



**CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
FOR THE THIRD QUARTER
ENDED 30 SEPTEMBER 2020**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020**

	Note	Group		Bank	
		30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
ASSETS					
Cash and bank balances		882,702	1,060,218	881,490	1,059,600
Deposits and placements with financial institutions		205,563	700,069	205,563	700,069
Financial investments at fair value through profit or loss	1	478,342	636,693	478,342	636,693
Financial investments at fair value through other comprehensive income	2	21,592,198	22,273,842	21,592,190	22,273,834
Financial investments at amortised cost	3	10,421,671	10,261,091	10,421,671	10,261,091
Financing and advances	4	75,921,523	70,967,646	76,087,397	71,042,565
Trade receivables		2,890	324	-	-
Other assets	5	516,267	1,139,698	505,741	1,121,584
Right-of-use assets		53,857	64,287	77,727	90,230
Inventories		4,814	6,790	-	-
Investment in subsidiaries		-	-	100,744	100,744
Property and equipment		682,385	696,761	584,891	598,167
Intangible assets		281,700	294,321	268,515	281,136
Investment properties		1,372,928	1,322,726	1,008,047	1,008,047
Prepaid lease payment		58,037	59,182	58,037	59,182
Tax recoverable		138,186	139,957	137,455	137,455
Deferred tax assets		573	673	-	-
TOTAL ASSETS		112,613,636	109,624,278	112,407,810	109,370,397

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 2019

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2020 (CONTINUED)**

	Note	Group		Bank	
		30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
LIABILITIES					
Deposits from customers	6	87,184,703	83,831,405	87,184,703	83,831,405
Deposits and placements from banks and financial institutions		457,300	1,300,000	457,300	1,300,000
Trade payables		1,331	1,652	-	-
Recourse obligations on financing sold to Cagamas		345,116	360,770	345,116	360,770
Debt securities issued		2,236,655	2,562,786	2,236,655	2,562,786
Cashline facility		-	200,607	-	200,607
Other liabilities	7	1,518,384	1,732,223	1,744,751	1,897,370
Provision for taxation		695	110	-	-
Deferred tax liabilities		109,017	80,017	98,000	69,000
TOTAL LIABILITIES		91,853,201	90,069,570	92,066,525	90,221,938
SHAREHOLDERS' FUND					
Share capital		2,986,030	2,986,030	2,986,030	2,986,030
Share redemption fund		2,728	9,860	2,728	9,860
Reserves	8	17,771,677	16,558,818	17,352,527	16,152,569
TOTAL SHAREHOLDERS' FUND		20,760,435	19,554,708	20,341,285	19,148,459
TOTAL LIABILITIES AND SHAREHOLDERS' FUND		112,613,636	109,624,278	112,407,810	109,370,397
COMMITMENTS AND CONTINGENCIES	14	2,160,823	2,340,818	2,160,823	2,340,818

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 2019

**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2020**

Group	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Income	9	1,430,732	1,603,146	4,548,111	4,869,658
Expenditure	10	(624,843)	(807,898)	(2,110,729)	(2,509,761)
Net income		805,889	795,248	2,437,382	2,359,897
Allowance for impairment	11	(52,495)	(112,993)	(499,021)	(470,992)
Other operating income	12	103,206	98,536	358,430	401,422
Operating expenses	13	(366,156)	(358,643)	(1,016,304)	(1,001,532)
Profit before taxation and zakat		490,444	422,148	1,280,487	1,288,795
Taxation		41,973	94,144	(55,506)	(50,260)
Zakat		(7,386)	(8,818)	(15,557)	(23,096)
Profit after taxation and zakat		525,031	507,474	1,209,424	1,215,439
<u>Other comprehensive income</u>					
Items that may be reclassified subsequently to profit or loss:					
Net gain on revaluation of financial investments at fair value through other comprehensive income					
		194,300	144,317	408,460	508,789
Other comprehensive income for the period		194,300	144,317	408,460	508,789
Total comprehensive income for the period		719,331	651,791	1,617,884	1,724,228

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 2019

**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THIRD QUARTER AND NINE MONTHS ENDED 30 SEPTEMBER 2020 (CONTINUED)**

Bank	Note	3rd Quarter Ended		Nine Months Ended	
		30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Income	9	1,419,224	1,595,855	4,526,893	4,823,569
Expenditure	10	(619,949)	(804,079)	(2,097,971)	(2,470,083)
Net income		799,275	791,776	2,428,922	2,353,486
Allowance for impairment	11	(52,500)	(112,993)	(501,659)	(470,992)
Other operating income	12	103,265	96,144	350,408	396,552
Operating expenses	13	(366,328)	(354,469)	(1,015,331)	(997,831)
Profit before taxation and zakat		483,712	420,458	1,262,340	1,281,215
Taxation		43,000	94,584	(50,324)	(47,304)
Zakat		(7,500)	(8,750)	(15,493)	(22,709)
Profit after taxation and zakat		519,212	506,292	1,196,523	1,211,202
<u>Other comprehensive income</u>					
Items that may be reclassified subsequently to profit or loss:					
Net gain on revaluation of financial investments at fair value through other comprehensive income					
		194,300	144,317	408,460	508,789
Other comprehensive income for the period		194,300	144,317	408,460	508,789
Total comprehensive income for the period		713,512	650,609	1,604,983	1,719,991

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 2019

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

Group	Non-distributable			Distributable	
	Share capital RM'000	Share redemption fund RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000
At 1 January 2019	2,986,030	19,104	6,535,696	8,332,894	17,873,724
Total comprehensive income for the period	-	-	508,789	1,215,439	1,724,228
Issuance to new members	10,631	-	-	-	10,631
Share withdrawal	(17,835)	-	-	-	(17,835)
Transfer to share capital	7,204	(7,204)	-	-	-
Dividends	-	-	-	(378,974)	(378,974)
Overprovision in contribution to Bank Rakyat Foundation	-	-	-	368	368
At 30 September 2019	2,986,030	11,900	7,044,485	9,169,727	19,212,142
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

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 2019

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020 (CONTINUED)**

Bank	Non-distributable			Distributable	
	Share capital RM'000	Share redemption fund RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000
At 1 January 2019	2,986,030	19,104	6,536,437	7,954,575	17,496,146
Total comprehensive income for the period	-	-	508,789	1,211,202	1,719,991
Issuance to new members	10,631	-	-	-	10,631
Share withdrawal	(17,835)	-	-	-	(17,835)
Transfer to share capital	7,204	(7,204)	-	-	-
Dividends	-	-	-	(378,974)	(378,974)
Overprovision in contribution to Bank Rakyat Foundation	-	-	-	368	368
At 30 September 2019	2,986,030	11,900	7,045,226	8,787,171	18,830,327
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

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 2019

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS GENERATED FROM/ (USED IN) OPERATING ACTIVITIES				
Profit for the period	1,209,424	1,215,439	1,196,523	1,211,202
Adjustments for:				
Taxation	55,506	50,260	50,324	47,304
Zakat	15,557	23,096	15,493	22,709
Profit expense on debt securities issued	82,671	97,574	82,671	97,574
Allowance for impairment on financing and advances	499,990	503,261	502,628	503,261
(Writeback)/allowance for impairment on financial investment at fair value through other comprehensive income	(67)	220	(67)	220
(Writeback)/allowance for impairment on financial investment at amortised cost	(902)	(1,956)	(902)	(1,956)
Depreciation of property and equipment	33,113	41,269	31,974	40,357
Depreciation of right-of-use assets	10,541	18,552	11,278	17,568
Amortisation of prepaid lease payment	1,145	1,144	1,145	1,144
Amortisation of intangible assets	17,410	18,043	17,410	18,043
Property and equipment written off	63	81	63	81
Gain on disposal of property and equipment	(12)	(79)	(4)	(77)
Loss on financing written off	8,720	10,296	8,720	10,296
Gain on revaluation of investment properties	(7,996)	(4,556)	-	-
Impairment for trade and other receivables				
Impairment of trade and other receivables	1,011	7,298	1,062	7,298
Writeback for impairment on trade receivables	-	(78)	-	-
Net gain on disposal of financial investment at fair value through profit or loss	(18,471)	(10,257)	(18,471)	(10,257)
Net loss/(gain) on revaluation of financial investments at fair value through profit or loss	54,873	(40,772)	54,873	(40,772)
Net gain on disposal of financial investments at fair value through other comprehensive income	(120,305)	(129)	(120,305)	(129)
Profit expense on financing sold with recourse to Cagamas	13,322	22,274	13,322	22,274
Profit expense on cashline facility	1,988	-	1,988	-
Dividend from financial investments at fair value through profit or loss	(17,701)	(16,905)	(17,701)	(16,905)
Operating profit before working capital changes	1,839,880	1,934,075	1,832,024	1,929,235

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 2019

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020 (CONTINUED)**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(Increase)/Decrease in assets:				
Deposits and placements with financial institutions	494,506	(241,972)	494,506	(241,972)
Financing and advances	(5,471,036)	(1,684,145)	(5,564,629)	(1,684,145)
Trade receivables	(2,625)	(1,196)	-	-
Other assets	622,497	9,114	616,006	(13,604)
Inventories	1,976	(3,873)	-	-
Increase/(Decrease) in liabilities:				
Deposits from customers	3,353,298	1,639,479	3,353,298	1,639,479
Deposits and placements from banks and financial institutions	(842,700)	306,000	(842,700)	306,000
Trade payables	(321)	(1,086)	-	-
Recourse obligations on financing sold to Cagamas	(28,976)	(366,671)	(28,976)	(366,671)
Other liabilities	(214,997)	(134,441)	(155,642)	(138,918)
Cash generated from operations	(248,498)	1,455,284	(296,113)	1,429,404
Income tax paid	(24,050)	(99,347)	(21,324)	(99,347)
Tax refund	-	10,404	-	8,030
Zakat paid	(32,451)	(24,469)	(30,393)	(23,862)
Net cash (used in)/generated from operating activities	(304,999)	1,341,872	(347,830)	1,314,225
CASH FLOWS GENERATED FROM/ (USED IN) INVESTING ACTIVITIES				
Purchases of financial investments at fair value through profit or loss	(1,720,000)	(2,360,000)	(1,720,000)	(2,360,000)
Net proceed from disposal of financial investments at fair value through profit or loss	1,841,949	2,352,368	1,841,949	2,352,368
Purchases of financial investments at fair value through other comprehensive income	(2,660,000)	(1,935,000)	(2,660,000)	(1,935,000)
Net proceed from disposal of financial investment at fair value through other comprehensive income	3,870,476	1,871,584	3,870,476	1,871,583

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 2019

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2020 (CONTINUED)**

	Group		Bank	
	Nine Months Ended		Nine Months Ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	RM'000	RM'000	RM'000	RM'000
CASH FLOWS GENERATED FROM/ (USED IN) INVESTING ACTIVITIES (CONTINUED)				
Purchases of financial investments at amortised cost	(3,110,000)	(3,273,000)	(3,110,000)	(3,273,000)
Proceed from disposal of financial investments at amortised cost	2,950,322	3,237,597	2,950,322	3,237,597
Purchases of investment property	(42,206)	(26,918)	-	-
Purchases of property and equipment	(18,800)	(18,301)	(18,769)	(17,952)
Purchases of intangible assets	(4,791)	(13,782)	(4,791)	(13,782)
Proceeds from disposal of property and equipment	12	75	12	67
Proceeds from disposal of intangible assets	2	-	2	-
Dividend from financial investments at fair value through profit or loss	17,701	16,905	17,701	16,905
Net cash generated from/(used in) investing activities	1,124,665	(148,472)	1,166,902	(121,214)
CASH FLOWS GENERATED FROM/ (USED IN) FINANCING ACTIVITIES				
Proceeds from issue of shares to members	14,520	10,631	14,520	10,631
Dividend paid	(405,484)	(378,974)	(405,484)	(378,974)
Fund received from government	23,885	2,649	23,885	2,649
Payment of profit expenses on debt securities issued	(408,802)	(496,120)	(408,802)	(496,120)
Repayment of lease liabilities	(18,706)	(19,272)	(18,706)	(19,146)
Repayment of cashline facility	(602,595)	-	(602,595)	-
Receipt of cashline facility	400,000	-	400,000	-
Net cash used in financing activities	(997,182)	(881,086)	(997,182)	(880,960)
Net (decrease)/increased in cash and cash equivalents	(177,516)	312,314	(178,110)	312,051
Cash and cash equivalents at beginning of period	1,060,218	833,602	1,059,600	831,426
Cash and cash equivalents at end of period	882,702	1,145,916	881,490	1,143,477

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 2019

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 2020 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 2019. 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 2019.

Auditors’ Report on Preceding Annual Financial Statements

The auditors’ report on the audited financial statements for the financial year ended 31 December 2019 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 2020.

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 2020.

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 2020.

Debt and Equity Securities

There was no new issuance of debt securities by the Bank during the period.

Dividends Paid and Distributed

During the nine months ended 30 September 2020, final dividend for the year ended 31 December 2019 was paid amounting to RM 405,484,000 comprising of 14% 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 one-time election in 2020 to apply revision to the original effective profit rate in respect of any modifications made to the contractual cash flows of the 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 of Malaysian Financial Reporting Standard ("MFRS") and the modified accounting treatment is as follows:

As at 30 September 2020	Group RM'000	Bank RM'000
Financing and Advances		
Closing balance under MFRS	75,964,852	76,130,726
Adjustment of income	(43,329)	(43,329)
Closing balance under modified accounting treatment	75,921,523	76,087,397
Nine months ended 30 September 2020	Group RM'000	Bank RM'000
Income		
Closing balance under MFRS	4,591,440	4,570,222
Adjustment of income	(43,329)	(43,329)
Closing balance under modified accounting treatment	4,548,111	4,526,893

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

	Group and Bank	
	30 September 2020 RM'000	31 December 2019 RM'000
Debt instruments at fair value through profit or loss:		
Government investment issues	112,667	157,486
Islamic redeemable convertible preference shares	212,200	211,282
Government sukuk	11,472	-
	336,339	368,768
Equity securities at fair value through profit or loss:		
Quoted shares	140,280	266,325
Unit trust shares	1,723	1,600
	142,003	267,925
Total financial investments at fair value through profit or loss	478,342	636,693

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

	Group		Bank	
	30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
Debt instruments at fair value through other comprehensive income:				
Islamic debt securities	5,001,586	4,608,879	5,001,586	4,608,879
Government investment issues	6,356,828	9,100,909	6,356,828	9,100,909
Government sukuk	7,773,938	6,134,061	7,773,938	6,134,061
Khazanah sukuk	233,463	229,607	233,463	229,607
Cagamas sukuk	2,171,992	2,153,540	2,171,992	2,153,540
	21,537,807	22,226,996	21,537,807	22,226,996
Equity securities at fair value through other comprehensive income:				
Unquoted shares	54,391	46,846	54,383	46,838
	54,391	46,846	54,383	46,838
Total financial investments at fair value through other comprehensive income	21,592,198	22,273,842	21,592,190	22,273,834

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 2019	475
Changes in credit risk	(201)
At 31 December 2019 / 1 January 2020	274
Changes in credit risk	(67)
At 30 September 2020	207

NOTE 3: FINANCIAL INVESTMENTS AT AMORTISED COST

	Group and Bank	
	30 September 2020 RM'000	31 December 2019 RM'000
At amortised cost		
Islamic debt securities	691,207	735,102
Government investment issues	5,637,428	5,480,591
Government sukuk	2,984,411	2,900,312
Khazanah sukuk	237,531	304,401
Cagamas sukuk	715,817	711,149
Negotiable Islamic debt certificates	99,719	99,599
Islamic commercial papers	74,579	49,860
	10,440,692	10,281,014
Less: Allowance for ECL		
Negotiable Islamic debt certificates	-	(17)
Islamic debt securities	(19,021)	(19,906)
	(19,021)	(19,923)
Total financial investments at amortised cost	10,421,671	10,261,091

Movement of allowance for ECL by stage is as follows:

Group and Bank	12-month ECL Stage 1 RM'000	Lifetime ECL Credit Impaired Stage 3 RM'000	Total RM'000
	At 1 January 2019	55	22,169
Changes in credit risk	39	(2,340)	(2,301)
At 31 December 2019 / 1 January 2020	94	19,829	19,923
Changes in credit risk	(46)	(856)	(902)
At 30 September 2020	48	18,973	19,021

NOTE 4: FINANCING AND ADVANCES

(i) By type of financing

	Group		Bank	
	30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
At amortised cost				
Term financing				
- Personal financing	59,297,523	55,525,588	59,297,523	55,525,588
- House financing	7,260,615	6,653,654	7,438,854	6,738,300
- Hire-purchase receivables	1,907,504	1,854,630	1,907,504	1,854,630
- Syndicated financing	310,915	237,085	310,915	237,085
- Bridging financing	347,841	283,521	347,841	283,521
- Other term financing	5,208,912	4,637,701	5,208,912	4,637,701
Pawn broking	2,088,874	1,944,649	2,088,874	1,944,649
Cashline	110,503	66,503	110,503	66,503
Revolving credit	367,739	347,700	367,739	347,700
Credit card	342,730	406,699	342,730	406,699
Staff financing	477,262	458,250	477,262	458,250
Gross financing and advances, net of unearned income	77,720,418	72,415,980	77,898,657	72,500,626
Allowance for ECL on financing and advances:				
Stage 1 - 12 months ECL	(589,858)	(240,167)	(602,223)	(249,894)
Stage 2 - lifetime ECL not credit impaired	(378,736)	(397,011)	(378,736)	(397,011)
Stage 3 - lifetime ECL credit impaired	(830,301)	(811,156)	(830,301)	(811,156)
Net financing and advances	75,921,523	70,967,646	76,087,397	71,042,565

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(ii) By type of customer

	Group		Bank	
	30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
Individuals	72,252,925	67,910,842	72,252,925	67,910,842
Business enterprises	2,854,364	1,931,899	3,032,603	2,016,545
Non-bank financial institutions				
- Co-operatives	2,401,574	2,426,352	2,401,574	2,426,352
Non-bank financial institutions				
- Others	-	319	-	319
Foreign entities	5,349	2,097	5,349	2,097
Other entities	206,206	144,471	206,206	144,471
	77,720,418	72,415,980	77,898,657	72,500,626

(iii) By economic sector

	Group		Bank	
	30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
Purchase of securities	1,320	1,815	1,320	1,815
Purchase of non-residential property	982,925	820,354	982,925	820,354
Consumption credit	71,916,702	67,508,049	71,916,702	67,508,049
Agriculture	111,079	62,930	111,079	62,930
Mining & quarrying	300	-	300	-
Manufacturing	119,373	141,538	119,373	141,538
Electricity, gas and water	2,695	990	2,695	990
Construction	978,264	749,747	978,264	749,747
Wholesale and retail trade	348,713	232,079	348,713	232,079
Transportation and communication	29,633	85,094	29,633	85,094
Financial, takaful and business services	2,875,598	2,614,715	3,053,837	2,699,361
Community, social and personal services	353,816	198,669	353,816	198,669
	77,720,418	72,415,980	77,898,657	72,500,626

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(iv) Impaired financing and advances by economic sector

	Group and Bank	
	30 September 2020 RM'000	31 December 2019 RM'000
Purchase of securities	82	68
Purchase of non-residential property	16,786	25,784
Consumption credit	421,391	518,303
Agriculture	28,748	22,893
Manufacturing	71,597	70,185
Construction	224,022	241,195
Wholesale and retail trade	32,294	5,743
Transportation and communication	11,536	11,040
Financial, takaful and business services	517,950	501,063
	1,324,406	1,396,274

(v) Movement in impaired financing and advances

	Group and Bank	
	30 September 2020 RM'000	31 December 2019 RM'000
As of 1 January	1,396,274	1,490,750
Classified as impaired during the period	652,193	1,287,592
Amount written back in respect of recoveries	(565,174)	(894,879)
Amount written off during the period	(158,887)	(487,189)
	(71,868)	(94,476)
Closing balance	1,324,406	1,396,274
Gross impaired financing and advances as a percentage of gross financing and advances	1.70%	1.93%

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 2019	428,090	118,761	850,158	1,397,009
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	2,191	(2,099)	(5,168)	(5,076)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(50,784)	112,093	(96,693)	(35,384)
- Transfer to lifetime ECL credit impaired (Stage 3)	(4,745)	(12,735)	555,456	537,976
New financial assets originated	123,344	12,566	34,175	170,085
Changes in credit risk	(65,936)	(39,143)	29,071	(76,008)
Financial assets derecognised	(77,757)	(17,440)	(44,026)	(139,223)
Changes to models used for ECL calculations	(114,236)	225,008	(24,628)	86,144
Amount written off	-	-	(487,189)	(487,189)
At 31 December 2019	240,167	397,011	811,156	1,448,334
As of 1 January 2020	240,167	397,011	811,156	1,448,334
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	7,074	(29,796)	(831)	(23,553)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(7,823)	71,296	(93,262)	(29,789)
- Transfer to lifetime ECL credit impaired (Stage 3)	(639)	(26,650)	180,550	153,261
New financial assets originated	72,075	2,489	22,159	96,723
Changes in credit risk	306,638	(19,562)	93,499	380,575
Financial assets derecognised	(27,634)	(16,052)	(25,092)	(68,778)
Amount written off	-	-	(157,878)	(157,878)
At 30 September 2020	589,858	378,736	830,301	1,798,895

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 2019	428,090	118,761	850,158	1,397,009
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	2,191	(2,099)	(5,168)	(5,076)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(50,784)	112,093	(96,693)	(35,384)
- Transfer to lifetime ECL credit impaired (Stage 3)	(4,745)	(12,735)	555,456	537,976
New financial assets originated	133,071	12,566	34,175	179,812
Changes in credit risk	(65,936)	(39,143)	29,071	(76,008)
Financial assets derecognised	(77,757)	(17,440)	(44,026)	(139,223)
Changes to models used for ECL calculations	(114,236)	225,008	(24,628)	86,144
Amount written off	-	-	(487,189)	(487,189)
At 31 December 2019	249,894	397,011	811,156	1,458,061
As of 1 January 2020	249,894	397,011	811,156	1,458,061
Changes due to financing and advances movements:				
- Transfer to 12-month ECL (Stage 1)	7,074	(29,796)	(831)	(23,553)
- Transfer to lifetime ECL not credit impaired (Stage 2)	(7,823)	71,296	(93,262)	(29,789)
- Transfer to lifetime ECL credit impaired (Stage 3)	(639)	(26,650)	180,550	153,261
New financial assets originated	72,075	2,489	22,159	96,723
Changes in credit risk	309,276	(19,562)	93,499	383,213
Financial assets derecognised	(27,634)	(16,052)	(25,092)	(68,778)
Amount written off	-	-	(157,878)	(157,878)
At 30 September 2020	602,223	378,736	830,301	1,811,260

NOTE 5: OTHER ASSETS

	Group		Bank	
	30 September 2020	31 December 2019	30 September 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
Amount due from subsidiaries	-	-	25,821	13,148
Other receivables	109,599	737,812	108,728	741,208
Allowance for ECL	(29,199)	(20,563)	(28,559)	(19,813)
Refundable deposits	46,210	45,440	10,236	10,185
Prepayments	189,657	177,009	189,515	176,856
Contribution to Central Liquidity Monetary Fund	200,000	200,000	200,000	200,000
	516,267	1,139,698	505,741	1,121,584

NOTE 6: DEPOSITS FROM CUSTOMERS

(i) By type of deposit

	Group and Bank	
	30 September 2020	31 December 2019
	RM'000	RM'000
Savings deposits		
Qard	7,630,501	6,600,630
Term deposits		
Tawarruq	74,914,202	71,217,750
Negotiable Islamic debt certificate	4,640,000	6,013,025
	87,184,703	83,831,405

(ii) By type of customer

	Group and Bank	
	30 September 2020	31 December 2019
	RM'000	RM'000
Government	38,476,626	36,682,261
Business enterprises	25,740,957	26,572,859
Co-operatives	2,447,530	2,286,547
Individuals	19,264,863	16,531,690
Others	1,254,727	1,758,048
	87,184,703	83,831,405

NOTE 7: OTHER LIABILITIES

	Group		Bank	
	30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
Amount due to subsidiaries	-	-	195,445	196,557
Sundry creditors	194,005	207,017	212,665	217,285
Income payable	580,172	675,759	580,172	675,759
Other liabilities and accruals	470,886	561,203	458,737	495,972
Lease liabilities	49,574	65,875	74,679	92,116
Allowance for ECL on financial guarantee	2,664	11,113	2,664	11,113
Government fund	190,337	163,616	190,337	163,616
Zakat payable	30,746	47,640	30,052	44,952
	1,518,384	1,732,223	1,744,751	1,897,370

NOTE 8: RESERVES

	Group		Bank	
	30 September 2020 RM'000	31 December 2019 RM'000	30 September 2020 RM'000	31 December 2019 RM'000
Retained profits	9,913,073	9,108,674	9,493,182	8,701,684
Statutory reserve	6,492,462	6,492,462	6,492,462	6,492,462
Capital reserve	14,617	14,617	15,358	15,358
Fair value reserve of financial investments at FVOCI	1,021,853	613,393	1,021,853	613,393
Regulatory reserve	329,672	329,672	329,672	329,672
	17,771,677	16,558,818	17,352,527	16,152,569

NOTE 9: INCOME

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Income derived from investment of depositors' fund (i)	1,111,090	1,254,000	3,544,120	3,793,217
Income derived from investment of shareholders' fund (ii)	308,466	341,855	978,125	1,030,352
Income generated by subsidiaries (iii)	11,176	7,291	25,866	46,089
	1,430,732	1,603,146	4,548,111	4,869,658

NOTE 9: INCOME (CONTINUED)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' fund (i)	1,110,828	1,254,000	3,547,763	3,793,217
Income derived from investment of shareholders' fund (ii)	308,396	341,855	979,130	1,030,352
	1,419,224	1,595,855	4,526,893	4,823,569

(i) Income derived from investment of depositors' fund

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	865,402	989,915	2,779,354	2,999,421
Income from deposits and placements with bank and financial institutions	3,488	2,872	13,667	4,960
Income from financial investments	242,200	261,213	751,099	788,836
	1,111,090	1,254,000	3,544,120	3,793,217

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	865,140	989,915	2,782,997	2,999,421
Income from deposits and placements with bank and financial institutions	3,488	2,872	13,667	4,960
Income from financial investments	242,200	261,213	751,099	788,836
	1,110,828	1,254,000	3,547,763	3,793,217

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
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	240,271	269,864	767,061	814,733
Income from deposits and placements with bank and financial institutions	971	781	3,772	1,347
Income from financial investments	67,224	71,210	207,292	214,272
	308,466	341,855	978,125	1,030,352

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income from financing and advances	240,202	269,864	768,066	814,733
Income from deposits and placements with bank and financial institutions	970	781	3,772	1,347
Income from financial investments	67,224	71,210	207,292	214,272
	308,396	341,855	979,130	1,030,352

(iii) Income generated by subsidiaries

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Agency income	-	546	-	3,333
Pawning income	7,526	-	18,354	29,579
Rental income	1,779	6,376	2,260	7,972
Management fee	1,813	286	5,110	4,963
Sale of goods	58	80	142	238
Other charges	-	3	-	4
	11,176	7,291	25,866	46,089

NOTE 10: EXPENDITURE

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income attributable to depositors (i)	588,930	766,813	1,996,267	2,347,450
Profit expense on financing sold with recourse to Cagamas	4,375	5,787	13,322	22,274
Profit expense on debt securities issued	25,403	31,002	82,671	97,574
Profit expense on cashline facility	-	-	1,988	-
Cost of sales	6,135	4,296	16,481	42,463
	624,843	807,898	2,110,729	2,509,761

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Income attributable to depositors (i)	590,171	767,290	1,999,990	2,350,235
Profit expense on financing sold with recourse to Cagamas	4,375	5,787	13,322	22,274
Profit expense on debt securities issued	25,403	31,002	82,671	97,574
Profit expense on cashline facility	-	-	1,988	-
	619,949	804,079	2,097,971	2,470,083

NOTE 10: EXPENDITURE (CONTINUED)

(i) Income attributable to depositors

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Deposits from customers				
Non-Mudarabah	587,201	755,604	1,983,526	2,321,788
Deposits and placements from banks and other financial institutions				
Non-Mudarabah	1,729	11,209	12,741	25,662
	588,930	766,813	1,996,267	2,347,450

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Deposits from customers				
Non-Mudarabah	588,442	756,081	1,987,249	2,324,573
Deposits and placements from banks and other financial institutions				
Non-Mudarabah	1,729	11,209	12,741	25,662
	590,171	767,290	1,999,990	2,350,235

NOTE 11: ALLOWANCE FOR IMPAIRMENT

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Allowance for impairment on financing and advances (i)	52,473	113,463	499,990	472,728
Allowance for impairment on financial investments (ii)	22	(470)	(969)	(1,736)
	52,495	112,993	499,021	470,992

NOTE 11: ALLOWANCE FOR IMPAIRMENT (CONTINUED)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Allowance for impairment on financing and advances (i)	52,478	113,463	502,628	472,728
Allowance for impairment on financial investments (ii)	22	(470)	(969)	(1,736)
	52,500	112,993	501,659	470,992

(i) Allowance for impairment on financing and advances

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Stage 1 - 12 months ECL	112,580	(26,540)	341,242	(62,970)
Stage 2 - lifetime ECL not credit impaired	(59,464)	16,171	(18,275)	104,215
Stage 3 - lifetime ECL credit impaired	(643)	123,832	177,023	431,483
	52,473	113,463	499,990	472,728

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Stage 1 - 12 months ECL	112,585	(26,540)	343,880	(62,970)
Stage 2 - lifetime ECL not credit impaired	(59,464)	16,171	(18,275)	104,215
Stage 3 - lifetime ECL credit impaired	(643)	123,832	177,023	431,483
	52,478	113,463	502,628	472,728

(ii) Allowance for impairment on financial investments

Group and Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through other comprehensive income	28	-	(67)	220
Financial investments at amortised cost	(6)	(470)	(902)	(1,956)
	22	(470)	(969)	(1,736)

NOTE 12: OTHER OPERATING INCOME

Group	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Fees and commission (i)	26,534	51,778	66,423	106,952
Other income (ii)	76,672	46,758	292,007	294,470
	103,206	98,536	358,430	401,422

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Fees and commission (i)	26,534	51,778	66,423	106,952
Other income (ii)	76,731	44,366	283,985	289,600
	103,265	96,144	350,408	396,552

(i) Fees and commission

Group and Bank	3rd Quarter Ended		Nine Months Ended	
	30 September	30 September	30 September	30 September
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Takaful commission	9,952	9,866	23,578	30,471
Wasiat commission	2,407	1,938	5,247	5,360
Other commission	9,700	33,534	24,491	53,249
Processing fees	338	2	342	4
ATM service fees	3,190	3,490	8,258	9,315
MEPS fees	213	2,390	2,867	6,925
Other fees	734	558	1,640	1,628
	26,534	51,778	66,423	106,952

NOTE 12: OTHER OPERATING INCOME (CONTINUED)

(ii) Other income

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Other income from financial instruments				
Dividend from financial investments at fair value through profit or loss	434	12,853	17,701	16,905
Net gain on disposal of financial investments at fair value through profit or loss	7,510	2,598	18,471	10,257
Net (loss)/gain on revaluation of financial investments at fair value through profit or loss	2,989	(49,934)	(54,873)	40,772
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	120,305	129
Others				
Rental income	4,513	4,941	15,144	14,343
Compensation for late payment	1,182	1,288	3,456	3,553
Charges from credit card services	1,297	2,671	6,487	8,533
Other service charges	2,685	2,914	7,205	9,074
Recoveries from financing written off	48,684	58,186	127,884	157,246
Writeback of ECL on trade receivables	-	-	-	78
Gain on revaluation of investment properties	(59)	2,118	7,996	4,556
Gain on disposal of property and equipment	12	3	12	79
Other income	7,425	9,120	22,219	28,945
	76,672	46,758	292,007	294,470

NOTE 12: OTHER OPERATING INCOME (CONTINUED)

(ii) Other income (continued)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Other income from financial instruments				
Dividend from financial investments at fair value through profit or loss	434	12,853	17,701	16,905
Net gain on disposal of financial investments at fair value through profit or loss	7,510	2,598	18,471	10,257
Net (loss)/gain on revaluation of financial investments at fair value through profit or loss	2,989	(49,934)	(54,873)	40,772
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	120,305	129
Others				
Rental income	4,512	4,791	15,170	14,390
Compensation for late payment	1,182	1,288	3,456	3,553
Charges from credit card services	1,297	2,671	6,487	8,533
Other service charges	2,685	2,914	7,205	9,074
Recoveries from financing written off	48,684	58,186	127,884	157,246
Gain on disposal of property and equipment	4	3	4	77
Other income	7,434	8,996	22,175	28,664
	76,731	44,366	283,985	289,600

NOTE 13: OPERATING EXPENSES

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	RM'000	RM'000	RM'000	RM'000
Personnel expenses (i)	203,498	198,802	605,060	580,782
Other overheads and expenditure (ii)	162,658	159,841	411,244	420,750
	366,156	358,643	1,016,304	1,001,532

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	RM'000	RM'000	RM'000	RM'000
Personnel expenses (i)	202,810	195,944	602,934	568,898
Other overheads and expenditure (ii)	163,518	158,525	412,397	428,933
	366,328	354,469	1,015,331	997,831

(i) Personnel expenses

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	RM'000	RM'000	RM'000	RM'000
Salaries and wages	103,606	97,273	308,813	286,361
Allowances and bonuses	58,824	56,236	170,149	167,352
Defined contribution plan - EPF	29,187	27,708	86,075	81,706
Social security contributions - SOCSO	1,267	1,234	3,780	3,639
Other staff related costs	10,614	16,351	36,243	41,724
	203,498	198,802	605,060	580,782

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2020	30 September 2019	30 September 2020	30 September 2019
	RM'000	RM'000	RM'000	RM'000
Salaries and wages	103,147	95,405	307,835	278,535
Allowances and bonuses	58,707	55,834	169,316	165,090
Defined contribution plan - EPF	29,135	27,438	85,847	80,618
Social security contributions - SOCSO	1,260	1,189	3,762	3,473
Other staff related costs	10,561	16,078	36,174	41,182
	202,810	195,944	602,934	568,898

NOTE 13: OPERATING EXPENSES (CONTINUED)

(ii) Other overheads and expenditure

Group	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Establishment				
Rental	299	(8,637)	1,135	1,047
Depreciation of property and equipment	9,055	13,108	33,113	41,269
Depreciation of right-of-use assets	4,576	18,552	10,541	18,552
Amortisation of prepaid lease payment	382	382	1,145	1,145
Amortisation of intangible assets	5,620	6,011	17,410	18,043
Finance cost on lease liabilities	795	890	2,082	890
Repair and maintenance	27,999	24,457	64,800	62,602
Takaful	702	95	7,781	5,764
	49,428	54,858	138,007	149,312
Promotion				
Advertisement and publicity	3,210	6,410	6,468	12,404
	3,210	6,410	6,468	12,404
General expenses				
Legal and professional fees	6,301	3,263	11,861	7,160
Auditors' remuneration	573	550	1,734	1,684
Communication expenses	7,787	8,753	23,197	25,241
Utilities expenses	7,652	8,465	23,607	24,801
Printing and stationery	5,524	3,905	12,224	11,292
Postage and courier	5,975	3,465	10,014	6,027
Security expenses	5,737	8,452	17,469	22,025
Service charges	1,936	9,862	15,532	23,696
Loss on financing written off	3,317	3,422	8,720	10,296
Property and equipment written off	13	57	63	81
Commission expenses	13,375	18,813	41,711	57,047
Travelling and transportation	2,833	2,545	8,111	8,510
Others	48,997	27,021	92,526	61,174
	110,020	98,573	266,769	259,034
	162,658	159,841	411,244	420,750

NOTE 13: OPERATING EXPENSES (CONTINUED)

(ii) Other overheads and expenditure (continued)

Bank	3rd Quarter Ended		Nine Months Ended	
	30 September 2020 RM'000	30 September 2019 RM'000	30 September 2020 RM'000	30 September 2019 RM'000
Establishment				
Rental	128	(11,788)	836	796
Depreciation of property and equipment	9,896	12,864	31,974	40,357
Depreciation of right-of-use assets	4,573	17,568	11,278	17,568
Amortisation of prepaid lease payment	382	381	1,145	1,144
Amortisation of intangible assets	5,620	6,011	17,410	18,043
Finance cost on lease liabilities	794	858	2,496	858
Repair and maintenance	27,923	24,544	64,722	62,580
Takaful	703	48	7,700	5,675
	50,019	50,486	137,561	147,021
Promotion				
Advertisement and publicity	3,210	6,375	6,465	12,254
	3,210	6,375	6,465	12,254
General expenses				
Legal and professional fees	6,281	3,058	11,802	6,404
Auditors' remuneration	516	490	1,548	1,471
Communication expenses	7,769	8,709	23,127	25,092
Utilities expenses	7,646	8,447	23,587	24,736
Printing and stationery	5,511	3,832	12,181	11,093
Postage and courier	5,953	3,459	9,982	5,983
Security expenses	5,728	8,452	17,437	21,999
Service charges	3,087	13,317	17,962	38,963
Loss on financing written off	3,317	3,422	8,720	10,296
Property and equipment written off	13	57	63	81
Commission expenses	13,375	18,811	41,711	57,045
Travelling and transportation	2,835	3,411	8,100	10,948
Others	48,258	26,199	92,151	55,547
	110,289	101,664	268,371	269,658
	163,518	158,525	412,397	428,933

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 2020	31 December 2019
	RM'000	RM'000
Contingent liabilities		
Bank guarantee given in respect of banking facilities granted to customers	79,418	80,666
Claims for damages from litigation taken against the Bank	104,954	106,053
Commitments		
Undrawn financing	1,976,451	2,154,099
	2,160,823	2,340,818

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 2020	31 December 2019
Before proposed dividend		
Core capital ratio	21.10%	22.64%
Risk-weighted capital ratio	22.89%	24.12%
After proposed dividend		
Core capital ratio	21.10%	22.12%
Risk-weighted capital ratio	22.89%	23.60%

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	31 December
	2020	2019
	RM'000	RM'000
Tier I capital		
Paid-up share capital	2,986,030	2,986,030
Retained profits	8,296,659	8,701,684
Other reserves	6,507,820	6,507,820
Total Tier I capital (core)	17,790,509	18,195,534
Tier II capital		
Subordinated sukuk	300,000	300,000
Collective impairment *	980,959	658,018
Regulatory reserve	329,672	329,672
Total Tier II capital	1,610,631	1,287,690
Total capital	19,401,140	19,483,224
Less: Investment in subsidiaries	(100,744)	(100,744)
	(100,744)	(100,744)
Total capital base	19,300,396	19,382,480

* 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	31 December
	2020	2019
	RM'000	RM'000
Total assets assigned 20% risk-weighted	638,618	732,872
Total assets assigned 50% risk-weighted	2,804,866	2,613,334
Total assets assigned 100% risk-weighted	80,017,802	75,696,226
Off-Balance Sheet claims assigned 100% risk-weighted	840,999	1,320,418
	84,302,285	80,362,850