



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

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

	Note	Group		Bank	
		30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
ASSETS					
Cash and bank balances		857,664	881,621	856,561	881,165
Deposits and placements with financial institutions		350,362	377,290	350,362	377,290
Financial investments at fair value through profit or loss	1	1,001,584	447,826	1,001,584	447,826
Financial investments at fair value through other comprehensive income	2	21,699,507	20,620,070	21,699,499	20,620,062
Financial investments at amortised cost	3	11,589,820	9,747,865	11,589,820	9,747,865
Financing and advances	4	75,970,699	76,083,198	76,188,788	76,285,365
Trade receivables		2,777	147	-	-
Other assets	5	583,101	947,839	564,510	924,408
Right-of-use assets		53,290	56,345	66,585	74,930
Inventories		26,628	3,457	-	-
Investment in subsidiaries		-	-	100,744	100,744
Property and equipment		603,233	602,106	508,886	507,166
Intangible assets		465,661	471,005	452,476	457,820
Investment properties		1,384,961	1,353,684	946,141	939,305
Prepaid lease payment		59,436	60,628	59,436	60,628
Tax recoverable		105,080	97,492	103,160	94,053
Deferred tax assets		114,451	571	114,000	-
TOTAL ASSETS		114,868,254	111,751,144	114,602,552	111,518,627

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020.

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2021 (CONTINUED)**

	Note	Group		Bank	
		30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
LIABILITIES					
Deposits from customers	6	86,585,271	85,575,431	86,585,271	85,575,431
Deposits and placements from banks and financial institutions		1,280,000	150,000	1,280,000	150,000
Trade payables		1,407	1,374	-	-
Recourse obligations on financing sold to Cagamas		323,756	339,826	323,756	339,826
Debt securities issued		3,686,056	2,642,558	3,686,056	2,642,558
Cashline facility		-	400,870	-	400,870
Other liabilities	7	1,549,244	1,599,962	1,735,490	1,811,536
Provision for taxation		13	33	-	-
Deferred tax liabilities		12,708	92,702	-	80,000
TOTAL LIABILITIES		93,438,455	90,802,756	93,610,573	91,000,221
SHAREHOLDERS' FUND					
Share capital		2,986,030	2,986,030	2,986,030	2,986,030
Share redemption fund		7,269	9,977	7,269	9,977
Reserves	8	18,436,500	17,952,381	17,998,680	17,522,399
TOTAL SHAREHOLDERS' FUND		21,429,799	20,948,388	20,991,979	20,518,406
TOTAL LIABILITIES AND SHAREHOLDERS' FUND		114,868,254	111,751,144	114,602,552	111,518,627
COMMITMENTS AND CONTINGENCIES	14	2,603,317	2,697,856	2,603,317	2,697,856

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021**

Group	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Income	9	1,418,892	1,430,732	4,282,827	4,548,111
Expenditure	10	(552,804)	(624,843)	(1,623,067)	(2,110,729)
Net income		866,088	805,889	2,659,760	2,437,382
Allowance for impairment	11	(106,826)	(52,495)	(529,052)	(499,021)
Other operating income	12	81,712	103,206	243,535	358,430
Operating expenses	13	(369,716)	(366,156)	(1,102,511)	(1,016,304)
Profit before taxation and zakat		471,258	490,444	1,271,732	1,280,487
Taxation		62,107	41,973	156,274	(55,506)
Zakat		(9,522)	(7,386)	(27,490)	(15,557)
Profit after taxation and zakat		523,843	525,031	1,400,516	1,209,424
<u>Other comprehensive income</u>					
Items that may be reclassified subsequently to profit or loss:					
Net (loss)/gain on revaluation of financial investments at fair value through other comprehensive income					
		(172,037)	194,300	(543,756)	408,460
Other comprehensive income for the period		(172,037)	194,300	(543,756)	408,460
Total comprehensive income for the period		351,806	719,331	856,760	1,617,884

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)**

Bank	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Income	9	1,402,878	1,419,224	4,257,030	4,526,893
Expenditure	10	(539,448)	(619,949)	(1,602,255)	(2,097,971)
Net income		863,430	799,275	2,654,775	2,428,922
Allowance for impairment	11	(106,799)	(52,500)	(531,830)	(501,659)
Other operating income	12	81,688	103,265	237,717	350,408
Operating expenses	13	(368,012)	(366,328)	(1,101,816)	(1,015,331)
Profit before taxation and zakat		470,307	483,712	1,258,846	1,262,340
Taxation		62,449	43,000	159,796	(50,324)
Zakat		(9,000)	(7,500)	(25,964)	(15,493)
Profit after taxation and zakat		523,756	519,212	1,392,678	1,196,523
<u>Other comprehensive income</u>					
Items that may be reclassified subsequently to profit or loss:					
Net (loss)/gain on revaluation of financial investments at fair value through other comprehensive income					
		(172,037)	194,300	(543,756)	408,460
Other comprehensive income for the period		(172,037)	194,300	(543,756)	408,460
Total comprehensive income for the period		351,719	713,512	848,922	1,604,983

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021**

Group	← Non-distributable →			Distributable	Total RM'000
	Share capital RM'000	Share redemption fund RM'000	Other reserves RM'000	Retained profits RM'000	
At 1 January 2020	2,986,030	9,860	7,450,144	9,108,674	19,554,708
Total comprehensive income for the period	-	-	408,460	1,209,424	1,617,884
Issuance to new members	14,520	-	-	-	14,520
Share withdrawal	(21,652)	-	-	-	(21,652)
Transfer to share capital	7,132	(7,132)	-	-	-
Dividends	-	-	-	(405,484)	(405,484)
Overprovision in contribution to Bank Rakyat Foundation	-	-	-	459	459
At 30 September 2020	2,986,030	2,728	7,858,604	9,913,073	20,760,435
At 1 January 2021	2,986,030	9,977	8,091,563	9,860,818	20,948,388
Total comprehensive income for the period	-	-	(543,756)	1,400,516	856,760
Issuance to new members	14,184	-	-	-	14,184
Share withdrawal	(16,892)	-	-	-	(16,892)
Transfer to share capital	2,708	(2,708)	-	-	-
Dividends	-	-	-	(373,230)	(373,230)
Overprovision in contribution to Bank Rakyat Foundation	-	-	-	589	589
At 30 September 2021	2,986,030	7,269	7,547,807	10,888,693	21,429,799

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)**

Bank	← Non-distributable →			Distributable	Total RM'000
	Share capital RM'000	Share redemption fund RM'000	Other reserves RM'000	Retained profits RM'000	
At 1 January 2020	2,986,030	9,860	7,450,885	8,701,684	19,148,459
Total comprehensive income for the period	-	-	408,460	1,196,523	1,604,983
Issuance to new members	14,520	-	-	-	14,520
Share withdrawal	(21,652)	-	-	-	(21,652)
Transfer to share capital	7,132	(7,132)	-	-	-
Dividends	-	-	-	(405,484)	(405,484)
Overprovision in contribution to Bank Rakyat Foundation	-	-	-	459	459
At 30 September 2020	2,986,030	2,728	7,859,345	9,493,182	20,341,285
At 1 January 2021	2,986,030	9,977	8,092,304	9,430,095	20,518,406
Total comprehensive income for the period	-	-	(543,756)	1,392,678	848,922
Issuance to new members	14,184	-	-	-	14,184
Share withdrawal	(16,892)	-	-	-	(16,892)
Transfer to share capital	2,708	(2,708)	-	-	-
Dividends	-	-	-	(373,230)	(373,230)
Overprovision in contribution to Bank Rakyat Foundation	-	-	-	589	589
At 30 September 2021	2,986,030	7,269	7,548,548	10,450,132	20,991,979

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
CASH FLOWS GENERATED FROM/ (USED IN) OPERATING ACTIVITIES				
Profit for the period	1,400,516	1,209,424	1,392,678	1,196,523
Adjustments for:				
Taxation	(156,274)	55,506	(159,796)	50,324
Zakat	27,490	15,557	25,964	15,493
Profit expense on debt securities issued	99,267	82,671	99,267	82,671
Allowance for impairment on financing and advances	529,385	499,990	532,163	502,628
Writeback for impairment on financial investment at fair value through other comprehensive income	(11)	(67)	(11)	(67)
Writeback for impairment on financial investment at amortised cost	(322)	(902)	(322)	(902)
Depreciation of property and equipment	27,096	33,113	26,352	31,974
Depreciation of right-of-use assets	14,037	10,541	16,621	11,278
Amortisation of prepaid lease payment	1,192	1,145	1,192	1,145
Amortisation of intangible assets	36,615	17,410	36,615	17,410
Finance cost on lease liabilities	1,831	2,082	2,136	2,496
Property and equipment written off	143	63	143	63
Gain on disposal of property and equipment	(16)	(12)	-	(4)
Loss on financing written off	4,996	8,720	4,996	8,720
Gain on revaluation of investment properties	(5,746)	(7,996)	-	-
Impairment of trade and other receivables	204	1,011	120	1,062
Writeback for impairment on trade receivables	(995)	-	-	-
Net gain on disposal of financial investment at fair value through profit or loss	(2,038)	(18,471)	(2,038)	(18,471)
Net loss on revaluation of financial investments at fair value through profit or loss	35,627	54,873	35,627	54,873
Net gain on disposal of financial investments at fair value through other comprehensive income	(2,304)	(120,305)	(2,304)	(120,305)
Profit expense on financing sold with recourse to Cagamas	12,526	13,322	12,526	13,322
Profit expense on cashline facility	2,523	1,988	2,523	1,988
Dividend from financial investments at fair value through profit or loss	(16,967)	(17,701)	(16,967)	(17,701)
Operating profit before working capital changes	2,008,775	1,841,962	2,007,485	1,834,520

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
(Increase)/Decrease in assets:				
Deposits and placements with financial institutions	26,928	494,506	26,928	494,506
Financing and advances	(422,866)	(5,471,036)	(441,566)	(5,564,629)
Trade receivables	(1,719)	(2,625)	-	-
Other assets	364,618	622,497	359,778	616,006
Inventories	(23,171)	1,976	-	-
Increase/(Decrease) in liabilities:				
Deposits from customers	1,009,840	3,353,298	1,009,840	3,353,298
Deposits and placements from banks and financial institutions	1,130,000	(842,700)	1,130,000	(842,700)
Trade payables	33	(321)	-	-
Recourse obligations on financing sold to Cagamas	(28,596)	(28,976)	(28,596)	(28,976)
Other liabilities	(210,845)	(217,079)	(232,588)	(158,138)
Cash generated from/(used in) operations	3,852,997	(248,498)	3,831,281	(296,113)
Income tax paid	(45,208)	(24,050)	(43,311)	(21,324)
Zakat paid	(25,977)	(32,451)	(23,521)	(30,393)
Net cash generated from/(used in) operating activities	3,781,812	(304,999)	3,764,449	(347,830)
CASH FLOWS GENERATED FROM/ (USED IN) INVESTING ACTIVITIES				
Purchases of financial investments at fair value through profit or loss	(960,000)	(1,720,000)	(960,000)	(1,720,000)
Net proceed from disposal of financial investments at fair value through profit or loss	372,653	1,841,949	372,653	1,841,949
Purchases of financial investments at fair value through other comprehensive income	(4,293,000)	(2,660,000)	(4,293,000)	(2,660,000)
Net proceed from disposal of financial investment at fair value through other comprehensive income	2,672,122	3,870,476	2,672,122	3,870,476

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2021 (CONTINUED)**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
CASH FLOWS GENERATED FROM/ (USED IN) INVESTING ACTIVITIES (CONTINUED)				
Purchases of financial investments at amortised cost	(3,805,000)	(3,110,000)	(3,805,000)	(3,110,000)
Proceed from disposal of financial investments at amortised cost	1,963,367	2,950,322	1,963,367	2,950,322
Purchases of investment property	(25,531)	(42,206)	(6,836)	-
Purchases of property and equipment	(28,397)	(18,800)	(28,243)	(18,769)
Purchases of intangible assets	(31,243)	(4,791)	(31,243)	(4,791)
Proceeds from disposal of property and equipment	19	12	-	12
Purchase of right-of-use assets	(10,982)	2	(8,276)	2
Dividend from financial investments at fair value through profit or loss	16,967	17,701	16,967	17,701
Net cash (used in)/generated from investing activities	(4,129,025)	1,124,665	(4,107,489)	1,166,902
CASH FLOWS GENERATED FROM/ (USED IN) FINANCING ACTIVITIES				
Proceeds from issue of shares to members	14,184	14,520	14,184	14,520
Dividend paid	(373,230)	(405,484)	(373,230)	(405,484)
Fund received from government	155,000	23,885	155,000	23,885
Proceeds from debt securities issued	1,300,000	-	1,300,000	-
Payment of profit expenses on debt securities issued	(355,769)	(408,802)	(355,769)	(408,802)
Repayment of lease liabilities	(13,536)	(18,706)	(18,356)	(18,706)
Repayment of cashline facility	(803,393)	(602,595)	(803,393)	(602,595)
Receipt of cashline facility	400,000	400,000	400,000	400,000
Net cash generated from/(used in) financing activities	323,256	(997,182)	318,436	(997,182)
Net decrease in cash and cash equivalents	(23,957)	(177,516)	(24,604)	(178,110)
Cash and cash equivalents at beginning of period	881,621	1,060,218	881,165	1,059,600
Cash and cash equivalents at end of period	857,664	882,702	856,561	881,490

These interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 December 2020

EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134 (“MFRS 134”)

Basis of Preparation

The unaudited interim financial statements for the third quarter and nine months ended 30 September 2021 have been prepared under historical cost convention except for the following assets and liabilities which are stated at fair values, i.e. financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income, and investment properties.

The unaudited interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by Malaysian Accounting Standards Board (“MASB”). The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2020. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2020.

Auditors’ Report on Preceding Annual Financial Statements

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

Comments on Seasonal or Cyclical Factors

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the third quarter and nine months ended 30 September 2021.

Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting the assets, liabilities, shareholders’ fund, net income or cash flows of the Group and the Bank in the third quarter and nine months ended 30 September 2021.

Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the third quarter and nine months ended 30 September 2021.

Debt and Equity Securities

The Bank issued RM1,000,000,000 senior Sukuk Wakalah on 19 April 2021 of RM300,000,000 at 3.54% per annum for 5 years tranche and RM700,000,000 3.90% per annum for 7 years tranche. The Bank also re-issued RM300,000,000 subordinated Sukuk Murabahah for a tenure of 10 non-callable five years at 3.78% per annum on 25 June 2021 to replace its RM300,000,000 subordinated Sukuk Murabahah with first call date on 18 June 2021.

Dividends Paid and Distributed

During the nine months ended 30 September 2021, final dividend for the year ended 31 December 2020 was paid amounting to RM 373,230,565 comprising of 13% cash dividend.

**EXPLANATORY NOTES PURSUANT TO MALAYSIAN FINANCIAL REPORTING STANDARD 134
("MFRS 134") (CONTINUED)**

Significant Changes in Regulatory Requirements

Based on the BNM's revised guideline on Financial Reporting for Development Financial Institutions, the prescribed development financial institutions ("DFIs") shall make a one-time election in 2020 to apply revisions to the original effective profit rate in respect of any modifications made to the contractual cash flows of financing. In the event of election, the requirements shall apply for two financial years beginning on or after 1 January 2020 and in respect of financing for which the contractual cash flows are modified, including payments deferred under moratoriums provided by DFIs during these two financial years.

The Group and the Bank elected to adopt the modified accounting treatment. The comparison of the financial impact of applying the accounting treatment in accordance with Malaysian Financial Reporting Standard ("MFRS") and the modified accounting treatment is as follows:

As at 30 September 2021	Group and Bank RM'000
Financing and Advances	
Closing balance under MFRS	77,714,371
Modification loss	977,874
Loss of income due to changes in effective rate	(139,917)
Closing balance under modified accounting treatment	<u>78,552,328</u>
The Third Quarter Ended 30 September 2021	Group and Bank RM'000
Income	
Closing balance under MFRS	2,779,308
Modification loss	628,444
Loss of income due to changes in effective rate	(77,976)
Closing balance under modified accounting treatment	<u>3,329,776</u>

NOTE 1: FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Debt instruments at fair value through profit or loss:		
Government investment issues	703,438	89,942
Islamic redeemable convertible preference shares	213,200	213,200
	916,638	303,142
Equity securities at fair value through profit or loss:		
Quoted shares	84,946	144,684
	84,946	144,684
Total financial investments at fair value through profit or loss	1,001,584	447,826

NOTE 2: FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Debt instruments at fair value through other comprehensive income:				
Islamic debt securities	5,420,549	4,764,843	5,420,549	4,764,843
Government investment issues	5,688,804	6,034,142	5,688,804	6,034,142
Government sukuk	8,754,673	7,703,704	8,754,673	7,703,704
Khazanah sukuk	156,319	235,038	156,319	235,038
Cagamas sukuk	1,612,820	1,824,378	1,612,820	1,824,378
	21,633,165	20,562,105	21,633,165	20,562,105
Equity securities at fair value through other comprehensive income:				
Unquoted shares	66,342	57,965	66,334	57,957
	66,342	57,965	66,334	57,957
Total financial investments at fair value through other comprehensive income	21,699,507	20,620,070	21,699,499	20,620,062

Movement of allowance for Expected Credit Loss (“ECL”) by stage for debt instruments at fair value through other comprehensive income is as follows:

Group and Bank	12-month ECL Stage 1 RM'000
At 1 January 2020	274
Changes in credit risk	(100)
At 31 December 2020 / 1 January 2021	174
Changes in credit risk	(11)
At 30 September 2021	163

NOTE 3: FINANCIAL INVESTMENTS AT AMORTISED COST

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
At amortised cost		
Islamic debt securities	478,342	572,783
Government investment issues	6,994,447	5,480,409
Government sukuk	3,298,188	2,923,692
Khazanah sukuk	99,005	240,070
Cagamas sukuk	448,479	449,617
Negotiable Islamic debt certificates	249,824	99,984
Islamic commercial papers	39,903	-
	11,608,188	9,766,555
Less: Allowance for ECL		
Negotiable Islamic debt certificates	(17)	(2)
Islamic debt securities	(18,351)	(18,688)
	(18,368)	(18,690)
Total financial investments at amortised cost	11,589,820	9,747,865

Movement of allowance for ECL by stage is as follows:

	12-month ECL Stage 1 RM'000	Lifetime ECL Credit Impaired Stage 3 RM'000	Total RM'000
	Group and Bank		
At 1 January 2020	94	19,829	19,923
Changes in credit risk	(55)	(1,178)	(1,233)
At 31 December 2020/ 1 January 2021	39	18,651	18,690
Changes in credit risk	(2)	(320)	(322)
At 30 September 2021	37	18,331	18,368

NOTE 4: FINANCING AND ADVANCES

(i) By type of financing

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
At amortised cost				
Term financing				
- Personal financing	59,082,928	59,378,027	59,082,928	59,378,027
- House financing	8,063,643	7,473,095	8,297,393	7,688,145
- Hire-purchase receivables	1,832,541	1,872,092	1,832,541	1,872,092
- Syndicated financing	339,485	313,742	339,485	313,742
- Bridging financing	292,111	258,354	292,111	258,354
- Other term financing	5,401,673	5,307,414	5,401,673	5,307,414
Pawn broking	1,976,292	2,194,779	1,976,292	2,194,779
Cashline	160,013	147,637	160,013	147,637
Revolving credit	336,330	356,659	336,330	356,659
Credit card	350,245	376,004	350,245	376,004
Staff financing	483,318	478,080	483,318	478,080
Gross financing and advances, net of unearned income	78,318,579	78,155,883	78,552,329	78,370,933
Allowance for ECL on financing and advances:				
Stage 1 - 12 months ECL	(816,175)	(388,082)	(831,836)	(400,965)
Stage 2 - lifetime ECL not credit impaired	(448,979)	(709,254)	(448,979)	(709,254)
Stage 3 - lifetime ECL credit impaired	(1,082,726)	(975,349)	(1,082,726)	(975,349)
Net financing and advances	75,970,699	76,083,198	76,188,788	76,285,365

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(ii) By type of customer

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000 Restated	30 September 2021 RM'000	31 December 2020 RM'000 Restated
Individuals	72,771,054	72,751,865	72,771,054	72,751,865
Business enterprises	2,930,220	2,729,571	3,163,970	2,944,621
Non-bank financial institutions				
- Co-operatives	2,251,478	2,347,505	2,251,478	2,347,505
Non-bank financial institutions				
- Others	-	122	-	122
Foreign entities	1,766	2,132	1,766	2,132
Other entities	364,061	324,688	364,061	324,688
	78,318,579	78,155,883	78,552,329	78,370,933

(iii) By economic sector

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000 Restated	30 September 2021 RM'000	31 December 2020 RM'000 Restated
Purchase of securities	19,579	20,934	19,579	20,934
Purchase of non-residential property	108,669	5,746	108,669	5,746
Consumption credit	72,639,856	72,774,316	72,639,856	72,774,316
Agriculture	80,666	79,230	80,666	79,230
Mining and quarrying	-	-	-	-
Manufacturing	66,818	35,489	66,818	35,489
Electricity, gas and water	19,990	11,151	19,990	11,151
Construction	1,002,913	920,075	1,002,913	920,075
Wholesale and retail trade	540,283	349,440	540,283	349,440
Transportation and communication	290,084	253,761	290,084	253,761
Financial, takaful and business services	3,236,307	3,406,774	3,470,057	3,621,824
Community, social and personal services	313,414	298,967	313,414	298,967
	78,318,579	78,155,883	78,552,329	78,370,933

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(iv) Impaired financing and advances by economic sector

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000 Restated
Purchase of securities	1,151	1,121
Purchase of non-residential property	2,378	5,617
Consumption credit	829,190	814,736
Agriculture	28,226	13,264
Manufacturing	2,091	6,925
Electricity, gas and water	-	603
Construction	214,021	135,036
Wholesale and retail trade	10,500	120,889
Transportation and communication	1,306	4,841
Financial, takaful and business services	530,425	398,600
Community, social and personal services	346	16,509
	1,619,634	1,518,141

(v) Movement in impaired financing and advances

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
As of 1 January	1,518,204	1,406,672
Classified as impaired during the period	1,616,732	1,207,376
Amount written back in respect of recoveries	(1,260,220)	(826,201)
Amount written off during the period	(255,082)	(269,643)
	101,430	111,532
Closing balance	1,619,634	1,518,204
Gross impaired financing and advances as a percentage of gross financing and advances	2.06%	1.94%

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(vi) Movements in allowance for ECL on financing and advances are as follows:

Group	12-month ECL Stage 1 RM'000	Lifetime ECL Not Credit Impaired Stage 2 RM'000	Lifetime ECL Credit Impaired Stage 3 RM'000	Total RM'000
ECL Allowance				
As of 1 January 2020	240,394	399,011	820,128	1,459,533
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	6,819	(41,217)	(3,300)	(37,698)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(17,255)	225,971	(85,361)	123,355
- Transfer to lifetime ECL credit impaired (Stage 3)	(1,475)	(57,697)	354,483	295,311
New financial assets originated	84,720	36,888	30,988	152,596
Changes in credit risk	108,218	196,685	158,771	463,674
Financial assets derecognised	(33,339)	(50,387)	(30,717)	(114,443)
Amount written off	-	-	(269,643)	(269,643)
At 31 December 2020	388,082	709,254	975,349	2,072,685
As of 1 January 2021	388,082	709,254	975,349	2,072,685
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	42,413	(320,094)	(52,266)	(329,947)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(13,685)	103,211	(70,524)	19,002
- Transfer to lifetime ECL credit impaired (Stage 3)	(2,612)	(48,510)	377,034	325,912
New financial assets originated	70,933	8,039	4,919	83,891
Changes in credit risk	350,949	10,581	136,301	497,831
Financial assets derecognised	(19,905)	(13,502)	(32,913)	(66,320)
Amount written off	-	-	(255,174)	(255,174)
At 30 September 2021	816,175	448,979	1,082,726	2,347,880

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(vi) Movements in allowance for ECL on financing and advances are as follows:

Bank	12-month ECL Stage 1 RM'000	Lifetime ECL Not Credit Impaired Stage 2 RM'000	Lifetime ECL Credit Impaired Stage 3 RM'000	Total RM'000
ECL Allowance				
As of 1 January 2020	250,121	399,011	820,128	1,469,260
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	6,819	(41,217)	(3,300)	(37,698)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(17,255)	225,971	(85,361)	123,355
- Transfer to lifetime ECL credit impaired (Stage 3)	(1,475)	(57,697)	354,483	295,311
New financial assets originated	84,720	36,888	30,988	152,596
Changes in credit risk	111,374	196,685	158,771	466,830
Financial assets derecognised	(33,339)	(50,387)	(30,717)	(114,443)
Amount written off	-	-	(269,643)	(269,643)
At 31 December 2020	400,965	709,254	975,349	2,085,568
As of 1 January 2021	400,965	709,254	975,349	2,085,568
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	42,413	(320,094)	(52,266)	(329,947)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(13,685)	103,211	(70,524)	19,002
- Transfer to lifetime ECL credit impaired (Stage 3)	(2,612)	(48,510)	377,034	325,912
New financial assets originated	70,933	8,039	4,919	83,891
Changes in credit risk	353,727	10,581	136,301	500,609
Financial assets derecognised	(19,905)	(13,502)	(32,913)	(66,320)
Amount written off	-	-	(255,174)	(255,174)
At 30 September 2021	831,836	448,979	1,082,726	2,363,541

NOTE 5: OTHER ASSETS

	Group		Bank	
	30 September 2021 RM'000	31 December 2020 RM'000	30 September 2021 RM'000	31 December 2020 RM'000
Amount due from subsidiaries	-	-	15,823	13,976
Other receivables	331,518	663,015	333,076	661,211
Allowance for ECL	(31,973)	(31,973)	(31,333)	(31,333)
Refundable deposits	46,594	46,433	10,470	10,290
Prepayments	36,962	70,364	36,474	70,264
Contribution to Central Liquidity Monetary Fund	200,000	200,000	200,000	200,000
	583,101	947,839	564,510	924,408

NOTE 6: DEPOSITS FROM CUSTOMERS

(i) By type of deposit

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Savings deposits		
Qard	9,227,781	8,283,345
Term deposits		
Tawarruq	73,441,990	72,992,086
Negotiable Islamic debt certificate	3,915,500	4,300,000
	86,585,271	85,575,431

(ii) By type of customer

	Group and Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Government	42,154,277	38,041,363
Business enterprises	20,385,997	23,717,792
Co-operatives	2,453,343	3,041,520
Individuals	19,905,454	19,212,057
Others	1,686,200	1,562,699
	86,585,271	85,575,431

NOTE 7: OTHER LIABILITIES

	Group		Bank	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Amount due to subsidiaries	-	-	175,780	200,430
Sundry creditors	196,810	233,432	202,361	237,685
Income payable	446,326	473,204	446,326	473,203
Other liabilities and accruals	490,493	597,567	483,216	587,924
Lease liabilities	55,356	58,027	69,266	77,210
Allowance for ECL on financial guarantee	4,978	5,962	4,978	5,962
Government fund	314,911	192,913	314,911	192,913
Zakat payable	40,370	38,857	38,652	36,209
	1,549,244	1,599,962	1,735,490	1,811,536

NOTE 8: RESERVES

	Group		Bank	
	30 September	31 December	30 September	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Retained profits	10,888,693	9,860,818	10,450,132	9,430,095
Statutory reserve	6,833,392	6,833,392	6,833,392	6,833,392
Capital reserve	14,617	14,617	15,358	15,358
Fair value reserve of financial investments at FVOCI	370,126	913,882	370,126	913,882
Regulatory reserve	329,672	329,672	329,672	329,672
	18,436,500	17,952,381	17,998,680	17,522,399

NOTE 9: INCOME

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' fund (i)	1,077,916	1,111,090	3,281,651	3,544,120
Income derived from investment of shareholders' fund (ii)	322,340	308,466	968,535	978,125
Income generated by subsidiaries (iii)	18,636	11,176	32,641	25,866
	1,418,892	1,430,732	4,282,827	4,548,111

NOTE 9: INCOME (CONTINUED)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' fund (i)	1,079,936	1,110,828	3,286,935	3,547,763
Income derived from investment of shareholders' fund (ii)	322,942	308,396	970,095	979,130
	1,402,878	1,419,224	4,257,030	4,526,893

(i) Income derived from investment of depositors' fund

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	829,865	865,402	2,565,701	2,779,354
Income from deposits and placements with bank and financial institutions	2,594	3,488	5,650	13,667
Income from financial investments	245,457	242,200	710,300	751,099
	1,077,916	1,111,090	3,281,651	3,544,120

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	831,885	865,140	2,570,985	2,782,997
Income from deposits and placements with bank and financial institutions	2,594	3,488	5,650	13,667
Income from financial investments	245,457	242,200	710,300	751,099
	1,079,936	1,110,828	3,286,935	3,547,763

NOTE 9: INCOME (CONTINUED)

(ii) Income derived from investment of shareholders' fund

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	248,237	240,271	757,231	767,061
Income from deposits and placements with bank and financial institutions	772	971	1,668	3,772
Income from financial investments	73,331	67,224	209,636	207,292
	322,340	308,466	968,535	978,125

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	248,839	240,202	758,791	768,066
Income from deposits and placements with bank and financial institutions	772	970	1,668	3,772
Income from financial investments	73,331	67,224	209,636	207,292
	322,942	308,396	970,095	979,130

(iii) Income generated by subsidiaries

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Pawning income	14,581	7,526	23,278	18,354
Rental income	1,752	1,779	2,147	2,260
Management fee	2,303	1,813	7,216	5,110
Sale of goods	-	58	-	142
	18,636	11,176	32,641	25,866

NOTE 10: EXPENDITURE

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income attributable to depositors (i)	497,791	588,930	1,485,143	1,996,267
Profit expense on financing sold with recourse to Cagamas	4,108	4,375	12,526	13,322
Profit expense on debt securities issued	36,585	25,403	99,267	82,671
Profit expense on cashline facility	-	-	2,523	1,988
Cost of sales	14,320	6,135	23,608	16,481
	552,804	624,843	1,623,067	2,110,729

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income attributable to depositors (i)	498,755	590,171	1,487,939	1,999,990
Profit expense on financing sold with recourse to Cagamas	4,108	4,375	12,526	13,322
Profit expense on debt securities issued	36,585	25,403	99,267	82,671
Profit expense on cashline facility	-	-	2,523	1,988
	539,448	619,949	1,602,255	2,097,971

NOTE 10: EXPENDITURE (CONTINUED)

(i) Income attributable to depositors

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Deposits from customers				
Non-Mudarabah	493,396	587,201	1,465,511	1,983,526
Deposits and placements from banks and other financial institutions				
Non-Mudarabah	4,395	1,729	19,632	12,741
	497,791	588,930	1,485,143	1,996,267

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Deposits from customers				
Non-Mudarabah	494,360	588,442	1,468,307	1,987,249
Deposits and placements from banks and other financial institutions				
Non-Mudarabah	4,395	1,729	19,632	12,741
	498,755	590,171	1,487,939	1,999,990

NOTE 11: ALLOWANCE FOR IMPAIRMENT

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Allowance for impairment on financing and advances (i)	106,814	52,473	529,385	499,990
Allowance for impairment on financial investments (ii)	12	22	(333)	(969)
	106,826	52,495	529,052	499,021

NOTE 11: ALLOWANCE FOR IMPAIRMENT (CONTINUED)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Allowance for impairment on financing and advances (i)	106,787	52,478	532,163	502,628
Allowance for impairment on financial investments (ii)	12	22	(333)	(969)
	106,799	52,500	531,830	501,659

(i) Allowance for impairment on financing and advances

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Stage 1 - 12 months ECL	161,641	112,580	427,109	341,242
Stage 2 - lifetime ECL not credit impaired	(97,263)	(59,464)	(260,275)	(18,275)
Stage 3 - lifetime ECL credit impaired	42,436	(643)	362,551	177,023
	106,814	52,473	529,385	499,990

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Stage 1 - 12 months ECL	161,614	112,585	429,887	343,880
Stage 2 - lifetime ECL not credit impaired	(97,263)	(59,464)	(260,275)	(18,275)
Stage 3 - lifetime ECL credit impaired	42,436	(643)	362,551	177,023
	106,787	52,478	532,163	502,628

(ii) Allowance for impairment on financial investments

Group and Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through other comprehensive income	8	28	(11)	(67)
Financial investments at amortised cost	4	(6)	(322)	(902)
	12	22	(333)	(969)

NOTE 12: OTHER OPERATING INCOME

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Fees and commission (i)	17,815	26,534	69,107	66,423
Other income (ii)	63,897	76,672	174,428	292,007
	81,712	103,206	243,535	358,430

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Fees and commission (i)	17,815	26,534	69,107	66,423
Other income (ii)	63,873	76,731	168,610	283,985
	81,688	103,265	237,717	350,408

(i) Fees and commission

Group and Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Takaful commission	10,180	9,952	40,376	23,578
Wasiat commission	1,749	2,407	6,396	5,247
Other commission	3,974	9,700	14,679	24,491
Processing fees	33	338	34	342
ATM service fees	2	3,190	7	8,258
MEPS fees	1,161	213	4,732	2,867
Other fees	716	734	2,883	1,640
	17,815	26,534	69,107	66,423

NOTE 12: OTHER OPERATING INCOME (CONTINUED)

(ii) Other income

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Other income from financial instruments				
Dividend from financial investments at fair value through profit or loss	13,672	434	16,967	17,701
Net gain on disposal of financial investments at fair value through profit or loss	564	7,510	2,038	18,471
Net loss on revaluation of financial investments at fair value through profit or loss	(6,279)	2,989	(35,627)	(54,873)
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	2,304	120,305
Others				
Rental income	4,930	4,513	14,403	15,144
Compensation for late payment	1,868	1,182	5,224	3,456
Charges from credit card services	1,339	1,297	4,196	6,487
Other service charges	2,871	2,685	9,274	7,205
Recoveries from financing written off	35,914	48,684	124,375	127,884
Gain on revaluation of investment properties	130	(59)	5,746	7,996
Gain on disposal of property and equipment	4	12	16	12
Other income	8,884	7,425	25,512	22,219
	63,897	76,672	174,428	292,007

NOTE 12: OTHER OPERATING INCOME (CONTINUED)

(ii) Other income (continued)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Other income from financial instruments				
Dividend from financial investments at fair value through profit or loss	13,672	434	16,967	17,701
Net gain on disposal of financial investments at fair value through profit or loss	564	7,510	2,038	18,471
Net loss on revaluation of financial investments at fair value through profit or loss	(6,279)	2,989	(35,627)	(54,873)
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	2,304	120,305
Others				
Rental income	4,937	4,512	14,422	15,170
Compensation for late payment	1,868	1,182	5,224	3,456
Charges from credit card services	1,339	1,297	4,196	6,487
Other service charges	2,871	2,685	9,274	7,205
Recoveries from financing written off	35,914	48,684	124,375	127,884
Gain on disposal of property and equipment	-	4	-	4
Other income	8,987	7,434	25,437	22,175
	63,873	76,731	168,610	283,985

NOTE 13: OPERATING EXPENSES

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Personnel expenses (i)	225,024	203,498	677,820	605,060
Other overheads and expenditure (ii)	144,692	162,658	424,691	411,244
	369,716	366,156	1,102,511	1,016,304

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Personnel expenses (i)	224,092	202,810	674,697	602,934
Other overheads and expenditure (ii)	143,920	163,518	427,119	412,397
	368,012	366,328	1,101,816	1,015,331

(i) Personnel expenses

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Salaries and wages	114,173	103,606	341,360	308,813
Allowances and bonuses	64,066	58,824	174,677	170,149
Defined contribution plan - EPF	32,477	29,187	99,066	86,075
Social security contributions - SOCSO	1,283	1,267	3,849	3,780
Other staff related costs	13,025	10,614	58,868	36,243
	225,024	203,498	677,820	605,060

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Salaries and wages	113,485	103,147	339,321	307,835
Allowances and bonuses	63,951	58,707	173,917	169,316
Defined contribution plan - EPF	32,386	29,135	98,883	85,847
Social security contributions - SOCSO	1,274	1,260	3,830	3,762
Other staff related costs	12,996	10,561	58,746	36,174
	224,092	202,810	674,697	602,934

NOTE 13: OPERATING EXPENSES (CONTINUED)

(ii) Other overheads and expenditure

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Establishment				
Rental	1,031	299	340	1,135
Depreciation of property and equipment	8,731	9,055	27,096	33,113
Depreciation of right-of-use assets	5,593	4,576	14,037	10,541
Amortisation of prepaid lease payment	397	382	1,192	1,145
Amortisation of intangible assets	12,104	5,620	36,615	17,410
Finance cost on lease liabilities	707	795	1,831	2,082
Repair and maintenance	36,996	27,999	97,213	64,800
Takaful	1,004	702	7,680	7,781
	66,563	49,428	186,004	138,007
Promotion				
Advertisement and publicity	4,377	3,210	8,355	6,468
	4,377	3,210	8,355	6,468
General expenses				
Legal and professional fees	3,924	6,301	8,035	11,861
Auditors' remuneration	500	573	1,509	1,734
Communication expenses	10,175	7,787	23,894	23,197
Utilities expenses	7,205	7,652	10,594	23,607
Printing and stationery	3,390	5,524	9,482	12,224
Postage and courier	2,696	5,975	6,549	10,014
Security expenses	7,935	5,737	16,860	17,469
Service charges	8,970	1,936	29,658	15,532
Loss on financing written off	976	3,317	4,996	8,720
Property and equipment written off	14	13	143	63
Commission expenses	10,381	13,375	41,982	41,711
Travelling and transportation	1,219	2,833	3,048	8,111
Others	16,367	48,997	73,582	92,526
	73,752	110,020	230,332	266,769
	144,692	162,658	424,691	411,244

NOTE 13: OPERATING EXPENSES (CONTINUED)

(ii) Other overheads and expenditure (continued)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2021 RM'000	30 September 2020 RM'000	30 September 2021 RM'000	30 September 2020 RM'000
Establishment				
Rental	1,039	128	368	836
Depreciation of property and equipment	8,485	9,896	26,352	31,974
Depreciation of right-of-use assets	5,469	4,573	16,621	11,278
Amortisation of prepaid lease payment	397	382	1,192	1,145
Amortisation of intangible assets	12,104	5,620	36,615	17,410
Finance cost on lease liabilities	685	794	2,136	2,496
Repair and maintenance	36,989	27,923	97,153	64,722
Takaful	961	703	7,633	7,700
	66,129	50,019	188,070	137,561
Promotion				
Advertisement and publicity	4,377	3,210	8,353	6,465
	4,377	3,210	8,353	6,465
General expenses				
Legal and professional fees	3,899	6,281	7,969	11,802
Auditors' remuneration	437	516	1,312	1,548
Communication expenses	10,167	7,769	23,858	23,127
Utilities expenses	7,198	7,646	10,567	23,587
Printing and stationery	3,381	5,511	9,424	12,181
Postage and courier	2,678	5,953	6,510	9,982
Security expenses	7,935	5,728	16,860	17,437
Service charges	8,993	3,087	30,462	17,962
Loss on financing written off	976	3,317	4,996	8,720
Property and equipment written off	14	13	143	63
Commission expenses	10,381	13,375	41,982	41,711
Travelling and transportation	1,216	2,835	3,036	8,100
Others	16,139	48,258	73,577	92,151
	73,414	110,289	230,696	268,371
	143,920	163,518	427,119	412,397

NOTE 14: COMMITMENT AND CONTINGENCIES

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

	Group and Bank	
	30 September 2021	31 December 2020
	RM'000	RM'000
Contingent liabilities		
Bank guarantee given in respect of banking facilities granted to customers	124,343	111,407
Claims for damages from litigation taken against the Bank	142,177	292,327
Commitments		
Undrawn financing	2,336,797	2,294,122
	2,603,317	2,697,856

NOTE 15: CAPITAL ADEQUACY

The Bank is required to comply with the core capital ratio and risk-weighted capital adequacy ratio prescribed by Bank Negara Malaysia. The Bank was in compliance with all prescribed capital ratios throughout the period.

	Bank	
	30 September 2021	31 December 2020
Before proposed dividend		
Core capital ratio	22.189%	22.671%
Risk-weighted capital ratio	24.315%	24.600%
After proposed dividend		
Core capital ratio	22.189%	22.212%
Risk-weighted capital ratio	24.315%	24.141%

NOTE 15: CAPITAL ADEQUACY (CONTINUED)

The capital ratios are derived by taking into account the core capital and capital base against the risk weighted assets of the Bank. Components of the capital are as follows:

	Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Tier I capital		
Paid-up share capital	2,986,030	2,986,030
Retained profits	9,057,454	9,430,095
Other reserves	6,848,750	6,848,750
Total Tier I capital (core)	18,892,234	19,264,875
Tier II capital		
Subordinated sukuk	300,000	300,000
Collective impairment *	1,280,815	1,110,219
Regulatory reserve	329,672	329,672
Total Tier II capital	1,910,487	1,739,891
Total capital	20,802,721	21,004,766
Less: Investment in subsidiaries	(100,744)	(100,744)
	(100,744)	(100,744)
Total capital base	20,701,977	20,904,022

* This is surplus amount allowable after taking into account collective impairment allowance on impaired financing of the Bank.

Assets in various categories are risk-weighted as follows:

	Bank	
	30 September 2021 RM'000	31 December 2020 RM'000
Total assets assigned 20% risk-weighted	532,297	530,251
Total assets assigned 50% risk-weighted	2,535,844	2,533,856
Total assets assigned 100% risk-weighted	81,060,794	80,910,841
Off-Balance Sheet claims assigned 100% risk-weighted	1,012,057	1,000,609
	85,140,992	84,975,557