

**CIMB INVESTMENT BANK BERHAD**  
*Company Number 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021**

	Notes	The Group	
		31 March 2021 RM'000	31 December 2020 RM'000
<b>Assets</b>			
Cash and short term funds		488,694	544,606
Reverse repurchase agreements		51,310	53,670
Deposits and placements with banks and other financial institutions		10	10
Financial investments at fair value through profit or loss	A6	3,968	1,978
Equity instruments at fair value through other comprehensive income	A7	867	867
Other assets	A8	29,245	30,402
Tax recoverable		27,298	32,216
Deferred taxation		9,520	9,551
Amounts due from related companies		36,759	40,308
Amounts due from ultimate holding company		218	5
Statutory deposits with Bank Negara Malaysia		50	50
Investment in associates		8,948	8,714
Property, plant and equipment		13,593	14,744
Right-of-use assets		9,716	10,390
Investment property		16,176	16,304
Intangible assets		27,442	27,280
<b>Total assets</b>		<b>723,814</b>	<b>791,095</b>
<b>Liabilities</b>			
Deposits from customers	A9	30,015	45,061
Deposits and placements of banks and other financial institutions	A10	25,885	25,860
Other liabilities	A11	58,892	68,208
Lease liabilities		10,381	11,063
Amounts due to related companies		14,301	9,946
<b>Total liabilities</b>		<b>139,474</b>	<b>160,138</b>
<b>Capital and reserves attributable to equity holders of the Bank</b>			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		484,330	530,947
<b>Total equity</b>		<b>584,340</b>	<b>630,957</b>
<b>Total equity and liabilities</b>		<b>723,814</b>	<b>791,095</b>
<b>Net assets per ordinary share (RM)</b>		<b>5.84</b>	<b>6.31</b>

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

**CIMB INVESTMENT BANK BERHAD**  
*Company Number 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021**

	Notes	The Bank	
		31 March	31 December
		2021	2020
		RM'000	RM'000
<b>Assets</b>			
Cash and short term funds		487,772	543,664
Reverse repurchase agreements		51,310	53,670
Financial investments at fair value through profit or loss	A6	3,968	1,978
Other assets	A8	28,435	29,591
Tax recoverable		27,297	32,216
Deferred taxation		9,520	9,551
Amounts due from related companies		36,758	40,308
Amounts due from ultimate holding company		218	5
Statutory deposits with Bank Negara Malaysia		50	50
Investment in subsidiaries		50	50
Property, plant and equipment		13,593	14,744
Right-of-use assets		9,716	10,390
Investment property		16,176	16,304
Intangible assets		27,442	27,280
<b>Total assets</b>		<b>712,305</b>	<b>779,801</b>
<b>Liabilities</b>			
Deposits from customers	A9	30,015	45,061
Deposits and placements of banks and other financial institutions	A10	25,885	25,860
Other liabilities	A11	58,889	68,202
Lease liabilities		10,381	11,063
Amounts due to related companies		14,301	9,924
<b>Total liabilities</b>		<b>139,471</b>	<b>160,110</b>
<b>Capital and reserves attributable to equity holders of the Bank</b>			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		472,824	519,681
<b>Total equity</b>		<b>572,834</b>	<b>619,691</b>
<b>Total equity and liabilities</b>		<b>712,305</b>	<b>779,801</b>
<b>Net assets per ordinary share (RM)</b>		<b>5.73</b>	<b>6.20</b>

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

**CIMB INVESTMENT BANK BERHAD**  
**Company Number 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Notes	The Group			
		1st quarter ended		Three months ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		RM'000	RM'000	RM'000	RM'000
Interest income	A12	2,312	3,964	2,312	3,964
Interest income for financial assets at fair value through profit and loss	A13	24	4	24	4
Interest expense	A14	(424)	(1,169)	(424)	(1,169)
Net interest income		1,912	2,799	1,912	2,799
Income from Islamic Banking operations	A20b	2,487	4,945	2,487	4,945
Non-interest income	A15	47,523	45,852	47,523	45,852
Total income		51,922	53,596	51,922	53,596
Overheads	A16	(45,133)	(45,046)	(45,133)	(45,046)
Profit before expected credit losses		6,789	8,550	6,789	8,550
Expected credit losses written back/(made) on trade receivables	A17	921	(1,982)	921	(1,982)
		7,710	6,568	7,710	6,568
Share of results of associates		234	53	234	53
Profit from continuing operations before taxation		7,944	6,621	7,944	6,621
Taxation		(2,503)	(2,227)	(2,503)	(2,227)
<b>Profit for the financial period</b>		<b>5,441</b>	<b>4,394</b>	<b>5,441</b>	<b>4,394</b>
Profit for the financial period attributable to : Owners of the Group		5,441	4,394	5,441	4,394
<b>Basic earnings per share for profit attributable to ordinary equity holders (sen)</b>	B3	<b>5.44</b>	4.39	<b>5.44</b>	4.39

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

**CIMB INVESTMENT BANK BERHAD**  
*Company Number 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	The Group			
	1st quarter ended		Three months ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
<b>Profit/total comprehensive income for the financial period</b>	<b>5,441</b>	4,394	<b>5,441</b>	4,394

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

**CIMB INVESTMENT BANK BERHAD**  
**Company Number 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	Notes	The Bank			
		1st quarter ended		Three months ended	
		31 March 2021 RM'000	31 March 2020 RM'000	31 March 2021 RM'000	31 March 2020 RM'000
Interest income	A12	2,308	3,957	2,308	3,957
Interest income for financial assets at fair value through profit and loss	A13	24	4	24	4
Interest expense	A14	(424)	(1,169)	(424)	(1,169)
Net interest income		1,908	2,792	1,908	2,792
Income from Islamic Banking operations	A20b	2,487	4,945	2,487	4,945
Non-interest income	A15	47,523	45,852	47,523	45,852
Total income		51,918	53,589	51,918	53,589
Overheads	A16	(45,136)	(45,037)	(45,136)	(45,037)
Profit before expected credit losses		6,782	8,552	6,782	8,552
Expected credit losses written back/(made) on trade receivables	A17	921	(1,982)	921	(1,982)
Profit before taxation		7,703	6,570	7,703	6,570
Taxation		(2,502)	(2,225)	(2,502)	(2,225)
<b>Profit for the financial period</b>		<b>5,201</b>	<b>4,345</b>	<b>5,201</b>	<b>4,345</b>
Profit for the financial period attributable to : Owners of the Bank		<b>5,201</b>	<b>4,345</b>	<b>5,201</b>	<b>4,345</b>
<b>Basic earnings per share for profit attributable to ordinary equity holders (sen)</b>	B3	<b>5.20</b>	<b>4.35</b>	<b>5.20</b>	<b>4.35</b>

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

**CIMB INVESTMENT BANK BERHAD**  
*Company Number 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	<b>The Bank</b>			
	<b>1st quarter ended</b>		<b>Three months ended</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Profit/total comprehensive income for the financial period</b>	<b>5,201</b>	4,345	<b>5,201</b>	4,345

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

**CIMB INVESTMENT BANK BERHAD**  
**Company Number 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

<b>The Group</b>	← Attributable to Equity Holder of The Group →							<b>Total</b>
	<b>Ordinary share capital</b>	<b>Redeemable preference shares</b>	<b>Reserve - equity instruments at fair value through other comprehensive income</b>	<b>Share-based payment reserve</b>	<b>Regulatory reserve</b>	<b>Retained profits</b>		
<b>31 March 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 Jan 2021</b>	<b>100,000</b>	<b>10</b>	<b>(5,968)</b>	<b>2,709</b>	<b>-</b>	<b>534,206</b>		<b>630,957</b>
Net profit/total comprehensive income for the financial period	-	-	-	-	-	5,441		5,441
Share-based payment expense	-	-	-	690	-	-		690
Shares released under Equity Ownership Plan	-	-	-	(1,928)	-	-		(1,928)
Transfer to regulatory reserve	-	-	-	-	70	(70)		-
Interim dividend paid in respect of the financial year ended 31 December 2020	-	-	-	-	-	(50,820)		(50,820)
<b>At 31 March 2021</b>	<b>100,000</b>	<b>10</b>	<b>(5,968)</b>	<b>1,471</b>	<b>70</b>	<b>488,757</b>		<b>584,340</b>

<b>The Group</b>	← Attributable to Equity Holder of The Group →							<b>Total</b>
	<b>Ordinary share capital</b>	<b>Redeemable preference shares</b>	<b>Reserve - equity instruments at fair value through other comprehensive income</b>	<b>Share-based payment reserve</b>	<b>Regulatory reserve</b>	<b>Retained profits</b>		
<b>31 March 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2020</b>	<b>100,000</b>	<b>10</b>	<b>(5,991)</b>	<b>4,303</b>	<b>116</b>	<b>550,932</b>		<b>649,370</b>
Net profit/total comprehensive income for the financial period	-	-	-	-	-	4,394		4,394
Share-based payment expense	-	-	-	1,206	-	-		1,206
Shares released under Equity Ownership Plan	-	-	-	(3,169)	-	-		(3,169)
Transfer to regulatory reserve	-	-	-	-	358	(358)		-
Interim dividend paid in respect of the financial year ended 31 December 2019	-	-	-	-	-	(68,000)		(68,000)
<b>At 31 March 2020</b>	<b>100,000</b>	<b>10</b>	<b>(5,991)</b>	<b>2,340</b>	<b>474</b>	<b>486,968</b>		<b>583,801</b>

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**CIMB INVESTMENT BANK BERHAD**  
*Company Number 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

<b>The Bank</b>	← Attributable to Equity Holder of The Bank →							<b>Total</b>
	<b>Ordinary share capital</b>	<b>Redeemable preference shares</b>	<b>Share-based payment reserve</b>	<b>Reserve - equity instruments at fair value through other comprehensive income</b>	<b>Regulatory reserve</b>	<b>Retained profits</b>	<b>RM'000</b>	
<b>31 March 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2021</b>	100,000	10	2,709	(6,331)	-	523,303	619,691	
Net profit/total comprehensive income for the financial period	-	-	-	-	-	5,201	5,201	
Share-based payment expense	-	-	690	-	-	-	690	
Shares released under Equity Ownership Plan	-	-	(1,928)	-	-	-	(1,928)	
Transfer to regulatory reserve	-	-	-	-	70	(70)	-	
Interim dividend paid in respect of the financial year ended 31 December 2020	-	-	-	-	-	(50,820)	(50,820)	
<b>At 31 March 2021</b>	<b>100,000</b>	<b>10</b>	<b>1,471</b>	<b>(6,331)</b>	<b>70</b>	<b>477,614</b>	<b>572,834</b>	

<b>The Bank</b>	← Attributable to Equity Holder of The Bank →							<b>Total</b>
	<b>Ordinary share capital</b>	<b>Redeemable preference shares</b>	<b>Share-based payment reserve</b>	<b>Reserve - equity instruments at fair value through other comprehensive income</b>	<b>Regulatory reserve</b>	<b>Retained profits</b>	<b>RM'000</b>	
<b>31 March 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2020</b>	100,000	10	4,303	(6,331)	116	540,358	638,456	
Net profit/total comprehensive income for the financial period	-	-	-	-	-	4,345	4,345	
Share-based payment expense	-	-	1,206	-	-	-	1,206	
Share released under Equity Ownership Plan	-	-	(3,169)	-	-	-	(3,169)	
Transfer to regulatory reserve	-	-	-	-	358	(358)	-	
Interim dividend paid in respect of the financial year ended 31 December 2019	-	-	-	-	-	(68,000)	(68,000)	
<b>At 31 March 2020</b>	<b>100,000</b>	<b>10</b>	<b>2,340</b>	<b>(6,331)</b>	<b>474</b>	<b>476,345</b>	<b>572,838</b>	

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

**CIMB INVESTMENT BANK BERHAD**  
**Company Number 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	The Group		The Bank	
	31 March 2021 RM'000	31 March 2020 RM'000	31 March 2021 RM'000	31 March 2020 RM'000
<b>Operating activities</b>				
Profit before taxation	7,944	6,621	7,703	6,570
Adjustments for non-operating and non-cash items	1,829	4,758	2,063	4,811
Cash flow from operating profit before changes in operating assets and liabilities	9,773	11,379	9,766	11,381
Net changes in operating assets	3,919	(24,918)	3,919	(24,916)
Net changes in operating liabilities	(20,647)	(26,927)	(20,622)	(26,937)
Cash used in operating activities	(6,955)	(40,466)	(6,937)	(40,472)
Taxation refunded/(paid)	2,446	(6,705)	2,447	(6,704)
Net cash used in operating activities	(4,509)	(47,171)	(4,490)	(47,176)
Net cash (used in)/generated from investing activities	(463)	3,558	(463)	3,557
Net cash used in financing activities	(50,939)	(71,959)	(50,939)	(71,959)
	(51,402)	(68,401)	(51,402)	(68,402)
Net decrease in cash and cash equivalents during the financial period	(55,911)	(115,572)	(55,892)	(115,578)
Cash and cash equivalents at beginning of the financial period	544,605	623,004	543,664	622,041
<b>Cash and cash equivalents at end of the financial period</b>	<b>488,694</b>	<b>507,432</b>	<b>487,772</b>	<b>506,463</b>
<b>Cash and cash equivalents comprise the following:</b>				
Cash and short term funds	488,694	507,432	487,772	506,463
Deposits and placements with banks and other financial institutions	10	10	-	-
	488,704	507,442	487,772	506,463
Less : Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(10)	(10)	-	-
<b>Cash and cash equivalents at end of the financial period</b>	<b>488,694</b>	<b>507,432</b>	<b>487,772</b>	<b>506,463</b>

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

## **PART A - EXPLANATORY NOTES**

### **A1. Basis of preparation**

The unaudited condensed interim financial statements for the financial period ended 31 March 2021 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and equity instruments at fair value through other comprehensive income that have been measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 “Interim Financial Reporting” issued by the Malaysian Accounting Standards Board and paragraph 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements.

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Bank's audited financial statements for the financial year ended 31 December 2020. The explanatory notes attached to the condensed 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 financial year ended 31 December 2020.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2020, and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 June 2020 and 1 January 2021.

- Amendments to MFRS 16 “COVID-19 Related Rent Concessions” (1 June 2020)
- Interest rate benchmark reform-Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16) (1 January 2021)

The adoption of the above amendments to published standards did not give rise to material financial impact to the Group except for Interest rate benchmark reform-Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16) where the Group is still in the midst of assessing the impact of the above amendments to published standards.

The unaudited condensed interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Group. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles.

The preparation of unaudited condensed interim financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and Bank's accounting policies. Although these estimates and assumptions are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

### **A2. Changes in estimates**

There were no material changes to financial estimates made in respect of the current financial period that had previously been announced or disclosed.

### **A3. Dividends paid and proposed**

A single tier interim dividend of 50.82 sen per ordinary share, amounting to RM50,820,000 in respect of the financial year ended 31 December 2020, which was approved by the Board of Directors on 27 January 2021, was paid on 17 March 2021.

No dividend has been proposed during the financial period ended 31 March 2021.

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A4. Significant events during the financial period**

There was no significant events that had occurred during the current reporting period.

**A5. Significant events after the financial period**

There is no significant events that had occurred between 31 March 2021 and the date of this announcement.

**A6. Financial investments at fair value through profit or loss**

	<b>The Group and the Bank</b>	
	31 March 2021	31 December 2020
	RM'000	RM'000
<b><u>At fair value</u></b>		
<b>Unquoted securities :</b>		
<i>In Malaysia</i>		
Bonds	3,968	1,978
Total financial investments at fair value through profit or loss	<u>3,968</u>	<u>1,978</u>

**A7. Equity instruments at fair value through other comprehensive income**

	<b>The Group</b>		<b>The Bank</b>	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
<b><u>At fair value</u></b>				
<b>Unquoted securities :</b>				
<i>Outside Malaysia</i>				
Shares	867	867	-	-
Total equity instruments at fair value through other comprehensive income	<u>867</u>	<u>867</u>	<u>-</u>	<u>-</u>

	<b>The Group</b>		<b>The Bank</b>	
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
<b>A8. Other assets</b>				
Trade and other receivables, net of expected credit losses	19,914	20,940	19,914	20,940
Deposits, prepayments and others	9,331	9,462	8,521	8,651
	<u>29,245</u>	<u>30,402</u>	<u>28,435</u>	<u>29,591</u>

**PART A - EXPLANATORY NOTES (CONTINUED)**

		<b>The Group and the Bank</b>	
		<b>31 March</b>	<b>31 December</b>
		<b>2021</b>	<b>2020</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>A9. Deposits from customers</b>			
	<u>(i) By type of deposits</u>		
	Short term money market deposits	<b>30,015</b>	45,061
	<u>(ii) By type of customers</u>		
	Local government and statutory bodies	<b>30,015</b>	45,061
		<b>30,015</b>	45,061

		<b>The Group and the Bank</b>	
		<b>31 March</b>	<b>31 December</b>
		<b>2021</b>	<b>2020</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>A10. Deposits and placements of banks and other financial institutions</b>			
	Licensed banks	<b>828</b>	840
	Other financial institutions	<b>25,057</b>	25,020
		<b>25,885</b>	25,860

The maturity structure of deposits and placements of banks and other financial institutions is as follows:

Due within six months	<b>25,885</b>	25,860
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		<b>The Group</b>		<b>The Bank</b>	
		<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
		<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A11. Other liabilities</b>					
	Trade and sundry creditors	<b>29,351</b>	29,685	<b>29,351</b>	29,685
	Expenditure payable	<b>22,189</b>	28,000	<b>22,187</b>	27,994
	Others	<b>7,352</b>	10,523	<b>7,351</b>	10,523
		<b>58,892</b>	68,208	<b>58,889</b>	68,202

**PART A - EXPLANATORY NOTES (CONTINUED)**

	<b>1st quarter ended</b>		<b>Three months ended</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A12. Interest income</b>				
<b><u>The Group</u></b>				
Money at call and deposits placements with banks and other financial institutions	<b>2,034</b>	3,576	<b>2,034</b>	3,576
Reverse repurchase agreements	<b>234</b>	388	<b>234</b>	388
Others	<b>44</b>	-	<b>44</b>	-
	<b>2,312</b>	3,964	<b>2,312</b>	3,964
<b><u>The Bank</u></b>				
Money at call and deposits placements with banks and other financial institutions	<b>2,030</b>	3,569	<b>2,030</b>	3,569
Reverse repurchase agreements	<b>234</b>	388	<b>234</b>	388
Others	<b>44</b>	-	<b>44</b>	-
	<b>2,308</b>	3,957	<b>2,308</b>	3,957
<b>A13. Interest income for financial assets at fair value through profit and loss</b>				
<b><u>The Group and The Bank</u></b>				
Financial investments at fair value through profit or loss	<b>27</b>	4	<b>27</b>	4
Net accretion of discounts less amortisation of premium	<b>(3)</b>	-	<b>(3)</b>	-
	<b>24</b>	4	<b>24</b>	4
<b>A14. Interest expense</b>				
<b><u>The Group and The Bank</u></b>				
Deposits and placements of banks and other financial institutions	<b>124</b>	780	<b>124</b>	780
Deposits from customers	<b>199</b>	258	<b>199</b>	258
Lease liabilities	<b>101</b>	131	<b>101</b>	131
	<b>424</b>	1,169	<b>424</b>	1,169

**PART A - EXPLANATORY NOTES (CONTINUED)**

	1st quarter ended		Three months ended	
	31 March 2021 RM'000	31 March 2020 RM'000	31 March 2021 RM'000	31 March 2020 RM'000
<b>A15. Non interest income</b>				
<b><u>The Group and The Bank</u></b>				
a) <b>Net fee income and commission income:</b>				
Commissions	15,366	8,226	15,366	8,226
Service charges and fees	17,838	24,805	17,838	24,805
Advisory and arrangement fees	7,885	4,055	7,885	4,055
Underwriting fees	-	435	-	435
Placement, book running and related fees	2,285	2,919	2,285	2,919
Other fee income	93	1,081	93	1,081
	<b>43,467</b>	<b>41,521</b>	<b>43,467</b>	<b>41,521</b>
b) <b>Net (loss)/gain arising from financial investments at fair value through profit or loss :</b>				
- realised gain	-	71	-	71
- unrealised loss	(1)	(7)	(1)	(7)
	<b>(1)</b>	<b>64</b>	<b>(1)</b>	<b>64</b>
c) <b>Net loss arising from derivative financial instrument :</b>				
- realised loss	-	(21)	-	(21)
d) <b>Other income:</b>				
Foreign exchange gain	1,579	1,762	1,579	1,762
Gain on disposal of property, plant and equipment	-	54	-	54
Other non-operating income	997	1,242	997	1,242
	<b>2,576</b>	<b>3,058</b>	<b>2,576</b>	<b>3,058</b>
e) <b>Income from asset management and securities services</b>	<b>1,481</b>	<b>1,230</b>	<b>1,481</b>	<b>1,230</b>
<b>Total non interest income</b>	<b>47,523</b>	<b>45,852</b>	<b>47,523</b>	<b>45,852</b>

**PART A - EXPLANATORY NOTES (CONTINUED)****A16. Overheads**

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
<b>The Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Personnel costs</b>				
- Salaries, allowances and bonuses	27,481	26,008	27,481	26,009
- Pension cost (defined contribution plan)	3,136	2,896	3,136	2,896
- Transformation initiative expenses	2,073	-	2,073	-
- Others	870	1,121	870	1,120
	<b>33,560</b>	<b>30,025</b>	<b>33,560</b>	<b>30,025</b>
<b>Establishment costs</b>				
- Depreciation of property, plant and equipment	1,210	1,055	1,210	1,055
- Depreciation of investment property	129	129	129	129
- Depreciation of right-of-use assets	706	735	706	735
- Amortisation of intangible assets	240	83	240	83
- Equipment and other rental	549	1,194	549	1,194
- Others	2,421	1,280	2,421	1,280
	<b>5,255</b>	<b>4,476</b>	<b>5,255</b>	<b>4,476</b>
<b>Marketing expenses</b>				
- Advertisement and entertainment expenses	(700)	930	(700)	930
- Others	149	204	149	204
	<b>(551)</b>	<b>1,134</b>	<b>(551)</b>	<b>1,134</b>
<b>Administration and general expenses</b>				
- Legal and professional fees	261	529	261	529
- Communication	89	95	89	95
- Printing and stationery	36	80	36	80
- Administrative vehicle, travelling and insurance expenses	105	223	105	223
- Service expenses	5,581	7,494	5,581	7,494
- Others	797	990	797	990
	<b>6,869</b>	<b>9,411</b>	<b>6,869</b>	<b>9,411</b>
Total overhead expenses	<b>45,133</b>	<b>45,046</b>	<b>45,133</b>	<b>45,046</b>

**PART A - EXPLANATORY NOTES (CONTINUED)****A16. Overheads (Continued)**

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<b><u>The Bank</u></b>				
<b>Personnel costs</b>				
- Salaries, allowances and bonuses	27,481	26,009	27,481	26,009
- Pension cost (defined contribution plan)	3,136	2,896	3,136	2,896
- Transformation initiative expenses	2,073	-	2,073	-
- Others	870	1,120	870	1,120
	<b>33,560</b>	<b>30,025</b>	<b>33,560</b>	<b>30,025</b>
<b>Establishment costs</b>				
- Depreciation of property, plant and equipment	1,210	1,055	1,210	1,055
- Depreciation of investment property	129	129	129	129
- Depreciation of right-of-use assets	706	735	706	735
- Amortisation of intangible assets	240	83	240	83
- Equipment and other rental	549	1,194	549	1,194
- Others	2,421	1,280	2,421	1,280
	<b>5,255</b>	<b>4,476</b>	<b>5,255</b>	<b>4,476</b>
<b>Marketing expenses</b>				
- Advertisement and entertainment expenses	(700)	930	(700)	930
- Others	149	204	149	204
	<b>(551)</b>	<b>1,134</b>	<b>(551)</b>	<b>1,134</b>
<b>Administration and general expenses</b>				
- Legal and professional fees	260	528	260	528
- Communication	89	95	89	95
- Printing and stationery	36	80	36	80
- Administrative vehicle, travelling and insurance expenses	105	223	105	223
- Service expenses	5,585	7,487	5,585	7,487
- Others	797	989	797	989
	<b>6,872</b>	<b>9,402</b>	<b>6,872</b>	<b>9,402</b>
Total overhead expenses	<b>45,136</b>	<b>45,037</b>	<b>45,136</b>	<b>45,037</b>

**A17. Expected credit losses (written back)/made on trade receivables****The Group and The Bank**

Expected credit losses (written back)/made on:

- Trade receivables	(921)	1,982	(921)	1,982
	<b>(921)</b>	<b>1,982</b>	<b>(921)</b>	<b>1,982</b>

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A18. Capital Adequacy**

The capital adequacy ratios of the Bank and the Group are calculated based on the Bank Negara Malaysia ("BNM") Capital Adequacy Framework (Capital Components) of which the latest revision was issued on 9 December 2020. The revised guidelines took effect on 9 December 2020. The revised guideline sets out the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

The risk-weighted assets of the Group and The Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk Weighted Assets) of which the latest revision was issued on 3 May 2019.

The Standardised Approach is applied for Credit Risk and Market Risk while Operational Risk is based on Basic Indicator Approach.

a) The capital adequacy ratios of The Group and The Bank are as follows:

	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March 2021</b>	<b>31 December 2020</b>	<b>31 March 2021</b>	<b>31 December 2020</b>
<b>Before deducting proposed dividend</b>				
Common Equity Tier 1 ratio	<b>91.878%</b>	91.131%	<b>93.126%</b>	92.472%
Tier 1 ratio	<b>91.878%</b>	91.131%	<b>93.126%</b>	92.472%
Total capital ratio	<b>91.878%</b>	91.131%	<b>93.126%</b>	92.472%
<b>After deducting proposed dividend</b>				
Common Equity Tier 1 ratio	<b>91.878%</b>	83.181%	<b>93.126%</b>	84.382%
Tier 1 ratio	<b>91.878%</b>	83.181%	<b>93.126%</b>	84.382%
Total capital ratio	<b>91.878%</b>	83.181%	<b>93.126%</b>	84.382%

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March 2021 RM'000</b>	<b>31 December 2020 RM'000</b>	<b>31 March 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
Credit risk	<b>110,261</b>	168,269	<b>110,420</b>	168,418
Market risk	<b>15,944</b>	11,261	<b>15,944</b>	11,261
Operational risk	<b>448,725</b>	459,765	<b>439,301</b>	448,522
Total risk-weighted assets	<b>574,930</b>	639,295	<b>565,665</b>	628,201

c) Components of Common Equity Tier I and Tier II capital are as follows :

	<b>The Group</b>		<b>The Bank</b>	
	<b>31 March 2021 RM'000</b>	<b>31 December 2020 RM'000</b>	<b>31 March 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
<b>Common Equity Tier I capital</b>				
Ordinary share capital	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Other reserves	<b>478,958</b>	530,947	<b>467,692</b>	519,681
Less : Proposed dividends	-	(50,820)	-	(50,820)
Common Equity Tier I capital before regulatory adjustments	<b>578,958</b>	580,127	<b>567,692</b>	568,861
<u>Less: Regulatory adjustments</u>				
Deferred tax assets	<b>(9,520)</b>	(9,551)	<b>(9,520)</b>	(9,551)
Deduction in excess of Tier II Capital	<b>(3,880)</b>	(1,943)	<b>(3,880)</b>	(1,943) NI
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	<b>(9,814)</b>	(9,580)	-	-
Regulatory reserve	<b>(70)</b>	-	<b>(70)</b>	-
Intangible assets	<b>(27,442)</b>	(27,280)	<b>(27,442)</b>	(27,280)
<b>Common equity tier I capital after regulatory adjustments / Total Tier I Capital</b>	<b>528,232</b>	531,773	<b>526,780</b>	530,087
Total Tier I Capital	<b>528,232</b>	531,773	<b>526,780</b>	530,087
<b>Tier II capital</b>				
Redeemable Preference Shares	<b>1</b>	2	<b>1</b>	2
Regulatory reserve	<b>70</b>	-	<b>70</b>	-
Tier II capital before regulatory adjustments	<b>71</b>	2	<b>71</b>	2
<u>Less: Regulatory adjustments</u>				
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	<b>(3,951)</b>	(1,945)	<b>(3,951)</b>	(1,945)
<b>Total Tier II capital</b>	<b>-</b>	-	<b>-</b>	- NI
<b>Total capital</b>	<b>528,232</b>	531,773	<b>526,780</b>	530,087

NI The excess of deductions over available Tier II capital was deducted under Common Equity Tier I capital.

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A19. FAIR VALUE ESTIMATION**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### Determination of fair value and fair value hierarchy

The fair value hierarchy has the following levels:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets; or
- Quoted prices for identical or similar assets and liabilities in non-active markets; or
- Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - One or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Assets/liabilities are classified as Level 1 when the valuation is based on quoted prices for identical assets or liabilities in active markets.

Assets/liabilities are regarded as being quoted in an active market if the prices are readily available from a published and reliable source and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When fair value is determined using quoted prices of similar assets/liabilities in active markets or quoted prices of identical or similar assets and liabilities in non-active markets, such assets/liabilities are classified as Level 2. In cases where quoted prices are generally not available, the Group determines fair value based upon valuation techniques that use market parameters as inputs. Most valuation techniques employ observable market data, including but not limited to yield curves, equity prices, volatilities and foreign exchange rates.

Assets/liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data. Such inputs are determined based on observable inputs of a similar nature, historical observations or other analytical techniques.

If prices or quotes are not available for an instrument or a similar instrument, fair value will be established by using valuation techniques or Mark-to-Model. Judgment may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters.

The valuation models shall also consider relevant transaction data such as maturity. The inputs are then benchmarked and extrapolated to derive the fair value.

#### Valuation model review and approval

- Fair valuation of financial instruments is determined either through Mark-to-Market or Mark-to-Model methodology, as appropriate;
- Market Risk Management is mandated to perform mark-to-market, mark-to-model and rate reasonableness verification. Market price and/or rate sources for Mark-to-Market are validated by Market Risk Management as part and parcel of rate reasonableness verification;
- Valuation methodologies for the purpose of determining Mark-to-Model prices will be verified by Group Risk Management Quantitative Analysts before submitting to the Group Market Risk Committee for approval;
- Mark-to-Model process shall be carried out by Market Risk Management in accordance with the approved valuation methodologies. Group Risk Management Quantitative Analysts are responsible for independent evaluation and validation of the Group's financial models used for valuation;
- Group Risk Management Quantitative Analysts are the guardian of the financial models and valuation methodologies. Market rate sources and model inputs for the purpose of Mark-to-Model must be verified by Group Risk Management Quantitative Analysts and approved by Regional Head, Market Risk Management and/or the Group Market Risk Committee;
- Model risk and unobservable parameter reserve must be considered to provide for the uncertainty of the model assumptions;
- The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer; and
- Independent price verification process shall be carried out by Market Risk Management to ensure that financial assets/liabilities are recorded at fair value.

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A19. FAIR VALUE ESTIMATION (CONTINUED)**

The following table represents The Group's and The Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 March 2021 and 31 December 2020.

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Group</u></b>				
<b>31 March 2021</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Financial investments at fair value through profit or loss				
- Unquoted securities	-	3,968	-	3,968
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	867	867
<b>Total</b>	<b>-</b>	<b>3,968</b>	<b>867</b>	<b>4,835</b>

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Bank</u></b>				
<b>31 March 2021</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Financial investments at fair value through profit or loss				
- Unquoted securities	-	3,968	-	3,968
<b>Total</b>	<b>-</b>	<b>3,968</b>	<b>-</b>	<b>3,968</b>

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A19. FAIR VALUE ESTIMATION (CONTINUED)**

The following table represents The Group's and The Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 March 2021 and 31 December 2020. (Continued)

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Group</u></b>				
<b>31 December 2020</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Financial investments at fair value through profit or loss				
- Unquoted securities	-	1,978	-	1,978
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	867	867
<b>Total</b>	<u>-</u>	<u>1,978</u>	<u>867</u>	<u>2,845</u>

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Bank</u></b>				
<b>31 December 2020</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Financial investments at fair value through profit or loss				
- Unquoted securities	-	1,978	-	1,978
<b>Total</b>	<u>-</u>	<u>1,978</u>	<u>-</u>	<u>1,978</u>

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A19. FAIR VALUE ESTIMATION (CONTINUED)**

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2021 and 31 December 2020 for The Group and The Bank.

	<b><u>Financial Investments -</u></b>	
	<b>Equity instruments at fair value through other comprehensive income</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>The Group</b>		
<b><u>31 March 2021</u></b>		
At 1 January 2021/ 31 March 2021	<b>867</b>	<b>867</b>

	<b><u>Financial Investments -</u></b>	
	<b>Equity instruments at fair value through other comprehensive income</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>The Group</b>		
<b><u>31 December 2020</u></b>		
At 1 January 2020	844	844
Total gain recognised in other comprehensive income	23	23
At 31 December 2020	<b>867</b>	<b>867</b>

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A20. The operations of Islamic Banking**

**A20a. Unaudited Statements of Financial Position as at 31 March 2021**

	<b>The Group and The Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>		
Cash and short-term funds	<b>72,907</b>	80,087
Other assets	<b>1,338</b>	421
Deferred taxation	<b>75</b>	102
Property, plant and equipment	<b>5</b>	5
Intangible assets	-	-
Amount due from related companies	<b>174</b>	375
<b>Total assets</b>	<b>74,499</b>	80,990
<b>Liabilities and Islamic Banking capital funds</b>		
Other liabilities	<b>8,894</b>	4,102
Amount due to related companies	<b>251</b>	101
<b>Total liabilities</b>	<b>9,145</b>	4,203
Islamic Banking capital funds	<b>55,696</b>	55,696
Reserves	<b>9,658</b>	21,091
<b>Total Islamic Banking capital funds</b>	<b>65,354</b>	76,787
<b>Total liabilities and Islamic Banking capital funds</b>	<b>74,499</b>	80,990

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A20. The operations of Islamic Banking (Continued)**

**A20b. Unaudited Statements of Income for the financial period ended 31 March 2021**

	<b>The Group and The Bank</b>			
	<b>1st quarter ended</b>		<b>Three months ended</b>	
	<b>31 March</b>	31 March	<b>31 March</b>	31 March
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Income derived from investment of shareholders' funds	<b>2,487</b>	4,945	<b>2,487</b>	4,945
Expected credit losses made on trade receivables	<b>(23)</b>	(1,460)	<b>(23)</b>	(1,460)
<b>Total attributable income/ total net income</b>	<b>2,464</b>	3,485	<b>2,464</b>	3,485
Personnel expenses	<b>(173)</b>	(168)	<b>(173)</b>	(168)
Other overheads and expenditures	<b>(690)</b>	(1,924)	<b>(690)</b>	(1,924)
<b>Profit before taxation</b>	<b>1,601</b>	1,393	<b>1,601</b>	1,393
Taxation	<b>(404)</b>	(356)	<b>(404)</b>	(356)
<b>Profit after taxation/total comprehensive income for the period</b>	<b>1,197</b>	1,037	<b>1,197</b>	1,037
<u>Income from Islamic operations (per page 3 and page 5)</u>				
<b>Total net income</b>	<b>2,464</b>	3,485	<b>2,464</b>	3,485
Less : Expected credit losses made on trade receivables	<b>23</b>	1,460	<b>23</b>	1,460
	<b>2,487</b>	4,945	<b>2,487</b>	4,945

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A20c. Capital Adequacy**

a) The capital adequacy ratios of The Group and The Bank are as follows:

	<b>The Group and The Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
<b>Before deducting proposed dividend</b>		
Common Equity Tier 1 Ratio	<b>126.724%</b>	134.826%
Tier 1 ratio	<b>126.724%</b>	134.826%
Total capital ratio	<b>126.724%</b>	134.826%
<b>After deducting proposed dividend</b>		
Common Equity Tier 1 Ratio	<b>126.724%</b>	112.620%
Tier 1 ratio	<b>126.724%</b>	112.620%
Total capital ratio	<b>126.724%</b>	112.620%

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

	<b>The Group and The Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
Credit risk	<b>1,612</b>	831
Operational risk	<b>48,956</b>	56,046
Total risk-weighted assets	<b>50,568</b>	56,877

c) Components of Common Equity Tier I and Tier II capital are as follows :

	<b>The Group and The Bank</b>	
	<b>31 March</b>	<b>31 December</b>
	<b>2021</b>	<b>2020</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Common Equity Tier I capital</b>		
Islamic Banking capital funds	<b>55,696</b>	55,696
Other reserves	<b>8,461</b>	21,091
Less : Proposed dividends	<b>-</b>	(12,630)
Common Equity Tier I capital / Total Tier I Capital	<b>64,157</b>	64,157
<u>Less: Regulatory adjustments</u>		
Deferred Tax Assets	<b>(75)</b>	(102)
Common Equity Tier I capital after regulatory adjustments / Total Tier I capital	<b>64,082</b>	64,055
Total capital base	<b>64,082</b>	64,055

## **PART B - EXPLANATORY NOTES**

### **B1. Group Performance Review**

The Group reported a profit after taxation of RM5.4 million for the financial period ended 31 March 2021 compared to RM4.4million for the same period in the preceding year. The higher current year profit was due to higher fee and commission income and writeback of expected credit losses on trade receivables in 2021.

### **B2. Prospects for the Current Financial Year**

The Bank expects a meaningful recovery for the full year 2021 although remains cautious in view of potential economic disruptions from resurgence of the Covid-19 pandemic. Against this backdrop, the Bank will continue to manage asset quality through enhanced credit risk management across segments and geographies and remains committed to support its impacted customers.

Execution of the Forward23+ Strategic Plan initiatives continues to be a key focus including RAROC optimisation and non-interest income growth, while prudently managing costs.

The Investment Banking business is witnessing improved capital market activity in line with the economic recovery particularly within the Equity Capital Market (ECM) and Mergers & Acquisition (M&A) segments, with Debt Capital Markets (DCM) activities remaining active.

### **B3. COMPUTATION OF EARNINGS PER SHARE (EPS)**

#### **a) Basic EPS**

Basic earnings per share of The Group and The Bank are calculated by dividing the net profit attributable to owners of The Group and The Bank by the weighted average number of ordinary shares issued during the financial period.

	<b>The Group</b>			
	<b>1st quarter ended</b>		<b>Three months ended</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2021</b>	<b>2020</b>	<b>2021</b>	<b>2020</b>
Net profit (RM '000)	<u>5,441</u>	<u>4,394</u>	<u>5,441</u>	<u>4,394</u>
Weighted average number of ordinary shares in issue ('000)	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Total basic earnings per share for profit attributable to equity shareholders (expressed in sen per share)	<u>5.44</u>	<u>4.39</u>	<u>5.44</u>	<u>4.39</u>

**PART B - EXPLANATORY NOTES (CONTINUED)**

**B3. COMPUTATION OF EARNINGS PER SHARE (EPS) (Continued)**

**a) Basic EPS (Continued)**

Basic earnings per share of The Group and The Bank are calculated by dividing the net profit attributable to owners of The Group and The Bank by the weighted average number of ordinary shares issued during the financial period. (Continued)

	<b>The Bank</b>			
	<b>1st quarter ended 31 March 2021</b>	<b>31 March 2020</b>	<b>Three months ended 31 March 2021</b>	<b>31 March 2020</b>
Net profit (RM '000)	<u>5,201</u>	<u>4,345</u>	<u>5,201</u>	<u>4,345</u>
Weighted average number of ordinary shares in issue ('000)	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Total basic earnings per share for profit attributable to equity shareholders (expressed in sen per share)	<u>5.20</u>	<u>4.35</u>	<u>5.20</u>	<u>4.35</u>

**b) Diluted EPS**

There were no dilutive potential ordinary shares outstanding as at 31 March 2021 and 31 March 2020 respectively.