



**CONSOLIDATED INTERIM
FINANCIAL STATEMENTS
FOR THE FINANCIAL HALF YEAR
ENDED 30 JUNE 2023**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023**

| Group | Note | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---|-------------|------------------------------------|---|---|
| ASSETS | | | | |
| Cash and bank balances | | 939,779 | 1,048,827 | 835,189 |
| Deposits and placements with financial institutions | | 473,456 | 1,154,038 | 672,463 |
| Financial investments at fair value through profit or loss | 1 | 263,977 | 255,027 | 976,032 |
| Financial investments at fair value through other comprehensive income | 2 | 20,990,167 | 20,466,301 | 20,781,718 |
| Financial investments at amortised cost | 3 | 13,143,914 | 12,427,045 | 10,826,850 |
| Financing and advances | 4 | 78,614,141 | 77,126,487 | 76,643,263 |
| Trade receivables | | 3,139 | 1,228 | 909 |
| Other assets | 5 | 997,555 | 975,749 | 620,169 |
| Right-of-use assets | | 39,039 | 40,262 | 49,075 |
| Inventories | | 33,691 | 43,801 | 23,393 |
| Property and equipment | | 618,094 | 613,202 | 606,186 |
| Intangible assets | | 537,344 | 544,365 | 579,046 |
| Investment properties | | 1,524,017 | 1,490,411 | 1,388,091 |
| Prepaid lease payment | | 54,456 | 55,193 | 59,038 |
| Tax recoverable | | 192,105 | 218,713 | 142,078 |
| Deferred tax assets | | 148,672 | 290,672 | 201,484 |
| TOTAL ASSETS | | 118,573,546 | 116,751,321 | 114,404,984 |

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 2022

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023 (CONTINUED)**

| Group | Note | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---|-------------|------------------------------------|---|---|
| LIABILITIES | | | | |
| Deposits from customers | 6 | 87,410,656 | 86,338,197 | 86,523,884 |
| Investment accounts of customers | | 79,335 | 19,983 | - |
| Deposits and placements from banks and financial institutions | | 1,975,896 | 1,592,461 | 850,000 |
| Trade payables | | 1,314 | 1,735 | 1,839 |
| Recourse obligations on financing sold to Cagamas | | 1,000,002 | 500,000 | 318,311 |
| Debt securities issued | | 4,023,833 | 4,023,391 | 3,297,940 |
| Cashline facility | | - | 704,122 | 700,417 |
| Other liabilities | 7 | 1,545,653 | 1,585,415 | 1,697,022 |
| Provision for taxation | | 479 | - | - |
| Deferred tax liabilities | | 15,170 | 15,170 | 13,550 |
| TOTAL LIABILITIES | | 96,052,338 | 94,780,474 | 93,402,963 |
| SHAREHOLDERS' FUND | | | | |
| Share capital | | 2,986,030 | 2,986,030 | 2,986,030 |
| Share redemption fund | | 639 | 2,120 | 5,885 |
| Reserves | 8 | 19,534,539 | 18,982,697 | 18,010,106 |
| TOTAL SHAREHOLDERS' FUND | | 22,521,208 | 21,970,847 | 21,002,021 |
| TOTAL LIABILITIES AND SHAREHOLDERS' FUND | | 118,573,546 | 116,751,321 | 114,404,984 |
| COMMITMENTS AND CONTINGENCIES | 14 | 2,694,104 | 2,573,104 | 2,543,134 |

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 2022

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023 (CONTINUED)**

| Bank | Note | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---|-------------|------------------------------------|---|---|
| ASSETS | | | | |
| Cash and bank balances | | 934,713 | 1,046,115 | 834,987 |
| Deposits and placements with financial institutions | | 473,456 | 1,153,897 | 672,463 |
| Financial investments at fair value through profit or loss | 1 | 263,977 | 255,027 | 976,032 |
| Financial investments at fair value through other comprehensive income | 2 | 20,990,159 | 20,466,293 | 20,781,710 |
| Financial investments at amortised cost | 3 | 13,143,914 | 12,427,045 | 10,826,850 |
| Financing and advances | 4 | 78,929,036 | 77,414,512 | 76,863,407 |
| Other assets | 5 | 973,353 | 948,807 | 596,551 |
| Right-of-use assets | | 44,073 | 46,954 | 60,948 |
| Investment in subsidiaries | | 100,744 | 100,744 | 100,744 |
| Property and equipment | | 528,363 | 523,536 | 514,446 |
| Intangible assets | | 524,159 | 531,180 | 565,861 |
| Investment properties | | 958,370 | 958,370 | 948,920 |
| Prepaid lease payment | | 54,456 | 55,193 | 59,038 |
| Tax recoverable | | 191,337 | 215,653 | 138,747 |
| Deferred tax assets | | 148,000 | 290,000 | 201,000 |
| TOTAL ASSETS | | 118,258,110 | 116,433,326 | 114,141,704 |

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 2022

**UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2023 (CONTINUED)**

| Bank | Note | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---|-------------|------------------------------------|---|---|
| LIABILITIES | | | | |
| Deposits from customers | 6 | 87,410,656 | 86,338,197 | 86,523,884 |
| Investment accounts of customers | | 79,335 | 19,983 | - |
| Deposits and placements from banks and financial institutions | | 1,975,896 | 1,592,461 | 850,000 |
| Recourse obligations on financing sold to Cagamas | | 1,000,002 | 500,000 | 318,311 |
| Debt securities issued | | 4,023,833 | 4,023,391 | 3,297,940 |
| Cashline facility | | - | 704,122 | 700,417 |
| Other liabilities | 7 | 1,707,589 | 1,732,357 | 1,884,260 |
| TOTAL LIABILITIES | | 96,197,311 | 94,910,511 | 93,574,812 |
| SHAREHOLDERS' FUND | | | | |
| Share capital | | 2,986,030 | 2,986,030 | 2,986,030 |
| Share redemption fund | | 639 | 2,120 | 5,885 |
| Reserves | 8 | 19,074,130 | 18,534,665 | 17,574,977 |
| TOTAL SHAREHOLDERS' FUND | | 22,060,799 | 21,522,815 | 20,566,892 |
| TOTAL LIABILITIES AND SHAREHOLDERS' FUND | | 118,258,110 | 116,433,326 | 114,141,704 |
| COMMITMENTS AND CONTINGENCIES | 14 | 2,694,104 | 2,573,104 | 2,543,134 |

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 2022

**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2023**

| Group | Note | 2nd Quarter Ended | | Six Months Ended | |
|---|------|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| | | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated |
| Income | 9 | 1,662,690 | 1,459,424 | 3,288,400 | 2,878,705 |
| Expenditure | 10 | (884,415) | (559,141) | (1,745,072) | (1,117,333) |
| Net income | | 778,275 | 900,283 | 1,543,328 | 1,761,372 |
| Allowance for impairment | 11 | 10,693 | (178,311) | (24,735) | (351,633) |
| Other operating income | 12 | 114,242 | 97,321 | 233,938 | 187,413 |
| Operating expenses | 13 | (425,634) | (314,517) | (847,046) | (678,788) |
| Profit before taxation and zakat | | 477,576 | 504,776 | 905,485 | 918,364 |
| Taxation | | (45,106) | 96,925 | (150,916) | 66,618 |
| Zakat | | (11,564) | (9,928) | (23,089) | (19,270) |
| Profit after taxation and zakat | | 420,906 | 591,773 | 731,480 | 965,712 |
| <u>Other comprehensive income/(loss)</u> | | | | | |
| Items that will not be reclassified to profit or loss: | | | | | |
| Change in fair value reserve (equity instruments) | | - | 6,806 | 4,366 | 6,994 |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Fair value reserve (debt instruments) | | | | | |
| - Change in fair value | | 42,749 | (366,880) | 242,078 | (551,213) |
| - Amount transferred to profit or loss | | - | (1,349) | - | (1,349) |
| Change in expected credit loss ("ECL") reserve on debt Instruments at FVOCI | | - | (12) | (9) | (16) |
| Other comprehensive income/(loss) for the period | | 42,749 | (361,435) | 246,435 | (545,584) |
| Total comprehensive income for the period | | 463,655 | 230,338 | 977,915 | 420,128 |

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 2022

**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SECOND QUARTER AND SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

| Bank | Note | 2nd Quarter Ended | | Six Months Ended | |
|---|------|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| | | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated |
| Income | 9 | 1,620,757 | 1,446,192 | 3,193,593 | 2,835,292 |
| Expenditure | 10 | (847,597) | (545,730) | (1,660,585) | (1,078,058) |
| Net income | | 773,160 | 900,462 | 1,533,008 | 1,757,234 |
| Allowance for impairment | 11 | 10,762 | (178,278) | (24,826) | (351,603) |
| Other operating income | 12 | 112,370 | 82,226 | 226,304 | 172,199 |
| Operating expenses | 13 | (425,939) | (316,034) | (846,837) | (679,139) |
| Profit before taxation and zakat | | 470,353 | 488,376 | 887,649 | 898,691 |
| Taxation | | (43,074) | 101,097 | (146,316) | 72,195 |
| Zakat | | (11,264) | (9,000) | (22,230) | (17,851) |
| Profit after taxation and zakat | | 416,015 | 580,473 | 719,103 | 953,035 |
| <u>Other comprehensive income/(loss)</u> | | | | | |
| Items that will not be reclassified to profit or loss: | | | | | |
| Change in fair value reserve (equity instruments) | | - | 6,806 | 4,366 | 6,994 |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Fair value reserve (debt instruments) | | | | | |
| - Change in fair value | | 42,749 | (366,880) | 242,078 | (551,213) |
| - Amount transferred to profit or loss | | - | (1,349) | - | (1,349) |
| Change in expected credit loss ("ECL") reserve on debt Instruments at FVOCI | | - | (12) | (9) | (16) |
| Other comprehensive income/(loss) for the period | | 42,749 | (361,435) | 246,435 | (545,584) |
| Total comprehensive income for the period | | 458,764 | 219,038 | 965,538 | 407,451 |

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 2022

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

| 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 2022, as previously reported | 2,986,030 | 5,885 | 7,853,902 | 10,809,378 | 21,655,195 |
| Prior year adjustments | - | - | - | (653,174) | (653,174) |
| As 1 January 2022, as restated | 2,986,030 | 5,885 | 7,853,902 | 10,156,204 | 21,002,021 |
| Total comprehensive income for the period | - | - | (545,584) | 929,680 | 384,096 |
| Issuance to new members | 12,825 | - | - | - | 12,825 |
| Share withdrawal | (11,988) | - | - | - | (11,988) |
| Transfer to share capital | (837) | 837 | - | - | - |
| Dividends | - | - | - | (429,476) | (429,476) |
| Overprovision in contribution to Bank Rakyat Foundation | - | - | - | 627 | 627 |
| At 30 June 2022 | 2,986,030 | 6,722 | 7,308,318 | 10,657,035 | 20,958,105 |
| At 1 January 2023, as previously reported | 2,986,030 | 2,120 | 7,897,423 | 11,668,679 | 22,554,252 |
| Prior year adjustments | - | - | - | (583,405) | (583,405) |
| As 1 January 2023, as restated | 2,986,030 | 2,120 | 7,897,423 | 11,085,274 | 21,970,847 |
| Total comprehensive income for the period | - | - | 246,435 | 731,480 | 977,915 |
| Issuance to new members | 12,575 | - | - | - | 12,575 |
| Share withdrawal | (14,056) | - | - | - | (14,056) |
| Transfer to share capital | 1,481 | (1,481) | - | - | - |
| Dividends | - | - | - | (426,803) | (426,803) |
| Overprovision in contribution to Bank Rakyat Foundation | - | - | - | 730 | 730 |
| At 30 June 2023 | 2,986,030 | 639 | 8,143,858 | 11,390,681 | 22,521,208 |

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 2022

**UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (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 2022, as previously reported | 2,986,030 | 5,885 | 7,854,643 | 10,373,508 | 21,220,066 |
| Prior year adjustments | - | - | - | (653,174) | (653,174) |
| As 1 January 2022, as restated | 2,986,030 | 5,885 | 7,854,643 | 9,720,334 | 20,566,892 |
| Total comprehensive income for the period | - | - | (545,584) | 917,003 | 371,419 |
| Issuance to new members | 12,825 | - | - | - | 12,825 |
| Share withdrawal | (11,988) | - | - | - | (11,988) |
| Transfer to share capital | (837) | 837 | - | - | - |
| Dividends | - | - | - | (429,476) | (429,476) |
| Overprovision in contribution to Bank Rakyat Foundation | - | - | - | 627 | 627 |
| At 30 June 2022 | 2,986,030 | 6,722 | 7,309,059 | 10,208,488 | 20,510,299 |
| At 1 January 2023, as previously reported | 2,986,030 | 2,120 | 7,898,164 | 11,219,906 | 22,106,220 |
| Prior year adjustments | - | - | - | (583,405) | (583,405) |
| As 1 January 2023, as restated | 2,986,030 | 2,120 | 7,898,164 | 10,636,501 | 21,522,815 |
| Total comprehensive income for the period | - | - | 246,435 | 719,103 | 965,538 |
| Issuance to new members | 12,575 | - | - | - | 12,575 |
| Share withdrawal | (14,056) | - | - | - | (14,056) |
| Transfer to share capital | 1,481 | (1,481) | - | - | - |
| Dividends | - | - | - | (426,803) | (426,803) |
| Overprovision in contribution to Bank Rakyat Foundation | - | - | - | 730 | 730 |
| At 30 June 2023 | 2,986,030 | 639 | 8,144,599 | 10,929,531 | 22,060,799 |

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 2022

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023**

| | Group | | Bank | |
|---|-------------------------|-----------|-------------------------|-----------|
| | Six Months Ended | | Six Months Ended | |
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit before taxation and zakat | 905,485 | 918,364 | 887,649 | 898,691 |
| Adjustments for: | | | | |
| Profit expense on debt securities issued | 81,434 | 70,043 | 81,434 | 70,043 |
| Allowance for impairment on financing and advances | 24,735 | 359,050 | 24,838 | 359,020 |
| Writeback for impairment on financial investment at fair value through other comprehensive income | (9) | (16) | (9) | (16) |
| Writeback for impairment on financial investment at amortised cost | (3) | (7,401) | (3) | (7,401) |
| Depreciation of property and equipment | 18,918 | 15,428 | 18,781 | 15,300 |
| Depreciation of right-of-use assets | 10,024 | 8,901 | 12,903 | 11,267 |
| Amortisation of prepaid lease payment | 737 | 795 | 737 | 795 |
| Amortisation of intangible assets | 25,891 | 27,711 | 25,891 | 27,711 |
| Finance cost on lease liabilities | 880 | 1,097 | 1,128 | 1,241 |
| Property and equipment written off | 24 | 6 | 24 | 6 |
| Loss on financing written off | 2,316 | 3,288 | 2,316 | 3,288 |
| Impairment of trade and other receivables | 1,570 | 155 | 1,570 | 155 |
| Gain on disposal of property and equipment | (35) | (17) | (35) | - |
| Gain on revaluation of investment properties | (7,893) | (15,068) | - | - |
| Writeback for impairment on trade receivables | - | (100) | - | - |
| Net (gain)/loss on disposal of financial Investment at fair value through profit or loss | (1,543) | 114 | (1,543) | 114 |
| Net (gain)/loss on revaluation of financial investments at fair value through profit or loss | (197) | 28,334 | (197) | 28,334 |
| Profit expense on financing sold with recourse to Cagamas | 21,179 | 7,874 | 21,179 | 7,874 |
| Profit expense on cashline facility | 1,409 | 1,927 | 1,409 | 1,927 |
| Dividend from financial investments at fair value through profit or loss | - | (1,507) | - | (1,507) |
| Operating profit before working capital changes | 1,084,922 | 1,418,978 | 1,078,072 | 1,416,842 |

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 2022

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

| | Group | | Bank | |
|---|-------------------------|-----------------|-------------------------|-----------------|
| | Six Months Ended | | Six Months Ended | |
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED) | | | | |
| (Increase)/Decrease in assets: | | | | |
| Deposits and placements with financial institutions | 680,582 | (132,451) | 680,441 | (132,451) |
| Financing and advances | (1,517,369) | 144,682 | (1,544,342) | 95,595 |
| Other assets | (23,376) | (236,839) | (26,116) | (239,949) |
| Inventories | 10,110 | (2,360) | - | - |
| Trade receivables | (1,911) | (371) | - | - |
| Increase/(Decrease) in liabilities: | | | | |
| Deposits from customers | 1,072,459 | 1,759,991 | 1,072,459 | 1,759,991 |
| Investment accounts of customers | 59,352 | 564 | 59,352 | 564 |
| Deposits and placements from banks and financial institutions | 383,435 | (22,000) | 383,435 | (22,000) |
| Trade payables | (421) | (350) | - | - |
| Recourse obligations on financing sold to Cagamas | 478,823 | (18,973) | 478,823 | (18,973) |
| Other liabilities | (60,097) | (353,714) | (43,120) | (356,900) |
| Cash generated from operations | 2,166,509 | 2,557,157 | 2,139,004 | 2,502,719 |
| Income tax paid | (1,829) | (5,426) | - | (3,634) |
| Income tax refund | 20,000 | - | 20,000 | - |
| Zakat paid | (17,106) | (13,970) | (16,640) | (12,724) |
| Net cash generated from operating activities | 2,167,574 | 2,537,761 | 2,142,364 | 2,486,361 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Purchases of financial investments at fair value through profit or loss | (380,000) | (290,000) | (380,000) | (290,000) |
| Net proceed from disposal of financial investments at fair value through profit or loss | 372,790 | 356,971 | 372,790 | 356,971 |
| Purchases of financial investments at fair value through other comprehensive income | (1,285,000) | (1,265,000) | (1,285,000) | (1,265,000) |

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 2022

**UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2023 (CONTINUED)**

| | Group | | Bank | |
|--|-------------------------|-------------|-------------------------|-------------|
| | Six Months Ended | | Six Months Ended | |
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Net proceed from disposal of financial investment at fair value through other comprehensive income | 1,007,578 | 1,751,643 | 1,007,578 | 1,751,643 |
| Purchases of financial investments at amortised cost | (1,595,000) | (3,126,150) | (1,595,000) | (3,126,150) |
| Proceed from disposal of financial investments at amortised cost | 878,134 | 644,207 | 878,134 | 644,207 |
| Purchases of investment properties | (25,713) | (49,087) | - | - |
| Purchases of property and equipment | (23,894) | (11,929) | (23,692) | (11,522) |
| Purchases of intangible assets | (18,870) | (7,811) | (18,870) | (7,811) |
| Proceeds from disposal of property and equipment | 95 | 33 | 95 | 15 |
| Dividend from financial investments at fair value through profit or loss | - | 1,507 | - | 1,507 |
| Net cash used in investing activities | (1,069,880) | (1,995,616) | (1,043,965) | (1,946,140) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Proceeds from issue of shares to members | 12,575 | 12,825 | 12,575 | 12,825 |
| Dividend paid | (426,803) | (429,476) | (426,803) | (429,476) |
| Fund received from government | 5,000 | 55,779 | 5,000 | 55,779 |
| Proceeds from debt securities issued | - | 1,500,000 | - | 1,500,000 |
| Payment of profit expenses on debt securities issued | (80,992) | (914,682) | (80,992) | (914,682) |
| Repayment of lease liabilities | (10,991) | (12,980) | (14,050) | (12,531) |
| Repayment of cashline facility | (705,531) | (702,344) | (705,531) | (702,344) |
| Net cash used in financing activities | (1,206,742) | (490,878) | (1,209,801) | (490,429) |
| Net (decrease)/increase in cash and cash equivalents | (109,048) | 51,267 | (111,402) | 49,792 |
| Cash and cash equivalents at beginning of period | 1,048,827 | 835,189 | 1,046,115 | 834,987 |
| Cash and cash equivalents at end of period | 939,779 | 886,456 | 934,713 | 884,779 |

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 2022

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

Basis of Preparation

The unaudited interim financial statements for the second quarter and six months ended 30 June 2023 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 2022. 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 2022.

Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2022 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 second quarter and six months ended 30 June 2023.

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 second quarter and six months end 30 June 2023.

Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the second quarter and six months ended 30 June 2023.

Debt and Equity Securities

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

Dividends Paid and Distributed

During the six months ended 30 June 2023, final dividend for the year ended 31 December 2022 was paid amounting to RM426,802,956 comprising of 15% cash dividend.

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

| | Group and Bank | |
|---|------------------------------------|--|
| | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
| Debt instruments at fair value through profit or loss: | | |
| Government investment issues | 50,777 | 41,827 |
| Islamic redeemable convertible preference shares | 213,200 | 213,200 |
| | 263,977 | 255,027 |
| Total financial investments at fair value through profit or loss | 263,977 | 255,027 |

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

| | Group | | Bank | |
|---|------------------------------------|--|------------------------------------|--|
| | 30 June 2023 RM'000 | 31 December 2022 RM'000 | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
| Debt instruments at fair value through other comprehensive income: | | | | |
| Islamic debt securities | 4,803,626 | 4,520,183 | 4,803,626 | 4,520,183 |
| Government investment issues | 7,294,616 | 6,803,294 | 7,294,616 | 6,803,294 |
| Government sukuk | 8,382,090 | 8,403,783 | 8,382,090 | 8,403,783 |
| Cagamas sukuk | 418,295 | 651,866 | 418,295 | 651,866 |
| | 20,898,627 | 20,379,126 | 20,898,627 | 20,379,126 |
| Equity securities at fair value through other comprehensive income: | | | | |
| Unquoted shares | 91,540 | 87,175 | 91,532 | 87,167 |
| | 91,540 | 87,175 | 91,532 | 87,167 |
| Total financial investments at fair value through other comprehensive income | 20,990,167 | 20,466,301 | 20,990,159 | 20,466,293 |

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

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 2022 | 129 |
| Changes in credit risk | (51) |
| At 31 December 2022/1 January 2023 | 78 |
| Changes in credit risk | (9) |
| At 30 June 2023 | 69 |

NOTE 3: FINANCIAL INVESTMENTS AT AMORTISED COST

| | Group and Bank | |
|--|------------------------------------|--|
| | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
| At amortised cost | | |
| Islamic debt securities | 1,290,074 | 1,286,778 |
| Government investment issues | 8,344,005 | 7,803,055 |
| Government sukuk | 3,126,310 | 3,184,122 |
| Khazanah sukuk | 64,672 | 63,354 |
| Cagamas sukuk | 230,062 | 50,451 |
| Negotiable Islamic debt certificates | 99,429 | 49,926 |
| | 13,154,552 | 12,437,686 |
| Less: Allowance for ECL | | |
| Negotiable Islamic debt certificates | (1) | (1) |
| Islamic debt securities | (10,637) | (10,640) |
| Total financial investments at amortised cost | 13,143,914 | 12,427,045 |

NOTE 3: FINANCIAL INVESTMENTS AT AMORTISED COST (CONTINUED)

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 2022 | 32 | 18,010 | 18,042 |
| Changes in credit risk | 4 | (7,405) | (7,401) |
| At 31 December 2022/1 January 2023 | 36 | 10,605 | 10,641 |
| Changes in credit risk | (3) | - | (3) |
| At 31 March 2023 | 33 | 10,605 | 10,638 |

NOTE 4: FINANCING AND ADVANCES

(i) By type of financing

| Group | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---|---------------------------|---|---|
| At amortised cost | | | |
| Term financing | | | |
| - Personal financing | 57,642,290 | 57,783,304 | 59,396,893 |
| - House financing | 9,728,954 | 9,230,171 | 8,322,604 |
| - Hire-purchase receivables | 2,454,784 | 2,240,024 | 1,872,949 |
| - Syndicated financing | 398,574 | 397,821 | 346,195 |
| - Bridging financing | 24,654 | 71,320 | 257,291 |
| - Other term financing | 6,629,392 | 6,196,447 | 5,351,751 |
| Pawn broking | 2,577,347 | 2,336,283 | 2,015,803 |
| Cashline | 578,840 | 482,496 | 224,006 |
| Revolving credit | 203,603 | 192,309 | 304,539 |
| Credit card | 401,330 | 391,826 | 356,279 |
| Staff financing | 493,466 | 495,202 | 484,852 |
| | 81,133,234 | 79,817,203 | 78,933,162 |
| Allowance for ECL on financing and advances: | | | |
| Stage 1 - 12-months ECL | (625,148) | (856,034) | (930,978) |
| Stage 2 - lifetime ECL not credit impaired | (725,050) | (848,463) | (589,953) |
| Stage 3 - lifetime ECL credit impaired | (1,168,895) | (986,219) | (768,968) |
| Net financing and advances | 78,614,141 | 77,126,487 | 76,643,263 |

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(i) By type of financing (continued)

| Bank | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---|------------------------------------|---|---|
| At amortised cost | | | |
| Term financing | | | |
| - Personal financing | 57,642,290 | 57,783,304 | 59,396,893 |
| - House financing | 10,054,250 | 9,528,506 | 8,556,354 |
| - Hire-purchase receivables | 2,454,784 | 2,240,024 | 1,872,949 |
| - Syndicated financing | 398,574 | 397,821 | 346,195 |
| - Bridging financing | 24,654 | 71,320 | 257,291 |
| - Other term financing | 6,629,392 | 6,196,447 | 5,351,751 |
| Pawn broking | 2,577,347 | 2,336,283 | 2,015,803 |
| Cashline | 578,840 | 482,496 | 224,006 |
| Revolving credit | 203,603 | 192,309 | 304,539 |
| Credit card | 401,330 | 391,826 | 356,279 |
| Staff financing | 493,466 | 495,202 | 484,852 |
| | 81,458,530 | 80,115,538 | 79,166,912 |
| Allowance for ECL on financing and advances: | | | |
| Stage 1 - 12-months ECL | (635,549) | (866,344) | (944,585) |
| Stage 2 - lifetime ECL not credit impaired | (725,050) | (848,463) | (589,954) |
| Stage 3 - lifetime ECL credit impaired | (1,168,895) | (986,219) | (768,966) |
| Net financing and advances | 78,929,036 | 77,414,512 | 76,863,407 |

NOTE 4: FINANCING AND ADVANCES (CONTINUED)**(ii) By type of customer**

| Group | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---------------------------------|------------------------------------|---|---|
| Individuals | 74,797,396 | 73,538,790 | 73,421,852 |
| Business enterprises | 3,843,370 | 3,833,726 | 3,041,960 |
| Non-bank financial institutions | | | |
| - Co-operatives | 2,332,665 | 2,277,135 | 2,214,452 |
| Foreign entities | 1,972 | 1,515 | 1,566 |
| Other entities | 157,831 | 166,037 | 253,332 |
| | 81,133,234 | 79,817,203 | 78,933,162 |

| Bank | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|---------------------------------|------------------------------------|---|---|
| Individuals | 74,797,396 | 73,538,790 | 73,421,852 |
| Business enterprises | 4,168,666 | 4,132,061 | 3,275,710 |
| Non-bank financial institutions | | | |
| - Co-operatives | 2,332,665 | 2,277,135 | 2,214,452 |
| Foreign entities | 1,972 | 1,515 | 1,566 |
| Other entities | 157,831 | 166,037 | 253,332 |
| | 81,458,530 | 80,115,538 | 79,166,912 |

(iii) By economic sector

| Group | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|--|------------------------------------|---|---|
| Household | 74,799,369 | 73,532,776 | 73,505,623 |
| Agriculture | 102,539 | 97,812 | 81,262 |
| Mining & quarrying | 4,927 | 4,450 | 300 |
| Manufacturing | 159,769 | 107,068 | 76,503 |
| Electricity, gas and water | 103,512 | 163,602 | 27,433 |
| Construction | 733,893 | 798,941 | 961,923 |
| Wholesale & retail trade | 1,021,881 | 862,019 | 512,490 |
| Transportation & communication | 873,270 | 923,683 | 358,223 |
| Financial, takaful & business services | 2,398,349 | 2,414,303 | 2,462,052 |
| Community, social & personal services | 935,725 | 912,549 | 947,353 |
| | 81,133,234 | 79,817,203 | 78,933,162 |

NOTE 4: FINANCING AND ADVANCES (CONTINUED)**(iii) By economic sector (continued)**

| Bank | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|--|------------------------------------|---|---|
| Household | 74,799,369 | 73,532,776 | 73,505,623 |
| Agriculture | 102,539 | 97,812 | 81,262 |
| Mining & quarrying | 4,927 | 4,450 | 300 |
| Manufacturing | 159,769 | 107,068 | 76,503 |
| Electricity, gas and water | 103,512 | 163,602 | 27,433 |
| Construction | 733,893 | 798,941 | 961,923 |
| Wholesale & retail trade | 1,021,881 | 862,019 | 512,490 |
| Transportation & communication | 873,270 | 923,683 | 358,223 |
| Financial, takaful & business services | 2,723,645 | 2,712,638 | 2,695,802 |
| Community, social & personal services | 935,725 | 912,549 | 947,353 |
| | 81,458,530 | 80,115,538 | 79,166,912 |

(iv) Impaired financing and advances by economic sector

| | Group and Bank | |
|--|------------------------------------|-------------------------------|
| | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
| Household | 1,072,446 | 889,764 |
| Agriculture | 5,250 | 3,965 |
| Mining and quarrying | 1,330 | 1,301 |
| Manufacturing | 17,836 | 5,395 |
| Electricity, gas and water | 1,419 | 2,634 |
| Construction | 89,295 | 116,051 |
| Wholesale and retail trade | 106,701 | 45,935 |
| Transportation and communication | 121,422 | 108,280 |
| Financial, takaful and business services | 375,867 | 374,639 |
| Community, social and personal services | 57,760 | 47,011 |
| | 1,849,326 | 1,594,975 |

NOTE 4: FINANCING AND ADVANCES (CONTINUED)

(v) Movement in impaired financing and advances

| | Group and Bank | |
|--|-------------------------|-----------------------------|
| | 30 June 2023 | 31 December 2022 |
| | RM'000 | RM'000 |
| As of 1 January | 1,594,975 | 1,353,500 |
| Classified as impaired during the period | 1,356,665 | 2,156,229 |
| Amount written back in respect of recoveries | (903,280) | (1,647,166) |
| Amount written off during the period | (199,034) | (267,588) |
| | 254,351 | 241,475 |
| Closing balance | 1,849,326 | 1,594,975 |
| Gross impaired financing and advances as a percentage of gross financing and advances | 2.27% | 1.99% |

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 2022, as previously reported | 934,553 | 609,842 | 774,632 | 2,319,027 |
| Prior year adjustments | (3,575) | (19,889) | (5,664) | (29,128) |
| As of 1 January 2022, as restated | 930,978 | 589,953 | 768,968 | 2,289,899 |
| Changes due to financing and advances movements: | | | | |
| - Transfer to 12-month ECL (Stage 1) | 105,573 | (75,179) | (30,394) | - |
| - Transfer to lifetime ECL not credit impaired (Stage 2) | (25,929) | 73,626 | (47,697) | - |
| - Transfer to lifetime ECL credit impaired (Stage 3) | (7,412) | (52,555) | 59,967 | - |
| New financial assets originated | 145,610 | 40,563 | 84,546 | 270,719 |
| Changes in credit risk | (233,169) | 316,102 | 454,001 | 536,934 |
| Financial assets derecognised | (59,617) | (44,047) | (35,584) | (139,248) |
| Amount written off | - | - | (267,588) | (267,588) |
| At 31 December 2022 | 856,034 | 848,463 | 986,219 | 2,690,716 |
| As of 1 January 2023, as previously reported | 860,331 | 874,052 | 996,155 | 2,730,538 |
| Prior year adjustments | (4,297) | (25,589) | (9,936) | (39,822) |
| As of 1 January 2023, as restated | 856,034 | 848,463 | 986,219 | 2,690,716 |
| Changes due to financing and advances movements: | | | | |
| - Transfer to 12-month ECL (Stage 1) | 160,738 | (132,167) | (28,571) | - |
| - Transfer to lifetime ECL not credit impaired (Stage 2) | (27,638) | 71,881 | (44,243) | - |
| - Transfer to lifetime ECL credit impaired (Stage 3) | (4,613) | (98,188) | 102,801 | - |
| New financial assets originated | 95,556 | 3,899 | 62,591 | 162,046 |
| Changes in credit risk | (412,377) | 50,507 | 358,890 | (2,980) |
| Financial assets derecognised | (42,552) | (19,345) | (69,758) | (131,655) |
| Amount written off | - | - | (199,034) | (199,034) |
| At 30 June 2023 | 625,148 | 725,050 | 1,168,895 | 2,519,093 |

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 2022, as previously reported | 948,159 | 609,842 | 774,632 | 2,332,633 |
| Prior year adjustments | (3,575) | (19,889) | (5,664) | (29,128) |
| As of 1 January 2022, as restated | 944,584 | 589,953 | 768,968 | 2,303,505 |
| Changes due to financing and advances movements: | | | | |
| - Transfer to 12-month ECL (Stage 1) | 105,573 | (75,179) | (30,394) | - |
| - Transfer to lifetime ECL not credit impaired (Stage 2) | (25,929) | 73,626 | (47,697) | - |
| - Transfer to lifetime ECL credit impaired (Stage 3) | (7,412) | (52,555) | 59,967 | - |
| New financial assets originated | 145,610 | 40,563 | 84,546 | 270,719 |
| Changes in credit risk | (236,465) | 316,102 | 454,001 | 533,638 |
| Financial assets derecognised | (59,617) | (44,047) | (35,584) | (139,248) |
| Amount written off | - | - | (267,588) | (267,588) |
| At 31 December 2022 | 866,344 | 848,463 | 986,219 | 2,701,026 |
| As of 1 January 2023, as previously reported | 870,641 | 874,052 | 996,155 | 2,740,848 |
| Prior year adjustments | (4,297) | (25,589) | (9,936) | (39,822) |
| As of 1 January 2023, as restated | 866,344 | 848,463 | 986,219 | 2,701,026 |
| Changes due to financing and advances movements: | | | | |
| - Transfer to 12-month ECL (Stage 1) | 160,738 | (132,167) | (28,571) | - |
| - Transfer to lifetime ECL not credit impaired (Stage 2) | (27,638) | 71,881 | (44,243) | - |
| - Transfer to lifetime ECL credit impaired (Stage 3) | (4,613) | (98,188) | 102,801 | - |
| New financial assets originated | 95,556 | 3,899 | 62,591 | 162,046 |
| Changes in credit risk | (412,286) | 50,507 | 358,890 | (2,889) |
| Financial assets derecognised | (42,552) | (19,345) | (69,758) | (131,655) |
| Amount written off | - | - | (199,034) | (199,034) |
| At 30 June 2023 | 635,549 | 725,050 | 1,168,895 | 2,529,494 |

NOTE 5: OTHER ASSETS

| | Group | | Bank | |
|--|-------------------------|-----------------------------|-------------------------|-----------------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Amount due from subsidiaries | - | - | 10,554 | 7,941 |
| Other receivables | 712,830 | 723,365 | 710,400 | 720,574 |
| Allowance for ECL | (18,923) | (19,875) | (18,394) | (19,346) |
| Refundable deposits | 45,670 | 42,775 | 12,929 | 10,564 |
| Prepayments | 57,978 | 29,484 | 57,864 | 29,074 |
| Contribution to Central Liquidity Monetary Fund | 200,000 | 200,000 | 200,000 | 200,000 |
| | 997,555 | 975,749 | 973,353 | 948,807 |

NOTE 6: DEPOSITS FROM CUSTOMERS

(i) By type of deposit

| | Group and Bank | |
|--|-------------------------|-----------------------------|
| | 30 June 2023 | 31 December 2022 |
| | RM'000 | RM'000 |
| Savings deposits | | |
| Qard | 9,684,110 | 9,494,314 |
| Term deposits | | |
| Tawarruq | 73,151,546 | 75,856,383 |
| Negotiable Islamic debt certificate | 4,575,000 | 987,500 |
| | 87,410,656 | 86,338,197 |

(ii) By type of customer

| | Group and Bank | |
|----------------------|-------------------------|-----------------------------|
| | 30 June 2023 | 31 December 2022 |
| | RM'000 | RM'000 |
| Government | 41,449,223 | 41,953,477 |
| Business enterprises | 23,275,901 | 20,689,800 |
| Co-operatives | 2,577,309 | 2,691,533 |
| Individuals | 17,608,282 | 19,042,369 |
| Others | 2,499,941 | 1,961,018 |
| | 87,410,656 | 86,338,197 |

NOTE 7: OTHER LIABILITIES

| | Group | | Bank | |
|--|---------------------------|-------------------------------|---------------------------|-------------------------------|
| | 30 June 2023 RM'000 | 31 December 2022 RM'000 | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
| Amount due to subsidiaries | - | - | 167,102 | 148,921 |
| Sundry creditors | 208,561 | 167,601 | 208,915 | 172,000 |
| Income payable | 554,659 | 428,136 | 554,659 | 428,136 |
| Other liabilities and accruals | 371,393 | 586,074 | 362,716 | 574,556 |
| Lease liabilities | 41,068 | 42,378 | 46,557 | 49,457 |
| Allowance for ECL on financial guarantee | - | 2,664 | - | 2,664 |
| Government fund | 308,667 | 303,240 | 308,667 | 303,240 |
| Zakat payable | 61,305 | 55,322 | 58,973 | 53,383 |
| | 1,545,653 | 1,585,415 | 1,707,589 | 1,732,357 |

NOTE 8: RESERVES

| Group | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|--------------------|---------------------------|---|---|
| Retained profits | 11,390,681 | 11,085,274 | 10,156,204 |
| Statutory reserve | 7,766,819 | 7,766,819 | 7,306,694 |
| Capital reserve | 14,617 | 14,617 | 14,617 |
| ECL reserve | 69 | 77 | 129 |
| Fair value reserve | 32,681 | (213,762) | 202,790 |
| Regulatory reserve | 329,672 | 329,672 | 329,672 |
| | 19,534,539 | 18,982,697 | 18,010,106 |

| Bank | 30 June 2023 RM'000 | 31 December 2022 RM'000 Restated | 1 January 2022 RM'000 Restated |
|--------------------|---------------------------|---|---|
| Retained profits | 10,929,531 | 10,636,501 | 9,720,334 |
| Statutory reserve | 7,766,819 | 7,766,819 | 7,306,694 |
| Capital reserve | 15,358 | 15,358 | 15,358 |
| ECL reserve | 69 | 77 | 129 |
| Fair value reserve | 32,681 | (213,762) | 292,790 |
| Regulatory reserve | 329,672 | 329,672 | 329,672 |
| | 19,074,130 | 18,534,665 | 17,574,977 |

NOTE 9: INCOME

| Group | 2nd Quarter Ended | | Six Months Ended | |
|---|-------------------|-----------|------------------|-----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Income derived from investment of depositors' fund (i) | 1,216,857 | 1,113,961 | 2,400,173 | 2,179,232 |
| Income derived from investment of shareholders' fund (ii) | 398,803 | 329,518 | 784,483 | 651,500 |
| Income derived from investment account fund (iii) | 992 | 2 | 1,497 | 2 |
| Income generated by subsidiaries (iv) | 46,038 | 15,943 | 102,247 | 47,971 |
| | 1,662,690 | 1,459,424 | 3,288,400 | 2,878,705 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|---|-------------------|-----------|------------------|-----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Income derived from investment of depositors' fund (i) | 1,219,949 | 1,116,052 | 2,405,780 | 2,182,741 |
| Income derived from investment of shareholders' fund (ii) | 399,816 | 330,138 | 786,316 | 652,549 |
| Income derived from investment account fund (iii) | 992 | 2 | 1,497 | 2 |
| | 1,620,757 | 1,446,192 | 3,193,593 | 2,835,292 |

(i) Income derived from investment of depositors' fund

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--|-------------------|-----------|------------------|-----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Income from financing and advances | 966,583 | 867,033 | 1,900,677 | 1,695,246 |
| Income from deposits and placements with bank and financial institutions | 3,316 | 3,236 | 9,890 | 7,859 |
| Income from financial investments | 246,958 | 243,692 | 489,606 | 476,127 |
| | 1,216,857 | 1,113,961 | 2,400,173 | 2,179,232 |

NOTE 9: INCOME (CONTINUED)

(i) Income derived from investment of depositors' fund (continued)

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|---|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated |
| Income from financing and advances | 969,675 | 869,124 | 1,906,284 | 1,698,755 |
| Income from deposits and placements with bank and financial institutions | 3,316 | 3,236 | 9,890 | 7,859 |
| Income from financial investments | 246,958 | 243,692 | 489,606 | 476,127 |
| | 1,219,949 | 1,116,052 | 2,405,780 | 2,182,741 |

(ii) Income derived from investment of shareholders' fund

| Group | 2nd Quarter Ended | | Six Months Ended | |
|---|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated |
| Income from financing and advances | 316,775 | 256,536 | 621,226 | 506,866 |
| Income from deposits and placements with bank and financial institutions | 1,089 | 951 | 3,232 | 2,349 |
| Income from financial investments | 80,939 | 72,031 | 160,025 | 142,285 |
| | 398,803 | 329,518 | 784,483 | 651,500 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|---|---------------------------|---------------------------------------|---------------------------|---------------------------------------|
| | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated | 30 June 2023 RM'000 | 30 June 2022 RM'000 Restated |
| Income from financing and advances | 317,788 | 257,156 | 623,059 | 507,915 |
| Income from deposits and placements with bank and financial institutions | 1,089 | 951 | 3,232 | 2,349 |
| Income from financial investments | 80,939 | 72,031 | 160,025 | 142,285 |
| | 399,816 | 330,138 | 786,316 | 652,549 |

NOTE 9: INCOME (CONTINUED)**(iii) Income derived from investment account fund**

| Group | 2nd Quarter Ended | | Six Months Ended | |
|------------------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income from financing and advances | 792 | 1 | 1,195 | 1 |
| Income from financial investments | 200 | 1 | 302 | 1 |
| | 992 | 2 | 1,497 | 2 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|------------------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income from financing and advances | 792 | 1 | 1,195 | 1 |
| Income from financial investments | 200 | 1 | 302 | 1 |
| | 992 | 2 | 1,497 | 2 |

(iv) Income generated by subsidiaries

| Group | 2nd Quarter Ended | | Six Months Ended | |
|----------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Pawning income | 43,130 | 13,544 | 96,305 | 43,277 |
| Rental income | 240 | 201 | 465 | 418 |
| Management fee | 2,668 | 2,198 | 5,477 | 4,276 |
| | 46,038 | 15,943 | 102,247 | 47,971 |

NOTE 10: EXPENDITURE

| Group | 2nd Quarter Ended | | Six Months Ended | |
|---|-------------------|---------|------------------|-----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income attributable to depositors (i) | 793,896 | 503,012 | 1,554,365 | 996,504 |
| Income attributable to investment account holders | 77 | - | 101 | - |
| Profit expense on financing sold with recourse to Cagamas | 11,537 | 3,902 | 21,179 | 7,874 |
| Profit expense on debt securities issued | 40,979 | 37,932 | 81,434 | 70,043 |
| Profit expense on cashline facility | - | - | 1,409 | 1,927 |
| Cost of sales | 37,926 | 14,295 | 86,584 | 40,985 |
| | 884,415 | 559,141 | 1,745,072 | 1,117,333 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|---|-------------------|---------|------------------|-----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Income attributable to depositors (i) | 795,004 | 503,896 | 1,556,462 | 998,214 |
| Income attributable to investment account holders | 77 | - | 101 | - |
| Profit expense on financing sold with recourse to Cagamas | 11,537 | 3,902 | 21,179 | 7,874 |
| Profit expense on debt securities issued | 40,979 | 37,932 | 81,434 | 70,043 |
| Profit expense on cashline facility | - | - | 1,409 | 1,927 |
| | 847,597 | 545,730 | 1,660,585 | 1,078,058 |

NOTE 10: EXPENDITURE (CONTINUED)

(i) Income attributable to depositors

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--|-------------------|---------|------------------|---------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Deposits from customers | | | | |
| Non-Mudarabah | 780,864 | 499,300 | 1,532,801 | 989,340 |
| Deposits and placements from banks and other financial institutions | | | | |
| Non-Mudarabah | 13,032 | 3,712 | 21,564 | 7,164 |
| | 793,896 | 503,012 | 1,554,365 | 996,504 |
| | | | | |
| Bank | 2nd Quarter Ended | | Six Months Ended | |
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Deposits from customers | | | | |
| Non-Mudarabah | 781,972 | 500,184 | 1,534,898 | 991,050 |
| Deposits and placements from banks and other financial institutions | | | | |
| Non-Mudarabah | 13,032 | 3,712 | 21,564 | 7,164 |
| | 795,004 | 503,896 | 1,556,462 | 998,214 |

NOTE 11: ALLOWANCE FOR IMPAIRMENT

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--|-------------------|----------|------------------|----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Allowance for impairment on financing and advances (i) | (10,693) | 185,724 | 24,747 | 359,050 |
| Allowance for impairment on financial investments (ii) | - | (7,413) | (12) | (7,417) |
| | (10,693) | 178,311 | 24,735 | 351,633 |

NOTE 11: ALLOWANCE FOR IMPAIRMENT (CONTINUED)

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------|-------------------------|----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Allowance for impairment on financing and advances (i) | (10,762) | 185,691 | 24,838 | 359,020 |
| Allowance for impairment on financial investments (ii) | - | (7,413) | (12) | (7,417) |
| | (10,762) | 178,278 | 24,826 | 351,603 |

(i) Allowance for impairment on financing and advances

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------|-------------------------|----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Stage 1 - 12-months ECL | (131,109) | 108,764 | (233,550) | 81,185 |
| Stage 2 - lifetime ECL not credit impaired | (113,391) | (19,787) | (123,413) | 98,583 |
| Stage 3 - lifetime ECL credit impaired | 233,807 | 96,747 | 381,710 | 179,282 |
| | (10,693) | 185,724 | 24,747 | 359,050 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------|-------------------------|----------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| | | Restated | | Restated |
| Stage 1 - 12-months ECL | (131,178) | 108,731 | (233,459) | 81,155 |
| Stage 2 - lifetime ECL not credit impaired | (113,391) | (19,787) | (123,413) | 98,583 |
| Stage 3 - lifetime ECL credit impaired | 233,807 | 96,747 | 381,710 | 179,282 |
| | (10,762) | 185,691 | 24,838 | 359,020 |

NOTE 11: ALLOWANCE FOR IMPAIRMENT (CONTINUED)**(ii) Allowance for impairment on financial investments**

| Group and Bank | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Financial investments at fair value through other comprehensive income | - | (12) | (9) | (16) |
| Financial investments at amortised cost | - | (7,401) | (3) | (7,401) |
| | - | (7,413) | (12) | (7,417) |

NOTE 12: OTHER OPERATING INCOME

| Group | 2nd Quarter Ended | | Six Months Ended | |
|-------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Fees and commission (i) | 42,666 | 29,078 | 76,094 | 51,556 |
| Other income (ii) | 71,576 | 68,243 | 157,844 | 135,857 |
| | 114,242 | 97,321 | 233,938 | 187,413 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|-------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Fees and commission (i) | 42,666 | 29,078 | 76,094 | 51,556 |
| Other income (ii) | 69,704 | 53,148 | 150,210 | 120,643 |
| | 112,370 | 82,226 | 226,304 | 172,199 |

NOTE 12: OTHER OPERATING INCOME (CONTINUED)**(i) Fees and commission**

| Group and Bank | 2nd Quarter Ended | | Six Months Ended | |
|-----------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Takaful commission | 24,952 | 15,331 | 44,025 | 28,473 |
| ATM service fees | 5 | 1 | 7 | 2 |
| Wasiat commission | 5,232 | 1,875 | 7,384 | 4,204 |
| Other commission | 7,943 | 6,500 | 14,635 | 9,497 |
| Processing fees | 4 | 24 | 5 | 25 |
| MEPS fees | 3,862 | 4,153 | 7,732 | 7,193 |
| Other fees | 668 | 1,194 | 2,306 | 2,162 |
| | 42,666 | 29,078 | 76,094 | 51,556 |

(ii) Other income

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Other income from financial instruments | | | | |
| Dividend from financial investments at fair value through profit or loss | - | 1,424 | - | 1,507 |
| Net gain/(loss) on disposal of financial investments at fair value through profit or loss | 440 | (317) | 1,543 | (114) |
| Net gain/(loss) on revaluation of financial investments at fair value through profit or loss | (225) | (17,935) | 197 | (28,334) |
| Net gain on disposal of financial investments at fair value through other comprehensive income | - | 1,349 | - | 1,349 |
| Others | | | | |
| Rental income | 5,555 | 4,658 | 10,558 | 10,119 |
| Compensation for late payment | 1,465 | 674 | 3,271 | 2,350 |
| Charges from credit card services | 2,074 | 1,378 | 3,819 | 2,632 |
| Other service charges | 3,979 | 3,594 | 8,002 | 7,093 |
| Recoveries from financing written off | 43,072 | 48,133 | 97,889 | 91,077 |
| Writeback for impairment on trade receivables | - | 41 | - | 100 |
| Gain on revaluation of investment properties | 2,153 | 15,068 | 7,893 | 15,068 |
| Gain on disposal of property and equipment | 35 | 4 | 35 | 17 |
| Other income | 13,028 | 10,167 | 24,637 | 32,993 |
| | 71,576 | 68,243 | 157,844 | 135,857 |

NOTE 12: OTHER OPERATING INCOME (CONTINUED)**(ii) Other income (continued)**

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Other income from financial instruments | | | | |
| Dividend from financial investments at fair value through profit or loss | - | 1,424 | - | 1,507 |
| Net gain/(loss) on disposal of financial investments at fair value through profit or loss | 440 | (317) | 1,543 | (114) |
| Net gain/(loss) on revaluation of financial investments at fair value through profit or loss | (225) | (17,935) | 197 | (28,334) |
| Net gain on disposal of financial investments at fair value through other comprehensive income | - | 1,349 | - | 1,349 |
| Others | | | | |
| Rental income | 5,836 | 4,675 | 10,848 | 10,132 |
| Compensation for late payment | 1,465 | 679 | 3,271 | 2,350 |
| Charges from credit card services | 2,074 | 1,378 | 3,819 | 2,632 |
| Other service charges | 3,979 | 3,594 | 8,002 | 7,093 |
| Recoveries from financing written off | 43,072 | 48,133 | 97,889 | 91,077 |
| Gain on disposal of property and equipment | 35 | - | 35 | - |
| Other income | 13,028 | 10,168 | 24,606 | 32,951 |
| | 69,704 | 53,148 | 150,210 | 120,643 |

NOTE 13: OPERATING EXPENSES

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--------------------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Personnel expenses (i) | 274,830 | 202,464 | 549,114 | 445,776 |
| Other overheads and expenditure (ii) | 150,804 | 112,053 | 297,932 | 233,012 |
| | 425,634 | 314,517 | 847,046 | 678,788 |

NOTE 13: OPERATING EXPENSES (CONTINUED)

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|--------------------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Personnel expenses (i) | 273,061 | 200,941 | 545,497 | 442,824 |
| Other overheads and expenditure (ii) | 152,878 | 115,093 | 301,340 | 236,315 |
| | 425,939 | 316,034 | 846,837 | 679,139 |

(i) Personnel expenses

| Group | 2nd Quarter Ended | | Six Months Ended | |
|---------------------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Salaries and wages | 133,695 | 123,333 | 266,237 | 243,424 |
| Allowances and bonuses | 78,399 | 19,108 | 159,423 | 91,392 |
| Defined contribution plan - EPF | 40,767 | 41,218 | 80,984 | 77,060 |
| Social security contributions - SOCSO | 1,656 | 1,342 | 3,322 | 2,682 |
| Other staff related costs | 20,313 | 17,463 | 39,148 | 31,218 |
| | 274,830 | 202,464 | 549,114 | 445,776 |

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|---------------------------------------|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Salaries and wages | 132,649 | 122,454 | 264,057 | 241,718 |
| Allowances and bonuses | 77,803 | 18,730 | 158,227 | 90,648 |
| Defined contribution plan - EPF | 40,697 | 41,134 | 80,821 | 76,801 |
| Social security contributions - SOCSO | 1,646 | 1,334 | 3,303 | 2,667 |
| Other staff related costs | 20,266 | 17,289 | 39,089 | 30,990 |
| | 273,061 | 200,941 | 545,497 | 442,824 |

NOTE 13: OPERATING EXPENSES (CONTINUED)**(ii) Other overheads and expenditure**

| Group | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Establishment | | | | |
| Rental | 52 | - | 538 | 1,858 |
| Depreciation of property and equipment | 9,585 | 7,588 | 18,918 | 15,428 |
| Depreciation of right-of-use assets | 3,929 | 2,843 | 10,024 | 8,901 |
| Amortisation of prepaid lease payment | 368 | 398 | 737 | 795 |
| Amortisation of intangible assets | 12,988 | 13,685 | 25,892 | 27,711 |
| Finance cost on lease liabilities | 332 | 612 | 880 | 1,097 |
| Repair and maintenance | 19,810 | 9,529 | 33,379 | 22,356 |
| Takaful | 575 | 408 | 3,809 | 5,263 |
| | 47,639 | 35,063 | 94,177 | 83,409 |
| Promotion | | | | |
| Advertisement and publicity | 5,459 | 3,962 | 10,046 | 6,175 |
| | 5,459 | 3,962 | 10,046 | 6,175 |
| General expenses | | | | |
| Legal and professional fees | 2,711 | 3,889 | 4,283 | 7,371 |
| Auditors' remuneration | 434 | 208 | 863 | 1,131 |
| Communication expenses | 10,644 | 5,664 | 21,109 | 16,816 |
| Utilities expenses | 7,600 | (665) | 14,847 | 6,097 |
| Printing and stationery | 3,601 | 3,575 | 7,736 | 6,125 |
| Postage and courier | 4,479 | 2,902 | 7,266 | 4,514 |
| Security expenses | 6,270 | 10,288 | 12,774 | 16,020 |
| Service charges | 11,323 | 10,532 | 22,545 | 20,768 |
| Loss on financing written off | 1,412 | 1,479 | 2,316 | 3,288 |
| Property and equipment written off | 23 | 1 | 24 | 6 |
| Commission expenses | 26,887 | 19,023 | 51,529 | 32,530 |
| Travelling and transportation | 4,577 | 3,415 | 9,481 | 6,262 |
| Others | 17,745 | 12,717 | 38,936 | 22,500 |
| | 97,706 | 73,028 | 193,709 | 143,428 |
| | 150,804 | 112,053 | 297,932 | 233,012 |

NOTE 13: OPERATING EXPENSES (CONTINUED)**(ii) Other overheads and expenditure (continued)**

| Bank | 2nd Quarter Ended | | Six Months Ended | |
|--|--------------------------|----------------|-------------------------|----------------|
| | 30 June | 30 June | 30 June | 30 June |
| | 2023 | 2022 | 2023 | 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Establishment | | | | |
| Rental | 47 | - | 533 | 1,855 |
| Depreciation of property and equipment | 9,514 | 7,518 | 18,781 | 15,300 |
| Depreciation of right-of-use assets | 5,766 | 5,334 | 12,903 | 11,267 |
| Amortisation of prepaid lease payment | 368 | 398 | 737 | 795 |
| Amortisation of intangible assets | 12,987 | 13,685 | 25,891 | 27,711 |
| Finance cost on lease liabilities | 521 | 774 | 1,128 | 1,241 |
| Repair and maintenance | 19,783 | 9,514 | 33,346 | 22,317 |
| Takaful | 573 | 393 | 3,807 | 5,248 |
| | 49,559 | 37,616 | 97,126 | 85,734 |
| Promotion | | | | |
| Advertisement and publicity | 5,459 | 3,960 | 10,043 | 6,165 |
| | 5,459 | 3,960 | 10,043 | 6,165 |
| General expenses | | | | |
| Legal and professional fees | 2,649 | 3,872 | 4,106 | 7,337 |
| Auditors' remuneration | 375 | 139 | 750 | 991 |
| Communication expenses | 10,631 | 5,651 | 21,083 | 16,792 |
| Utilities expenses | 7,585 | (676) | 14,797 | 6,078 |
| Printing and stationery | 3,580 | 3,546 | 7,701 | 6,078 |
| Postage and courier | 4,467 | 2,888 | 7,246 | 4,488 |
| Security expenses | 6,270 | 10,288 | 12,774 | 16,020 |
| Service charges | 11,847 | 11,359 | 23,663 | 22,478 |
| Loss on financing written off | 1,412 | 1,479 | 2,316 | 3,288 |
| Property and equipment written off | 23 | 1 | 24 | 6 |
| Commission expenses | 26,887 | 19,023 | 51,529 | 32,530 |
| Travelling and transportation | 4,570 | 3,409 | 9,467 | 6,252 |
| Others | 17,564 | 12,538 | 38,715 | 22,078 |
| | 97,860 | 73,517 | 194,171 | 144,416 |
| | 152,878 | 115,093 | 301,340 | 236,315 |

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 June 2023 | 31 December 2022 |
| | RM'000 | RM'000 |
| Contingent liabilities | | |
| Bank guarantee given in respect of banking facilities granted to customers | 158,469 | 149,847 |
| Claims for damages from litigation taken against the Bank | 10,546 | 15,575 |
| Commitments | | |
| Undrawn financing | 2,525,089 | 2,407,682 |
| | 2,694,104 | 2,573,104 |

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 June 2023 | 31 December 2022 |
| | | Restated |
| Before proposed dividend | | |
| Core capital ratio | 23.574% | 24.495% |
| Risk-weighted capital ratio | 25.697% | 27.066% |
| After proposed dividend | | |
| Core capital ratio | 23.574% | 23.980% |
| Risk-weighted capital ratio | 25.697% | 26.551% |

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:

| | 30 June 2023 RM'000 | Bank 31 December 2022 RM'000 Restated |
|------------------------------------|------------------------------------|--|
| Tier I capital | | |
| Paid-up share capital | 2,986,030 | 2,986,030 |
| Retained profits | 10,210,428 | 10,636,501 |
| Other reserves | 7,782,177 | 7,782,176 |
| Total Tier I capital (core) | 20,978,635 | 21,404,707 |
| Tier II capital | | |
| Subordinated sukuk | 300,000 | 300,000 |
| Collective impairment * | 1,360,599 | 1,717,310 |
| Regulatory reserve | 329,672 | 329,672 |
| Total Tier II capital | 1,990,271 | 2,346,982 |
| Total capital | 22,968,906 | 23,751,689 |
| Less: Investment in subsidiaries | (100,744) | (100,744) |
| Total capital base | 22,868,162 | 23,650,945 |

* 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:

| | 30 June 2023 RM'000 | Bank 31 December 2022 RM'000 Restated |
|--|------------------------------------|--|
| Total assets assigned 20% risk-weighted | 244,248 | 224,109 |
| Total assets assigned 50% risk-weighted | 2,352,144 | 2,479,554 |
| Total assets assigned 100% risk-weighted | 85,286,345 | 83,627,739 |
| Off-Balance Sheet claims assigned 100% risk-weighted | 1,108,860 | 1,051,069 |
| | 88,991,597 | 87,382,471 |

NOTE 16: PRIOR YEAR RESTATEMENTS

Prior year restatements were made upon the expiry of the adoption of modified accounting treatment. The effects of restatements have been accounted for retrospectively in the financial statements.

| Group | As previously reported RM'000 | Prior year restatements RM'000 | As restated RM'000 |
|---|----------------------------------|-----------------------------------|-----------------------|
| Statements of Financial Position as at 1 January 2022 | | | |
| Financing and advances | 77,296,437 | (653,174) | 76,643,263 |
| Reserves | (18,663,280) | 653,174 | (18,010,106) |
| Statements of Financial Position as at 31 December 2022 | | | |
| Financing and advances | 77,709,892 | (583,405) | 77,126,487 |
| Reserves | (19,566,102) | 583,405 | (18,982,697) |
| Statements of Profit or Loss and Other Comprehensive Income for the Quarter Ended 30 June 2022 | | | |
| Income | 2,849,167 | 29,538 | 2,878,705 |
| Allowances for Impairment | (358,127) | 6,494 | (351,633) |
| Profit for the year | 882,332 | 36,032 | 918,364 |

| Bank | As previously reported RM'000 | Prior year restatements RM'000 | As restated RM'000 |
|---|----------------------------------|-----------------------------------|-----------------------|
| Statements of Financial Position as at 1 January 2022 | | | |
| Financing and advances | 77,516,581 | (653,174) | 76,863,407 |
| Reserves | (18,228,151) | 653,174 | (17,574,977) |
| Statements of Financial Position as at 31 December 2022 | | | |
| Financing and advances | 77,997,917 | (583,405) | 77,414,512 |
| Reserves | (19,118,070) | 583,405 | (18,534,665) |
| Statements of Profit or Loss and Other Comprehensive Income for the Quarter Ended 30 June 2022 | | | |
| Income | 2,805,754 | 29,538 | 2,835,292 |
| Allowances for Impairment | (358,097) | 6,494 | (351,603) |
| Profit for the year | 862,659 | 36,032 | 898,691 |