



**BNP PARIBAS**

**BNP PARIBAS MALAYSIA BERHAD**

(Company No. 918091 - T)

Incorporated in Malaysia

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
FOR THE QUARTER ENDED 30 SEPTEMBER 2017**

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**1. PERFORMANCE REVIEW**

For the third quarter ended 30 September 2017, the Bank recorded a net profit after taxation of RM40.58 million. This was contributed by net interest income of RM58.34 million and non-interest income of RM49.83 million. Operating expenses was RM53.34 million whilst allowances for losses on loans and advances of RM0.13 million, resulting in pre-tax profit of RM54.96 million.

**2. CURRENT YEAR PROSPECT**

The year 2017 continue to be a challenging year for Malaysia. The current global economic conditions point to a prolonged weak external demand. Both China and Japan (two of Malaysia's main trading partners) economic growth is moderating while uncertainty in Trump's economic policy will continue to have an impact on the trade scenario.

The Malaysian economy has been increasingly diversified away from reliance on commodities and the Government has taken steps to broaden the revenue base. Short-term risks include further decline in oil and commodity prices and continuous volatility on the currency. However, these would be mitigated by the increased diversification of the Malaysian economy and by the steps taken by the Government to increase budget revenues together with the reduction of some expenses, among others include the removal of fuel subsidies. Other risks are related to the volatility in capital flows and from the US monetary policy. The longer-term overall favourable prospects for Malaysia's well diversified and competitive economy hinges on pursuing structural reforms to strengthen medium-term fiscal planning, and boosting capabilities such as in terms of developing a sufficiently skilled pool of manpower in the country.

Attractiveness of the Malaysian economy would remain an asset for BNP Paribas Malaysia Berhad well positioned to support and accompany multinational corporations.

The Bank would not compromise on selectivity and risk profile, remaining focussed on Malaysian champions both from the Corporate and Financial Institutions spheres. Global Market will keep on servicing the customers with suitable products and services while flow banking would remain a strategic component to finance the real economy. Investment Banking will contribute to anchoring and developing the franchise of the Bank.

In an even more challenging environment, BNP Paribas Malaysia Berhad is aiming at delivering higher value addition to all stakeholders and is budgeting a significantly higher profit for the year of 2017.

Islamic Banking is gaining popularity in emerging markets with increasing interest in Islamic banking beyond Islamic investors. Governments and regulators in a variety of countries have already recognised the importance of Islamic banking as an attractive complement to conventional banking.

BNPP Malaysia operates, through its Islamic Banking Window, as an Islamic banking hub for Asia Pacific with dedicated specialist teams offering Islamic tailor-made products and solutions. Now that long awaited approvals have been received, Najmah is well positioned to tap into this increased interest in Islamic Banking.

Company No. 918091-T

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS OF 30 SEPTEMBER 2017**

|  | Note | Bank<br>30-Sep<br>2017<br>RM'000 | Bank<br>31-Dec<br>2016<br>RM'000 |
|--|------|----------------------------------|----------------------------------|
| <b>ASSETS</b>  |      |                                  |                                  |
| Cash and short-term funds  | 2    | 1,506,521                        | 2,077,547                        |
| Reverse repurchase agreements  | 3    | 9,998                            | -                                |
| Deposits and placements with<br>banks and other financial institutions | 4    | 400,188                          | -                                |
| Financial assets held-for-trading                                      | 5    | 708,182                          | 118,413                          |
| Financial assets available-for-sale                                    | 6    | 315,379                          | 81,608                           |
| Loans and advances   | 7    | 919,717                          | 849,848                          |
| Derivative financial assets  |      | 374,036                          | 799,074                          |
| Statutory deposits with Bank Negara Malaysia                           | 8    | -                                | -                                |
| Other assets   | 9    | 664,885                          | 235,795                          |
| Property, plant and equipment  | 10   | 1,184                            | 1,518                            |
| Intangible assets  | 11   | 2,689                            | 2,735                            |
| Deferred tax assets  |      | 935                              | 378                              |
| Tax recoverable  |      | -                                | 1,484                            |
| <b>TOTAL ASSETS</b>  |      | <b>4,903,714</b>                 | <b>4,168,400</b>                 |
| <b>LIABILITIES AND<br/>SHAREHOLDERS' EQUITY</b>                        |      |                                  |                                  |
| Deposits from customers  | 12   | 1,302,879                        | 1,008,106                        |
| Deposits and placements of banks<br>and other financial institutions   | 13   | 1,729,863                        | 1,488,959                        |
| Derivative financial liabilities                                       |      | 645,015                          | 448,808                          |
| Other liabilities  | 14   | 496,512                          | 543,048                          |
| Deferred tax liabilities   |      | -                                | -                                |
| Tax Liabilities  |      | 9,005                            | -                                |
| <b>TOTAL LIABILITIES</b>   |      | <b>4,183,274</b>                 | <b>3,488,921</b>                 |

Company No. 918091-T

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS OF 30 SEPTEMBER 2017 (CONTD.)**

|   | <b>Note</b> | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---|-------------|--|--|
| Share capital   | 15          | 650,000                                    | 650,000                                    |
| Accumulated losses  |             | 28,124                                     | (11,989)                                   |
| Reserves  | 16          | 42,316                                     | 41,468                                     |
| <b>SHAREHOLDER'S EQUITY</b>                               |             | <b>720,440</b>                             | <b>679,479</b>                             |
| <b>TOTAL LIABILITIES<br/>AND SHAREHOLDER'S<br/>EQUITY</b> |             | <b>4,903,714</b>                           | <b>4,168,400</b>                           |
| <b>COMMITMENTS AND<br/>CONTINGENCIES</b>                  | 24          | <b>68,022,602</b>                          | <b>34,376,513</b>                          |

The accompanying notes form an integral part of the financial statements.

Company No. 918091-T

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**UNAUDITED INCOME STATEMENT**  
**AS OF 30 SEPTEMBER 2017**

|  | <b>Note</b> | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|--|-------------|--|--|
| Operating Revenue  |             | <u>136,880</u>                             | <u>89,845</u>                              |
| Interest income  | 17          | 87,049                                     | 57,396                                     |
| Interest expenses  | 18          | (29,183)                                   | (18,450)                                   |
| Net interest income  |             | 57,866                                     | 38,946                                     |
| Net income from Islamic banking business                         | 25          | 474  | 1,121                                      |
| Other operating income   | 19          | 49,831                                     | 32,449                                     |
| Operating expenses   | 20          | (53,343)                                   | (48,895)                                   |
| Write back/(Allowance made) for impairment on loans and advances | 21          | 632  | (433)                                      |
| Allowance for doubtful debt on other receivables                 |             | (500)                                      | -  |
| Profit/(Loss) before tax   |             | 54,960                                     | 23,188                                     |
| Taxation   |             | <u>(14,377)</u>                            | <u>(7,343)</u>                             |
| Net profit/(loss) for the financial quarter                      |             | <u>40,583</u>                              | <u>15,845</u>                              |

Company No. 918091-T

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**AS OF 30 SEPTEMBER 2017**

|  | <b>Note</b> | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|--|-------------|--|--|
| Profit for the period  |             | 40,583                                     | 15,845                                     |
| Other comprehensive (loss)/income, net of<br>income tax:           |             |  |  |
| Items that may be reclassified subsequently to<br>profit or loss : |             |  |  |
| Fair value reserve (from Investment AFS) :                         |             |  |  |
| Net changes in fair value  |             | 378  | (1,521)                                    |
| Total comprehensive income/(loss) for the quarter                  |             | <u>40,961</u>                              | <u>14,324</u>                              |

The accompanying notes form an integral part of the financial statements.

Company No. 918091-T

**STATEMENT OF CHANGES IN EQUITY**

**BNP PARIBAS MALAYSIA BERHAD**

**(Incorporated in Malaysia)**

**CASH FLOW STATEMENT**

**AS OF 30 SEPTEMBER 2017**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| <b>Cash Flows from/(Used In) Operating Activities</b>                    |  |  |
| Profit/(Loss) before tax   | 54,960                                     | 18,301                                     |
| Adjustments for:   |  |  |
| Depreciation of property, plant and equipment                            | 499  | 1,271                                      |
| Amortisation of intangible assets  | 46   | 50   |
| (Write back of allowance)/Allowance for impairment on loans and advances | 370  | 287  |
| (Write back)/Allowance for doubtful debt on other receivables            | (1,002)                                    | 28   |
| Amortisation of premium less accretion of discount                       | 252  | -  |
| (Gain)/loss from sale of securities available-for-sale                   | -  | 3,424                                      |
| (Gain)/loss from sale of securities held-for-trading                     | (8,928)                                    | 382  |
| Unrealised (gain)/loss on revaluation of securities held-for-trading     | (709)                                      | (151)                                      |
| Unrealised foreign exchange (gain)/loss                                  | 465,979                                    | 355,971                                    |
| Unrealised (gain)/loss on derivatives trading                            | 29,515                                     | (42,211)                                   |
| Write back of provision for diminution for value in shares               | -  | -  |
| Share of profit of associate   | -  | -  |
| Operating profit before working capital changes                          | <hr/> 540,982                              | <hr/> 337,352                              |

Company No. 918091-T

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**CASH FLOW STATEMENT**  
**AS OF 30 SEPTEMBER 2017 (CONTD.)**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| (Increase)/Decrease in:  |  |  |
| Securities held for trading  | (580,384)                                  | (73,462)                                   |
| Securities available-for-sale  | (233,701)                                  | 391,472                                    |
| Loans, advances and financing  | (70,288)                                   | (265,370)                                  |
| Reverse repurchase agreements  | (9,998)                                    | 203,907                                    |
| Statutory deposits with Bank Negara Malaysia                         | -  | -  |
| Other assets   | (428,563)                                  | (138,552)                                  |
| Increase/(Decrease) in:  |  |  |
| Deposits from customers  | 294,773                                    | (44,649)                                   |
| Deposits and placements of banks and<br>other financial institutions | 240,904                                    | 466,574                                    |
| Derivative financial asstes/liabilities                              | 125,751                                    | (43,392)                                   |
| Other liabilities  | (46,012)                                   | (83,678)                                   |
| Cash (used in)/generated from operations                             | (166,536)                                  | 750,202                                    |
| Income taxes paid  | (4,137)                                    | (3,212)                                    |
| Net cash (used in)/from operating activities                         | (170,673)                                  | 746,990                                    |
| <b>Cash Flows from Investing Activities</b>                          |  |  |
| Purchase of property, plant and equipment                            | (104)                                      | (597)                                      |
| Reclassification of property, plant and equipment                    | (63)                                       | -  |
| Proceeds from disposal of property,<br>plant and equipment           | 2  | -  |
| Net cash (used in)/generated from<br>investing activities            | (165)                                      | (597)                                      |



Company No. 918091-T

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**CASH FLOW STATEMENT**  
**AS OF 30 SEPTEMBER 2017 (CONTD.)**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---|--|--|
| <b>Cash Flows from / (Used In) Financing Activities</b>   |  |  |
| Proceeds from issuance of subordinated debt capital,<br>representing net cash generated from financing activities | -  | 48,080                                     |
| <b>NET (DECREASE)/INCREASE IN CASH AND<br/>CASH EQUIVALENTS</b>   | (170,838)                                  | 794,473                                    |
| <b>CASH AND CASH EQUIVALENTS<br/>AT BEGINNING OF YEAR</b>   | <u>2,077,547</u>                           | <u>1,283,074</u>                           |
| <b>CASH AND CASH EQUIVALENTS<br/>AT END OF YEAR</b>   | <u>1,906,709</u>                           | <u>2,077,547</u>                           |
| <b>Cash and cash equivalents comprise<br/>the following:</b>  |  |  |
| Cash and short-term funds   | 1,506,521                                  | 2,077,547                                  |
| Deposits and placements with banks<br>and other financial institutions  | <u>400,188</u>                             | <u>-</u>                                   |
|   | <u>1,906,709</u>                           | <u>2,077,547</u>                           |

The accompanying notes form an integral part of the financial statements.

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 30 SEPTEMBER 2017**

| Bank                           | ← Non-distributable →      |                            |                                 |                                  | Revaluation<br>reserve-available<br>-for-sale securities<br>RM'000 | Accumulated<br>losses<br>RM'000 | Total<br>RM'000 |
|--------------------------------|----------------------------|----------------------------|---------------------------------|----------------------------------|--|---------------------------------|-----------------|
|                                | Share<br>capital<br>RM'000 | Share<br>premium<br>RM'000 | Statutory<br>reserves<br>RM'000 | Regulatory<br>reserves<br>RM'000 |  |                                 |                 |
| At 1 January 2017              | 650,000                    | -                          | 32,155                          | 9,636                            | (323)  | (11,989)                        | 679,479         |
| Issuance of shares             |                            |                            |                                 |                                  |  |                                 | -               |
| Profit/(Loss) for the year     |                            |                            |                                 |                                  |  | 40,583                          | 40,583          |
| Statutory Reserve              |                            |                            |                                 |                                  |  |                                 | -               |
| Transfer to regulatory reserve |                            |                            |                                 | 470                              |  | (470)                           | -               |
| Other comprehensive loss       |                            |                            |                                 |                                  | 378  |                                 | 378             |
| At 30 September 2017           | 650,000                    | -                          | 32,155                          | 10,106                           | 55   | 28,124                          | 720,440         |

**STATEMENT OF CHANGES IN EQUITY**  
**FOR THE YEAR ENDED 31 DECEMBER 2016**

| Bank                           | ← Non-distributable →      |                            |                                 |                                  | Revaluation<br>reserve-available<br>-for-sale securities<br>RM'000 | Accumulated<br>losses<br>RM'000 | Total<br>RM'000 |
|--------------------------------|----------------------------|----------------------------|---------------------------------|----------------------------------|--|---------------------------------|-----------------|
|                                | Share<br>capital<br>RM'000 | Share<br>premium<br>RM'000 | Statutory<br>reserves<br>RM'000 | Regulatory<br>reserves<br>RM'000 |  |                                 |                 |
| At 1 January 2016              | 601,920                    | -                          | 25,766                          | 6,738                            | 2,085  | (15,480)                        | 621,029         |
| Issuance of shares             | 48,080                     | -                          | -                               | -                                | -  | -                               | 48,080          |
| Profit/(Loss) for the year     |                            |                            |                                 |                                  |  | 12,778                          | 12,778          |
| Statutory Reserve              |                            |                            | 6,389                           |                                  |  | (6,389)                         | -               |
| Transfer to regulatory reserve |                            |                            |                                 | 2,898                            |  | (2,898)                         | -               |
| Other comprehensive loss       |                            |                            |                                 |                                  | (2,408)  |                                 | (2,408)         |
| At 31 December 2016            | 650,000                    | -                          | 32,155                          | 9,636                            | (323)  | (11,989)                        | 679,479         |

The accompanying notes form an integral part of the financial statements.

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS**

**1. BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation of the Financial Statements**

The financial statement of the Bank have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRSs"), Bank Negara Malaysia Guidelines, International Financial Reporting Standards and the provisions of the Companies Act, 1965 in Malaysia.

**2. CASH AND SHORT-TERM FUNDS**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At Amortised Cost:   |  |  |
| Cash and balances with banks and other financial institutions  | 57,665                                     | 54,853                                     |
| Money at call and deposit placements maturing within one month | 1,448,856                                  | 2,022,694                                  |
|  | <u>1,506,521</u>                           | <u>2,077,547</u>                           |

**3. REVERSE REPURCHASE AGREEMENTS**

|                                 | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---------------------------------|--|--|
| At Amortised Cost:              |  |  |
| Government Securities:          |  |  |
| Malaysian Government Securities | 9,998                                      | -  |
|                                 | <u>9,998</u>                               | <u>-</u>                                   |

**4. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS**

|                              | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|------------------------------|--|--|
| Licensed banks               | 400,188                                    | -  |
| Other financial institutions | -  | -  |
|                              | <u>400,188</u>                             | <u>-</u>                                   |

**5. FINANCIAL ASSETS HELD-FOR-TRADING**

|                                      | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--------------------------------------|--|--|
| At Fair Value:                       |  |  |
| Government Securities:               |  |  |
| Government Investment Issues         | -  | 5,731                                      |
| Malaysian Government Securities      | 8,206                                      | 112,682                                    |
| Bank Negara Malaysia Debt Securities | -  | -  |
| Treasury Bills                       | 699,976                                    | -  |
|                                      | <u>708,182</u>                             | <u>118,413</u>                             |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**6. FINANCIAL ASSETS AVAILABLE-FOR-SALE**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At Fair Value:                         |  |  |
| Government securities:                 |  |  |
| Malaysian Government Securities        | 305,240                                    | 51,346                                     |
| Bank Negara Malaysia Debt Securities   | -  | -  |
| Malaysian Government Investment Issues | 10,139                                     | 30,262                                     |
| Treasury Bills                         | -  | -  |
| Money market instrument:               |  |  |
| Negotiable Instruments of Deposit      | -  | -  |
|  | <u>315,379</u>                             | <u>81,608</u>                              |

**7. LOANS AND ADVANCES**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At amortised cost:                                 |  |  |
| <b>(i) By type</b>                                 |  |  |
| Revolving credits                                  | 525,513                                    | 618,526                                    |
| Overdraft  | 8,360                                      | 8,429                                      |
| Term loan  | 213,803                                    | 130,984                                    |
| Bridging loan                                      | -  | -  |
| Trust Receipt                                      | 34,010                                     | 50,315                                     |
| Bills Discounting                                  | -  | 19,316                                     |
| Other Trade Bills Discounted                       | 138,973                                    | 22,848                                     |
|  | <u>920,659</u>                             | <u>850,418</u>                             |
| Less: Allowance for impaired loans and financing : |  |  |
| - Collective assessment allowance                  | (942)                                      | (570)                                      |
| Net loans, advances and financing                  | <u>919,717</u>                             | <u>849,848</u>                             |
| <b>(ii) By type of customer</b>                    |  |  |
| Domestic business enterprises                      | 920,659                                    | 822,102                                    |
| Financial institutions                             | -  | 28,316                                     |
|  | <u>920,659</u>                             | <u>850,418</u>                             |
| <b>(iii) By interest rate sensitivity</b>          |  |  |
| Variable rate:                                     |  |  |
| BLR-minus  | -  | 1,491                                      |
| BLR-plus   | -  | 19   |
| Cost plus  | 920,659                                    | 848,908                                    |
|  | <u>920,659</u>                             | <u>850,418</u>                             |
| <b>(iv) By residual contractual maturity</b>       |  |  |
| Up to 1 year                                       | 643,321                                    | 719,434                                    |
| > 1 - 5 years                                      | 264,761                                    | 117,828                                    |
| > 5 years  | 12,577                                     | 13,156                                     |
|  | <u>920,659</u>                             | <u>850,418</u>                             |
| <b>(v) By geographical distribution</b>            |  |  |
| In Malaysia  | 920,659                                    | 850,418                                    |
|  | <u>920,659</u>                             | <u>850,418</u>                             |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**7. LOANS AND ADVANCES**

**(vi) By Sector**

|                                    |                |                |
|------------------------------------|----------------|----------------|
| Manufacturing                      | 634,555        | 602,252        |
| Mining & Quarrying                 | 289            | -              |
| Wholesale and retail               | 112,518        | -              |
| Construction                       | 32,483         | 36,625         |
| Financial services                 | -              | 28,316         |
| Transport, Storage & Communication | -              | 3,616          |
| Other business services            | 128,236        | 166,453        |
| Real estate activities             | 12,577         | 13,156         |
|                                    | <u>920,658</u> | <u>850,418</u> |

**(vii) Movements in allowance for impaired loans and advances are as follows:**

The Bank has not identified any impaired loans for the current financial year.

**(viii) Movements in allowance for impaired loans and advances are as follows:**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| <b>Collective Assessment Allowance</b>   |  |  |
| Balance as at 1 January  | 570  | 283  |
| Allowance made during the year   | 372  | 287  |
| Less: Write back made during the year  | -  | -  |
| Balance as at 30 September   | <u>942</u>                                 | <u>570</u>                                 |
| Collective impairment (inclusive of regulatory reserve) as % of gross loans, advances and financing after deduction of individual assessment allowance | <u>1.20%</u>                               | <u>1.20%</u>                               |

**8. STATUTORY DEPOSITS WITH BANK NEGARA MALAYSIA**

Statutory Deposits with Bank Negara Malaysia

|          |          |
|----------|----------|
| <u>-</u> | <u>-</u> |
|----------|----------|

**9. OTHER ASSETS**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| Other receivables                                      | 332,403                                    | 62,309                                     |
| Less: Allowance for doubtful debt on other receivables | (502)                                      | (1,510)                                    |
|  | <u>331,901</u>                             | <u>60,799</u>                              |
| Collateral assets                                      | 332,415                                    | 173,553                                    |
| Deposits   | -  | 985  |
| Prepayments  | 569  | 458  |
|  | <u>664,885</u>                             | <u>235,795</u>                             |

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**10. PROPERTY, PLANT AND EQUIPMENT**

**11. INTANGIBLE ASSETS**

|                                    | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|------------------------------------|--|--|
| <u>Computer Software:</u>          |  |  |
| <b>Cost</b>                        |  |  |
| At 1 January                       | 432  | 247  |
| Additions                          | -  | 185  |
| Write Off                          | -  | -  |
| At 30 September                    | <u>432</u>                                 | <u>432</u>                                 |
| <b>Accumulated Amortisation</b>    |  |  |
| At 1 January                       | 297  | 247  |
| Amortisation for the year          | 46   | 50   |
| Write-off                          | -  | -  |
| At 30 September                    | <u>343</u>                                 | <u>297</u>                                 |
| <b>Net Book Value</b>              | <u>89</u>                                  | <u>135</u>                                 |
| <u>Interbank Giro license fees</u> |  |  |
| <b>Cost</b>                        |  |  |
| At 1 January                       | 2,600                                      | 2,600                                      |
| Additions                          | -  | -  |
| Write Off                          | -  | -  |
| At 30 September                    | <u>2,600</u>                               | <u>2,600</u>                               |
| <b>Accumulated Depreciation</b>    |  |  |
| At 1 January                       | -  | -  |
| Amortisation for the year          | -  | -  |
| Write-off                          | -  | -  |
| At 30 September                    | <u>-</u>                                   | <u>-</u>                                   |
| <b>Net Book Value</b>              | <u>2,600</u>                               | <u>2,600</u>                               |
| <b>Total Net Book Value</b>        | 2,689                                      | 2,735                                      |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**12. DEPOSITS FROM CUSTOMERS**

| <b>Type</b>  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At amortised cost:   |  |  |
| Demand deposits  | 496,941                                    | 519,040                                    |
| Fixed deposits   | 795,473                                    | 488,913                                    |
| Structured deposits  | -  | -  |
| Commodity Murabaha   | 10,465                                     | 153  |
|  | <u>1,302,879</u>                           | <u>1,008,106</u>                           |
| <br>(i) Maturity structure of fixed deposits is as follows:              |  |  |
| Due within six months  | 805,938                                    | 484,820                                    |
| Six months to one year   | -  | 4,246                                      |
| More than one year   | -  | -  |
|  | <u>805,938</u>                             | <u>489,066</u>                             |
| <br>(ii) The deposits are sourced from the following types of customers: |  |  |
| Business enterprises   | 1,278,211                                  | 967,718                                    |
| Non-bank financial institutions  | 24,668                                     | 40,388                                     |
| Licensed banks   | -  | -  |
| Other financial institutions   | -  | -  |
|  | <u>1,302,879</u>                           | <u>1,008,106</u>                           |

**13. DEPOSITS AND PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS**

|                              | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|------------------------------|--|--|
| At amortised cost:           |  |  |
| Licensed banks               | -  | -  |
| Other financial institutions | 1,729,863                                  | 1,488,959                                  |
|                              | <u>1,729,863</u>                           | <u>1,488,959</u>                           |

**14. OTHER LIABILITIES**

|                      | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|----------------------|--|--|
| Other payables       | 353,432                                    | 58,426                                     |
| Accruals and charges | 10,580                                     | 10,051                                     |
| Collateral deposits  | 132,500                                    | 474,571                                    |
|                      | <u>496,512</u>                             | <u>543,048</u>                             |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**15 SHARE CAPITAL**

|                             | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|-----------------------------|--|--|
| Authorised:                 |  |  |
| Ordinary shares of RM1 each | 650,000                                    | 650,000                                    |
| Issued and fully paid:      |  |  |
| Balance as at 31 March      | 650,000                                    | 650,000                                    |

**16 RESERVES**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---|--|--|
| Non-distributable:                                |  |  |
| Revaluation reserve-available-for-sale securities | 55   | (323)                                      |
| Statutory reserve                                 | 32,155                                     | 32,155                                     |
| Regulatory reserve                                | 10,106                                     | 9,636                                      |
|   | 42,316                                     | 41,468                                     |

**17 INTEREST INCOME**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|--|--|
| Loans, advances and financing                                       | 27,438                                     | 20,526                                     |
| Money at call and deposit placements with financial institutions    | 24,814                                     | 20,293                                     |
| Financial assets - Available-for-sale                               | 8,154                                      | 9,470                                      |
| Financial assets - Held-for-trading                                 | 14,327                                     | 5,472                                      |
| Other interest income   | 12,568                                     | 2,528                                      |
|   | 87,301                                     | 58,289                                     |
| Amortisation of premium less accretion of discount                  | (252)                                      | (893)                                      |
| Total Interest Income   | 87,049                                     | 57,396                                     |
| Of which:   |  |  |
| Interest income earned on impaired loans,<br>advances and financing | -  | -  |



**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**18 INTEREST EXPENSE**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|--|--|
| Deposits and placements from banks and other financial institutions | 15,206                                     | 3,732                                      |
| Deposits from customers   | 13,918                                     | 14,712                                     |
| Other interest expense  | 59   | 6  |
|   | <u>29,183</u>                              | <u>18,450</u>                              |

**19 OTHER OPERATING INCOME**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|--|--|--|
| Fee income:  |  |  |
| Commissions  | 1,592                                      | 247  |
| Guarantee fees                                       | 1,300                                      | 594  |
| Other fee income :                                   | 5,953                                      | 1,010                                      |
|  | <u>8,845</u>                               | <u>1,851</u>                               |
| Net gain/(loss) arising from sale of securities:     |  |  |
| Financial assets held-for-trading                    | 8,928                                      | 7,262                                      |
| Financial assets available-for-sale                  | -  | 109  |
|  | <u>8,928</u>                               | <u>7,371</u>                               |
| Unrealised gain/(loss) on revaluation of securities: |  |  |
| Financial assets held-for-trading                    | 709  | 92   |
|  | <u>709</u>                                 | <u>92</u>                                  |
| Gross dividend income from:                          |  |  |
| Securities available-for-sale                        | -  | -  |
|  | <u>-</u>                                   | <u>-</u>                                   |
| Other income:  |  |  |
| Foreign exchange:                                    |  |  |
| - Realised gain/(loss)                               | 484,358                                    | 572,308                                    |
| - Unrealised gain/(loss)                             | (465,979)                                  | (573,617)                                  |
| Gain/(Loss) on derivatives trading                   |  |  |
| - Realised gain/(loss)                               | 37,049                                     | 17,957                                     |
| - Unrealised gain/(loss)                             | (29,515)                                   | (1,761)                                    |
| Others   | 5,436                                      | 8,248                                      |
|  | <u>31,349</u>                              | <u>23,135</u>                              |
| Total  | <u>49,831</u>                              | <u>32,449</u>                              |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**20 OTHER OPERATING EXPENSES**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|--|--|--|
| Personnel costs (Note a)                     | 28,340                                     | 28,120                                     |
| Establishment costs (Note b)                 | 10,074                                     | 10,369                                     |
| Marketing expenses (Note c)                  | 598  | 708  |
| Administration and general expenses (Note d) | 14,331                                     | 9,698                                      |
|  | <u>53,343</u>                              | <u>48,895</u>                              |

**(a) Personnel costs**

|                                  |               |               |
|----------------------------------|---------------|---------------|
| Salaries, bonuses and allowances | 21,001        | 20,476        |
| EPF - defined contribution plan  | 3,265         | 3,293         |
| Other staff related expenses     | 4,074         | 4,351         |
|                                  | <u>28,340</u> | <u>28,120</u> |

**(b) Establishment costs**

|   |               |               |
|---|---------------|---------------|
| Share of information technology costs         | 5,380         | 4,481         |
| Depreciation of property, plant and equipment | 499           | 988           |
| Amortization of intangible asset              | 46            | 103           |
| Rental of premises                            | 1,548         | 1,815         |
| Others  | 2,601         | 2,982         |
|   | <u>10,074</u> | <u>10,369</u> |

**(c) Marketing Expenses**

|             |            |            |
|-------------|------------|------------|
| Advertising | -          | 31         |
| Others      | 598        | 677        |
|             | <u>598</u> | <u>708</u> |

**(d) Administration and general expenses**

|                                |               |              |
|--------------------------------|---------------|--------------|
| Legal and professional fees    | 852           | 1,137        |
| Communication & transportation | 188           | 180          |
| Others general expenses        | 13,291        | 8,381        |
|                                | <u>14,331</u> | <u>9,698</u> |

**21 ALLOWANCE FOR IMPAIRMENT ON LOANS, ADVANCES AND FINANCING**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|--|--|
| Allowance for impaired loans, advances and financing: |  |  |
| Collective Assessment allowance:                      |  |  |
| - Made in the financial year                          | 370  | 433  |
| - Written back in the financial year                  | (1,002)                                    |  |
|   | <u>(632)</u>                               | <u>433</u>                                 |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**22 CAPITAL ADEQUACY**

The components of Tier I and Tier II capital are as follows:

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| <b>Tier-I capital</b>                                  |  |  |
| Paid-up share capital                                  | 650,000                                    | 650,000                                    |
| Share premium  |  | -  |
| Statutory reserves                                     | 32,155                                     | 32,155                                     |
| Accumulated losses                                     | (12,459)                                   | (11,989)                                   |
|  | <u>669,696</u>                             | <u>670,166</u>                             |
| Less :   |  |  |
| - Deferred tax assets                                  | (935)                                      | (378)                                      |
| - 55% of cumulative gains of AFS financial instruments |  | -  |
| - Other disclosed reserves                             | 55   | (323)                                      |
| Total Tier-I capital                                   | <u>668,816</u>                             | <u>669,465</u>                             |
|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
| <b>Tier-II Capital</b>                                 |  |  |
| Collective assessment allowance                        | 942  | 570  |
| Regulatory reserve                                     | 10,106                                     | 9,636                                      |
| Total Tier-II capital                                  | <u>11,048</u>                              | <u>10,206</u>                              |
| Total capital funds                                    | 679,864                                    | 679,671                                    |
| Less: Investment in subsidiary companies               |  | -  |
| Capital base   | <u>679,864</u>                             | <u>679,671</u>                             |
| <b>Capital Ratios</b>                                  |  |  |
| Tier 1 Capital Ratio                                   | 21.144%                                    | 28.097%                                    |
| Total Capital Ratio                                    | <u>21.494%</u>                             | <u>28.525%</u>                             |

The breakdown of risk-weighted assets by each major risk category is as follows:

|                            | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|----------------------------|--|--|
| Credit Risk                | 1,759,812                                  | 1,620,598                                  |
| Market Risk                | 1,067,586                                  | 577,134                                    |
| Operational Risk           | 335,689                                    | 184,994                                    |
| Total risk-weighted assets | <u>3,163,087</u>                           | <u>2,382,726</u>                           |

**10. PROPERTY, PLANT AND EQUIPMENT**

| <b>Bank</b>                             | <b>Motor<br/>Vehicles<br/>RM'000</b> | <b>Office<br/>Equipment<br/>and<br/>Machinery<br/>RM'000</b> | <b>Renovation<br/>and<br/>Installation<br/>RM'000</b> | <b>Furniture,<br/>Fixtures<br/>and Fittings<br/>RM'000</b> | <b>Computer<br/>equipment<br/>and<br/>hardware<br/>RM'000</b> | <b>Renovation<br/>work-in<br/>progress<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|--------------------------------------|--|---|--|---|---|-------------------------|
| <b>At 30 September 2017</b>             |                                      |  |   |  |   |   |                         |
| <b>Cost</b>                             |                                      |  |   |  |   |   |                         |
| At 1 January 2017                       | 15                                   | 212  | 4,126   | 1,456  | 4,306   | 269   | 10,384                  |
| Additions                               | -                                    | 1  | -   | -  | 80  | 23  | 104                     |
| Disposals                               |                                      |  |   |  |   |   | -                       |
| Write-off                               |                                      |  |   |  |   | (2)   | (2)                     |
| Reclassification                        | -                                    | -  | 130   | 189  | 34  | (290)   | 63                      |
| At 30 September 2017                    | 15                                   | 213  | 4,256   | 1,645  | 4,420   | -   | 10,549                  |
| <b>Accumulated Depreciation</b>         |                                      |  |   |  |   |   |                         |
| At 1 January 2017                       | 8                                    | 145  | 3,588   | 1,344  | 3,781   | -   | 8,866                   |
| Charge for the year                     | 2                                    | 18   | 210   | 58   | 211   | -   | 499                     |
| Disposals                               |                                      |  |   |  |   |   |                         |
| Write-off                               |                                      |  |   |  |   |   |                         |
| At 30 September 2017                    | 10                                   | 163  | 3,798   | 1,402  | 3,992   | -   | 9,365                   |
| <b>Net Book Value 30 September 2017</b> | <b>5</b>                             | <b>50</b>  | <b>458</b>  | <b>243</b>   | <b>428</b>  | <b>-</b>  | <b>1,184</b>            |

**PROPERTY, PLANT AND EQUIPMENT (CONTD.)**

| <b>Bank</b>                            | <b>Motor<br/>vehicle<br/>RM'000</b> | <b>Office<br/>equipment<br/>and<br/>machinery<br/>RM'000</b> | <b>Renovation<br/>and<br/>installation<br/>RM'000</b> | <b>Furniture,<br/>fixtures<br/>and fittings<br/>RM'000</b> | <b>Computer<br/>Equipment<br/>RM'000</b> | <b>Renovation<br/>work-in<br/>progress<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|--|-------------------------------------|--|---|--|--|---|-------------------------|
| <b>At 31 December 2016</b>             |                                     |  |   |  |  |   |                         |
| <b>Cost</b>                            |                                     |  |   |  |  |   |                         |
| At 1 January 2016                      | 15                                  | 195  | 4,126   | 1,450  | 3,921                                    | 387   | 10,094                  |
| Additions                              |                                     | 17   |   | 6  | 305                                      | 269   | 597                     |
| Disposals                              |                                     |  |   |  |  |   | -                       |
| Write-off                              |                                     |  |   |  |  | (122)   | (122)                   |
| Reclassification                       |                                     |  |   |  | 80                                       | (80)  | -                       |
| Transfer to intangible asset           |                                     |  |   |  |  | (185)   | (185)                   |
| At 31 December 2016                    | 15                                  | 212  | 4,126   | 1,456  | 4,306                                    | 269   | 10,384                  |
| <b>Accumulated Depreciation</b>        |                                     |  |   |  |  |   |                         |
| At 1 January 2016                      | 5                                   | 114  | 2,900   | 1,237  | 3,339                                    | -   | 7,595                   |
| Charge for the year                    | 3                                   | 31   | 688   | 107  | 442                                      |   | 1,271                   |
| Disposals                              |                                     |  |   |  |  |   | -                       |
| Write-off                              |                                     |  |   |  |  |   | -                       |
| At 31 December 2016                    | 8                                   | 145  | 3,588   | 1,344  | 3,781                                    | -   | 8,866                   |
| <b>Net Book Value 31 December 2016</b> | <b>7</b>                            | <b>67</b>  | <b>538</b>  | <b>112</b>   | <b>525</b>                               | <b>269</b>  | <b>1,518</b>            |

**23 INTEREST RATE RISK**

The following table represents the Bank's assets and liabilities at carrying amounts as at 30 September 2017

|   | Up to<br>1 month<br>RM'000 | Non-Trading Book          |                            | 1 - 5<br>years<br>RM'000 | Over<br>5 years<br>RM'000 | Trading<br>book<br>RM'000 | Non-interest<br>sensitive<br>RM'000 | SPI-related<br>business<br>RM'000 | Total<br>RM'000  |
|---|----------------------------|---------------------------|----------------------------|--------------------------|---------------------------|---------------------------|-------------------------------------|-----------------------------------|------------------|
|   |                            | 1 - 3<br>months<br>RM'000 | 3 - 12<br>months<br>RM'000 |                          |                           |                           |                                     |                                   |                  |
| <b>Assets</b>   |                            |                           |                            |                          |                           |                           |                                     |                                   |                  |
| Cash and short-term funds   | 1,485,960                  |                           |                            |                          |                           |                           |                                     | 20,561                            | 1,506,521        |
| Reverse repurchase agreements                                       | 9,998                      |                           |                            |                          |                           |                           |                                     |                                   | 9,998            |
| Deposits and placements with banks and other financial institutions |                            | 400,188                   |                            |                          |                           |                           |                                     |                                   | -                |
| Financial assets held-for-trading                                   |                            |                           |                            |                          |                           | 708,182                   |                                     |                                   | 400,188          |
| Financial assets available-for-sale                                 |                            | 295,078                   | 10,162                     |                          |                           |                           |                                     | 10,139                            | 708,182          |
| Loans, advances and financing                                       | 363,553                    | 263,754                   | 16,834                     | 264,018                  | 12,500                    |                           | (942)                               |                                   | 315,379          |
| Derivatives Financial assets  |                            |                           |                            |                          |                           | 374,036                   |                                     |                                   | 919,717          |
| Statutory deposits with Bank Negara Malaysia                        |                            |                           |                            |                          |                           |                           |                                     |                                   | 374,036          |
| Other assets  |                            |                           |                            |                          |                           |                           | 656,406                             | 8,954                             | -                |
| <b>Total Assets</b>   | <b>1,859,511</b>           | <b>959,020</b>            | <b>26,996</b>              | <b>264,018</b>           | <b>12,500</b>             | <b>1,082,218</b>          | <b>655,464</b>                      | <b>39,654</b>                     | <b>4,899,381</b> |
| <b>Liabilities</b>  |                            |                           |                            |                          |                           |                           |                                     |                                   |                  |
| Deposits from customers   | 1,099,805                  | 162,860                   | 22,680                     |                          |                           |                           |                                     | 17,534                            | 1,302,879        |
| Deposits and placements from banks and other financial institutions | 671,932                    | 846,807                   | 211,124                    |                          |                           |                           |                                     |                                   | -                |
| Derivatives Financial Liabilities                                   |                            |                           |                            |                          |                           | 645,015                   |                                     |                                   | 1,729,863        |
| Other liabilities   |                            |                           |                            |                          |                           |                           | 496,353                             | 683                               | 645,015          |
| <b>Total Liabilities</b>  | <b>1,771,737</b>           | <b>1,009,667</b>          | <b>233,804</b>             | <b>-</b>                 | <b>-</b>                  | <b>645,015</b>            | <b>496,353</b>                      | <b>18,217</b>                     | <b>4,174,793</b> |
| <b>Net interest rate gap</b>  | <b>87,774</b>              | <b>(50,647)</b>           | <b>(206,808)</b>           | <b>264,018</b>           | <b>12,500</b>             | <b>437,203</b>            | <b>159,111</b>                      | <b>21,437</b>                     | <b>724,588</b>   |

**23 INTEREST RATE RISK (CONTD)**

The following table represents the Bank's assets and liabilities at carrying amounts as of 31 December 2016

|  | Non-Trading Book |                  |                  |                |                 | Trading<br>book | Non-interest<br>sensitive | SPL-related<br>business | Total            |
|--|------------------|------------------|------------------|----------------|-----------------|-----------------|---------------------------|-------------------------|------------------|
|  | Up to<br>1 month | 1 - 3<br>months  | 3 - 12<br>months | 1 - 5<br>years | Over<br>5 years |                 |                           |                         |                  |
|  | RM'000           | RM'000           | RM'000           | RM'000         | RM'000          | RM'000          | RM'000                    | RM'000                  | RM'000           |
| <b>Assets</b>  |                  |                  |                  |                |                 |                 |                           |                         |                  |
| Cash and short-term funds  | 2,043,556        |                  |                  |                |                 |                 |                           | 33,991                  | 2,077,547        |
| Reverse repurchase agreements  | -                |                  |                  |                |                 |                 |                           |                         | -                |
| Financial assets held-for-trading                                      |                  |                  |                  |                |                 | 118,413         |                           |                         | 118,413          |
| Financial assets available-for-sale                                    |                  |                  | 51,346           | 30,262         |                 |                 |                           | -                       | 81,608           |
| Loans, advances and financing  | 587,621          | 114,367          | 17,446           | 117,828        | 13,156          |                 | (570)                     |                         | 849,848          |
| Derivative financial assets  |                  |                  |                  |                |                 | 799,074         |                           |                         | 799,074          |
| Other assets   |                  |                  |                  |                |                 |                 | 230,438                   | 5,357                   | 235,795          |
| <b>Total Assets</b>  | <b>2,631,177</b> | <b>114,367</b>   | <b>68,792</b>    | <b>148,090</b> | <b>13,156</b>   | <b>917,487</b>  | <b>229,868</b>            | <b>39,348</b>           | <b>4,162,285</b> |
| <b>Liabilities</b>   |                  |                  |                  |                |                 |                 |                           |                         |                  |
| Deposits from customers  | 860,477          | 126,606          | 4,280            |                |                 |                 |                           | 16,743                  | 1,008,106        |
| Deposits and placements from banks and<br>other financial institutions | 591,007          | 897,952          |                  |                |                 |                 |                           |                         | 1,488,959        |
| Derivatives financial liabilities                                      |                  |                  |                  |                |                 | 448,808         |                           |                         | 448,808          |
| Other liabilities  |                  |                  |                  |                |                 |                 | 542,383                   | 665                     | 543,048          |
| <b>Total Liabilities</b>   | <b>1,451,484</b> | <b>1,024,558</b> | <b>4,280</b>     | <b>-</b>       | <b>-</b>        | <b>448,808</b>  | <b>542,383</b>            | <b>17,408</b>           | <b>3,488,921</b> |
| <b>Net interest rate gap</b>   | <b>1,179,693</b> | <b>(910,191)</b> | <b>64,512</b>    | <b>148,090</b> | <b>13,156</b>   | <b>468,679</b>  | <b>(312,515)</b>          | <b>21,940</b>           | <b>673,364</b>   |

**24 COMMITMENTS AND CONTINGENCIES**

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions.

The commitments and contingencies and their related counterparty credit risk of the Bank are as follows:

|  | <b>30 September 2017</b>               |  |   |
|--|--|--|---|
|  | <b>Principal<br/>amount<br/>RM'000</b> | <b>Credit<br/>equivalent<br/>amount *<br/>RM'000</b> | <b>Risk-<br/>weighted<br/>amount<br/>RM'000</b> |
| <u>Commitments and Contingent Liabilities</u>                            |  |  |   |
| Direct credit substitutes  | 338,257                                | 338,257  | 309,247   |
| Transaction-related<br>contingent items                                  |  |  |   |
| Short-term self-liquidating<br>trade-related contingencies               | 7,630                                  | 1,526  | 1,526   |
| Other assets sold with recourse and<br>commitments with certain drawdown |  |  |   |
| Irrevocable commitments to extend credit:                                |  |  |   |
| - maturity less than one year  |  |  |   |
| - maturity more than one year  | 8,336                                  | 4,168  | 4,168   |
| Foreign exchange related contracts:                                      |  |  |   |
| - one year or less   | 42,359,870                             | 557,307  | 337,043   |
| - over one year to five years  | 1,057,500                              | 375,016  | 70,189  |
| - over five years  |  |  |   |
| Interest rate related contracts:   |  |  |   |
| - one year or less   | 17,584,880                             | 30,521   | 10,661  |
| - over one year to five years  | 6,025,935                              | 156,889  | 43,257  |
| - over five years  | -                                      | -  | -   |
| Credit Derivatives Contract  |  |  |   |
| - one year or less   | 498                                    | 6  | 1   |
| - over one year to five years  | 639,696                                | 45,204   | 9,041   |
| - over five years  |  |  |   |
|  | <u>68,022,602</u>                      | <u>1,508,894</u>                                     | <u>785,133</u>                                  |

\* The credit equivalent amount is arrived at using the credit conversion factor as per Bank Negara Malaysia guidelines.



**24 COMMITMENTS AND CONTINGENCIES (CONTD.)**

|  | <b>31 December 2016</b>                |  |   |
|--|--|--|---|
|  | <b>Principal<br/>amount<br/>RM'000</b> | <b>Credit<br/>equivalent<br/>amount *<br/>RM'000</b> | <b>Risk-<br/>weighted<br/>amount<br/>RM'000</b> |
| <u>Commitments and Contingent Liabilities</u>                            |  |  |   |
| Direct credit substitutes  | 250,145                                | 250,145  | 222,513   |
| Transaction-related contingent items                                     |  |  |   |
| Short-term self-liquidating<br>trade-related contingencies               | 1,474                                  | 295  | 295   |
| Other assets sold with recourse and<br>commitments with certain drawdown | -                                      | -  | -   |
| Irrevocable commitments to extend credit:                                |  |  |   |
| - maturity less than one year  |  |  |   |
| - maturity more than one year  | 98,107                                 | 49,053   | 49,053  |
| Foreign exchange related contracts:                                      |  |  |   |
| - one year or less   | 18,052,648                             | 1,048,227  | 389,704   |
| - over one year to five years  | 1,795,422                              | 164,933  | 101,493   |
| - over five years  | -                                      | -  | -   |
| Interest rate related contracts:   |  |  |   |
| - one year or less   | 6,301,900                              | 12,982   | 5,036   |
| - over one year to five years  | 7,413,460                              | 158,888  | 38,136  |
| - over five years  | 50,000                                 | 2,500  | 500   |
| Credit Derivatives Contract  |  |  |   |
| - one year or less   | 178,686                                | 4,630  | 926   |
| - over one year to five years  | 234,671                                | 13,558   | 2,712   |
| - over five years  |  |  |   |
|  | <b>34,376,513</b>                      | <b>1,705,211</b>                                     | <b>810,368</b>                                  |

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**25. Islamic Banking Operations**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**As of 30 September 2017**

|  | <b>Note</b> | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|-------------|--|--|
| <b>ASSETS</b>  |             |  |  |
| Cash and short-term funds                              | (a)         | 20,561                                     | 33,991                                     |
| Financial assets held-for-trading                      | (b)         | -  | -  |
| Financial assets available-for-sale                    | (c)         | 10,139                                     | -  |
| Loans, advances and financing                          | (d)         | -  | -  |
| Other assets   | (e)         | 8,448                                      | 5,357                                      |
| Property, plant and equipment                          | (f)         | 3  | 4  |
| Intangible assets                                      | (g)         | 3  | 5  |
| <b>TOTAL ASSETS</b>                                    |             | <b>39,154</b>                              | <b>39,357</b>                              |
| <b>LIABILITIES AND<br/>ISLAMIC BANKING FUNDS</b>       |             |  |  |
| Deposits from customers                                | (h)         | 17,534                                     | 16,743                                     |
| Other liabilities                                      | (i)         | 183  | 665  |
| Deferred tax liabilities                               |             | -  | -  |
| Tax Liabilities  |             | 131  | 131  |
| <b>Total liabilities</b>                               |             | <b>17,848</b>                              | <b>17,539</b>                              |
| Capital fund   | (j)         | 24,350                                     | 24,350                                     |
| Reserves   | (k)         | (3,044)                                    | (2,532)                                    |
| <b>Islamic Banking Funds</b>                           |             | <b>21,306</b>                              | <b>21,818</b>                              |
| <b>TOTAL LIABILITIES AND ISLAMIC<br/>BANKING FUNDS</b> |             | <b>39,154</b>                              | <b>39,357</b>                              |

The accompanying notes form an integral part of the financial statements.

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**25. Islamic Banking Operations**

**UNAUDITED INCOME STATEMENT**  
**As of 30 September 2017**

|   |     | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|-----|--|--|
| Total income derived from investment of Islamic banking funds and depositors' funds   |     | 698  | 1,357                                      |
| Income derived from investment of Islamic banking funds and depositors' funds         | (l) | 698  | 1,357                                      |
| Profit expense to depositors  |     | (224)                                      | (236)                                      |
| <br>Net income derived from investment of Islamic Banking funds and depositors' funds |     | <br>474                                    | <br>1,121                                  |
| Other operating income  | (m) | 903  | 357  |
| Other operating expenses  | (n) | (1,393)                                    | (1,247)                                    |
| Write back/(Allowance made) for impairment on loans, advances and financing           | (o) | -  | -  |
| Allowance for doubtful debt on other receivables                                      |     | (500)                                      | -  |
| <br><b>Profit/(Loss) for the financial quarter before zakat and taxation</b>          |     | <br><b>(516)</b>                           | <br><b>231</b>                             |
| Zakat   |     | -  | -  |
| Income tax expense  |     | -  | (35)                                       |
| <br><b>Profit/(Loss) for the financial quarter after zakat and income tax</b>         |     | <br><b>(516)</b>                           | <br><b>196</b>                             |
| <br>Other comprehensive income:   |     |  |  |
| Items that may be reclassified subsequently to profit or loss :                       |     |  |  |
| Fair value reserve (from Investment AFS) :  |     |  |  |
| Net changes in fair value   |     | 4  | (142)                                      |
| <br><b>Total comprehensive profit/(loss) for the quarter</b>                          |     | <br><b>(512)</b>                           | <br><b>54</b>                              |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**25. Islamic Banking Operations**

**NOTES TO THE FINANCIAL STATEMENTS**

**1 BASIS OF PREPARATION AND SIGNIFICANT ACCOUNTING POLICIES**

**Basis of Preparation of the Financial Statements**

**(a) CASH AND SHORT-TERM FUNDS**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At Amortised Cost  |  |  |
| Cash and balances with banks and other financial institutions  | 3,007                                      | 1,986                                      |
| Money at call and deposit placements maturing within one month | 17,554                                     | 32,005                                     |
|  | <u>20,561</u>                              | <u>33,991</u>                              |

**(b) FINANCIAL ASSETS HELD-FOR-TRADING**

|                                      | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--------------------------------------|--|--|
| At Fair Value                        |  |  |
| Government Securities:               |  |  |
| Bank Negara Malaysia Debt Securities | -  | -  |
|                                      | <u>-</u>                                   | <u>-</u>                                   |

**(c) SECURITIES AVAILABLE-FOR-SALE**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At Fair Value                          |  |  |
| Government Securities:                 |  |  |
| Malaysian Government Investment Issues | 10,139                                     | -  |
|  | <u>10,139</u>                              | <u>-</u>                                   |

**(d) LOANS, ADVANCES AND FINANCING**

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| At amortised cost:                                 |  |  |
| <b>By type</b>                                     |  |  |
| Term loan  | -  | -  |
| Less: Allowance for impaired loans and financing : |  |  |
| - Collective assessment allowance                  | -  | -  |
| Net loans, advances and financing                  | <u>-</u>                                   | <u>-</u>                                   |
| <b>By type of customer</b>                         |  |  |
| Domestic business enterprises                      | -  | -  |
|  | <u>-</u>                                   | <u>-</u>                                   |
| <b>By profit rate sensitivity</b>                  |  |  |
| Variable rate:                                     | -  | -  |
| Cost plus  | -  | -  |
|  | <u>-</u>                                   | <u>-</u>                                   |
| <b>By residual contractual maturity</b>            |  |  |
| More than one year to five years                   | -  | -  |
| More than five years                               | -  | -  |
|  | <u>-</u>                                   | <u>-</u>                                   |
| <b>By geographical distribution</b>                |  |  |
| In Malaysia  | -  | -  |
|  | <u>-</u>                                   | <u>-</u>                                   |

## (e) OTHER ASSETS

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| Other receivables, deposit and prepayments             | 8,948                                      | 5,857                                      |
| Less: Allowance for doubtful debt on other receivables | (500)                                      | (500)                                      |
|  | <u>8,448</u>                               | <u>5,357</u>                               |

Movements of allowance for doubtful debt on other receivables are as follows:

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| <b>Individual impairment allowance</b> |  |  |
| Balance as at 1 January                | -  | 500  |
| Add: Allowance made during the year    | -  | -  |
| Less: Write back made during the year  | -  | -  |
| Balance as at 30 September             | <u>-</u>                                   | <u>500</u>                                 |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

(f) **PROPERTY, PLANT AND EQUIPMENT**

(g) **INTANGIBLE ASSETS**

|                                 | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---------------------------------|--|--|
| <u>Computer Software:</u>       |  |  |
| <b>Cost</b>                     |  |  |
| At 1 January                    | 41   | 34   |
| Additions                       | -  | 7  |
| Write Off                       | -  | -  |
| At 30 September                 | <u>41</u>                                  | <u>41</u>                                  |
| <b>Accumulated Amortisation</b> |  |  |
| At 1 January                    | 36   | 34   |
| Amortisation for the year       | 2  | 2  |
| Write-off                       | -  | -  |
| At 30 September                 | <u>38</u>                                  | <u>36</u>                                  |
| <b>Net Book Value</b>           | <u>3</u>                                   | <u>5</u>                                   |

(h) **DEPOSITS FROM CUSTOMERS**

|                            | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|----------------------------|--|--|
| <b>Type</b>                |  |  |
| At Amortised Cost:         |  |  |
| <b>Non-Mudharabah Fund</b> |  |  |
| Demand deposits            | 7,069                                      | 16,590                                     |
| Commodity Murabahah        | 10,465                                     | 153  |
|                            | <u>17,534</u>                              | <u>16,743</u>                              |

(i) Maturity structure of deposit from customers is as follows:

|                       | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|-----------------------|--|--|
| Due within six months | <u>10,465</u>                              | <u>153</u>                                 |

(ii) The deposits are sourced from the following types of customers:

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---|--|--|
| Business enterprise                     | 7,171                                      | 6,288                                      |
| Domestic non-bank financial institution | 10,363                                     | 10,455                                     |
|   | <u>17,534</u>                              | <u>16,743</u>                              |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**(i) OTHER LIABILITIES**

|                   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|-------------------|--|--|
| Other liabilities | 183  | 665  |

**(j) ISLAMIC BANKING FUNDS**

|                     | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|---------------------|--|--|
| Capital fund        | 24,350                                     | 24,350                                     |
| Revaluation reserve | 4  | -  |
| Accumulated losses  | (3,047)                                    | (2,532)                                    |
|                     | <u>21,307</u>                              | <u>21,818</u>                              |

**(l) INCOME DERIVED FROM INVESTMENT OF ISLAMIC BANKING FUNDS AND DEPOSITORS' FUNDS**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|--|--|
| Loans, advances and financing                                   | -  | 31   |
| Money at call and deposit placement with financial institutions | 519  | 689  |
| Financial assets held-for-trading                               | -  | -  |
| Financial assets available-for-sale                             | 195  | 720  |
|   | -  | -  |
| Amortisation of premium less accretion of discount              | (16)                                       | (83)                                       |
|   | <u>698</u>                                 | <u>1,357</u>                               |

**(m) OTHER OPERATING INCOME**

|  |            |            |
|--|------------|------------|
| Fee income:  |            |            |
| Commissions  | -          | -          |
| Other fee income                                     | 782        | -          |
| Net gain/(loss) arising from sale of securities:     |            |            |
| Financial assets held-for-trading                    | -          | -          |
| Financial assets available-for-sale                  | -          | 61         |
| Unrealised gain/(loss) on revaluation of securities: |            |            |
| Financial assets held-for-trading                    | -          | -          |
| Other income:  |            |            |
| Foreign exchange:                                    |            |            |
| - Realised gain/(loss)                               | -          | -          |
| - Unrealised gain/(loss)                             | (15)       | -          |
| Others   | 136        | 296        |
| Total  | <u>903</u> | <u>357</u> |

**BNP PARIBAS MALAYSIA BERHAD**  
(Incorporated in Malaysia)

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**(n) OTHER OPERATING EXPENSES**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|--|--|
| Personnel costs (Note i)                      | 1,160                                      | 852  |
| Establishment costs (Note ii)                 | 73   | 55   |
| Marketing expenses (Note iii)                 | 2  |  |
| Administration and general expenses (Note iv) | 158  | 340  |
|   | <u>1,393</u>                               | <u>1,247</u>                               |

**(i) Personnel Costs**

|                                  |              |            |
|----------------------------------|--------------|------------|
| Salaries, bonuses and allowances | 883          | 673        |
| EPF - defined contribution plan  | 161          | 121        |
| Other staff related expenses     | 116          | 58         |
|                                  | <u>1,160</u> | <u>852</u> |

**(ii) Establishment costs**

|   |           |           |
|---|-----------|-----------|
| Rental of premises                            | 60        | 36        |
| Amortisation of intangible assets             | -         | 4         |
| Depreciation of property, plant and equipment | -         | 3         |
| Others  | 13        | 12        |
|   | <u>73</u> | <u>55</u> |

**(iii) Marketing Expenses**

|        |          |          |
|--------|----------|----------|
| Others | 2        | -        |
|        | <u>2</u> | <u>-</u> |

**(iv) Administration and general expenses**

|                             |            |            |
|-----------------------------|------------|------------|
| Legal and professional fees | 77         | 215        |
| Others                      | 81         | 125        |
|                             | <u>158</u> | <u>340</u> |

**(o) ALLOWANCE FOR IMPAIRMENT ON LOANS, ADVANCES AND FINANCING**

|   | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>30-Sep<br/>2016<br/>RM'000</b> |
|---|--|--|
| Allowance for impaired loans, advances and financing: |  |  |
| Collective Assessment allowance:                      |  |  |
| - Made in the financial year                          | -  | -  |
| - Written back in the financial year                  |  |  |
| Other losses  |  |  |
|   | <u>-</u>                                   | <u>-</u>                                   |



**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**NOTES TO THE FINANCIAL STATEMENTS (CONTD.)**

**(p) CAPITAL ADEQUACY**

The components of Tier I and Tier II capital are as follows:

|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
|--|--|--|
| <b>Tier-I capital</b>  |  |  |
| Capital fund   | 24,350                                     | 24,350                                     |
| Accumulated losses   | (2,532)                                    | (2,532)                                    |
|  | <u>21,818</u>                              | <u>21,818</u>                              |
| Less :   |  |  |
| - 55% of cumulative gains of AFS financial instruments                           | -  | -  |
| - Other disclosed reserves   | 4  | -  |
| Total Tier-I capital   | <u>21,822</u>                              | <u>21,818</u>                              |
|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
| <b>Tier-II Capital</b>   |  |  |
| Collective assessment allowance  | -  | -  |
| Regulatory reserve   | -  | -  |
| Total Tier-II capital  | <u>-</u>                                   | <u>-</u>                                   |
| Capital base   | <u>21,822</u>                              | <u>21,818</u>                              |
| <b>Capital Ratios</b>  |  |  |
| Tier I Capital Ratio   | 171.180%                                   | 272.589%                                   |
| Total Capital Ratio  | <u>171.180%</u>                            | <u>272.589%</u>                            |
| The breakdown of risk-weighted assets by each major risk category is as follows: |  |  |
|  | <b>Bank<br/>30-Sep<br/>2017<br/>RM'000</b> | <b>Bank<br/>31-Dec<br/>2016<br/>RM'000</b> |
| Credit Risk  | 9,089                                      | 4,853                                      |
| Market Risk  | 399  | -  |
| Operational Risk   | 3,260                                      | 3,151                                      |
| Total risk-weighted assets   | <u>12,748</u>                              | <u>8,004</u>                               |

**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**  
**Islamic Banking Operations**  
**STATEMENT OF CHANGES IN ISLAMIC BANKING FUNDS**  
**AS OF 30 SEPTEMBER 2017**

| Bank                           | Non-distributable →     |                              |                               |   | Accumulated losses<br>RM'000 | Total<br>RM'000 |
|--------------------------------|-------------------------|------------------------------|-------------------------------|---|------------------------------|-----------------|
|                                | Share capital<br>RM'000 | Statutory reserves<br>RM'000 | Regulatory reserves<br>RM'000 | Revaluation reserve-available<br>-for-sale securities<br>RM'000 |                              |                 |
| At 1 January 2017              | 24,350                  |                              |                               | -   | (2,532)                      | 21,818          |
| Profit/(Loss) for the quarter  |                         |                              |                               |   | (516)                        | (516)           |
| Transfer to regulatory reserve |                         |                              |                               |   |                              | -               |
| Other comprehensive loss       |                         |                              |                               | 4   |                              | 4               |
| At 30 September 2017           | 24,350                  | -                            | -                             | 4   | (3,048)                      | 21,306          |

| Bank                       | Non-distributable →    |                             |  |   | Accumulated losses<br>RM'000 | Total<br>RM'000 |
|----------------------------|------------------------|-----------------------------|--|---|------------------------------|-----------------|
|                            | Capital fund<br>RM'000 | Statutory reserve<br>RM'000 |  | Revaluation reserve-available<br>-for-sale securities<br>RM'000 |                              |                 |
| At 1 January 2016          | 24,350                 | -                           |  | 154   | (2,942)                      | 21,562          |
| Profit/(Loss) for the year | -                      | -                           |  | -   | 410                          | 410             |
| Other comprehensive loss   |                        |                             |  | (154)   |                              | (154)           |
| At 31 December 2016        | 24,350                 | -                           |  | -   | (2,532)                      | 21,818          |

**f. PROPERTY, PLANT AND EQUIPMENT**

| <b>Bank</b>                             | <b>Office<br/>Equipment<br/>and<br/>Machinery<br/>RM'000</b> | <b>Renovation<br/>and<br/>Installation<br/>RM'000</b> | <b>Furniture,<br/>Fixtures<br/>and Fittings<br/>RM'000</b> | <b>Computer<br/>Equipment<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|---|--|---|--|--|-------------------------|
| <b>At 30 September 2017</b>             |  |   |  |  |                         |
| <b>Cost</b>                             |  |   |  |  |                         |
| At 1 January 2017                       | 6  | -   | -  | 23                                       | 29                      |
| Additions                               |  |   |  |  | -                       |
| Disposals                               |  |   |  |  | -                       |
| Write-off                               |  |   |  |  | -                       |
| Reclassification                        | -  | -   | -  | -  | -                       |
| At 30 September 2017                    | <u>6</u>   | <u>-</u>  | <u>-</u>   | <u>23</u>                                | <u>29</u>               |
| <b>Accumulated Depreciation</b>         |  |   |  |  |                         |
| At 1 January 2017                       | 2  | -   | -  | 23                                       | 25                      |
| Charge for the year                     | 1  |   |  | -  | 1                       |
| Disposals                               |  |   |  |  | -                       |
| Write-off                               |  |   |  |  | -                       |
| Reclassification                        | -  | -   | -  | -  | -                       |
| At 30 September 2017                    | <u>3</u>   | <u>-</u>  | <u>-</u>   | <u>23</u>                                | <u>26</u>               |
| <b>Net Book Value 30 September 2017</b> | <u>3</u>   | <u>-</u>  | <u>-</u>   | <u>-</u>                                 | <u>3</u>                |

**f. PROPERTY, PLANT AND EQUIPMENT (CONTD.)**

| <b>Bank</b>                       | <b>Office<br/>Equipment<br/>and<br/>Machinery<br/>RM'000</b> | <b>Renovation<br/>and<br/>Installation<br/>RM'000</b> | <b>Furniture,<br/>Fixtures<br/>and Fittings<br/>RM'000</b> | <b>Computer<br/>Equipment<br/>RM'000</b> | <b>Total<br/>RM'000</b> |
|-----------------------------------|--|---|--|--|-------------------------|
| <b>At 31 December 2016</b>        |  |   |  |  |                         |
| <b>Cost</b>                       |  |   |  |  |                         |
| At 1 January 2016                 | 6  | -   | -  | 23                                       | 29                      |
| Additions                         |  |   |  |  |                         |
| Disposals                         |  |   |  |  |                         |
| Write-off                         |  |   |  |  |                         |
| At 31 December 2016               | 6  | -   | -  | 23                                       | 29                      |
| <b>Accumulated Depreciation</b>   |  |   |  |  |                         |
| At 1 January 2016                 | 1  | -   | -  | 20                                       | 21                      |
| Charge for the year               | 1  | -   | -  | 3  | 4                       |
| Disposals                         |  |   |  |  |                         |
| Write-off                         |  |   |  |  |                         |
| At 31 December 2016               | 2  | -   | -  | 23                                       | 25                      |
| <b>Net Book Value 31 Dec 2016</b> | 4  | -   | -  | -  | 4                       |