

Industrial and Commercial Bank of China (Malaysia) Berhad

(Registration No. 201001000001 (839839 M))

(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
30 SEPTEMBER 2023**

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 nine months ended 30 September 2023 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: 27 October 2023

Industrial and Commercial Bank of China (Malaysia) Berhad

1

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**UNAUDITED CONDENSED STATEMENT OF FINANCIAL POSITION AS AT
30 SEPTEMBER 2023**

	Note	30 Sep 2023 RM'000	31 Dec 2022 RM'000
ASSETS			
Cash and short-term funds	10	400,365	215,359
Deposits and placements with banks and other financial institutions	11	330,894	123,070
Financial investments measured at fair value through other comprehensive income ("FVOCI")	12	681,510	802,808
Financial investments measured at amortised cost	13	405,957	423,892
Loans, advances and financing	14	2,821,499	2,445,778
Derivative financial assets	15	7,265	17,620
Other assets	16	17,494	18,637
Statutory deposits with Bank Negara Malaysia		31,077	33,093
Tax recoverable		-	1,819
Property and equipment		3,242	3,509
Right-of-use assets		3,295	5,770
Intangible asset		-	-
Deferred tax assets		9,350	10,051
TOTAL ASSETS		4,711,948	4,101,406
LIABILITIES			
Deposits from customers	17	2,571,166	2,292,568
Deposits and placements of banks and other financial institutions	18	713,913	440,257
Derivative financial liabilities	15	7,259	14,147
Other liabilities	19	49,941	42,049
Lease liabilities		3,246	5,687
Provision for commitments and contingencies	20	2,956	2,293
Provision for taxation		844	113
TOTAL LIABILITIES		3,349,325	2,797,114
EQUITY			
Share capital		832,609	832,609
Reserves		530,014	471,683
EQUITY ATTRIBUTABLE TO OWNER OF THE BANK		1,362,623	1,304,292
TOTAL LIABILITIES AND EQUITY		4,711,948	4,101,406
COMMITMENTS AND CONTINGENCIES	26	2,821,476	2,654,061

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 2022 and the 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 27 October 2023.

**UNAUDITED CONDENSED STATEMENT OF PROFIT OR LOSS AND
OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD 30 SEPTEMBER 2023**

	Note	3rd quarter ended		Year-To-Date ended	
		30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
		RM'000	RM'000	RM'000	RM'000
Interest income	21	55,461	35,205	147,166	90,455
Interest expense	21	(20,662)	(9,791)	(48,720)	(25,568)
Net interest income	21	34,799	25,414	98,446	64,887
Net non-interest income	22	10,260	9,514	32,911	26,276
Net operating income		45,059	34,928	131,357	91,163
Other operating expenses	23	(17,731)	(18,556)	(56,193)	(53,841)
Operating profit		27,328	16,372	75,164	37,322
(Allowance for)/Write-back of impairment on loans, advances and financing	24	(2,773)	6,379	(5,755)	9,482
(Allowance for)/Write-back of impairment on other financial assets	25	(783)	(3,574)	401	(5,421)
Profit before taxation		23,772	19,177	69,810	41,383
Tax expense		(5,832)	(4,500)	(16,308)	(10,878)
Profit for the financial period		17,940	14,677	53,502	30,505
Other comprehensive income/(expense), net of tax					
Items that are or may be reclassified subsequently to/(from) profit or loss					
Foreign currency translation reserve					
- Currency translation differences in respect of foreign operations		448	2,113	3,215	4,392
Fair value reserve					
- Changes in fair value		(2,517)	(2,531)	2,125	(8,934)
- Amount transferred from profit or loss		-	(125)	-	(125)
- Deferred tax adjustment		604	637	(511)	2,174
		(1,913)	(2,019)	1,614	(6,885)
Total other comprehensive (expense)/ income for the financial period		(1,465)	94	4,829	(2,493)
Total comprehensive income for the financial period		16,475	14,771	58,331	28,012
Basic earnings per ordinary share (sen):		2.15	1.76	6.43	3.66

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 2022 and the accompanying explanatory notes on pages 7 to 29 attached to the unaudited condensed interim financial statements.

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Registration No. 201001000001 (839839 M)

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3

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	← 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	
At 1 January 2022	832,609	1,186	6,542	17,644	390,870	1,248,851
Total comprehensive income/(expense) for the financial period						
Other comprehensive income/(expense), net of tax						
Items that are or may be reclassified subsequently to/(from) profit or loss						
Foreign currency translation reserve						
- Currency translation differences in respect of foreign operations	-	4,392	-	-	-	4,392
Fair value reserve						
- Changes in fair value	-	-	(8,934)	-	-	(8,934)
- Amount transferred from profit or loss	-	-	(125)	-	-	(125)
- Deferred tax adjustment	-	-	2,174	-	-	2,174
	-	-	(6,885)	-	-	(6,885)
Total other comprehensive income/(expense) for the financial period	-	4,392	(6,885)	-	-	(2,493)
Profit for the financial period	-	-	-	-	30,505	30,505
Total comprehensive income/(expense) for the financial period	-	4,392	(6,885)	-	30,505	28,012
At 30 September 2022	832,609	5,578	(343)	17,644	421,375	1,276,863

Industrial and Commercial Bank of China (Malaysia) Berhad

Registration No. 201001000001 (839839 M)

(Incorporated in Malaysia)

4

UNAUDITED CONDENSED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (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	
At 1 January 2023	832,609	3,379	3,206	17,644	447,454	1,304,292
Total comprehensive income/(expense) for the financial period						
Other comprehensive income/(expense), net of tax						
Items that are or may be reclassified subsequently to/(from) profit or loss						
Foreign currency translation reserve						
- Currency translation differences in respect of foreign operations	-	3,215	-	-	-	3,215
Fair value reserve						
- Changes in fair value	-	-	2,125	-	-	2,125
- Deferred tax adjustment	-	-	(511)	-	-	(511)
	-	-	1,614	-	-	1,614
Total other comprehensive income for the financial period	-	3,215	1,614	-	-	4,829
Profit for the financial period	-	-	-	-	53,502	53,502
Total comprehensive income for the financial period	-	3,215	1,614	-	53,502	58,331
At 30 September 2023	832,609	6,594	4,820	17,644	500,956	1,362,623

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 2022 and the 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 27 October 2023.

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE
FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	30 Sep 2023	30 Sep 2022
	RM'000	RM'000
Cash flows from/(used in) operating activities		
Profit before taxation	69,810	41,383
Adjustments for:		
Depreciation of property and equipment	1,286	1,499
Depreciation of right-of-use assets	3,398	3,453
Interest expense on lease liabilities	66	100
Property and equipment written off	1	2
Gain on derecognition of right-of-use assets	(6)	(5)
Allowance for/(Write-back of) impairment on loans, advances and financing	5,755	(9,482)
(Write-back of)/Allowance for impairment on other financial assets	(401)	5,421
Net unrealised losses arising from derivative trading	3,466	1,755
Transfer to foreign currency translation reserve	3,215	4,392
Accretion of discounts net of amortisation of premiums of financial investments measured at FVOCI	764	1,201
Accretion of discounts net of amortisation of premiums of financial investments measured at amortised cost	3,080	4,178
Operating profit before working capital changes	<u>90,434</u>	<u>53,897</u>
Changes in operating assets		
Deposits and placements with banks and other financial institutions	(207,520)	(175,378)
Loans, advances and financing	(380,812)	(18,930)
Other assets	1,143	1,083
Statutory deposits with Bank Negara Malaysia	2,016	517
Changes in operating liabilities		
Deposits from customers	278,598	371,595
Deposits and placements of banks and other financial institutions	273,656	(375,459)
Other liabilities	7,892	(429)
Cash from/(used in) operations	<u>65,407</u>	<u>(143,104)</u>
Income taxes paid	<u>(13,567)</u>	<u>(9,824)</u>
Net cash from/(used in) operating activities	<u>51,840</u>	<u>(152,928)</u>
Cash flows from/(used in) investing activities		
Purchase of property and equipment	(1,020)	(257)
Net proceeds from/(purchase of) financial investments measured at FVOCI	122,659	(166,497)
Net proceeds from financial investments measured at amortised cost	14,925	26,962
Net cash from/(used in) investing activities	<u>136,564</u>	<u>(139,792)</u>
Cash flows used in financing activity		
Net payment of lease liabilities	<u>(3,425)</u>	<u>(3,507)</u>
Net cash used in financing activity	<u>(3,425)</u>	<u>(3,507)</u>

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS FOR THE
FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023 (continued)**

	Note	30 Sep 2023 RM'000	30 Sep 2022 RM'000
Net increase/(decrease) in cash and cash equivalents		184,979	(296,227)
Cash and cash equivalents at beginning of the financial period		215,359	736,272
		<u>400,338</u>	<u>440,045</u>
Add: Write-back of/(Allowance for) credit loss for the financial period		27	(33)
Cash and cash equivalents at end of the financial period		<u>400,365</u>	<u>440,012</u>
Cash and cash equivalents comprise:			
Cash and short-term funds	10	<u>400,365</u>	<u>440,012</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 2022 and the 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 27 October 2023.

EXPLANATORY NOTES TO THE INTERIM FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**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 nine months ended 30 September 2023 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 2022. 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 2022.

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 2022, except for the adoption of the following Amendments by the Bank from 1 January 2023:

- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*
- Amendments to MFRS 101, *Presentation of Financial Statements - Classification of Liabilities as Current or Non-current and Disclosures of Accounting Policies*
- Amendments to MFRS 112, *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The initial applications of the above amendments do not have any material financial impact to the current period and prior period financial statements of the Bank.

The following are accounting standards and amendments of the MFRSs that have been issued by the MASB but have not been adopted by the Bank:

MFRSs and amendments effective for annual periods beginning on or after 1 January 2024

- Amendments to MFRS 7, *Financial Instruments: Disclosures - Supplier Finance Arrangements*
- 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*
- Amendments to MFRS 107, *Statement of Cash Flows – Supplier Finance Arrangements*

2. Basis of preparation (continued)***MFRSs and amendments effective for annual periods beginning on or after 1 January 2025***

- Amendments to MFRS 121, *The Effects of Changes in Foreign Exchange Rates – Lack of Exchangeability*

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

- Amendments to MFRS 10, *Consolidated Financial Statements* and MFRS 128, *Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Bank plans to adopt the abovementioned accounting standards and amendments when they become effective in the respective financial periods. The initial applications of these accounting standards and amendments are not expected to have any material 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 2022 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 nine months ended 30 September 2023.

6. Changes in Estimates

There was no material changes in estimates of amounts reported in prior financial year that have a material effect on the financial results and position of the Bank for the nine months ended 30 September 2023.

7. Issue of Shares and Debentures

There were no issuance of shares and debentures during the nine months ended 30 September 2023.

8. Dividend Paid

No dividend was paid during the nine months ended 30 September 2023.

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Cash and balances with banks and other financial institutions	67,541	38,060
Money at call and deposit placements maturing within one month	333,213	177,715
	<u>400,754</u>	<u>215,775</u>
Less: Allowance for credit loss	(389)	(416)
	<u>400,365</u>	<u>215,359</u>

An analysis of changes in the gross carrying amount and the corresponding allowance for credit loss is as follows:-

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for credit loss				
At 1 January 2023	416	-	-	416
New assets originated	7	-	-	7
Assets derecognised or repaid	(34)	-	-	(34)
At 30 September 2023	<u>389</u>	<u>-</u>	<u>-</u>	<u>389</u>
At 1 January 2022	72	-	-	72
New assets originated	457	-	-	457
Assets derecognised or repaid	(118)	-	-	(118)
Foreign exchange adjustments	5	-	-	5
At 31 December 2022	<u>416</u>	<u>-</u>	<u>-</u>	<u>416</u>

11. Deposits and placements with banks and other financial institutions

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Foreign banks	90,847	115,712
Licensed Malaysian banks	241,115	8,730
	<u>331,962</u>	<u>124,442</u>
Less: Allowance for credit loss	(1,068)	(1,372)
	<u><u>330,894</u></u>	<u><u>123,070</u></u>

An analysis of changes in the gross carrying amount and the corresponding allowance for credit loss is as follows:-

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Allowance for credit loss				
At 1 January 2023	1,372	-	-	1,372
New assets originated	-	-	-	-
Assets derecognised or repaid	(304)	-	-	(304)
At 30 September 2023	<u>1,068</u>	<u>-</u>	<u>-</u>	<u>1,068</u>
At 1 January 2022	-	-	-	-
New assets originated	1,372	-	-	1,372
At 31 December 2022	<u>1,372</u>	<u>-</u>	<u>-</u>	<u>1,372</u>

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Malaysian Government Securities	320,671	369,755
Malaysian Government Investment Issues	360,839	433,053
	<u>681,510</u>	<u>802,808</u>

(ii) By maturity structure

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Within one year	266,531	153,735
More than one year to three years	92,007	266,791
More than three years to five years	170,059	210,644
More than five years	152,913	171,638
	<u>681,510</u>	<u>802,808</u>

12. Financial investments measured at fair value through other comprehensive income (continued)**(iii) Movement of gross carrying amount and allowance for credit loss to other comprehensive income**

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Gross carrying amount				
At 1 January 2023	802,808	-	-	802,808
New assets originated or purchased	30,913	-	-	30,913
Assets derecognised or repaid	(154,336)	-	-	(154,336)
Changes in fair value	2,125	-	-	2,125
At 30 September 2023	<u>681,510</u>	<u>-</u>	<u>-</u>	<u>681,510</u>
At 1 January 2022	465,085	-	-	465,085
New assets originated or purchased	382,921	-	-	382,921
Assets derecognised or repaid	(40,933)	-	-	(40,933)
Changes in fair value	(4,265)	-	-	(4,265)
At 31 December 2022	<u>802,808</u>	<u>-</u>	<u>-</u>	<u>802,808</u>
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Allowance for credit loss				
At 1 January/30 September 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 1 January 2022	125	-	-	125
Assets derecognised or repaid	(125)	-	-	(125)
At 31 December 2022	<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**

	30 Sep 2023 RM'000	31 Dec 2022 RM'000
Financial institutions' securities	45,495	61,156
Corporate bonds	261,796	264,118
Other debt securities		
- Cagamas bonds	100,083	100,105
	<u>407,374</u>	<u>425,379</u>
Less: Allowance for credit loss	(1,417)	(1,487)
	<u>405,957</u>	<u>423,892</u>

13. Financial investments measured at amortised cost (continued)**(ii) By maturity structure**

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Within one year	227,260	75,155
More than one year to three years	160,114	310,224
More than three years to five years	20,000	40,000
	<u>407,374</u>	<u>425,379</u>

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

	Stage 1	Stage 2	Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
Gross carrying amount				
At 1 January 2023	425,379	-	-	425,379
New assets originated or purchased	60,069	-	-	60,069
Assets derecognised or repaid	(78,074)	-	-	(78,074)
At 30 September 2023	<u>407,374</u>	-	-	<u>407,374</u>
At 1 January 2022	452,555	-	-	452,555
New assets originated or purchased	125,066	-	-	125,066
Assets derecognised or repaid	(152,242)	-	-	(152,242)
At 31 December 2022	<u>425,379</u>	-	-	<u>425,379</u>
Allowance for credit loss				
At 1 January 2023	1,487	-	-	1,487
New assets originated	87	-	-	87
Assets derecognised or repaid	(117)	-	-	(117)
Changes due to change in credit risk	(40)	-	-	(40)
At 30 September 2023	<u>1,417</u>	-	-	<u>1,417</u>
At 1 January 2022	1,231	-	-	1,231
New assets originated	891	-	-	891
Assets derecognised or repaid	(196)	-	-	(196)
Changes due to change in credit risk	(209)	-	-	(209)
Changes in model/risk parameter	(230)	-	-	(230)
At 31 December 2022	<u>1,487</u>	-	-	<u>1,487</u>

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Overdrafts	12,491	24,049
Term loans		
- Housing loans	109,772	109,794
- Syndicated term loans	690,784	472,545
- Other term loans	823,127	457,564
Bills receivable	169,531	414,488
Revolving credits	956,922	800,522
Bankers' acceptances	83,876	187,782
Staff loans	1,856	1,541
Credit card loans	2,774	1,821
	<hr/>	<hr/>
Gross loans, advances and financing	2,851,133	2,470,106
Less: Allowance for credit loss		
- Stage 1 (12-month ECL)	(21,332)	(18,871)
- Stage 2 (Lifetime ECL - non-credit impaired)	(6,945)	(4,178)
- Stage 3 (Lifetime ECL - credit impaired)	(1,357)	(1,279)
	<hr/>	<hr/>
	(29,634)	(24,328)
	<hr/>	<hr/>
Net loans, advances and financing	2,821,499	2,445,778

(ii) By type of customer

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Domestic banking institutions	-	8,002
Domestic non-bank financial institutions		
- Others	237,594	100,097
Domestic business enterprises		
- Small medium enterprises	260,465	135,637
- Others	1,664,217	1,976,712
Individuals	38,936	40,370
Foreign entities	649,921	209,288
	<hr/>	<hr/>
	2,851,133	2,470,106

(iii) By interest rate sensitivity

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Fixed rate loan	230,564	3,362
Variable rate		
- Base rate/base lending rate plus	88,764	101,649
- Cost plus	2,460,411	2,295,765
- Other variable rates	71,394	69,330
	<hr/>	<hr/>
	2,851,133	2,470,106

14. Loans, advances and financing (continued)**(iv) By sector**

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Agriculture, forestry and fishing	7,520	7,513
Manufacturing	508,898	346,573
Electricity, gas and water	45,967	150,582
Construction	267,889	267,449
Mining and quarrying	264,240	70,177
Real estate activities	481,996	136,800
Wholesale and retail trade; repair of motor vehicles and motorcycles	112,908	372,086
Information and communication	58,450	205,296
Finance and insurance	607,157	560,525
Education	199,627	199,540
Household	122,594	122,791
Transportation and Storage	141,049	-
Others	32,838	30,774
	<u>2,851,133</u>	<u>2,470,106</u>

(v) By purpose

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Purchase of properties		
- Non-residential	399,072	178,191
- Residential	111,408	111,106
Construction	132,318	31,716
Credit card	2,774	1,821
Personal use	823	829
Working capital	1,451,994	1,824,839
Other purpose	752,744	321,604
	<u>2,851,133</u>	<u>2,470,106</u>

(vi) By geographical distribution

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Within Malaysia	2,233,561	2,342,047
Outside Malaysia	617,572	128,059
	<u>2,851,133</u>	<u>2,470,106</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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Maturity within one year	1,411,754	1,506,400
More than one year to three years	358,853	234,327
More than three years to five years	683,931	218,056
More than five years	396,595	511,323
	<u>2,851,133</u>	<u>2,470,106</u>

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
At 1 January 2023/1 January 2022	1,279	1,212
Impaired during the financial period	105	63
Reclassified as performing during the financial period	(64)	(59)
Write-off	(48)	-
Exchange differences	85	63
At 30 September 2023/31 December 2022	<u>1,357</u>	<u>1,279</u>
As % of gross loans, advances and financing	<u>0.05%</u>	<u>0.05%</u>

(b) By sector

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Wholesale and retail trade; repair of motor vehicles and motorcycles	1,271	1,186
Household	86	93
	<u>1,357</u>	<u>1,279</u>

(c) By purpose

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Working capital	1,271	1,186
Credit card	86	93
	<u>1,357</u>	<u>1,279</u>

(d) By geographical distribution

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Within Malaysia	86	93
Outside Malaysia	1,271	1,186
	<u>1,357</u>	<u>1,279</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**

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2023	2,190,753	278,074	1,279	2,470,106
New assets originated	1,348,110	18,684	7	1,366,801
Assets derecognised or repaid	(954,530)	(31,281)	-	(985,811)
Transfer to Stage 1	512	(476)	(36)	-
Transfer to Stage 2	(98,386)	98,414	(28)	-
Transfer to Stage 3	-	(98)	98	-
Write-off	-	-	(48)	(48)
Foreign exchange adjustments	-	-	85	85
At 30 September 2023	<u>2,486,459</u>	<u>363,317</u>	<u>1,357</u>	<u>2,851,133</u>
At 1 January 2022	1,916,536	364,144	1,212	2,281,892
New assets originated	1,254,198	22,302	5	1,276,505
Assets derecognised or repaid	(998,681)	(89,674)	-	(1,088,355)
Transfer to Stage 1	20,400	(20,361)	(39)	-
Transfer to Stage 2	(1,700)	1,720	(20)	-
Transfer to Stage 3	-	(57)	57	-
Foreign exchange adjustments	-	-	64	64
At 31 December 2022	<u>2,190,753</u>	<u>278,074</u>	<u>1,279</u>	<u>2,470,106</u>

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

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2023	18,871	4,178	1,279	24,328
New assets originated	6,961	906	7	7,874
Assets derecognised or repaid	(4,382)	(1,111)	-	(5,493)
Transfer to Stage 1	38	(2)	(36)	-
Transfer to Stage 2	(1,008)	1,036	(28)	-
Transfer to Stage 3	-	(1)	1	-
Write-off	-	-	(48)	(48)
Changes due to change in credit risk	675	1,939	97	2,711
Foreign exchange adjustments	177	-	85	262
At 30 September 2023	<u>21,332</u>	<u>6,945</u>	<u>1,357</u>	<u>29,634</u>
At 1 January 2022	24,251	11,221	1,212	36,684
New assets originated	8,895	548	7	9,450
Assets derecognised or repaid	(8,677)	(4,836)	-	(13,513)
Transfer to Stage 1	924	(885)	(39)	-
Transfer to Stage 2	(39)	59	(20)	-
Transfer to Stage 3	-	(1)	1	-
Changes due to change in credit risk	(3,667)	(1,322)	54	(4,935)
Changes in model/risk parameter	(2,996)	(606)	-	(3,602)
Foreign exchange adjustments	180	-	64	244
At 31 December 2022	<u>18,871</u>	<u>4,178</u>	<u>1,279</u>	<u>24,328</u>

15. Derivative financial assets/liabilities

	30 Sep 2023		
	Contract/ Nominal value RM'000	Assets RM'000	Liabilities RM'000
Foreign exchange contracts			
- Currency forwards and spots	102,794	429	124
- Currency swaps	237,593	321	686
Interest rate contracts			
- Cross currency interest rate swaps	88,956	5,281	5,215
- Interest rate swaps	200,000	1,234	1,234
Total recognised derivative assets/liabilities (Note 26)	<u>629,343</u>	<u>7,265</u>	<u>7,259</u>

	31 Dec 2022		
	Contract/ Nominal value RM'000	Assets RM'000	Liabilities RM'000
Foreign exchange contracts			
- Currency forwards and spots	617,844	8,700	5,377
- Currency swaps	202,813	2,685	2,685
Interest rate contracts			
- Cross currency interest rate swaps	150,140	4,244	4,094
- Interest rate swaps	200,000	1,991	1,991
Total recognised derivative assets/liabilities (Note 26)	<u>1,170,797</u>	<u>17,620</u>	<u>14,147</u>

16. Other assets

	30 Sep 2023 RM'000	31 Dec 2022 RM'000
Interest receivable	13,939	15,316
Deposits	1,488	1,471
Other receivables and prepayments	2,067	1,850
	<u>17,494</u>	<u>18,637</u>

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

	30 Sep 2023 RM'000	31 Dec 2022 RM'000
Demand deposits	623,103	695,024
Fixed deposits	1,284,688	1,104,358
Savings deposits	154,740	144,510
Money market deposits	345,540	190,846
Others	163,095	157,830
	<u>2,571,166</u>	<u>2,292,568</u>

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

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Business enterprises	1,409,634	1,289,634
Individuals	397,977	340,379
Foreign entities	763,210	662,282
Others	345	273
	<u>2,571,166</u>	<u>2,292,568</u>

(iii) By maturity structure of term deposits

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Due within six months	999,287	1,033,377
More than six months to one year	630,941	260,707
More than one year to three years	-	1,120
	<u>1,630,228</u>	<u>1,295,204</u>

18. Deposits and placements of banks and other financial institutions

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Licensed Malaysian banks	140,048	197,932
Licensed investment banks	50,078	50,188
Licensed Islamic banks	10,304	12,946
Other financial institutions	32,124	117,389
Foreign banks	481,359	61,802
	<u>713,913</u>	<u>440,257</u>

19. Other liabilities

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Interest payable	18,786	10,161
Other payables and accruals	31,155	31,888
	<u>49,941</u>	<u>42,049</u>

20. Provision for commitments and contingencies

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
At 1 January 2023	1,719	574	-	2,293
New commitments originated	1,848	197	-	2,045
Commitments derecognised	(1,226)	(98)	-	(1,324)
Transfer to Stage 1	1	(1)	-	-
Transfer to Stage 2	(1)	1	-	-
Changes due to change in credit risk	(119)	61	-	(58)
At 30 September 2023	<u>2,222</u>	<u>734</u>	<u>-</u>	<u>2,956</u>
At 1 January 2022	2,378	368	-	2,746
New commitments originated	2,081	175	-	2,256
Commitments derecognised	(1,982)	(100)	-	(2,082)
Transfer to Stage 1	2	(2)	-	-
Transfer to Stage 2	(50)	50	-	-
Changes due to change in credit risk	(449)	183	-	(266)
Changes in model/risk parameter	(261)	(100)	-	(361)
At 31 December 2022	<u>1,719</u>	<u>574</u>	<u>-</u>	<u>2,293</u>

21. Net Interest income

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Interest income				
Loans, advances and financing	39,309	21,994	102,348	57,494
Money at call and deposits and placements with financial institutions	5,981	4,552	12,663	9,144
Financial investments measured at fair value through other comprehensive income	6,971	5,119	22,484	13,847
Financial investments measured at amortised cost	3,200	3,540	9,671	9,970
	<u>55,461</u>	<u>35,205</u>	<u>147,166</u>	<u>90,455</u>
Interest expense				
Deposits and placements of banks and other financial institutions	(5,696)	(2,235)	(11,334)	(6,498)
Deposits from customers	(14,966)	(7,556)	(37,386)	(19,070)
	<u>(20,662)</u>	<u>(9,791)</u>	<u>(48,720)</u>	<u>(25,568)</u>
Net interest income	<u>34,799</u>	<u>25,414</u>	<u>98,446</u>	<u>64,887</u>

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

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Fee income:				
- Commission	15	18	29	43
- Service charges and fees	1,768	1,251	4,760	3,022
- Loan processing fees	2,518	78	3,196	397
- Syndication fees	18	4	1,804	1,327
- Guarantee fees	1,403	1,206	4,364	3,904
- Commitment fees	211	196	630	529
- Other loan related fee income	46	36	94	54
- Other fee income	4	2	9	56
	<u>5,983</u>	<u>2,791</u>	<u>14,886</u>	<u>9,332</u>
Fee expense:				
- Brokerage fees	(29)	(30)	(65)	(82)
- Other fee expense	(219)	(77)	(663)	(425)
	<u>(248)</u>	<u>(107)</u>	<u>(728)</u>	<u>(507)</u>
Net fee income	<u>5,735</u>	<u>2,684</u>	<u>14,158</u>	<u>8,825</u>

(ii) Net trading income

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Net gains from dealing in foreign exchange	13,489	30,296	48,071	72,990
Net losses arising from derivative trading	(9,343)	(23,502)	(25,947)	(53,646)
Net unrealised revaluation losses in foreign exchange	-	(221)	-	(368)
Net unrealised gains/(losses) arising from derivative trading	374	197	(3,466)	(1,755)
	<u>4,520</u>	<u>6,770</u>	<u>18,658</u>	<u>17,221</u>

(iii) Other income

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Other operating income	<u>5</u>	<u>60</u>	<u>95</u>	<u>230</u>
Total net non-interest income	<u>10,260</u>	<u>9,514</u>	<u>32,911</u>	<u>26,276</u>

23. Other operating expenses

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Personnel costs:				
- Salaries, allowance and bonuses	10,649	11,411	34,757	33,262
- Pension fund contributions	1,171	1,167	3,845	3,585
- Other staff costs	1,639	1,345	4,730	3,944
Promotion and marketing related expenses:				
- Advertising and promotion	50	91	131	195
- Others	42	30	93	97
Establishment costs:				
- Depreciation of property and equipment	445	487	1,286	1,499
- Depreciation of right-of-use assets	1,124	1,141	3,398	3,453
- Interest expense on lease liabilities	19	36	66	100
- Expenses relating to leases of low-value assets	64	33	160	93
- Property and equipment written off	1	2	1	2
- Others	715	814	2,111	2,125
Administrative expenses:				
- Auditors' remuneration				
• statutory audit fees	64	65	191	209
• audit related services	3	3	10	10
- Professional fees	146	126	660	277
- Licence fee	85	92	257	266
- Membership fee	45	59	134	142
- Others	1,469	1,654	4,363	4,582
	<u>17,731</u>	<u>18,556</u>	<u>56,193</u>	<u>53,841</u>

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

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Allowance for/(Write-back of) for credit loss				
- Loans, advances and financing	2,533	(6,262)	5,092	(9,627)
- Provision for commitments and contingencies	240	(117)	663	145
	<u>2,773</u>	<u>(6,379)</u>	<u>5,755</u>	<u>(9,482)</u>

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

	3rd quarter ended		Year-To-Date ended	
	30 Sep 2023	30 Sep 2022	30 Sep 2023	30 Sep 2022
	RM'000	RM'000	RM'000	RM'000
Allowance for/(Write-back of) credit loss				
- Cash and short-term funds	223	37	(27)	33
- Deposits and placements with banks and other financial institutions	518	3,873	(304)	5,030
- Financial investments measured at FVOCI	-	(125)	-	(125)
- Financial investments measured at amortised cost	42	(211)	(70)	483
	<u>783</u>	<u>3,574</u>	<u>(401)</u>	<u>5,421</u>

26. Commitments and contingencies

The commitments and contingencies comprise the following:-

	30 Sep 2023			
	Principal amount	Positive value of derivative contracts^	Credit equivalent amount*	Risk-weighted assets*
	RM'000	RM'000	RM'000	RM'000
<u>Credit-related exposures</u>				
Direct credit substitutes	117,703	-	117,703	23,541
Transaction-related contingent items	438,192	-	219,096	94,670
Short-term self-liquidating trade-related Contingencies	222,954	-	44,591	21,226
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- Exceeding one year	124,680	-	62,340	59,553
- Not exceeding one year	1,250,101	-	250,020	202,305
Unutilised credit card lines	38,503	-	7,701	5,775
<u>Derivative financial contracts</u>				
Foreign exchange related contracts:				
- Less than one year	340,387	750	3,655	1,746
Interest rate related contracts:				
- One year to five years	288,956	6,515	15,852	10,182
Total	<u>2,821,476</u>	<u>7,265</u>	<u>720,958</u>	<u>418,998</u>

Note 15

26. Commitments and contingencies (continued)

	31 Dec 2022			
	Principal amount RM'000	Positive value of derivative contracts[^] RM'000	Credit equivalent amount* RM'000	Risk- weighted assets* RM'000
<u>Credit-related exposures</u>				
Transaction-related contingent items	408,229	-	204,114	92,439
Short-term self-liquidating trade-related contingencies	107,852	-	21,570	12,528
Other commitments, such as formal standby facilities and credit lines, with an original maturity of:				
- Exceeding one year	168,284	-	84,142	83,135
- Not exceeding one year	759,787	-	151,958	143,582
Unutilised credit card lines	39,112	-	7,823	5,867
<u>Derivative financial contracts</u>				
Foreign exchange related contracts:				
- Less than one year	820,657	11,385	22,116	9,838
Interest rate related contracts:				
- One year to five years	350,140	6,235	21,243	14,320
Total	2,654,061	17,620	512,966	361,709

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:-

	30 Sep 2023	31 Dec 2022
	RM'000	RM'000
Common Equity Tier 1 (“CET1”) Capital/Tier 1 Capital		
Paid-up share capital	832,609	832,609
Retained earnings	447,454	447,454
Regulatory reserve	17,644	17,644
Foreign currency translation reserve	6,594	3,379
Unrealised gains on financial investments measured at FVOCI	4,820	3,206
	<u>1,309,121</u>	<u>1,304,292</u>
Less: Regulatory adjustments applied in calculation of CET1 Capital		
- Deferred tax assets	(9,350)	(10,051)
- 55% cumulative gains of financial investments measured at FVOCI	(2,651)	(1,762)
- Regulatory reserve attributable to loans, advances and financing	(17,644)	(17,644)
	<u>(29,645)</u>	<u>(29,457)</u>
Total CET1 Capital/Tier 1 Capital	<u>1,279,476</u>	<u>1,274,835</u>
Tier 2 Capital		
Allowance for credit loss	23,373	20,336
Regulatory reserve	17,644	17,644
Total Tier 2 Capital	<u>41,017</u>	<u>37,980</u>
Total Capital	<u>1,320,493</u>	<u>1,312,815</u>
CET1 capital ratio	36.042%	38.771%
Tier 1 capital ratio	36.042%	38.771%
Total capital ratio	37.198%	39.926%

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

	30 Sep 2023		31 Dec 2022	
	Exposures	Risk-weighted	Exposures	Risk-weighted
	RM'000	Assets	RM'000	Assets
	RM'000	RM'000	RM'000	RM'000
Total RWA for credit risk	5,447,442	3,281,373	4,613,025	3,038,413
Total RWA for market risk	-	9,996	-	8,620
Total RWA for operational risk	-	258,577	-	241,056
	<u>5,447,442</u>	<u>3,549,946</u>	<u>4,613,025</u>	<u>3,288,089</u>

27. Capital adequacy (continued)

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

Risk Type	30 Sep 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	769,191	769,191	-	-
Banks, Development Financial Institutions and MDBs	817,033	817,033	204,688	16,375
Corporates	2,726,852	2,726,852	2,323,062	185,845
Regulatory Retail	274,949	274,949	270,634	21,651
Residential Mortgages	106,751	106,751	39,959	3,197
Other assets	31,708	31,708	24,031	1,922
Total On-Balance Sheet Exposures	4,726,484	4,726,484	2,862,374	228,990
<u>Off-balance sheet Exposures</u>				
Credit-related off-balance sheet exposures	701,450	701,450	407,071	32,566
OTC derivatives	19,508	19,508	11,928	954
Total Off-Balance Sheet Exposures	720,958	720,958	418,999	33,520
Total On and Off-Balance Sheet Exposures	5,447,442	5,447,442	3,281,373	262,510
Large exposure risk requirement*	-	-	-	-
<i>Market Risk</i>				
	<u>Long Position</u>	<u>Short Position</u>		
Foreign currency risk	9,774	-	9,774	782
Interest rate risk	88,956	88,956	-	222
<i>Operational risk</i>	-	-	-	20,686
Total RWA and Capital Requirements			3,549,946	283,996

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 2022			
	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	924,642	924,642	-	-
Banks, Development Financial Institutions and MDBs	358,108	358,108	136,630	10,930
Corporates	2,525,889	2,525,889	2,322,337	185,787
Regulatory Retail	147,979	147,979	144,663	11,573
Residential Mortgages	106,612	106,612	43,339	3,467
Other assets	36,829	36,829	29,735	2,379
Total On-Balance Sheet Exposures	4,100,059	4,100,059	2,676,704	214,136
<u>Off-balance sheet Exposures</u>				
Credit-related off-balance sheet exposures	469,607	469,607	337,551	27,004
OTC derivatives	43,359	43,359	24,158	1,933
Total Off-Balance Sheet Exposures	512,966	512,966	361,709	28,937
Total On and Off-Balance Sheet Exposures	4,613,025	4,613,025	3,038,413	243,073
Large exposure risk requirement*	-	-	-	-
<i>Market Risk</i>				
	Long Position	Short Position		
Foreign currency risk	8,245	-	8,245	660
Interest rate risk	150,140	150,140	-	30
<i>Operational risk</i>	-	-	-	19,284
Total RWA and Capital Requirements			3,288,089	263,047

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:-

30 Sep 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%	769,191	-	92,336	7,443	105	7,677	876,752	-
20%	-	802,419	576,034	-	-	2,387	1,380,840	276,168
35%	-	-	-	-	90,714	-	90,714	31,750
50%	-	156,213	55,156	-	15,446	11,340	238,155	119,077
75%	-	-	-	26,411	-	-	26,411	19,808
100%	-	-	2,534,819	269,453	486	29,812	2,834,570	2,834,570
Total Exposures	769,191	958,632	3,258,345	303,307	106,751	51,216	5,447,442	3,281,373
Risk-Weighted Assets by Exposures	-	238,590	2,677,604	289,261	39,959	35,959	3,281,373	
Average Risk Weight	0.0%	24.9%	82.2%	95.4%	37.4%	70.2%	60.2%	
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 2022 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%	924,642	-	82,268	1,703	105	7,094	1,015,812	-
20%	-	141,415	61,465	-	-	14,966	217,846	43,569
35%	-	-	-	-	74,484	-	74,484	26,069
50%	-	220,336	398,766	-	29,507	14,457	663,066	331,533
75%	-	-	-	18,301	-	-	18,301	13,726
100%	-	-	2,437,374	139,955	2,516	43,671	2,623,516	2,623,516
Total Exposures	924,642	361,751	2,979,873	159,959	106,612	80,188	4,613,025	3,038,413
Risk-Weighted Assets by Exposures	-	138,451	2,649,050	153,681	43,339	53,893	3,038,413	
Average Risk Weight	0.0%	38.3%	88.9%	96.1%	40.7%	67.2%	65.9%	
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 RM69.81 million for the nine months ended 30 September 2023, higher by RM28.43 million or 68.7% when compared with the previous corresponding period in 2022. The Bank's total operating income was made up of net interest income of RM98.45 million and net non-interest income of RM32.91 million (30 September 2022: RM64.89 million and RM26.28 million respectively).

Net Interest income which contributed 74.9% to the Bank's total net operating income increased by RM33.56 million or 51.7% when compared with the nine months ended 30 September 2022 as a result of loan growth and higher net interest margin earned. Net non-interest income which contributed 25.1% to the Bank's total net operating income, has increased by RM6.63 million or 25.2% mainly due to net fee income which had increased by RM5.33 million or 60.4%.

The Bank's other operating expenses were RM56.19 million, higher by RM2.35 million or 4.4% as compared to the nine months ended 30 September 2022, attributable to higher personnel costs and administration and general expenses incurred. During the financial period, allowance for impairment on loans, advances and financing amounted to RM5.75 million, rising in tandem with the loan growth while there was a write-back of provision for impairment on other financial assets of RM0.40 million mainly due to lower deposits and placements with banks and other financial institutions.

As at 30 September 2023, the Bank's total assets increased by RM610.54 million or 14.9% to RM4,711.95 million while gross loans, advances and financing increased by RM381.02 million or 15.4% to RM2,851.13 million as compared with RM2,470.11 million as at 31 December 2022. Deposits from customers stood at RM2,571.17 million, which grew by RM278.60 million or 12.2% when compared with the balance of RM2,292.57 million as at 31 December 2022.