*OTC - Over the counter*

**27. Capital adequacy (continued)**

31 Dec 2023 Risk Weights	Exposures after Netting and Credit Risk Mitigation						Total Exposures after Netting & Credit Risk Mitigation RM'000	Total Risk- Weighted Assets RM'000
	Sovereign/ Central Banks RM'000	Banks, MDBs, and DFIs RM'000	Corporates RM'000	Regulatory Retail RM'000	Residential Mortgages RM'000	Other Assets RM'000		
0%	783,631	-	89,160	2,188	105	6,322	881,406	-
20%	-	765,818	574,153	-	-	3,295	1,343,266	268,653
35%	-	-	-	-	88,792	-	88,792	31,077
50%	-	98,733	54,758	-	17,000	8,621	179,112	89,556
75%	-	-	-	26,371	-	-	26,371	19,778
100%	-	-	2,785,172	266,711	484	38,682	3,091,049	3,091,049
Total Exposures	783,631	864,551	3,503,243	295,270	106,381	56,920	5,609,996	3,500,113
Risk-Weighted Assets by Exposures	-	202,530	2,927,382	286,489	40,061	43,651	3,500,114	
Average Risk Weight	0.0%	23.4%	83.6%	97.0%	37.7%	76.7%	62.4%	
Deduction from Capital Base	-	-	-	-	-	-	-	

The above are disclosures as required by the guidelines in the RWCAF on Standardised Approach.

Note:

*MDBs - Multilateral Development Banks*

*OTC - Over the counter*

## 28. Performance Review

The Bank recorded a profit before tax of RM25.34 million for the three months ended 31 March 2024, higher by RM3.52 million or 16.1% when compared with the corresponding period in 2023. The Bank's total operating income was made up of net interest income of RM34.39 million and net non-interest income of RM7.09 million (31 March 2023: RM30.88 million and RM10.71 million respectively).

Net Interest income which contributed 82.9% to the Bank's total operating income increased by RM3.50 million or 11.3% when compared with the three months ended 31 March 2023 as a result of higher average yield on interest-bearing assets as compared with the corresponding period in 2023. Net non-interest income which contributed 17.1% to the Bank's total operating income, decreased by RM3.63 million or 33.8% due to lower net trading income during the financial period.

The Bank's other operating expenses decreased by RM3.22 million or 15.8% to RM17.16 million, attributable to lower personnel costs incurred. During the financial period, a write-back of impairment of RM0.52 million was made on loans, advances and financing due to repayments by borrowers. There was a write-back of provision for impairment on other financial assets of RM0.51 million due to the lower volume of deposits and placements with banks and other financial institutions.

As at 31 March 2024, gross loans, advances and financing increased by RM38.43 million or 1.2% to RM3,127.78 million as compared with RM3,089.35 million as at 31 December 2023. The Bank's deposits from customers improved marginally by RM18.57 million or 0.7% to RM2,528.25 million as compared with RM2,509.68 million as at 31 December 2023.