



CITIBANK BERHAD
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

UNAUDITED CONDENSED FINANCIAL STATEMENTS
31 March 2021

Domiciled in Malaysia
Principal place of business :
Menara Citibank
165 Jalan Ampang
50450 Kuala Lumpur

CITIBANK BERHAD
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
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UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	Group		Bank	
		March 2021 RM'000	December 2020 RM'000	March 2021 RM'000	December 2020 RM'000
ASSETS					
Cash and short term funds	1	7,347,841	10,623,810	7,347,821	10,623,790
Deposits and placements with banks and other financial institutions	2	1,474,945	210,519	1,474,945	210,519
Securities purchased under resale agreements		507,291	256,391	507,291	256,391
Investment securities	3	9,884,975	8,131,303	9,884,975	8,131,303
Loans, advances and financing	4	19,205,926	19,235,721	19,205,926	19,235,721
Other assets	6	2,008,772	1,841,429	2,008,772	1,841,429
Statutory deposits with Bank Negara Malaysia	7	274,463	84,153	274,463	84,153
Tax recoverable		5,227	-	5,227	-
Deferred tax assets		84,347	98,498	84,347	98,498
Investment in subsidiaries		-	-	20	20
Property, plant and equipment		134,423	141,126	134,423	141,126
TOTAL ASSETS		40,928,210	40,622,950	40,928,210	40,622,950
LIABILITIES					
Deposits from customers	8	26,715,035	26,397,880	26,715,035	26,397,880
Deposits and placements of banks and other financial institutions	9	6,202,595	6,478,458	6,202,595	6,478,458
Obligations on securities sold under repurchase agreements		2,647	-	2,647	-
Other liabilities	10	2,753,929	2,571,412	2,753,929	2,571,412
Provision for taxation		-	8,796	-	8,796
TOTAL LIABILITIES		35,674,206	35,456,546	35,674,206	35,456,546
EQUITY					
Share capital	11	502,000	502,000	502,000	502,000
Reserves	12	4,752,004	4,664,404	4,752,004	4,664,404
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE BANK		5,254,004	5,166,404	5,254,004	5,166,404
TOTAL LIABILITIES AND EQUITY		40,928,210	40,622,950	40,928,210	40,622,950
COMMITMENTS AND CONTINGENCIES	19	217,925,662	214,097,057	217,925,662	214,097,057

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 7 to 35 attached to the unaudited condensed interim financial statements.

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**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2021**

	Note	Group and Bank	
		March 2021 RM'000	March 2020 RM'000
Revenue		<u>466,664</u>	<u>607,883</u>
Interest income	13	294,837	390,090
Interest expense	14	<u>(50,996)</u>	<u>(106,348)</u>
Net interest income		243,841	283,742
Net income/(loss) from Islamic Banking operations		18,774	(7,792)
Other operating income	15	<u>153,053</u>	<u>225,585</u>
Total net income		415,668	501,535
Other operating expenses	16	<u>(215,905)</u>	<u>(218,014)</u>
Operating profit		199,763	283,521
Allowance for loans, advances and financing (Allowance)/Write back for other assets	17	<u>(28,656)</u> <u>(6,860)</u>	<u>(31,787)</u> <u>1,078</u>
Profit before taxation		164,247	252,812
Tax expense		<u>(41,887)</u>	<u>(58,822)</u>
Profit for the period		<u>122,360</u>	<u>193,990</u>
Other comprehensive income, net of tax			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Investment securities			
- Net change in fair value		(34,804)	(25,626)
- Net transferred from profit or loss		44	169
Total other comprehensive income for the period		<u>(34,760)</u>	<u>(25,457)</u>
Total comprehensive income for the period		<u>87,600</u>	<u>168,533</u>
Profit for the period attributable to:			
Owner of the Bank		<u>122,360</u>	<u>193,990</u>
Total comprehensive income attributable to:			
Owner of the Bank		<u>87,600</u>	<u>168,533</u>
Earnings per share - basic (sen)		<u>402.2</u>	<u>637.6</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 7 to 35 attached to the unaudited condensed interim financial statements.

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AND ITS SUBSIDIARIES**UNAUDITED STATEMENTS OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2021**

Group and Bank	← Attributable to owner of the Bank →				Total RM'000
	← Non-Distributable →	Other Reserves	Retained Profits	Distributable	
	Share Capital RM'000	Reserves RM'000	Profits RM'000	Reserves RM'000	Total RM'000
At 1 January 2020	502,000	7,804	4,600,905	4,608,709	5,110,709
Fair value reserve on investment securities:					
- Net change in fair value	-	(25,626)	-	(25,626)	(25,626)
- Net transferred from profit or loss	-	169	-	169	169
Total other comprehensive income for the period	-	(25,457)	-	(25,457)	(25,457)
Profit for the period	-	-	193,990	193,990	193,990
Total comprehensive income for the period	-	(25,457)	193,990	168,533	168,533
Dividends to owner of the Bank	-	-	-	-	-
At 31 March 2020	502,000	(17,653)	4,794,895	4,777,242	5,279,242
At 1 January 2021	502,000	14,298	4,650,106	4,664,404	5,166,404
Fair value reserve on investment securities:					
- Net change in fair value	-	(34,804)	-	(34,804)	(34,804)
- Net transferred from profit or loss	-	44	-	44	44
Total other comprehensive expense for the period	-	(34,760)	-	(34,760)	(34,760)
Profit for the period	-	-	122,360	122,360	122,360
Total comprehensive income for the period	-	(34,760)	122,360	87,600	87,600
Dividends to owner of the Bank	-	-	-	-	-
At 31 March 2021	502,000	(20,462)	4,772,466	4,752,004	5,254,004
	Note 11			Note 12	

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 7 to 35 attached to the unaudited condensed interim financial statements.

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AND ITS SUBSIDIARIES**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD
THREE MONTHS ENDED 31 MARCH 2021**

	Group		Bank	
	March 2021 RM'000	March 2020 RM'000	March 2021 RM'000	March 2020 RM'000
Profit before taxation	164,247	252,812	164,247	252,812
Adjustments for non cash items	22,649	62,757	22,649	62,757
Operating profit before working capital changes	<u>186,896</u>	<u>315,569</u>	<u>186,896</u>	<u>315,569</u>
Changes in working capital :				
Net changes in operating assets	(3,487,703)	(1,816,898)	(3,487,703)	(1,816,898)
Net changes in operating liabilities	230,264	6,051,222	230,264	6,051,222
Income taxes paid	<u>(32,374)</u>	<u>(54,845)</u>	<u>(32,374)</u>	<u>(54,845)</u>
Net cash (used in)/generated from operating activities	<u>(3,102,917)</u>	<u>4,495,048</u>	<u>(3,102,917)</u>	<u>4,495,048</u>
Net cash used in investing activities	<u>(169,245)</u>	<u>(1,529,175)</u>	<u>(169,245)</u>	<u>(1,529,175)</u>
Net cash used in financing activities	<u>(3,807)</u>	<u>(4,107)</u>	<u>(3,807)</u>	<u>(4,107)</u>
Net changes in cash and short term funds	(3,275,969)	2,961,766	(3,275,969)	2,961,766
Cash and short term funds at 1 January	<u>10,623,810</u>	<u>6,240,224</u>	<u>10,623,790</u>	<u>6,240,204</u>
Cash and short term funds at 31 March	<u><u>7,347,841</u></u>	<u><u>9,201,990</u></u>	<u><u>7,347,821</u></u>	<u><u>9,201,970</u></u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 7 to 35 attached to the unaudited condensed interim financial statements.

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A Explanatory Notes Pursuant to Financial Reporting policy document (BNM/RH/STD 032-5) issued by Bank Negara Malaysia.

A1 Basis of preparation

The unaudited interim financial statements for the financial period three months ended 31 March 2021 have been prepared in accordance with the Financial Reporting policy document issued by Bank Negara Malaysia (BNM) on 27 September 2019.

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2020. The explanatory notes attached in the unaudited interim financial statements provide an explanation of events and transactions that are significant for 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 interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2020.

A2 Auditor's Report on preceding Annual Financial Statements

The audit report on the audited financial statements for the financial year ended 31 December 2020 was not subject to any qualification.

A3 Seasonality or Cyclical factors

The business operations of the Group and the Bank are not subject to material seasonal or cyclical fluctuations.

A4 Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group and the Bank for the financial period three months ended 31 March 2021.

A5 Changes in estimates

There were no changes in estimates of amounts reported in prior financial year that have a material effect on the financial results and position of the Group and the Bank for the financial period three months ended 31 March 2021.

A6 Issuance and repayment of Debt and Equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period three months ended 31 March 2021.

A7 Dividend

The final ordinary dividends proposed in respect of the year ended 31 December 2020 of RM529,200,616 is pending approval from BNM and therefore is not reflected in the interim financial statements.

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AND ITS SUBSIDIARIES**A8 Subsequent events**

On April 15 2021, Citigroup Inc announced strategic actions in Global Consumer Banking - as part of an ongoing strategic review - which will allow Citi to direct investments and resources to the businesses where it has the greatest scale and growth potential. Citi will focus its Global Consumer Bank presence in Asia and EMEA on four wealth centers - Singapore, Hong Kong, the UAE and London. As a result, Citi intends to pursue exits from its consumer franchises in thirteen markets across the two regions.

The affected businesses include the consumer franchises in Australia, Bahrain, China, India, Indonesia, Korea, Malaysia, the Philippines, Poland, Russia, Taiwan, Thailand and Vietnam. Citigroup's Institutional Clients Group will continue to serve clients in these markets, which remain important to Citi's global network.

The global strategic re-positioning decision follows the principles Citigroup CEO Jane Fraser outlined previously on a strategy refresh and transformation. It will allow Citi to focus our investments and resources on businesses that can drive stronger growth, deliver scale and enhance returns over the long run. Short-term, there will be no immediate change to the operations of Citibank Berhad and no impact to employees as a result of the announcement by Citigroup Inc to pursue an exit from the Consumer Bank business in Malaysia. The exit structure once finalized is subject to the prior approval of the Board of Directors, Citibank Berhad and Bank Negara Malaysia.

This is a non-adjusting event and an estimate of the financial effect cannot be made at the point in time as the exit structure is yet to be finalised.

A9 Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period three months ended 31 March 2021.

B Review of performance and current year prospects**B1 Performance Review**

Citibank Berhad registered a net profit after tax of RM122 million and revenue of RM467 million for the financial period three months ended 31 March 2021, a decrease of 37% or RM72 million in net profit as compared to previous corresponding period. The net profit decrease was mainly contributed by lower interest income.

Total assets recorded an increase of RM305 million as compared to 31 December 2020, mainly contributed by cash being redeployed to investment securities. Total liabilities recorded an increase of 1% or RM218 million as compared to 31 December 2020. This was mainly driven by increase in deposits from customers.

B2 Prospects for 2021

The Malaysian economy showed greater resilience with the Consumer Sentiment Index increasing by almost 14 points quarter on quarter to reach a ten-quarter-high of 98.9 points in the first quarter of 2021. In its Q1 2021 Consumer Sentiments Survey Report, the Malaysian Institute of Economic Research (MIER) said consumers nevertheless continued to remain conservative given that the sentiment increase was still below the threshold of 100 points. The report also cited the the impact of the National Covid-19 Immunisation Programme and economic recovery both local and global as factors which boosted consumer confidence during this period. Employment also picked up with the unemployment rate dropping to 4.8% in February with the number of unemployed persons dropping by 5,000 persons. Favourable shifts are expected in consumer spending moving forward, clearly an outlook of optimism that economic performance would be stronger for 2021.

Bank Negara Malaysia in its Annual Report 2020 released on March 31, 2021 said Malaysia's economy was expected to expand between six percent and 7.5 percent this year, against a 5.6 percent GDP contraction in 2020. Private consumption which has always been a key engine of growth for the Malaysian economy showed growth of 4.3% in 2020. However, this is expected to grow by 8% in 2021 given better overall income and employment growth. Malaysia's headline inflation is expected to average between 2.5% and 4% in 2021, compared to a negative inflation of -1.2% in 2020.

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AND ITS SUBSIDIARIES**(1) Cash and short term funds**

	Group	
	March 2021 RM'000	December 2020 RM'000
Cash and balances with banks and other financial institutions	42,458	41,796
Money at call and deposit placements maturing within one month	7,305,383	10,582,014
	<u>7,347,841</u>	<u>10,623,810</u>

	Bank	
	March 2021 RM'000	December 2020 RM'000
Cash and balances with banks and other financial institutions	42,438	41,776
Money at call and deposit placements maturing within one month	7,305,383	10,582,014
	<u>7,347,821</u>	<u>10,623,790</u>

(2) Deposits and placements with banks and other financial institutions

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Bank Negara Malaysia	14,835	-
Licensed banks	1,460,110	210,519
	<u>1,474,945</u>	<u>210,519</u>

(3) Investment securities**(i) By measurement**

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Investment securities measured at FVTPL		
- Debt instruments	2,947,858	1,330,710
- Equity instruments	7,388	7,691
Investment securities measured at FVOCI		
- Debt instruments	6,929,729	6,792,902
	<u>9,884,975</u>	<u>8,131,303</u>

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AND ITS SUBSIDIARIES**(3) Investment securities (continued)****(ii) By type**

	Group and Bank	
	March	December
	2021	2020
	RM'000	RM'000
Malaysian Government Treasury Bills	2,227,445	690,369
Malaysian Government Securities	4,422,297	2,496,830
Malaysian Government Investment Issues	3,061,561	4,375,891
U.S. Treasury Notes	166,284	560,522
Unquoted securities	7,388	7,691
	<u>9,884,975</u>	<u>8,131,303</u>

(4) Loans, advances and financing**(i) By measurement**

	Group and Bank	
	March	December
	2021	2020
	RM'000	RM'000
Loans, advances and financing measured at amortised cost	19,791,784	19,851,685
Gross loans, advances and financing	19,791,784	19,851,685
Less: Loss allowance	(585,858)	(615,964)
Net loans, advances and financing	<u>19,205,926</u>	<u>19,235,721</u>

Note (5)(iv)

(ii) By type

	Group and Bank	
	March	December
	2021	2020
	RM'000	RM'000
Overdrafts	406,020	365,653
Term loans/financing		
- Housing loans/financing	8,545,181	8,819,824
- Other term loans/financing	1,919,151	1,969,722
Bills receivable	960,093	762,599
Trust receipts	110,856	133,756
Claims on customers under acceptance credits	378,307	342,705
Staff loans	26,930	28,514
Credit cards receivables	4,963,408	5,332,754
Revolving credit	2,489,229	2,103,662
	<u>19,799,175</u>	<u>19,859,189</u>
Unearned interest and income	(7,391)	(7,504)
Gross loans, advances and financing	19,791,784	19,851,685
Less: Loss allowance	(585,858)	(615,964)
Net loans, advances and financing	<u>19,205,926</u>	<u>19,235,721</u>

Note (5)(iv)

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AND ITS SUBSIDIARIES**(4) Loans, advances and financing (continued)****(iii) By interest/profit rate sensitivity**

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Fixed rate		
- Housing loans/financing	395,941	383,740
- Other fixed rate loans/financing	9,437,920	9,342,112
Variable rate		
- Base rate/Base Lending Rate plus	8,477,623	8,776,961
- Cost plus	1,480,300	1,348,872
	<u>19,791,784</u>	<u>19,851,685</u>

(iv) By sector

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Primary agriculture	2,500	2,536
Mining & quarrying	17,528	37,892
Manufacturing (including agriculture based)	2,656,904	2,151,190
Electricity, gas, water	4,443	405
Construction	17,596	13,758
Wholesale, retail trade, restaurants and hotels	693,335	610,652
Transport, storage and communication	127,658	136,239
Finance, insurance, real estate and business services	1,258,416	1,283,128
Social & community services	10,067	10,730
Household		
- consumption credit	6,103,992	6,517,190
- residential	7,914,002	8,173,550
- others	74,983	82,883
Other sectors	910,360	831,532
	<u>19,791,784</u>	<u>19,851,685</u>

(v) Residual contractual maturity

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Maturing within one year	9,663,354	9,407,000
One to five years	1,289,632	1,318,810
Over five years	8,838,798	9,125,875
	<u>19,791,784</u>	<u>19,851,685</u>

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AND ITS SUBSIDIARIES**(4) Loans, advances and financing (continued)****(vi) By geographical distribution**

	Group and Bank	
	March	December
	2021	2020
	RM'000	RM'000
Within Malaysia	<u>19,791,784</u>	<u>19,851,685</u>

(5) Impaired loans, advances and financing**(i) Movements in impaired loans, advances and financing are as follows:**

	Group and Bank	
	March	December
	2021	2020
	RM'000	RM'000
At 1 January	199,965	212,013
Classified as impaired during the period/year	179,664	367,651
Reclassified as performing during the period/year	(73,044)	(210,605)
Amount recovered	(10,113)	(25,336)
Amount written off	(41,762)	(113,434)
Others	<u>(9,420)</u>	<u>(30,324)</u>
At 31 March / 31 December	245,290	199,965
Lifetime ECL credit impairment	<u>(108,888)</u>	<u>(89,428)</u>
Net impaired loans, advances and financing	<u>136,402</u>	<u>110,537</u>
Ratio of net impaired loans and financing to gross loans and financing less lifetime ECL credit impairment	0.69%	0.56%

Note (5)(iv)

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AND ITS SUBSIDIARIES**(5) Impaired loans, advances and financing (continued)****(ii) Impaired loans, advances and financing by sector**

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Manufacturing (including agriculture based)	6,164	7,760
Construction	435	-
Wholesale, retail trade, restaurants and hotels	7,956	7,340
Transport, storage and communication	26,436	12
Finance, insurance, real estate and business services	1,657	158
Household		
- consumption credit	40,628	45,253
- residential	145,915	137,811
Other sectors	16,099	1,631
	<u>245,290</u>	<u>199,965</u>

(iii) Impaired loans, advances and financing by geographical distribution

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Within Malaysia	<u>245,290</u>	<u>199,965</u>

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AND ITS SUBSIDIARIES**(5) Impaired loans, advances and financing (continued)****(iv) Loss allowance**

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

	Group and Bank							
	March 2021				December 2020			
	12-months ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	Total RM'000	12-months ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	Total RM'000
At 1 January	73,453	453,083	89,428	615,964	71,850	281,294	47,190	400,334
Transfer to 12-month ECL	208,929	(196,905)	(12,024)	-	642,249	(612,443)	(29,806)	-
Transfer to lifetime ECL not credit impaired	(3,435)	19,393	(15,958)	-	(14,657)	32,185	(17,528)	-
Transfer to lifetime ECL credit impaired	-	(78,483)	78,483	-	(7)	(131,869)	131,876	-
Less: Loans/financing derecognised during the period (other than write-offs)	(3,324)	(3,965)	(2,224)	(9,513)	(22,959)	(25,871)	(16,194)	(65,024)
New loans/financing originated or purchased	3,431	2,442	(3)	5,870	28,552	25,244	14,911	68,707
Net remeasurement of loss allowance	(207,314)	193,942	11,206	(2,166)	(630,162)	711,060	45	80,943
Modifications to contractual cash flows of financial asset	-	19,810	183	19,993	-	91,933	5,047	96,980
Less: Write-offs	549	(2,651)	(38,569)	(40,671)	49	(1,637)	(75,274)	(76,862)
Others	19,323	(21,308)	(1,634)	(3,619)	(1,462)	83,187	29,161	110,886
At 31 March / 31 December	<u>91,612</u>	<u>385,358</u>	<u>108,888</u>	<u>585,858</u>	<u>73,453</u>	<u>453,083</u>	<u>89,428</u>	<u>615,964</u>

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AND ITS SUBSIDIARIES**(6) Other assets**

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Interest/Income receivables	88,968	96,349
Other debtors, deposits and prepayments	1,191,130	886,617
Derivative assets	730,062	859,558
	2,010,160	1,842,524
Less: Loss allowance	(1,388)	(1,095)
	<u>2,008,772</u>	<u>1,841,429</u>

Note (20)

(7) Statutory deposits with Bank Negara Malaysia

The non-interest bearing statutory deposits are maintained with Bank Negara Malaysia ("BNM") to satisfy the Statutory Reserve Requirement ("SRR") as per Section 26(2)(c) of the Central Bank of Malaysia Act, 2009. The amount of which is determined as a set percentage of total eligible liabilities.

Effective 20 March 2020, all banking institutions may recognise holdings of Malaysian Government Securities ("MGS") and Malaysian Government Investment Issues ("MGII") as part of their SRR compliance. This flexibility to banking institutions is available until 31 May 2021. Subsequently, BNM had made an announcement on 20 January 2021 that the flexibility is extended until 31 December 2022. As at 31 March 2021, RM125 million of MGS has been recognised as part of SRR compliance.

(8) Deposits from customers**(i) By type of deposits**

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Demand deposits	19,045,238	18,495,649
Saving deposits	1,874,010	1,788,483
Fixed deposits	5,795,787	6,113,748
	<u>26,715,035</u>	<u>26,397,880</u>

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AND ITS SUBSIDIARIES**(8) Deposits from customers (continued)****(ii) Maturity structure of fixed deposits are as follows:**

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Due within six months	4,710,898	5,132,968
Six months to one year	1,080,807	977,011
One year to five years	4,082	3,769
	<u>5,795,787</u>	<u>6,113,748</u>

(iii) By type of customers

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Government and statutory bodies	1,647,025	1,493,651
Business enterprises	14,880,805	14,711,776
Individuals	10,057,486	10,149,470
Others	129,719	42,983
	<u>26,715,035</u>	<u>26,397,880</u>

(9) Deposits and placements of banks and other financial institutions

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Bank Negara Malaysia	-	23,772
Licensed banks	3,178,640	4,086,040
Licensed financial institutions	3,023,955	2,368,646
	<u>6,202,595</u>	<u>6,478,458</u>

(10) Other liabilities

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Interest/Profit payables	21,153	26,407
Other creditors and accruals	2,031,783	1,444,952
Structured products	62,656	73,743
Provision for commitments and contingencies	22,739	16,215
Derivatives liabilities	519,389	909,805
Lease liabilities	96,209	100,290
	<u>2,753,929</u>	<u>2,571,412</u>

Note (20)

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(11) Share capital

	Group and Bank			
	Amount	Number of	Amount	Number of
	March	shares	December	shares
	2021	March	2020	December
RM'000	2021	RM'000	2020	
'000	'000	'000	'000	
Issued and fully paid shares with no par value classified as equity instruments:				
Ordinary shares	502,000	121,697	502,000	121,697

(12) Reserves

	Group and Bank	
	March	December
	2021	2020
	RM'000	RM'000
Retained profits	4,772,466	4,650,106
Other reserve		
- Fair value reserve	(20,462)	14,298
Total reserves	4,752,004	4,664,404

(13) Interest income

	Group and Bank	
	March	March
	2021	2020
	RM'000	RM'000
Loans and advances		
- Interest income other than recoveries from impaired loans	209,532	287,074
- Recoveries from impaired loans	16,349	14,567
Money at call and deposit placements with financial institutions	31,572	44,080
Investment securities	51,598	47,087
Securities purchased under resale agreements	1,684	3,386
	310,735	396,194
Accretion of discount less amortisation of premium	(15,898)	(6,104)
	294,837	390,090

(14) Interest expense

	Group and Bank	
	March	March
	2021	2020
	RM'000	RM'000
Deposits and placements of banks and other financial institutions	7,339	15,063
Deposits from customers	42,360	89,398
Others	1,297	1,887
	50,996	106,348

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AND ITS SUBSIDIARIES**(15) Other operating income**

	Group and Bank	
	March	March
	2021	2020
	RM'000	RM'000
Fee income:		
Commission	26,243	21,468
Service charges and fees	14,737	15,491
Guarantee fees	1,925	1,711
Bankcard fees	43,895	59,704
Insurance premium and referral	8,690	12,239
Other fee income	8,945	6,376
	<u>104,435</u>	<u>116,989</u>
Trading income:		
Unrealised loss from revaluation of investment securities at FVTPL		
- debt instruments	(2,692)	(1,633)
Net gain from sales of investment securities at FVTPL - debt instruments	6,180	11,054
Net gain from sales of investment securities at FVOCI	7,341	27,488
	<u>10,829</u>	<u>36,909</u>
Other income:		
Foreign exchange loss, net	(226,548)	(140,236)
Gain from derivatives	264,687	237,919
Net loss on revaluation of loans, advances and financing at FVTPL	-	(23,818)
Others	(350)	(2,178)
	<u>37,789</u>	<u>71,687</u>
Total other operating income	<u>153,053</u>	<u>225,585</u>

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AND ITS SUBSIDIARIES**(16) Other operating expenses**

	Group and Bank	
	March 2021 RM'000	March 2020 RM'000
Personnel costs		
- Salaries, allowances and bonuses	72,004	73,003
- Contribution to Employees Provident Fund	11,481	11,509
- Staff benefits and other compensations	8,889	8,629
- Others	851	603
	<u>93,225</u>	<u>93,744</u>
Establishment costs		
- Depreciation of plant and equipment	4,232	4,004
- Depreciation of right-of-use assets	3,403	3,235
- Interest expense on lease liabilities	612	594
- Hire of equipments	125	120
- Utilities	784	1,174
- Repairs & Maintenance	2,181	2,247
- Plant and equipment written off	4	7
- Others	3,133	2,471
	<u>14,474</u>	<u>13,852</u>
Marketing expenses		
- Advertisement and promotional expenses	11,345	8,231
- Others	1	117
	<u>11,346</u>	<u>8,348</u>
Administration and general expenses		
- Processing cost	73,819	73,526
- Auditors' remuneration	9	210
- Stationeries and supplies	970	1,032
- Communication expenses	1,983	1,064
- Others	20,079	26,238
	<u>96,860</u>	<u>102,070</u>
Total other operating expenses	<u>215,905</u>	<u>218,014</u>

(17) Allowance for loans, advances and financing

	Group and Bank	
	March 2021 RM'000	March 2020 RM'000
12-months ECL	18,159	11,402
Lifetime ECL not credit impaired	(67,726)	(6,942)
Lifetime ECL credit impaired	19,774	328
Impaired loans, advances and financing:		
- written off	83,557	50,797
- recovered	(25,108)	(23,798)
	<u>28,656</u>	<u>31,787</u>

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AND ITS SUBSIDIARIES**(18) Capital adequacy**

(a) The capital adequacy ratios are as follows:

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
Computation of Total Risk-Weighted Assets ("RWA")		
Total credit RWA	20,747,343	20,154,063
Total market RWA	1,256,576	1,306,624
Total operational RWA	3,591,023	3,673,752
Total Risk-Weighted Assets	<u>25,594,942</u>	<u>25,134,439</u>
Computation of Capital Ratios *		
Common Equity Tier 1 ("CET 1") Capital	5,047,296	5,060,041
Tier 1 Capital	5,047,296	5,060,041
Total Capital	5,306,638	5,311,967
Before deducting proposed dividends:		
CET 1 Capital ratio	19.720%	20.132%
Tier 1 Capital ratio	19.720%	20.132%
Total Capital ratio	<u>20.733%</u>	<u>21.134%</u>
After deducting proposed dividends:		
CET 1 Capital ratio	17.652%	18.026%
Tier 1 Capital ratio	17.652%	18.026%
Total Capital ratio	<u>18.666%</u>	<u>19.029%</u>

* In arriving at the capital base used in the ratio calculations of the Bank, proposed dividends were not deducted for March 2021 and December 2020.

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components and Basel II - Risk-Weighted Assets) dated 9 December 2020 and 3 May 2019 respectively. The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The stated minimum regulatory capital adequacy ratios before including capital conservation buffer and countercyclical capital buffer ("CCyB") for CET 1 Capital ratio, Tier 1 Capital ratio and Total Capital ratio are 4.5%, 6.0% and 8.0% respectively.

(b) The components of CET 1, Tier 1 and Tier 2 Capital are as follows:

	Group and Bank	
	March 2021 RM'000	December 2020 RM'000
CET 1 Capital/Tier 1 Capital		
Paid up ordinary share capital	502,000	502,000
Retained profits	4,650,106	4,650,106
Other reserves	(20,462)	14,298
Less: Regulatory adjustments	(84,348)	(106,363)
Total CET 1 Capital/Tier 1 Capital	<u>5,047,296</u>	<u>5,060,041</u>
Tier 2 Capital		
Loss allowance and regulatory reserves*	<u>259,342</u>	<u>251,926</u>
Total Tier 2 Capital	<u>259,342</u>	<u>251,926</u>
Total Eligible Tier 2 Capital	<u>259,342</u>	<u>251,926</u>
Total Capital	<u>5,306,638</u>	<u>5,311,967</u>

* Excludes loss allowance restricted from Tier 2 Capital by BNM of RM219.0 million (2020: RM275.7 million)

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AND ITS SUBSIDIARIES**(19) Commitments and contingencies**

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

Group and Bank March 2021	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
Nature of item			
Direct credit substitutes	1,401,472	1,401,472	1,299,710
Transaction related contingent items	575,975	287,988	278,747
Short term self liquidating trade related contingencies	195,148	39,030	34,256
Forward asset purchases	111,898	111,898	111,898
Foreign exchange related contracts:			
One year or less	74,055,012	801,025	449,439
Over one year to five years	1,458,393	49,463	37,912
Over five years	-	-	-
Interest/Profit rate related contracts:			
One year or less	43,677,102	41,808	14,394
Over one year to five years	56,464,232	664,190	262,520
Over five years	2,220,000	105,860	40,169
Equity related contracts:			
One year or less	-	-	-
Over one year to five years	-	-	-
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	4,536,856	457,053	383,228
Over one year to five years	-	-	-
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	410,650	205,325	203,572
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	14,078,600	-	-
Unutilised credit card lines	18,740,324	3,748,065	2,840,977
Total	217,925,662	7,913,177	5,956,822

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AND ITS SUBSIDIARIES**(19) Commitments and contingencies (continued)**

Group and Bank December 2020	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
Nature of item			
Direct credit substitutes	1,397,423	1,397,423	1,296,533
Transaction related contingent items	517,353	258,677	248,603
Short term self liquidating trade related contingencies	237,731	47,546	43,402
Forward asset purchases	98,110	98,110	91,934
Foreign exchange related contracts:			
One year or less	69,681,843	751,471	469,432
Over one year to five years	2,060,259	85,258	60,246
Over five years	-	-	-
Interest/Profit rate related contracts:			
One year or less	38,851,570	40,655	15,949
Over one year to five years	61,813,071	745,600	272,028
Over five years	2,320,000	123,764	48,022
Equity related contracts:			
One year or less	51,871	1,557	778
Over one year to five years	-	-	-
Over five years	-	-	-
Debt security contracts and other commodity contracts:			
One year or less	3,554,664	421,743	371,320
Over one year to five years	735,835	101,642	88,877
Over five years	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	-	-	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	405,377	202,688	200,244
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	13,840,569	-	-
Unutilised credit card lines	18,531,381	3,706,276	2,799,205
Total	214,097,057	7,982,410	6,006,573

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AND ITS SUBSIDIARIES**(20) Derivative financial instruments**

	←	March 2021	→	←	December 2020	→
	Contract	Positive	Negative	Contract	Positive	Negative
	Amount	fair	fair	amount	fair	fair
	RM'000	value	value	RM'000	value	value
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Foreign exchange related contracts:						
- Forwards	70,534,621	337,673	234,448	66,412,022	323,308	491,212
- Cross currency interest rate swaps	3,343,980	22,204	2,505	3,672,216	53,186	21,576
- Options	1,634,803	3,571	1,417	1,657,864	3,884	6,700
Interest/Profit rate contracts:						
- Futures	1,181,325	-	-	-	-	-
- Swaps	99,606,232	135,622	45,276	101,469,071	177,944	76,942
- Options	1,573,777	215	-	1,515,570	711	-
Equity related contracts	-	-	10	51,871	-	11
Others	4,536,856	230,777	235,733	4,290,499	300,525	313,364
	<u>182,411,594</u>	<u>730,062</u>	<u>519,389</u>	<u>179,069,113</u>	<u>859,558</u>	<u>909,805</u>
		Note 6	Note 10		Note 6	Note 10

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		Bank	
		March 2021	December 2020
	Note	RM'000	RM'000
Assets			
Cash and short term funds	(a)	1,988,527	1,352,441
Investment securities	(b)	1,080,711	1,967,379
Financing, advances and others	(c)	119,176	122,649
Deferred tax assets		772	-
Other assets	(e)	56,093	123,046
Total assets		<u>3,245,279</u>	<u>3,565,515</u>
Liabilities			
Deposits from customers	(f)	1,013,156	1,256,187
Deposits and placements of banks and other financial institutions	(g)	1,595,483	1,685,714
Deferred tax liabilities		-	1,301
Other liabilities	(h)	7,484	6,165
Provision for taxation		21,397	16,863
Total liabilities		<u>2,637,520</u>	<u>2,966,230</u>
Islamic Banking funds	(i)	607,759	599,285
Total liabilities and Islamic Banking funds		<u>3,245,279</u>	<u>3,565,515</u>
Commitments and Contingencies	(q)	<u>6</u>	<u>6</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 25 to 35 attached to the unaudited condensed interim financial statements.

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UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2021

		Bank	
		March 2021	March 2020
	Note	RM'000	RM'000
Income derived from investments of depositors' funds and others	(j)	21,169	14,842
Write back/(Allowance) for financing, advances and others	(k)	898	(140)
Write back/(Allowance) back for other assets		11	(64)
Total attributable income		<u>22,078</u>	<u>14,638</u>
Income attributable to depositors and others	(l)	(3,091)	(2,206)
Total attributable to the Bank		<u>18,987</u>	<u>12,432</u>
Income/(Loss) derived from investment of Islamic Banking funds	(m)	696	(20,428)
Total net income		<u>19,683</u>	<u>(7,996)</u>
Other operating expenses	(o)	(15)	(7)
Profit before taxation		<u>19,668</u>	<u>(8,003)</u>
Tax expense		(4,558)	1,913
Profit/(Loss) for the period		<u><u>15,110</u></u>	<u><u>(6,090)</u></u>
Other comprehensive expense, net of tax			
<i>Items that are or may be reclassified subsequently to profit or loss</i>			
Investment securities			
- Net change in fair value		(6,636)	(1,215)
Total other comprehensive expense for the period		<u>(6,636)</u>	<u>(1,215)</u>
Total comprehensive income for the period		<u><u>8,474</u></u>	<u><u>(7,305)</u></u>
Profit for the period attributable to:			
Owner of the Bank		<u><u>15,110</u></u>	<u><u>(6,090)</u></u>
Total comprehensive income attributable to:			
Owner of the Bank		<u><u>8,474</u></u>	<u><u>(7,305)</u></u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 25 to 35 attached to the unaudited condensed interim financial statements.

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UNAUDITED STATEMENTS OF CHANGES IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD THREE MONTHS ENDED 31 MARCH 2021

	Capital funds RM'000	Bank Fair value reserve RM'000	Retained profits RM'000	Total RM'000
At 1 January 2020	20,000	1,931	521,909	543,840
Fair value reserve on investment securities:				
- Net change in fair value	-	(1,215)	-	(1,215)
Profit for the period	-	-	(6,090)	(6,090)
Total comprehensive income for the period	-	(1,215)	(6,090)	(7,305)
At 31 March 2020	20,000	716	515,819	536,535
At 1 January 2021	20,000	7,297	571,988	599,285
Fair value reserve on investment securities:				
- Net change in fair value	-	(6,636)	-	(6,636)
Profit for the period	-	-	15,110	15,110
Total comprehensive income for the period	-	(6,636)	15,110	8,474
At 31 March 2021	20,000	661	587,098	607,759

Note (i)

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group (comprised of the Bank and its subsidiaries) and the Bank (Citibank Berhad) for the financial year ended 31 December 2020 and the accompanying notes on page 25 to 35 attached to the unaudited condensed interim financial statements.

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(a) Cash and short term funds

	Bank	
	March 2021 RM'000	December 2020 RM'000
Cash and balances with banks and other financial institutions	1,937	2,115
Money at call and deposit placements maturing within one month	<u>1,986,590</u>	<u>1,350,326</u>
	<u><u>1,988,527</u></u>	<u><u>1,352,441</u></u>

(b) Investment securities

(i) By measurement

	Bank	
	March 2021 RM'000	December 2020 RM'000
Investment securities measured at FVTPL	98,579	-
Investment securities measured at FVOCI	<u>982,132</u>	<u>1,967,379</u>
	<u><u>1,080,711</u></u>	<u><u>1,967,379</u></u>

(ii) By type

	Bank	
	March 2021 RM'000	December 2020 RM'000
Malaysian Government Investment Issues	982,132	1,967,379
Malaysian Government Treasury Bills	<u>98,579</u>	<u>-</u>
	<u><u>1,080,711</u></u>	<u><u>1,967,379</u></u>

(c) Financing, advances and others

(i) By measurement

	Bank	
	March 2021 RM'000	December 2020 RM'000
Financing, advances and others measured at amortised cost	<u>122,696</u>	<u>127,084</u>
Gross Financing, advances and others	122,696	127,084
Less: Loss allowance	Note (d)(iii) <u>(3,520)</u>	<u>(4,435)</u>
Total net financing, advances and others	<u><u>119,176</u></u>	<u><u>122,649</u></u>

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(c) Financing, advances and others (continued)

(ii) By type

	Bank	
	March 2021 RM'000	December 2020 RM'000
Term financing		
- Housing financing	125,715	130,240
- Other term financing	-	20
	<u>125,715</u>	<u>130,260</u>
Unearned income	(3,019)	(3,176)
Gross financing, advances and others	<u>122,696</u>	<u>127,084</u>
Less: Loss allowance	(3,520)	(4,435)
Total net financing, advances and others	<u><u>119,176</u></u>	<u><u>122,649</u></u>

Note (d)(iii)

(iii) By contract

	Bank	
	March 2021 RM'000	December 2020 RM'000
Bai' Bithaman Ajil	8,153	8,418
Diminishing Musharakah	114,543	118,650
Murabahah	-	16
	<u>122,696</u>	<u>127,084</u>

(iv) By profit rate sensitivity

	Bank	
	March 2021 RM'000	December 2020 RM'000
Fixed rate		
- House financing	8,153	8,418
Variable rate		
- Base rate/Base Financing Rate	114,543	118,650
- Cost plus	-	16
	<u>122,696</u>	<u>127,084</u>

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(c) Financing, advances and others (continued)

(v) By sector

	Bank	
	March 2021 RM'000	December 2020 RM'000
Finance, insurance, real estate and business services	-	16
Household-residential	122,391	127,068
Other sectors	305	-
	<u>122,696</u>	<u>127,084</u>

(d) Impaired financing, advances and others

(i) Movements in impaired financing, advances and others are as follows:

	Bank	
	March 2021 RM'000	December 2020 RM'000
At 1 January	3,865	2,900
Classified as impaired during the period/year	3,195	6,020
Reclassified as performing during the period/year	(2,734)	(4,245)
Amount recovered	(21)	(664)
Others	(66)	(146)
At 31 March / 31 December	<u>4,239</u>	<u>3,865</u>
Lifetime ECL credit impairment	(1,170)	(1,037)
Net impaired financing, advances and others	<u>3,069</u>	<u>2,828</u>
Ratio of net impaired financing, advances and others to total gross financing, advances and others less lifetime ECL credit impaired	2.53%	2.24%

(ii) Impaired financing, advances and others by sector are as follows:

	Bank	
	March 2021 RM'000	December 2020 RM'000
Household - Residential	<u>4,239</u>	<u>3,865</u>

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(d) Impaired financing, advances and others (continued)

(iii) Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

	Bank				Bank			
	March 2021			Total RM'000	December 2020			Total RM'000
12-months ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	12-months ECL RM'000		Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000		
At 1 January	501	2,897	1,037	4,435	594	54	18	666
Transfer to 12-month ECL	2,528	(2,290)	(238)	-	1,537	(1,440)	(97)	-
Transfer to lifetime ECL not credit impaired	(24)	586	(562)	-	(79)	245	(166)	-
Transfer to lifetime ECL credit impaired	-	(936)	936	-	-	(894)	894	-
Less: Financing derecognised during the period (other than write-offs)	(7)	(47)	-	(54)	(206)	(105)	(95)	(406)
Net remeasurement of loss allowance	(2,488)	1,504	13	(971)	(1,472)	2,436	6	970
Others	(4)	130	(16)	110	127	2,601	477	3,205
At 31 March / 31 December	506	1,844	1,170	3,520	501	2,897	1,037	4,435

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(e) Other assets

	Bank	
	March 2021 RM'000	December 2020 RM'000
Profit receivables	11,892	22,191
Other debtors, deposits and prepayments	44,230	100,895
	<u>56,122</u>	<u>123,086</u>
Less: Loss allowance	(29)	(40)
	<u><u>56,093</u></u>	<u><u>123,046</u></u>

(f) Deposits and funds from customers

(i) By type of deposit and funds

	Bank	
	March 2021 RM'000	December 2020 RM'000
Non-Mudarabah Fund		
Demand deposits	961,564	1,209,400
Saving deposits	51,592	46,787
	<u>1,013,156</u>	<u>1,256,187</u>

(ii) By type of customers

	Bank	
	March 2021 RM'000	December 2020 RM'000
Government and statutory bodies	712,197	1,081,910
Business enterprises	237,908	119,081
Individuals	63,051	55,196
	<u>1,013,156</u>	<u>1,256,187</u>

(g) Deposits and placements of banks and other financial institutions

	Bank	
	March 2021 RM'000	December 2020 RM'000
Bank Negara Malaysia	1,296,118	1,413,312
Licensed banks	31,320	114,141
Licensed financial institutions	268,045	158,261
	<u>1,595,483</u>	<u>1,685,714</u>

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(h) Other liabilities

	Bank	
	March 2021 RM'000	December 2020 RM'000
Other creditors and accruals	7,484	6,165
	<u>7,484</u>	<u>6,165</u>

(i) Islamic Banking funds

	Bank	
	March 2021 RM'000	December 2020 RM'000
Capital funds	20,000	20,000
Fair value reserve	661	7,297
Retained profits	587,098	571,988
	<u>607,759</u>	<u>599,285</u>

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(j) Income derived from investments of depositors' funds and others

	Bank	
	March 2021 RM'000	March 2020 RM'000
Income derived from investment of:		
(i) General investment funds	<u>21,169</u>	<u>14,842</u>

(i) Income derived from investment of general investment funds

	Bank	
	March 2021 RM'000	March 2020 RM'000
Finance income and hibah		
Financing, advances and others	1,278	1,471
Money at call and placements with financial institutions	7,215	8,006
Investment securities at FVOCI	<u>12,662</u>	<u>5,355</u>
	21,155	14,832
Accretion of discount less amortisation of premium	<u>13</u>	<u>-</u>
Total finance income and hibah	<u>21,168</u>	<u>14,832</u>
Other operating income		
Fee income	1	10
Income from general investment funds	<u>21,169</u>	<u>14,842</u>

(k) Write back/(Allowance) for financing, advances and others

	Bank	
	March 2021 RM'000	March 2020 RM'000
12-months ECL	5	98
Lifetime ECL not credit impaired	(1,053)	13
Lifetime ECL credit impaired	133	13
Impaired financing, advances and others:		
- written off	20	15
- recovered	<u>(3)</u>	<u>1</u>
	<u>(898)</u>	<u>140</u>

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(l) Income attributable to depositors and others

	Bank	
	March 2021 RM'000	March 2020 RM'000
Deposits and funds from customers		
- Non-Mudarabah funds	3,085	2,192
Others	6	14
	<u>3,091</u>	<u>2,206</u>

(m) Income/(Loss) derived from investment of Islamic Banking funds

	Bank	
	March 2021 RM'000	March 2020 RM'000
Financing, advances and other	173	385
Money at call and placements with financial institutions	979	2,093
Investment securities at FVOCI	1,718	1,400
	<u>2,870</u>	<u>3,878</u>
Accretion of discount less amortisation of premium	(6,173)	(939)
Total finance income and hibah	<u>(3,303)</u>	<u>2,939</u>
Other operating income		
Gain from investment securities at FVOCI	5,973	3,126
Loss from investment securities at FVTPL	(16)	(3)
Fee income	504	120
Loss from trading activities	(2,462)	(3,087)
Net loss on revaluation of financing, advances and others at FVTPL	-	(23,523)
	<u>3,999</u>	<u>(23,367)</u>
	<u>696</u>	<u>(20,428)</u>

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(n) Income from Islamic Banking operations

For consolidation with the conventional operations, income from Islamic banking operations comprises the following:

	Bank	
	March 2021 RM'000	March 2020 RM'000
Income derived from investments of depositors' funds and others	(j) 21,169	14,842
Income attributable to depositors and others	(l) (3,091)	(2,206)
Income/(Loss) derived from investment of Islamic Banking funds	(m) <u>696</u>	<u>(20,428)</u>
	<u>18,774</u>	<u>(7,792)</u>

(o) Other operating expenses

	Bank	
	March 2021 RM'000	March 2020 RM'000
Personnel costs		
- Staff allowances and benefits	8	4
Establishment costs		
- Others	4	2
Administrative and general expenses		
- Others	<u>3</u>	<u>1</u>
	<u>15</u>	<u>7</u>

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(p) Capital adequacy

(i) The capital adequacy ratios are as follows:

	Bank	
	March 2021 RM'000	December 2020 RM'000
Computation of Total Risk-Weighted Assets ("RWA")		
Total credit RWA	48,786	124,986
Total operational RWA	153,302	144,828
Total Risk-Weighted Assets	<u>202,088</u>	<u>269,814</u>
Computation of Capital Ratios		
Common Equity Tier 1 ("CET 1") Capital	591,513	595,271
Tier 1 Capital	591,513	595,271
Total Capital	592,123	596,833
CET 1 Capital ratio	292.701%	220.622%
Tier 1 Capital ratio	292.701%	220.622%
Total Capital ratio	<u>293.003%</u>	<u>221.201%</u>

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components and Basel II - Risk-Weighted Assets) dated 9 December 2020 and 3 May 2019 respectively. The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The stated minimum regulatory capital adequacy ratios before including capital conservation buffer and countercyclical capital buffer ("CCyB") for CET 1 Capital ratio, Tier 1 Capital ratio and Total Capital ratio are 4.5%, 6.0% and 8.0% respectively.

(ii) The components of CET 1, Tier 1 and Tier 2 Capital are as follows:

	Bank	
	March 2021 RM'000	December 2020 RM'000
CET 1 Capital/Tier 1 Capital		
Capital funds	20,000	20,000
Retained profits	571,988	571,988
Other reserves	661	7,297
Less: Regulatory adjustments	(1,136)	(4,014)
Total CET 1 Capital/Tier 1 Capital	<u>591,513</u>	<u>595,271</u>
Tier 2 Capital		
Loss allowance and regulatory reserves*	610	1,562
Total Tier 2 Capital	<u>610</u>	<u>1,562</u>
Total Capital	<u>592,123</u>	<u>596,833</u>

* Excludes loss allowance restricted from Tier 2 Capital by BNM of RM1.8 million. (2020: RM0.2 million).

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(q) Commitments and Contingencies

The off-balance sheet exposures and their related counterparty credit risk of the Group and the Bank are as follows:

March 2021			
Bank	Principal amount	Credit equivalent amount	Risk weighted assets
Nature of item	RM'000	RM'000	RM'000
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6	3	1
Total	6	3	1
December 2020			
Bank	Principal amount	Credit equivalent amount	Risk weighted assets
Nature of item	RM'000	RM'000	RM'000
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	6	3	1
Total	6	3	1