



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

UNAUDITED CONDENSED FINANCIAL STATEMENTS
30 September 2021

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

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021**

	Note	Group		Bank	
		September 2021 RM'000	December 2020 RM'000	September 2021 RM'000	December 2020 RM'000
ASSETS					
Cash and short term funds	1	8,476,224	10,623,810	8,476,204	10,623,790
Deposits and placements with banks and other financial institutions	2	953,630	210,519	953,630	210,519
Securities purchased under resale agreements		405,099	256,391	405,099	256,391
Investment securities	3	10,300,048	8,131,303	10,300,048	8,131,303
Loans, advances and financing	4	18,168,780	19,235,721	18,168,780	19,235,721
Other assets	6	2,426,288	1,841,429	2,426,288	1,841,429
Statutory deposits with Bank Negara Malaysia	7	93,131	84,153	93,131	84,153
Deferred tax assets		93,981	98,498	93,981	98,498
Investment in subsidiaries	8	-	-	20	20
Property, plant and equipment		132,438	141,126	132,438	141,126
TOTAL ASSETS		41,049,619	40,622,950	41,049,619	40,622,950
LIABILITIES					
Deposits from customers	9	25,758,799	26,397,880	25,758,799	26,397,880
Deposits and placements of banks and other financial institutions	10	8,008,453	6,478,458	8,008,453	6,478,458
Other liabilities	11	2,239,189	2,571,412	2,239,189	2,571,412
Provision for taxation		31,786	8,796	31,786	8,796
TOTAL LIABILITIES		36,038,227	35,456,546	36,038,227	35,456,546
EQUITY					
Share capital	12	502,000	502,000	502,000	502,000
Reserves	13	4,509,392	4,664,404	4,509,392	4,664,404
TOTAL EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE BANK		5,011,392	5,166,404	5,011,392	5,166,404
TOTAL LIABILITIES AND EQUITY		41,049,619	40,622,950	41,049,619	40,622,950
COMMITMENTS AND CONTINGENCIES	20	232,109,770	214,097,057	232,109,770	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 36 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD

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AND ITS SUBSIDIARIES**UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD NINE MONTHS ENDED 30 SEPTEMBER 2021**

		Group and Bank	
		September 2021	September 2020
	Note	RM'000	RM'000
Revenue		<u>1,392,814</u>	<u>1,630,115</u>
Interest income	14	858,347	1,055,370
Interest expense	15	<u>(156,773)</u>	<u>(258,291)</u>
Net interest income		701,574	797,079
Net income from Islamic Banking operations		44,374	11,826
Other operating income	16	<u>490,093</u>	<u>562,920</u>
Total net income		1,236,041	1,371,825
Other operating expenses	17	<u>(645,503)</u>	<u>(639,109)</u>
Operating profit		590,538	732,716
Allowance for loans, advances and financing	18	(56,098)	(193,496)
Write back/(Allowance) for other assets		<u>6,866</u>	<u>(19,876)</u>
Profit before taxation		541,306	519,344
Tax expense		<u>(131,482)</u>	<u>(128,740)</u>
Profit for the period		<u>409,824</u>	<u>390,604</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		(36,829)	10,127
- Net transferred from profit or loss		<u>1,194</u>	<u>1,098</u>
Total other comprehensive (loss)/income for the period		<u>(35,635)</u>	<u>11,225</u>
Total comprehensive income for the period		<u>374,189</u>	<u>401,829</u>
Profit for the period attributable to:			
Owner of the Bank		<u>409,824</u>	<u>390,604</u>
Total comprehensive income attributable to:			
Owner of the Bank		<u>374,189</u>	<u>401,829</u>
Earnings per share - basic (sen)		<u>449.0</u>	<u>428.0</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 36 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 NINE MONTHS ENDED 30 SEPTEMBER 2021**

Group and Bank	← Attributable to owner of the Bank →				Total RM'000
	← Non-Distributable →	Distributable		Total Reserves RM'000	
	Share Capital RM'000	Other Reserves RM'000	Retained Profits 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	-	10,127	-	10,127	10,127
- Net transferred from profit or loss	-	1,098	-	1,098	1,098
Total other comprehensive income for the period	-	11,225	-	11,225	11,225
Profit for the period	-	-	390,604	390,604	390,604
Total comprehensive income for the period	-	11,225	390,604	401,829	401,829
Dividends to owner of the Bank	-	-	(480,000)	(480,000)	(480,000)
At 30 September 2020	502,000	19,029	4,511,509	4,530,538	5,032,538
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	-	(36,829)	-	(36,829)	(36,829)
- Net transferred from profit or loss	-	1,194	-	1,194	1,194
Total other comprehensive loss for the period	-	(35,635)	-	(35,635)	(35,635)
Profit for the period	-	-	409,824	409,824	409,824
Total comprehensive (loss)/income for the period	-	(35,635)	409,824	374,189	374,189
Dividends to owner of the Bank	-	-	(529,201)	(529,201)	(529,201)
At 30 September 2021	502,000	(21,337)	4,530,729	4,509,392	5,011,392
	Note 12			Note 13	

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 36 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD

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AND ITS SUBSIDIARIES**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD
NINE MONTHS ENDED 30 SEPTEMBER 2021**

	Group		Bank	
	September 2021 RM'000	September 2020 RM'000	September 2021 RM'000	September 2020 RM'000
Profit before taxation	541,306	519,344	541,306	519,344
Adjustments for non cash items	41,991	(11,833)	41,991	(11,833)
Total other comprehensive income for the period	<u>583,297</u>	<u>507,511</u>	<u>583,297</u>	<u>507,511</u>
Changes in working capital :				
Net changes in operating assets	(605,338)	2,159,344	(605,338)	2,159,344
Net changes in operating liabilities	570,371	4,165,003	570,371	4,165,003
Income taxes paid	<u>(92,583)</u>	<u>(152,595)</u>	<u>(92,583)</u>	<u>(152,595)</u>
Net cash generated from operating activities	<u>455,747</u>	<u>6,679,263</u>	<u>455,747</u>	<u>6,679,263</u>
Net cash used in investing activities	<u>(2,062,453)</u>	<u>(3,259,008)</u>	<u>(2,062,453)</u>	<u>(3,259,008)</u>
Net cash used in financing activities	<u>(540,880)</u>	<u>(492,252)</u>	<u>(540,880)</u>	<u>(492,252)</u>
Net changes in cash and short term funds	(2,147,586)	2,928,003	(2,147,586)	2,928,003
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 30 September	<u><u>8,476,224</u></u>	<u><u>9,168,227</u></u>	<u><u>8,476,204</u></u>	<u><u>9,168,207</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 36 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 nine months ended 30 September 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 preceeding 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 nine months ended 30 September 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 nine months ended 30 September 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 nine months ended 30 September 2021.

A7 Dividend

The final ordinary dividends proposed in respect of the year ended 31 December 2020 of RM529,200,616 was paid in June 2021.

A8 Subsequent events

On April 15 2021, Citigroup Inc announced strategic actions in its Global Consumer Banking segment. 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 Malaysia among other markets. Citigroup's Institutional Clients Group will continue to serve clients in these markets, which remain important to Citi's global network.

Short-term, it is expected 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 of Citibank Berhad, Bank Negara Malaysia and any other related regulatory bodies.

This is a non-adjusting event and an estimate of the financial effect cannot be made at the time as the consumer bank exit in Malaysia is yet to be finalized.

A9 Changes in the composition of the Group

Please refer to Note 8.

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B Review of performance and current year prospects

B1 Performance Review

Citibank Berhad registered a net profit after tax of RM410 million and revenue of RM1,393 million for the financial period nine months ended 30 September 2021, an increase of 5% or RM19 million in net profit as compared to previous corresponding period. The net profit increase was mainly contributed by release of allowance for loans.

Total assets recorded an increase of RM427 million as compared to 31 December 2020, mainly contributed by cash being redeployed to investment securities. Total liabilities recorded an increase of 2% or RM582 million as compared to 31 December 2020. This was mainly driven by increase in deposits and placements of banks and other financial institutions.

B2 Prospects for 2021

The Malaysian economy continues to be on a recovery trajectory following an increase of 16.1% year on year in the second quarter of 2021. The implementation of the stimulus and assistance packages valued at RM75 billion and on-going measures under Budget 2021, contributed to the improved performance when compared to the same period in 2020. Challenges in the beginning of this third financial quarter included several headwinds due to the resurgence of Covid-19 positive cases did not dampen this upward trend in economic performance. Export-oriented industries grew by 8.7% as at June 2021 while sales value of the manufacturing sector for June 2021, totalled RM124.4 billion. The country's total trade surged by 29.3% to RM188.7 billion. Income in e-commerce increased by 23.3% to RM267.6 billion due to growth in e-commerce transactions in the manufacturing and service sectors. Foreign Direct Investment totalled RM8.2 billion at the end of June, 2021 particularly from Japan, Indonesia and the US.

The financial sector showed healthy levels of liquidity ratio coverage which stood at 149.1% in June, 2021. Malaysia's sovereign ratings were reaffirmed by the three main global credit agencies namely S&P, Moody's and Fitch. The significant progress in vaccination rates under the National Covid-19 Immunisation Program boded well for economic recovery with the reopening of economic and social activities in this third financial quarter. The Government stimulus measures further complement recovery efforts and expected to support economic recovery throughout the different phases of the National Recovery Plan. Thus far, RM200 billion has been disbursed benefitting more than 20 million people and 2.4 million businesses since March 2020.

Malaysia's economic fundamentals remain resilient despite the challenges in this third quarter both local and global. Strategically, the country's economy is set on a firmer foundation for growth in economic prospects and resilience given the national priority placed on the National Fourth Industrial Revolution Policy and the 12th Malaysia Plan, in line with the country's Shared Prosperity Vision 2030.

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

	Group	
	September 2021 RM'000	December 2020 RM'000
Cash and balances with banks and other financial institutions	42,164	41,796
Money at call and deposit placements maturing within one month	<u>8,434,060</u>	<u>10,582,014</u>
	<u>8,476,224</u>	<u>10,623,810</u>

	Bank	
	September 2021 RM'000	December 2020 RM'000
Cash and balances with banks and other financial institutions	42,144	41,776
Money at call and deposit placements maturing within one month	<u>8,434,060</u>	<u>10,582,014</u>
	<u>8,476,204</u>	<u>10,623,790</u>

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

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Licensed banks	<u>953,630</u>	<u>210,519</u>
	<u>953,630</u>	<u>210,519</u>

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

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Investment securities measured at FVTPL		
- Debt instruments	1,490,602	1,330,710
- Equity instruments	7,388	7,691
Investment securities measured at FVOCI		
- Debt instruments	<u>8,802,058</u>	<u>6,792,902</u>
	<u>10,300,048</u>	<u>8,131,303</u>

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

	Group and Bank	
	September	December
	2021	2020
	RM'000	RM'000
Malaysian Government Treasury Bills	2,364,625	690,369
Malaysian Government Securities	3,991,013	2,496,830
Malaysian Government Investment Issues	3,609,363	4,375,891
U.S. Treasury Notes	327,659	560,522
Unquoted securities	7,388	7,691
	<u>10,300,048</u>	<u>8,131,303</u>

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

	Group and Bank	
	September	December
	2021	2020
	RM'000	RM'000
Loans, advances and financing measured at amortised cost	<u>18,690,456</u>	<u>19,851,685</u>
Gross loans, advances and financing	18,690,456	19,851,685
Less: Loss allowance	Note (5)(iv) <u>(521,676)</u>	<u>(615,964)</u>
Net loans, advances and financing	<u>18,168,780</u>	<u>19,235,721</u>

(ii) By type

	Group and Bank	
	September	December
	2021	2020
	RM'000	RM'000
Overdrafts	255,381	365,653
Term loans/financing		
- Housing loans/financing	8,088,831	8,819,824
- Other term loans/financing	1,619,242	1,969,722
Bills receivable	871,109	762,599
Trust receipts	317,837	133,756
Claims on customers under acceptance credits	489,128	342,705
Staff loans	25,245	28,514
Credit cards receivables	4,525,834	5,332,754
Revolving credit	<u>2,504,973</u>	<u>2,103,662</u>
	18,697,580	19,859,189
Unearned interest and income	<u>(7,124)</u>	<u>(7,504)</u>
Gross loans, advances and financing	18,690,456	19,851,685
Less: Loss allowance	Note (5)(iv) <u>(521,676)</u>	<u>(615,964)</u>
Net loans, advances and financing	<u>18,168,780</u>	<u>19,235,721</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

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

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Fixed rate		
- Housing loans/financing	389,716	383,740
- Other fixed rate loans/financing	9,255,019	9,342,112
Variable rate		
- Base rate/Base Lending Rate plus	8,039,807	8,776,961
- Cost plus	1,005,914	1,348,872
	<u>18,690,456</u>	<u>19,851,685</u>

(iv) By sector

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Primary agriculture	2,372	2,536
Mining & quarrying	43,391	37,892
Manufacturing (including agriculture based)	2,645,922	2,151,190
Electricity, gas, water	4,438	405
Construction	12,896	13,758
Wholesale, retail trade, restaurants and hotels	957,724	610,652
Transport, storage and communication	81,861	136,239
Finance, insurance, real estate and business services	1,003,410	1,283,128
Social & community services	9,953	10,730
Household		
- consumption credit	5,594,138	6,517,190
- residential	7,492,944	8,173,550
- others	67,404	82,883
Other sectors	774,003	831,532
	<u>18,690,456</u>	<u>19,851,685</u>

(v) Residual contractual maturity

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Maturing within one year	9,395,725	9,407,000
One to five years	930,904	1,318,810
Over five years	8,363,827	9,125,875
	<u>18,690,456</u>	<u>19,851,685</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

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

	Group and Bank	
	September	December
	2021	2020
	RM'000	RM'000
Within Malaysia	<u>18,690,456</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	
	September	December
	2021	2020
	RM'000	RM'000
At 1 January	199,965	212,013
Classified as impaired during the period/year	502,640	367,651
Reclassified as performing during the period/year	(225,404)	(210,605)
Amount recovered	(90,341)	(25,336)
Amount written off	(121,254)	(113,434)
Others	<u>(25,470)</u>	<u>(30,324)</u>
At 30 September / 31 December	240,136	199,965
Lifetime ECL credit impairment	<u>(112,539)</u>	<u>(89,428)</u>
Net impaired loans, advances and financing	<u>127,597</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)

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

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

	Group and Bank	
	September	December
	2021	2020
	RM'000	RM'000
Mining & quarrying	123	-
Manufacturing (including agriculture based)	6,585	7,760
Construction	434	-
Wholesale, retail trade, restaurants and hotels	7,531	7,340
Transport, storage and communication	22,967	12
Finance, insurance, real estate and business services	3,120	158
Household		
- consumption credit	59,693	45,253
- residential	126,790	137,811
Other sectors	12,893	1,631
	<u>240,136</u>	<u>199,965</u>

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

	Group and Bank	
	September	December
	2021	2020
	RM'000	RM'000
Within Malaysia	<u>240,136</u>	<u>199,965</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

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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							
	September 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	505,425	(466,854)	(38,571)	-	642,249	(612,443)	(29,806)	-
Transfer to lifetime ECL not credit impaired	(10,230)	56,370	(46,140)	-	(14,657)	32,185	(17,528)	-
Transfer to lifetime ECL credit impaired	(62)	(200,086)	200,148	-	(7)	(131,869)	131,876	-
Less: Loans/financing derecognised during the period (other than write-offs)	(7,959)	(9,586)	(20,175)	(37,720)	(22,959)	(25,871)	(16,194)	(65,024)
New loans/financing originated or purchased	9,107	5,952	9,398	24,457	28,552	25,244	14,911	68,707
Net remeasurement of loss allowance	(499,203)	509,740	12,264	22,801	(630,162)	711,060	45	80,943
Modifications to contractual cash flows of financial asset	-	56,679	3,462	60,141	-	91,933	5,047	96,980
Changes in models/risk parameters	1,534	(113,462)	-	(111,928)	-	-	-	-
Less: Write-offs	519	(7,529)	(106,263)	(113,273)	49	(1,637)	(75,274)	(76,862)
Others	53,681	(1,435)	8,988	61,234	(1,462)	83,187	29,161	110,886
At 30 September / 31 December	<u>126,265</u>	<u>282,872</u>	<u>112,539</u>	<u>521,676</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	
	September 2021	December 2020
	RM'000	RM'000
Interest/Income receivables	96,593	96,349
Other debtors, deposits and prepayments	1,444,496	886,617
Derivative assets	Note (21) <u>886,002</u>	<u>859,558</u>
	<u>2,427,091</u>	<u>1,842,524</u>
Less: Loss allowance	<u>(803)</u>	<u>(1,095)</u>
	<u><u>2,426,288</u></u>	<u><u>1,841,429</u></u>

(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 30 September 2021, RM140 million of MGS has been recognised as part of SRR compliance.

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(8) Investments in subsidiaries**

	Bank	
	September 2021 RM'000	December 2020 RM'000
Unquoted shares at cost – in Malaysia	20	20

Details of the wholly owned subsidiaries are as follows:

Name of subsidiaries	Principal activity	Country of incorporation	Effective ownership interest	
			September 2021 %	December 2020 %
Citigroup Nominee (Malaysia) Sdn. Bhd.*	Nominee company	Malaysia	-	100
Citigroup Nominees (Tempatan) Sdn. Bhd.	Nominee company	Malaysia	100	100
Citigroup Nominees (Asing) Sdn. Bhd.	Nominee company	Malaysia	100	100

All income and expenditure arising from the activities of the subsidiaries have been recognised in the Bank's statement of profit or loss and other comprehensive income.

* Subsequent to the financial year ended 31 December 2020, on 2 February 2021, the Bank, being the holding company of Citigroup Nominee (Malaysia) Sdn. Bhd. ("the Company") had resolved that the Company be wound up by way of Members' Voluntary Winding-Up, pursuant to Section 432(2)(a) of the Companies Act, 2016. Through a special resolution by the members on 2 February 2021, the Liquidators of the Company are authorized to divide all or such parts of the surplus assets of the Company as they shall think fit in specie amongst the members of the company.

On 21 September 2021, the Bank has entered into a Distribution in Kind (Specie) agreement to receive the surplus assets of the Company, the entire shareholding in its two wholly-owned subsidiaries, namely Citigroup Nominees (Tempatan) Sdn. Bhd. and Citigroup Nominees (Asing) Sdn. Bhd., and the Bank has now become the immediate holding company of these two subsidiaries upon the completion of the agreement. The Company has recognised the distribution of its entire shareholding in its two wholly-owned subsidiaries in the form of repayment of capital to the Bank, the Company no longer has any surplus in assets for further distribution.

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

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Demand deposits	18,031,666	18,495,649
Saving deposits	1,842,298	1,788,483
Fixed deposits	5,884,835	6,113,748
	<u>25,758,799</u>	<u>26,397,880</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(9) Deposits from customers (continued)****(ii) Maturity structure of fixed deposits are as follows:**

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Due within six months	4,732,438	5,132,968
Six months to one year	1,149,582	977,011
One year to five years	2,815	3,769
	<u>5,884,835</u>	<u>6,113,748</u>

(iii) By type of customers

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Government and statutory bodies	1,343,114	1,493,651
Business enterprises	14,463,992	14,711,776
Individuals	9,879,270	10,149,470
Others	72,423	42,983
	<u>25,758,799</u>	<u>26,397,880</u>

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

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Bank Negara Malaysia	33,010	23,772
Licensed banks	3,693,224	4,086,040
Licensed financial institutions	4,282,219	2,368,646
	<u>8,008,453</u>	<u>6,478,458</u>

(11) Other liabilities

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Interest/Profit payables	21,441	26,407
Other creditors and accruals	1,299,369	1,444,952
Structured products	47,322	73,743
Provision for commitments and contingencies	8,448	16,215
Derivatives liabilities	768,937	909,805
Lease liabilities	93,672	100,290
	<u>2,239,189</u>	<u>2,571,412</u>

Note (21)

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

(12) Share capital

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

(13) Reserves

	Group and Bank	
	September 2021 RM'000	December 2020 RM'000
Retained profits	4,530,729	4,650,106
Other reserve		
- Fair value reserve	<u>(21,337)</u>	<u>14,298</u>
Total reserves	<u>4,509,392</u>	<u>4,664,404</u>

(14) Interest income

	Group and Bank	
	September 2021 RM'000	September 2020 RM'000
Loans and advances		
- Interest income other than recoveries from impaired loans	597,257	775,310
- Recoveries from impaired loans	45,249	40,365
Money at call and deposit placements with financial institutions	80,994	101,086
Investment securities	186,733	167,222
Securities purchased under resale agreements	<u>4,430</u>	<u>8,206</u>
	914,663	1,092,189
Accretion of discount less amortisation of premium	<u>(56,316)</u>	<u>(36,819)</u>
	<u>858,347</u>	<u>1,055,370</u>

(15) Interest expense

	Group and Bank	
	September 2021 RM'000	September 2020 RM'000
Deposits and placements of banks and other financial institutions	26,751	32,375
Deposits from customers	126,711	219,857
Others	<u>3,311</u>	<u>6,059</u>
	<u>156,773</u>	<u>258,291</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

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

	Group and Bank	
	September	September
	2021	2020
	RM'000	RM'000
Fee income:		
Commission	67,501	60,647
Service charges and fees	46,733	42,970
Guarantee fees	6,088	5,310
Bankcard fees	119,792	112,983
Insurance premium and referral	25,125	33,368
Other fee income	50,009	38,580
	<u>315,248</u>	<u>293,858</u>
Trading income:		
Unrealised (loss)/gain from revaluation of investment securities at FVTPL - debt instruments	(2,025)	580
Net gain from sales of investment securities at FVTPL - debt instruments	9,186	50,713
Net gain from sales of investment securities at FVOCI	8,595	66,233
Gross dividends from unquoted securities	-	228
	<u>15,756</u>	<u>117,754</u>
Other income:		
Foreign exchange (loss)/gain, net	(15,174)	247,893
Gain/(Loss) from derivatives	177,460	(39,414)
Net loss on revaluation of loans, advances and financing at FVTPL	-	(52,493)
Others	(3,197)	(4,678)
	<u>159,089</u>	<u>151,308</u>
Total other operating income	<u>490,093</u>	<u>562,920</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(17) Other operating expenses**

	Group and Bank	
	September 2021	September 2020
	RM'000	RM'000
Personnel costs		
- Salaries, allowances and bonuses	216,765	216,047
- Contribution to Employees Provident Fund	34,470	33,126
- Staff benefits and other compensations	26,826	24,848
- Others	1,928	1,718
	<u>279,989</u>	<u>275,739</u>
Establishment costs		
- Depreciation of plant and equipment	11,513	10,774
- Depreciation of right-of-use assets	10,555	10,609
- Interest expense on lease liabilities	1,789	1,942
- Hire of equipments	340	338
- Utilities	2,472	3,520
- Repairs & Maintenance	5,949	6,057
- Plant and equipment written off	640	156
- Others	9,828	8,581
	<u>43,086</u>	<u>41,977</u>
Marketing expenses		
- Advertisement and promotional expenses	25,818	21,017
- Others	1	126
	<u>25,819</u>	<u>21,143</u>
Administration and general expenses		
- Processing cost	233,354	236,286
- Auditors' remuneration	705	565
- Stationeries and supplies	3,045	2,871
- Communication expenses	5,615	5,534
- Others	53,890	54,994
	<u>296,609</u>	<u>300,250</u>
Total other operating expenses	<u>645,503</u>	<u>639,109</u>

(18) Allowance for loans, advances and financing

	Group and Bank	
	September 2021	September 2020
	RM'000	RM'000
12-months ECL	52,812	2,591
Lifetime ECL not credit impaired	(170,211)	135,592
Lifetime ECL credit impaired	23,111	2,529
Impaired loans, advances and financing:		
- written off	219,355	111,352
- recovered	(68,969)	(58,568)
	<u>56,098</u>	<u>193,496</u>

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(19) Capital adequacy**

(a) The capital adequacy ratios are as follows:

	Group and Bank	
	September 2021	December 2020
	RM'000	RM'000
Computation of Total Risk-Weighted Assets ("RWA")		
Total credit RWA	21,252,665	20,154,063
Total market RWA	1,092,280	1,306,624
Total operational RWA	3,471,785	3,673,752
Total Risk-Weighted Assets	<u>25,816,730</u>	<u>25,134,439</u>
Computation of Capital Ratios *		
Common Equity Tier 1 ("CET 1") Capital	4,507,587	5,060,041
Tier 1 Capital	4,507,587	5,060,041
Total Capital	4,773,245	5,311,967
Before deducting proposed dividends:		
CET 1 Capital ratio	N/A	20.132%
Tier 1 Capital ratio	N/A	20.132%
Total Capital ratio	<u>N/A</u>	<u>21.134%</u>
After deducting proposed dividends:		
CET 1 Capital ratio	17.460%	18.026%
Tier 1 Capital ratio	17.460%	18.026%
Total Capital ratio	<u>18.489%</u>	<u>19.029%</u>

*In arriving at the capital base used in the ratio calculations of the Bank, payments of dividends were deducted for June 2021 (proposed dividend were not deducted for 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	
	September 2021	December 2020
	RM'000	RM'000
CET 1 Capital/Tier 1 Capital		
Paid up ordinary share capital	502,000	502,000
Retained profits	4,120,905	4,650,106
Other reserves	(21,337)	14,298
Less: Regulatory adjustments	(93,981)	(106,363)
Total CET 1 Capital/Tier 1 Capital	<u>4,507,587</u>	<u>5,060,041</u>
Tier 2 Capital		
Loss allowance and regulatory reserves*	265,658	251,926
Total Tier 2 Capital	<u>265,658</u>	<u>251,926</u>
Total Eligible Tier 2 Capital	<u>265,658</u>	<u>251,926</u>
Total Capital	<u>4,773,245</u>	<u>5,311,967</u>

* Excludes loss allowance restricted from Tier 2 Capital by BNM of RM144.3 million (2020: RM275.7 million)

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(20) 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 September 2021	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
Nature of item			
Direct credit substitutes	1,852,263	1,852,263	1,830,338
Transaction related contingent items	661,981	330,990	322,810
Short term self liquidating trade related contingencies	355,235	71,047	66,265
Forward asset purchases	42,901	42,901	33,646
Foreign exchange related contracts:			
One year or less	73,097,440	682,085	379,312
Over one year to five years	1,171,353	42,863	22,448
Over five years	698,085	35,675	16,439
Interest/Profit rate related contracts:			
One year or less	52,266,052	49,562	21,520
Over one year to five years	51,245,999	623,924	198,908
Over five years	2,190,000	106,317	25,390
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	15,525,089	1,368,026	1,106,283
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	509,524	101,905	75,362
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	403,266	201,633	201,320
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	12,885,592	-	-
Unutilised credit card lines	19,204,990	3,840,998	2,902,142
Total	232,109,770	9,350,189	7,202,183

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(20) 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

CITIBANK BERHAD

(Registration No. 199401011410 (297089-M))

(Incorporated in Malaysia)

AND ITS SUBSIDIARIES**(21) Derivative financial instruments**

	September 2021			December 2020		
	Contract Amount RM'000	Positive fair value RM'000	Negative fair value RM'000	Contract amount RM'000	Positive fair value RM'000	Negative fair value RM'000
Foreign exchange related contracts:						
- Forwards	69,604,945	159,801	137,254	66,412,022	323,308	491,212
- Cross currency interest rate swaps	3,985,060	17,086	2,065	3,672,216	53,186	21,576
- Options	1,376,873	3,086	1,120	1,657,864	3,884	6,700
Interest/Profit rate contracts:						
- Swaps	103,001,845	113,575	29,881	101,469,071	177,944	76,942
- Options	2,700,206	55	55	1,515,570	711	-
Equity related contracts	-	-	10	51,871	-	11
Others	15,525,089	592,399	598,552	4,290,499	300,525	313,364
	<u>196,194,018</u>	<u>886,002</u>	<u>768,937</u>	<u>179,069,113</u>	<u>859,558</u>	<u>909,805</u>
		Note 6	Note 11		Note 6	Note 11

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2021

	Note	Bank	
		September 2021 RM'000	December 2020 RM'000
Assets			
Cash and short term funds	(a)	2,357,306	1,352,441
Investment securities	(b)	762,935	1,967,379
Financing, advances and others	(c)	111,600	122,649
Deferred tax assets		1,025	-
Other assets	(e)	8,085	123,046
Total assets		3,240,951	3,565,515
Liabilities			
Deposits from customers	(f)	600,083	1,256,187
Deposits and placements of banks and other financial institutions	(g)	1,978,678	1,685,714
Deferred tax liabilities		-	1,301
Other liabilities	(h)	9,389	6,165
Provision for taxation		27,427	16,863
Total liabilities		2,615,577	2,966,230
Islamic Banking funds	(i)	625,374	599,285
Total liabilities and Islamic Banking funds		3,240,951	3,565,515
Commitments and Contingencies	(q)	6	6

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 26 to 36 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

UNAUDITED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD NINE MONTHS ENDED 30 SEPTEMBER 2021

		Bank	
		September 2021	September 2020
	Note	RM'000	RM'000
Income derived from investments of depositors' funds and others	(j)	47,491	67,979
Write back/(Allowance) for financing, advances and others	(k)	201	(2,238)
Write back/(Allowance) back for other assets		6	(198)
Total attributable income		<u>47,698</u>	<u>65,543</u>
Income attributable to depositors and others	(l)	(6,635)	(12,501)
Total attributable to the Bank		41,063	53,042
Income/(Loss) derived from investment of Islamic Banking funds	(m)	3,518	(43,652)
Total net income		44,581	9,390
Other operating expenses	(o)	(22)	(24)
Profit before taxation		44,559	9,366
Tax expense		(10,694)	(2,186)
Profit for the period		<u>33,865</u>	<u>7,180</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		(7,776)	7,835
Total other comprehensive expense for the period		<u>(7,776)</u>	<u>7,835</u>
Total comprehensive income for the period		<u>26,089</u>	<u>15,015</u>
Profit for the period attributable to:			
Owner of the Bank		<u>33,865</u>	<u>7,180</u>
Total comprehensive income attributable to:			
Owner of the Bank		<u>26,089</u>	<u>15,015</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 26 to 36 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

UNAUDITED STATEMENTS OF CHANGES IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD NINE MONTHS ENDED 30 SEPTEMBER 2021

	Capital funds RM'000	Fair value reserve RM'000	Bank 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	-	7,835	-	7,835
Profit for the period	-	-	7,180	7,180
Total comprehensive income for the period	-	7,835	7,180	15,015
At 30 September 2020	20,000	9,766	529,089	558,855
At 1 January 2021	20,000	7,297	571,988	599,285
Fair value reserve on investment securities:				
- Net change in fair value	-	(7,776)	-	(7,776)
Profit for the period	-	-	33,865	33,865
Total comprehensive (loss)/income for the period	-	(7,776)	33,865	26,089
At 30 September 2021	20,000	(479)	605,853	625,374

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 26 to 36 attached to the unaudited condensed interim financial statements.

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(a) Cash and short term funds

	Bank	
	September 2021 RM'000	December 2020 RM'000
Cash and balances with banks and other financial institutions	2,306	2,115
Money at call and deposit placements maturing within one month	2,355,000	1,350,326
	<u>2,357,306</u>	<u>1,352,441</u>

(b) Investment securities

(i) By measurement

	Bank	
	September 2021 RM'000	December 2020 RM'000
Investment securities measured at FVTPL	198,492	-
Investment securities measured at FVOCI	564,443	1,967,379
	<u>762,935</u>	<u>1,967,379</u>

(ii) By type

	Bank	
	September 2021 RM'000	December 2020 RM'000
Malaysian Government Investment Issues	564,443	1,967,379
Malaysian Government Treasury Bills	198,492	-
	<u>762,935</u>	<u>1,967,379</u>

(c) Financing, advances and others

(i) By measurement

	Bank	
	September 2021 RM'000	December 2020 RM'000
Financing, advances and others measured at amortised cost	115,806	127,084
Gross Financing, advances and others	115,806	127,084
Less: Loss allowance	(4,206)	(4,435)
Total net financing, advances and others	<u>111,600</u>	<u>122,649</u>

Note (d)(iii)

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(c) Financing, advances and others (continued)

(ii) By type

	Bank	
	September 2021 RM'000	December 2020 RM'000
Term financing		
- Housing financing	118,542	130,240
- Other term financing	-	20
	<u>118,542</u>	<u>130,260</u>
Unearned income	(2,736)	(3,176)
Gross financing, advances and others	115,806	127,084
Less: Loss allowance	(4,206)	(4,435)
Total net financing, advances and others	<u>111,600</u>	<u>122,649</u>

Note (d)(iii)

(iii) By contract

	Bank	
	September 2021 RM'000	December 2020 RM'000
Bai' Bithaman Ajil	7,786	8,418
Diminishing Musharakah	108,020	118,650
Murabahah	-	16
	<u>115,806</u>	<u>127,084</u>

(iv) By profit rate sensitivity

	Bank	
	September 2021 RM'000	December 2020 RM'000
Fixed rate		
- House financing	7,786	8,418
Variable rate		
- Base rate/Base Financing Rate	108,020	118,650
- Cost plus	-	16
	<u>115,806</u>	<u>127,084</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(c) Financing, advances and others (continued)

(v) By sector

	Bank	
	September 2021 RM'000	December 2020 RM'000
Finance, insurance, real estate and business services	-	16
Household-residential	115,534	127,068
Other sectors	272	-
	<u>115,806</u>	<u>127,084</u>

(d) Impaired financing, advances and others

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

	Bank	
	September 2021 RM'000	December 2020 RM'000
At 1 January	3,865	2,900
Classified as impaired during the period/year	5,886	6,020
Reclassified as performing during the period/year	(6,310)	(4,245)
Amount recovered	(22)	(664)
Amount written off	(10)	-
Others	(148)	(146)
At 30 September / 31 December	3,261	3,865
Lifetime ECL credit impairment	(1,081)	(1,037)
Net impaired financing, advances and others	<u>2,180</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	1.90%	2.24%

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

	Bank	
	September 2021 RM'000	December 2020 RM'000
Household - Residential	<u>3,261</u>	<u>3,865</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(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							
	September 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	501	2,897	1,037	4,435	594	54	18	666
Transfer to 12-month ECL	5,592	(5,033)	(559)	-	1,537	(1,440)	(97)	-
Transfer to lifetime ECL not credit impaired	(74)	1,339	(1,265)	-	(79)	245	(166)	-
Transfer to lifetime ECL credit impaired	(1)	(1,686)	1,687	-	-	(894)	894	-
Less: Financing derecognised during the period (other than write-offs)	(17)	(49)	-	(66)	(206)	(105)	(95)	(406)
Net remeasurement of loss allowance	(5,505)	4,806	58	(641)	(1,472)	2,436	6	970
Others	3	352	123	478	127	2,601	477	3,205
At 30 September / 31 December	<u>499</u>	<u>2,626</u>	<u>1,081</u>	<u>4,206</u>	<u>501</u>	<u>2,897</u>	<u>1,037</u>	<u>4,435</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(e) Other assets

	Bank	
	September 2021 RM'000	December 2020 RM'000
Profit receivables	7,168	22,191
Other debtors, deposits and prepayments	951	100,895
	<u>8,119</u>	<u>123,086</u>
Less: Loss allowance	(34)	(40)
	<u><u>8,085</u></u>	<u><u>123,046</u></u>

(f) Deposits and funds from customers

(i) By type of deposit and funds

	Bank	
	September 2021 RM'000	December 2020 RM'000
Non-Mudarabah Fund		
Demand deposits	549,708	1,209,400
Saving deposits	50,375	46,787
	<u>600,083</u>	<u>1,256,187</u>

(ii) By type of customers

	Bank	
	September 2021 RM'000	December 2020 RM'000
Government and statutory bodies	414,499	1,081,910
Business enterprises	129,263	119,081
Individuals	56,321	55,196
	<u>600,083</u>	<u>1,256,187</u>

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

	Bank	
	September 2021 RM'000	December 2020 RM'000
Bank Negara Malaysia	1,436,481	1,413,312
Licensed banks	23,491	114,141
Licensed financial institutions	518,706	158,261
	<u>1,978,678</u>	<u>1,685,714</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(h) Other liabilities

	Bank	
	September 2021 RM'000	December 2020 RM'000
Other creditors and accruals	9,389	6,165
	<u>9,389</u>	<u>6,165</u>

(i) Islamic Banking funds

	Bank	
	September 2021 RM'000	December 2020 RM'000
Capital funds	20,000	20,000
Fair value reserve	(479)	7,297
Retained profits	605,853	571,988
	<u>625,374</u>	<u>599,285</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

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

	Bank	
	September 2021 RM'000	September 2020 RM'000
Income derived from investment of:		
(i) General investment funds	47,491	67,979

(i) Income derived from investment of general investment funds

	Bank	
	September 2021 RM'000	September 2020 RM'000
Finance income and hibah		
Financing, advances and others	2,452	4,262
Money at call and placements with financial institutions	21,168	26,228
Investment securities at FVOCI	22,440	36,707
Investment securities at FVTPL	-	1,097
	<u>46,060</u>	<u>68,294</u>
Accretion of discount less amortisation of premium	1,430	(349)
Total finance income and hibah	<u>47,490</u>	<u>67,945</u>
Other operating income		
Fee income	1	34
Income from general investment funds	<u>47,491</u>	<u>67,979</u>

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

	Bank	
	September 2021 RM'000	September 2020 RM'000
12-months ECL	(2)	(171)
Lifetime ECL not credit impaired	(271)	2,050
Lifetime ECL credit impaired	43	334
Impaired financing, advances and others:		
- written off	38	44
- recovered	(9)	(19)
	<u>(201)</u>	<u>2,238</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(l) Income attributable to depositors and others

	Bank	
	September 2021 RM'000	September 2020 RM'000
Deposits and funds from customers		
- Non-Mudarabah funds	6,617	12,460
Others	18	41
	<u>6,635</u>	<u>12,501</u>

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

	Bank	
	September 2021 RM'000	September 2020 RM'000
Financing, advances and other	453	626
Money at call and placements with financial institutions	3,907	3,853
Investment securities at FVOCI	4,142	5,393
Investment securities at FVTPL	-	161
	<u>8,502</u>	<u>10,033</u>
Accretion of discount less amortisation of premium	(11,212)	(13,805)
Total finance income and hibah	<u>(2,710)</u>	<u>(3,772)</u>
Other operating income		
Gain from investment securities at FVOCI	9,095	8,682
Gain from investment securities at FVTPL	56	63
Fee income	1,198	442
(Loss)/Gain from trading activities	(4,121)	2,784
Net loss on revaluation of financing, advances and others at FVTPL	-	(51,851)
	<u>6,228</u>	<u>(39,880)</u>
	<u>3,518</u>	<u>(43,652)</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(n) Income from Islamic Banking operations

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

	Bank	
	September 2021 RM'000	September 2020 RM'000
Income derived from investments of depositors' funds and others	(j) 47,491	67,979
Income attributable to depositors and others	(l) (6,635)	(12,501)
Income/(Loss) derived from investment of Islamic Banking funds	(m) 3,518	(43,652)
	<u>44,374</u>	<u>11,826</u>

(o) Other operating expenses

	Bank	
	September 2021 RM'000	September 2020 RM'000
Personnel costs		
- Staff allowances and benefits	8	14
Establishment costs		
- Others	6	8
Administrative and general expenses		
- Others	8	2
	<u>22</u>	<u>24</u>

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(p) Capital adequacy

(i) The capital adequacy ratios are as follows:

	Bank	
	September 2021 RM'000	December 2020 RM'000
Computation of Total Risk-Weighted Assets ("RWA")		
Total credit RWA	43,981	124,986
Total operational RWA	151,982	144,828
Total Risk-Weighted Assets	<u>195,963</u>	<u>269,814</u>
Computation of Capital Ratios		
Common Equity Tier 1 ("CET 1") Capital	590,484	595,271
Tier 1 Capital	590,484	595,271
Total Capital	591,034	596,833
CET 1 Capital ratio	301.325%	220.622%
Tier 1 Capital ratio	301.325%	220.622%
Total Capital ratio	<u>301.605%</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	
	September 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	(479)	7,297
Less: Regulatory adjustments	(1,025)	(4,014)
Total CET 1 Capital/Tier 1 Capital	<u>590,484</u>	<u>595,271</u>
Tier 2 Capital		
Loss allowance and regulatory reserves*	550	1,562
Total Tier 2 Capital	<u>550</u>	<u>1,562</u>
Total Capital	<u>591,034</u>	<u>596,833</u>

* Excludes loss allowance restricted from Tier 2 Capital by BNM of RM0.3 million. (2020: RM0.2 million).

CITIBANK BERHAD
THE OPERATIONS OF ISLAMIC BANKING
(Registration No. 199401011410 (297089-M))
(Incorporated in Malaysia)
AND ITS SUBSIDIARIES

(q) Commitments and Contingencies

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

September 2021
Bank

Nature of item

Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year
Total

Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
6	3	1
<u>6</u>	<u>3</u>	<u>1</u>

December 2020
Bank

Nature of item

Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year
Total

Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted assets RM'000
6	3	1
<u>6</u>	<u>3</u>	<u>1</u>