



**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		Total RM'000
	Share capital RM'000	Share redemption fund RM'000	Other reserves RM'000	Retained profits 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 2023	30 June 2022	30 June 2023	30 June 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 2023 RM'000	30 June 2022 RM'000 Restated	30 June 2023 RM'000	30 June 2022 RM'000 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	Lifetime ECL	Total
	Stage 1	Credit Impaired Stage 3	
	RM'000	RM'000	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	31 December	1 January
	2023	2022	2022
	RM'000	RM'000	RM'000
		Restated	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	31 December 2022	1 January 2022
	RM'000	RM'000 Restated	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	31 December 2022	1 January 2022
	RM'000	RM'000 Restated	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	31 December 2022	1 January 2022
	RM'000	RM'000 Restated	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	31 December	1 January
	2023	2022	2022
	RM'000	RM'000	RM'000
		Restated	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	31 December
	2023	2022
	RM'000	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	31 December	30 June	31 December
	2023	2022	2023	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	31 December
	2023	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	31 December
	2023	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	31 December 2022	30 June 2023	31 December 2022
	RM'000	RM'000	RM'000	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	31 December 2022	1 January 2022
	RM'000	RM'000 Restated	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	31 December 2022	1 January 2022
	RM'000	RM'000 Restated	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 2023 RM'000	30 June 2022 RM'000 Restated	30 June 2023 RM'000	30 June 2022 RM'000 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 2023 RM'000	30 June 2022 RM'000 Restated	30 June 2023 RM'000	30 June 2022 RM'000 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 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	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 2023 RM'000	30 June 2022 RM'000 Restated	30 June 2023 RM'000	30 June 2022 RM'000 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 2023 RM'000	30 June 2022 RM'000 Restated	30 June 2023 RM'000	30 June 2022 RM'000 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 2023 RM'000	30 June 2022 RM'000 Restated	30 June 2023 RM'000	30 June 2022 RM'000 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 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 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 2023 RM'000	30 June 2022 RM'000	30 June 2023 RM'000	30 June 2022 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 RM'000	31 December 2022 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			
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