



**BNP PARIBAS**

**BNP PARIBAS MALAYSIA BERHAD**

(Company No. 918091 - T)

Incorporated in Malaysia

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2020**

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

**1. PERFORMANCE REVIEW**

For the second quarter ended 30 June 2020, the Bank recorded a net profit after taxation of RM62.61 million. This was contributed by net interest income of RM59.17 million and non-interest income of RM80.48 million. Operating expenses was RM59.37 million whilst write back of expected credit losses on financial assets was RM2.19 million, resulting in pre-tax profit of RM82.69 million.

**2. CURRENT YEAR PROSPECT**

Bank Negara Malaysia in its 2019 annual report highlighted that Malaysia's GDP growth is projected between -2% to 0.5%. This was mainly due to the challenging environment posed by the COVID-19 pandemic, coupled with volatile crude oil prices.

The Movement Control Order had also impacted private consumption and dampened economic activity.

Globally, the International Monetary Fund expects a recession in 2020.

In spite of these challenges, the Bank aims to continuously improve and provide the best level of service and support to its customers during this challenging period.

Company No. 918091-T  
**BNP PARIBAS MALAYSIA BERHAD**  
**(Incorporated in Malaysia)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	Bank 30-Jun 2020 RM'000	Bank 31-Dec 2019 RM'000
<b>ASSETS</b>			
Cash and short-term funds	2	1,125,654	1,431,636
Deposits and placements with banks and other financial institutions	3	-	-
Reverse repurchase agreements	4	601,502	-
Financial assets at fair value through Profit or Loss (‘FVTPL’)	5	1,383,061	100,233
Financial investments at fair value through other comprehensive income (‘FVOCI’)	6	1,214,427	957,509
Loans, advances and financing	7	1,529,461	1,189,887
Derivative financial assets		978,067	459,442
Other assets	8	119,260	29,072
Property, plant and equipment	9	8,331	9,705
Intangible assets	10	469	910
Tax recoverable		5,047	13,959
Deferred tax assets		3,483	3,721
<b>TOTAL ASSETS</b>		<b>6,968,762</b>	<b>4,196,074</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deposits from customers	11	1,469,040	1,638,737
Deposits and placements from banks and other financial institutions	12	2,601,313	940,422
Securities sold under repurchase agreements		303,721	-
Derivative financial liabilities		792,390	431,077
Other liabilities	13	955,165	399,550
<b>TOTAL LIABILITIES</b>		<b>6,121,629</b>	<b>3,409,786</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2019.

Company No. 918091-T  
**BNP PARIBAS MALAYSIA BERHAD**  
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**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020 (CONTD.)**

	Note	Bank 30-Jun 2020 RM'000	Bank 31-Dec 2019 RM'000
Share capital	14	650,000	650,000
Retained profits		197,280	125,086
Reserves	15	(147)	11,202
<b>SHAREHOLDER'S EQUITY</b>		<u>847,133</u>	<u>786,288</u>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>		<u>6,968,762</u>	<u>4,196,074</u>
<b>COMMITMENTS AND CONTINGENCIES</b>	23	<u>100,413,794</u>	<u>90,352,648</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2019.

Company No. 918091-T  
**BNP PARIBAS MALAYSIA BERHAD**  
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**UNAUDITED STATEMENT OF PROFIT OR LOSS**  
**FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020**

	Note	Bank 30-Jun 2020 RM'000	Bank 30-Jun 2019 RM'000
Interest income	16	69,453	69,040
Interest income for financial asset at FVTPL	16	11,711	19,324
Interest expenses	17	(21,994)	(36,271)
Net interest income		59,170	52,093
Net income from Islamic banking business	24	217	210
Other operating income	18	80,482	55,196
Operating expenses	19	(59,369)	(56,884)
Expected credit losses	20	2,190	42
Profit before tax		82,690	50,657
Taxation		(20,080)	(12,526)
Profit for the financial period		62,610	38,131
Other comprehensive income, net of income tax:			
Items that may be reclassified subsequently to profit or loss :			
Revaluation reserve - financial investments at FVOCI :			
Net changes in fair value		(1,765)	899
Other comprehensive (loss)/ income		(1,765)	899
Total comprehensive income for the financial period		60,845	39,030

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Company No. 918091-T  
**BNP PARIBAS MALAYSIA BERHAD**  
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**UNAUDITED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
<b>Cash Flows from/(Used In) Operating Activities</b>		
Profit before tax	82,690	50,657
Adjustments for:		
Depreciation of property, plant and equipment	900	1,690
Amortisation of intangible assets	441	671
Expected credit losses on loans, advances and financing	(2,190)	(42)
Amortisation of premium less accretion of discount	4,042	1,435
Realised gain on financial investments at FVOCI	(841)	(34)
Interest income on financial investments at FVOCI	(22,633)	(13,883)
Unrealised gain on derivative financial instrument	(110,030)	(12,217)
Unrealised (gain)/loss on foreign exchange	59,756	83,178
Unrealised loss/(gain) on financial assets at FVTPL	(164)	(245)
Unrealised gain on financial investments at FVOCI	(13,024)	-
Operating profit before working capital changes	(1,053)	111,210

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**UNAUDITED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

	<b>Bank</b>	<b>Bank</b>
	<b>30-Jun</b>	<b>30-Jun</b>
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
(Increase)/Decrease in:		
Deposits and placements with banks and other financial institutions	-	300,110
Financial assets at FVTPL	(1,282,664)	1,056,333
Financial investments at FVOCI	-	-
Loans, advances and financing	(337,384)	(70,397)
Right of use asset	1,121	(2,977)
Reverse repurchase agreements	(601,502)	39,275
Other assets	(90,188)	42,458
Increase/(Decrease) in:		
Deposits from customers	(169,697)	(371,706)
Deposits and placements from banks and other financial institutions	1,660,891	(623,881)
Securities sold under repurchase agreements	303,721	-
Derivative financial assets/liabilities	(107,038)	21,648
Other liabilities	556,379	110,941
Net cash generated from operations	(67,414)	613,014
Income taxes paid	(10,930)	(5,824)
Net cash (used in)/generated from operating activities	(78,344)	607,190
<b>Cash Flows used in Investing Activities</b>		
Purchase of property, plant and equipment	(647)	(435)
Net purchase of financial investments at FVOCI	(241,693)	(470,856)
Interest income on financial investments at FVOCI	15,467	11,150
Net cash used in investing activities	(226,873)	(460,141)

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**UNAUDITED STATEMENTS OF CASH FLOW**  
**FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

	<b>Bank</b>	<b>Bank</b>
	<b>30-Jun</b>	<b>30-Jun</b>
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Cash Flows Used In Financing Activities</b>		
Payment for lease liabilities	<u>(765)</u>	<u>(1,389)</u>
Net cash used in financing activities	<u>(765)</u>	<u>(1,389)</u>
<b>NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS</b>	(305,982)	145,660
<b>CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR</b>	<u>1,431,636</u>	<u>2,003,833</u>
<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<u>1,125,654</u>	<u>2,149,493</u>
<b>Cash and cash equivalents comprise the following:</b>		
Cash and short-term funds	<u>1,125,654</u>	<u>2,149,493</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2019.



**BNP PARIBAS MALAYSIA BERHAD**  
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**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020**

	←—Non-distributable —→				
	Share capital RM'000	Regulatory reserves RM'000	Revaluation reserve- financial investments at FVOCI RM'000	Retained profits RM'000	Total RM'000
At 1 January 2020	650,000	9,584	1,618	125,086	786,288
Profit for the quarter ended	-	-	-	62,610	62,610
Transfer to regulatory reserve	-	(9,584)	-	9,584	-
Other comprehensive income	-	-	(1,765)	-	(1,765)
At 30 June 2020	<u>650,000</u>	<u>-</u>	<u>(147)</u>	<u>197,280</u>	<u>847,133</u>

	←—Non-distributable —→				
	Share capital RM'000	Regulatory reserves RM'000	Revaluation reserve- financial investments at FVOCI RM'000	Retained profits RM'000	Total RM'000
At 1 January 2019	650,000	15,234	98	124,329	789,661
Profit for the year	-	-	-	60,107	60,107
Transfer to retained profits	-	(5,650)	-	5,650	-
Other comprehensive income	-	-	1,520	-	1,520
Dividend on ordinary shares	-	-	-	(65,000)	(65,000)
At 31 December 2019	<u>650,000</u>	<u>9,584</u>	<u>1,618</u>	<u>125,086</u>	<u>786,288</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2019.

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020**

**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"), International Financial Reporting Standards and the requirements of the Companies Act, 2016 in Malaysia.

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
At Amortised Cost:		
Cash and balances with banks and other financial institutions	33,274	36,029
Money at call and deposit placements maturing within one month	1,092,380	1,395,607
	<u>1,125,654</u>	<u>1,431,636</u>

**3. DEPOSITS AND PLACEMENTS WITH BANK AND OTHER FINANCIAL INSTITUTIONS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Bank Negara Malaysia	<u>-</u>	<u>-</u>

**4. REVERSE REPURCHASE AGREEMENTS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
At Amortised Cost:		
Government Securities:		
Malaysian Government Investment Issues	297,995	-
Foreign Treasury Bills	303,507	-
	<u>601,502</u>	<u>-</u>

**5. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ('FVTPL')**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
At Fair Value:		
Government Securities:		
Malaysian Government Securities	800,591	87,387
Malaysian Government Investment Issues	582,470	12,846
	<u>1,383,061</u>	<u>100,233</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**6. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ('FVOCI')**

	<b>Bank</b>	<b>Bank</b>
	<b>30-Jun</b>	<b>31-Dec</b>
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
At Fair Value:		
Government securities:		
Malaysian Government Securities	412,579	316,310
Malaysian Government Investment Issues	801,848	232,980
Bank Negara Malaysia Debt Securities	-	408,219
	<u>1,214,427</u>	<u>957,509</u>

**7. LOANS, ADVANCES AND FINANCING**

	<b>Bank</b>	<b>Bank</b>
	<b>30-Jun</b>	<b>31-Dec</b>
	<b>2020</b>	<b>2019</b>
	<b>RM'000</b>	<b>RM'000</b>
At amortised cost:		
<b>(i) By type</b>		
Revolving credit	920,362	669,493
Term loans	524,974	420,681
Trust receipts	58,903	80,289
Other trade bills discounted	9,821	6,695
Overdrafts	20,694	18,500
	<u>1,534,754</u>	<u>1,195,658</u>
Less: Expected Credit Losses ('ECL')	(5,293)	(5,771)
Net loans, advances and financing	<u>1,529,461</u>	<u>1,189,887</u>
<b>(ii) By type of customer</b>		
Domestic business enterprises	<u>1,534,754</u>	<u>1,195,658</u>
	<u>1,534,754</u>	<u>1,195,658</u>
<b>(iii) By interest rate sensitivity</b>		
Variable rate:		
Cost plus	<u>1,534,754</u>	<u>1,195,658</u>
	<u>1,534,754</u>	<u>1,195,658</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**7. LOANS, ADVANCES AND FINANCING (CONTD.)**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<b>(iv) By residual contractual maturity</b>		
Maturing within one year	1,085,563	903,471
More than one year to five years	329,009	154,829
More than five years	120,182	137,358
	<u>1,534,754</u>	<u>1,195,658</u>
<b>(v) By geographical distribution</b>		
In Malaysia	1,534,754	1,195,658
	<u>1,534,754</u>	<u>1,195,658</u>
<b>(vi) By Sector</b>		
Manufacturing	1,147,025	924,316
Mining & Quarrying	26,134	10,301
Construction	6,000	10,001
Wholesale and retail	28,371	28,375
Other business services	285,467	212,255
Real estate and business activities	41,757	10,410
	<u>1,534,754</u>	<u>1,195,658</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**7. LOANS, ADVANCES AND FINANCING (CONTD.)**

(vii) Movements in ECL on loans, advances and financing are as follows:

	12 mth ECL (Stage 1) RM'000	Lifetime ECL not credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
<b>30 June 2020</b>				
Balance at beginning of financial year	1,168	4,603	-	5,771
Changes in credit risk	39	(39)	-	-
Allowances made/(written back) during the financial period	667	(1,094)	-	(427)
Derecognised during the financial period	(106)	-	-	(106)
Exchange differences	55	-	-	55
At end of financial period	1,823	3,470	-	5,293
<b>31 December 2019</b>				
Balance at beginning of financial year	1,243	176	-	1,419
Changes in credit risk	(100)	100	-	-
Allowances made during the financial period	545	4,432	-	4,977
Derecognised during the financial period	(491)	(1)	-	(492)
Exchange differences	(29)	(104)	-	(133)
At end of financial period	1,168	4,603	-	5,771

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**7. LOANS, ADVANCES AND FINANCING (CONTD.)**

(viii) Movements on loans, advances and financing are as follows:

	12 mth ECL (Stage 1) RM'000	Lifetime ECL not credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
<b>30 June 2020</b>				
Balance at beginning of financial year	1,061,318	134,340	-	1,195,658
Changes in credit risk	53,347	(53,347)	-	-
Purchases and origination	487,684	6,535	-	494,219
Derecognised during the financial period	(149,563)	(6,408)	-	(155,971)
Exchange fluctuation	848	-	-	848
At end of financial period	<u>1,453,634</u>	<u>81,120</u>	<u>-</u>	<u>1,534,754</u>
<b>31 December 2019</b>				
Balance at beginning of financial year	1,100,317	69,404	-	1,169,721
Changes in credit risk	(131,419)	131,419	-	-
Purchases and origination	489,782	-	-	489,782
Derecognised during the financial period	(397,362)	(66,483)	-	(463,845)
At end of financial period	<u>1,061,318</u>	<u>134,340</u>	<u>-</u>	<u>1,195,658</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**8. OTHER ASSETS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Other receivables	8,509	7,608
Collateral assets	108,857	19,643
Deposit	824	824
Prepayments	1,070	997
	<u>119,260</u>	<u>29,072</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**9. PROPERTY, PLANT AND EQUIPMENT**

	<b>Office equipment and machinery RM'000</b>	<b>Renovation and installation RM'000</b>	<b>Furniture, fixtures and fittings RM'000</b>	<b>Computer equipment and hardware RM'000</b>	<b>Motor vehicles RM'000</b>	<b>Work-in progress RM'000</b>	<b>Right of use asset RM'000</b>	<b>Total RM'000</b>
<b>2020</b>								
<b>Cost</b>								
At beginning of the financial year	310	4,256	1,851	6,236	15	228	13,231	26,127
Additions	31	-	4	611	-	-	-	646
Disposals	-	-	-	-	-	-	-	-
Write-off	-	-	-	-	-	-	-	-
Remeasurement	-	-	-	-	-	-	(834)	(834)
At end of the financial period	<u>341</u>	<u>4,256</u>	<u>1,855</u>	<u>6,847</u>	<u>15</u>	<u>228</u>	<u>12,397</u>	<u>25,939</u>
<b>Accumulated Depreciation</b>								
At beginning of the financial year	227	4,109	1,642	4,789	15	-	5,640	16,422
Depreciation charged for financial period	14	46	42	315	-	-	483	900
Disposals	-	-	-	-	-	-	-	-
Remeasurement	-	-	-	-	-	-	286	286
At end of the financial period	<u>241</u>	<u>4,155</u>	<u>1,684</u>	<u>5,104</u>	<u>15</u>	<u>-</u>	<u>6,409</u>	<u>17,608</u>
<b>Net Book Value</b>								
At end of the financial period	<u>100</u>	<u>101</u>	<u>171</u>	<u>1,743</u>	<u>-</u>	<u>228</u>	<u>5,988</u>	<u>8,331</u>



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

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

	Office equipment and machinery RM'000	Renovation and installation RM'000	Furniture, fixtures and fittings RM'000	Computer equipment and hardware RM'000	Motor vehicles RM'000	Work-in progress RM'000	Right of use asset RM'000	Total RM'000
<b>2019</b>								
<b>Cost</b>								
At beginning of the financial year	269	4,256	1,847	4,936	15	455	13,134	24,912
Additions	41	-	4	1,255	-	228	1,565	3,093
Matured during the year	-	-	-	-	-	-	(1,468)	(1,468)
Reclassification	-	-	-	45	-	(45)	-	-
Expensed off	-	-	-	-	-	(410)	-	(410)
At end of the financial year	<u>310</u>	<u>4,256</u>	<u>1,851</u>	<u>6,236</u>	<u>15</u>	<u>228</u>	<u>13,231</u>	<u>26,127</u>
<b>Accumulated Depreciation</b>								
At beginning of the financial year	197	3,984	1,536	4,317	14	-	4,666	14,714
Depreciation charged for financial year	30	125	106	472	1	-	2,442	3,176
Matured during the year	-	-	-	-	-	-	(1,468)	(1,468)
At end of the financial year	<u>227</u>	<u>4,109</u>	<u>1,642</u>	<u>4,789</u>	<u>15</u>	<u>-</u>	<u>5,640</u>	<u>16,422</u>
<b>Net Book Value</b>								
At end of the financial year	<u>83</u>	<u>147</u>	<u>209</u>	<u>1,447</u>	<u>-</u>	<u>228</u>	<u>7,591</u>	<u>9,705</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**10. INTANGIBLE ASSETS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<u>Computer Software:</u>		
<b>Cost</b>		
At beginning of the financial year	3,090	3,090
Additions	-	-
At end of the financial period/year	<u>3,090</u>	<u>3,090</u>
<b>Accumulated Amortisation</b>		
At beginning of the financial year	2,180	1,283
Amortisation for the year	441	897
At end of the financial period/year	<u>2,621</u>	<u>2,180</u>
<b>Total Net Book Value</b>	<u>469</u>	<u>910</u>

**11. DEPOSITS FROM CUSTOMERS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<b>Type</b>		
At amortised cost:		
Demand deposits	983,958	827,347
Fixed deposits	485,082	811,390
Commodity Murabahah	-	-
	<u>1,469,040</u>	<u>1,638,737</u>
(i) Maturity structure of fixed deposits and Commodity Murabahah are as follows:		
Due within six months	480,934	807,516
Six months to one year	4,148	3,874
	<u>485,082</u>	<u>811,390</u>
(ii) The deposits are sourced from the following types of customers:		
Business enterprises	1,454,719	1,622,909
Non-bank financial institutions	14,321	15,828
	<u>1,469,040</u>	<u>1,638,737</u>

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
At amortised cost:		
Other financial institutions	2,601,313	940,422
	<u>2,601,313</u>	<u>940,422</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**13. OTHER LIABILITIES**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Collateral deposits	859,265	320,753
Other payables	78,650	61,815
Accruals and charges	10,292	7,410
Lease Liabilities	6,219	7,428
Expected credit losses	739	2,144
	<u>955,165</u>	<u>399,550</u>

(i) Movements in ECL on loans commitments and financial guarantee are as follows:

	<b>12 mth ECL (Stage 1) RM'000</b>	<b>Lifetime ECL not credit impaired (Stage 2) RM'000</b>	<b>Lifetime ECL credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>30 June 2020</b>				
Balance at beginning of financial year	244	1,900	-	2,144
Changes in credit risk	-	-	-	-
Allowances made/(written back) during the financial period	(16)	(50)	-	(66)
Exchange differences	-	(1,339)	-	(1,339)
At end of financial period	<u>228</u>	<u>511</u>	<u>-</u>	<u>739</u>
<b>31 December 2019</b>				
Balance at beginning of financial year	86	332	-	418
Changes in credit risk	(45)	45	-	-
Allowances made/(written back) during the financial period	202	1,401	-	1,603
Exchange differences	1	122	-	123
At end of financial period	<u>244</u>	<u>1,900</u>	<u>-</u>	<u>2,144</u>

**14. SHARE CAPITAL**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Ordinary shares issued and fully paid:		
Balance as at 30 June/December	<u>650,000</u>	<u>650,000</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**15. RESERVES**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Non-distributable:		
Revaluation reserve financial investments at FVOCI	(147)	1,618
Regulatory reserve	-	9,584
	<u>(147)</u>	<u>11,202</u>

**16. INTEREST INCOME**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Loans, advances and financing	21,841	23,946
Money at call and deposit placements with financial institutions	19,864	25,022
Financial investment at FVOCI	22,633	13,745
Financial assets at FVTPL	11,711	19,324
Other interest income	9,157	7,762
	<u>85,206</u>	<u>89,799</u>
Amortisation of premium less accretion of discount	(4,042)	(1,435)
Total Interest Income	<u>81,164</u>	<u>88,364</u>

**17. INTEREST EXPENSE**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Deposits and placements from banks and other financial institutions	3,306	15,062
Deposits from customers	14,713	21,023
Lease Liabilities	76	49
Other interest expense	3,899	137
	<u>21,994</u>	<u>36,271</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**18. OTHER OPERATING INCOME**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Fee income:		
Commissions	113	1,774
Guarantee fees	1,003	798
Other fee income	1,358	3,967
	<u>2,474</u>	<u>6,539</u>
Gain arising from sale of:		
Financial assets at FVTPL	15,398	25,871
Financial investments at FVOCI	841	34
	<u>16,239</u>	<u>25,905</u>
Gain on derivatives trading		
Realised (loss)/gain	(54,106)	15,063
Unrealised gain/(loss)	110,030	12,217
	<u>55,924</u>	<u>27,280</u>
Unrealised gain on revaluation of:		
FVTPL	164	245
FVOCI	13,024	-
	<u>13,188</u>	<u>245</u>
Other income:		
Foreign exchange:		
- Realised gain/(loss)	48,065	71,370
- Unrealised (loss)/gain	(59,756)	(83,178)
Others	4,348	7,035
	<u>(7,343)</u>	<u>(4,773)</u>
Total	<u>80,482</u>	<u>55,196</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**19. OTHER OPERATING EXPENSES**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Personnel costs (Note a)	22,262	19,736
Establishment costs (Note b)	7,267	8,478
Marketing expenses (Note c)	202	397
Administration and general expenses (Note d)	29,638	28,273
	<u>59,369</u>	<u>56,884</u>
<b>(a) Personnel costs</b>		
Salaries, bonuses and allowances	16,403	14,062
Defined contribution plan	2,349	2,129
Social security cost	79	415
Other staff related expenses	3,431	3,130
	<u>22,262</u>	<u>19,736</u>
<b>(b) Establishment costs</b>		
Information technology costs	4,115	4,472
Depreciation of property, plant and equipment	900	1,690
Amortization of intangible asset	441	671
Others	1,811	1,645
	<u>7,267</u>	<u>8,478</u>
<b>(c) Marketing Expenses</b>		
Advertising	38	27
Others	164	370
	<u>202</u>	<u>397</u>
<b>(d) Administration and general expenses</b>		
Legal and professional fees	969	1,105
Communication & transportation	492	123
Others general expenses	28,177	27,045
	<u>29,638</u>	<u>28,273</u>

**20. EXPECTED CREDIT LOSSES FOR IMPAIRMENT ON FINANCIAL ASSETS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Expected credit losses:		
Allowance made during the financial year	-	-
Allowance written back during the financial year	(2,190)	(42)
	<u>(2,190)</u>	<u>(42)</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**21. CAPITAL ADEQUACY**

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<b>Tier-I capital</b>		
Paid-up share capital	650,000	650,000
Retained profits	134,670	125,086
Other disclosed reserves	(147)	1,618
	<u>784,523</u>	<u>776,704</u>
<u>Less : Regulatory adjustments</u>		
Intangible assets	(469)	(910)
Deferred tax assets	(3,483)	(3,721)
55% of cumulative gains of financial instruments at FVOCI	-	(890)
Total Tier-I capital	<u>780,571</u>	<u>771,183</u>
<b>Tier-II Capital</b>		
Expected Credit Losses	6,032	7,915
Regulatory reserve	-	9,584
Total Tier-II capital	<u>6,032</u>	<u>17,499</u>
Total capital funds	<u>786,603</u>	<u>788,682</u>
Total capital base	<u><u>786,603</u></u>	<u><u>788,682</u></u>
<b>Capital Ratios</b>		
Common Equity Tier 1 Ratio	16.714%	18.685%
Tier 1 Capital Ratio	16.714%	18.685%
Total Capital Ratio	<u>16.843%</u>	<u>19.109%</u>

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Credit Risk	2,441,053	2,026,388
Market Risk	1,904,266	1,657,388
Operational Risk	324,940	443,555
Total risk-weighted assets	<u>4,670,259</u>	<u>4,127,331</u>

Company No. 918091-T

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**22. INTEREST RATE RISK**

The following table represents the Bank's assets and liabilities at carrying amounts as at 30 June 2020

	Non-Trading Book					Trading book RM'000	Non-interest sensitive RM'000	Total RM'000
	Up to 1 month RM'000	1 - 3 months RM'000	3 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000			
<b>Assets</b>								
Cash and short-term funds	1,124,574	-	-	-	-	-	1,080	1,125,654
Deposits and placements with banks and other financial institutions	-	-	-	-	-	-	-	-
Reverse repurchase agreements	-	295,746	303,494	-	-	-	2,262	601,502
Financial assets at fair value through profit or loss	-	-	-	-	-	1,383,061	-	1,383,061
Financial investments at fair value through other comprehensive income	-	18,527	110,738	1,072,766	-	-	12,396	1,214,427
Loans, advances and financing	728,313	351,496	450,876	-	-	-	(1,224)	1,529,461
Derivatives Financial assets	-	-	-	-	-	978,067	-	978,067
Other assets	-	-	-	-	-	-	117,366	117,366
<b>Total Assets</b>	<b>1,852,887</b>	<b>665,769</b>	<b>865,108</b>	<b>1,072,766</b>	<b>-</b>	<b>2,361,128</b>	<b>131,880</b>	<b>6,949,538</b>
<b>Liabilities</b>								
Deposits from customers	1,337,719	103,084	27,388	-	-	-	849	1,469,040
Deposits and placements from banks and other financial institutions	1,681,773	918,509	1,000	-	-	-	31	2,601,313
Securities sold under repurchase agreements	-	-	303,721	-	-	-	-	303,721
Derivatives Financial Liabilities	-	-	-	-	-	792,390	-	792,390
Other liabilities	-	-	-	-	-	-	955,165	955,165
<b>Total Liabilities</b>	<b>3,019,492</b>	<b>1,021,593</b>	<b>332,109</b>	<b>-</b>	<b>-</b>	<b>792,390</b>	<b>956,045</b>	<b>6,121,629</b>
<b>Net interest rate gap</b>	<b>(1,166,605)</b>	<b>(355,824)</b>	<b>532,999</b>	<b>1,072,766</b>	<b>-</b>	<b>1,568,738</b>	<b>(824,165)</b>	<b>827,909</b>



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**22. INTEREST RATE RISK (CONTD)**

The following table represents the Bank's assets and liabilities at carrying amounts as of 31 December 2019

	Non-Trading Book					Trading book RM'000	Non-interest sensitive RM'000	Total RM'000
	Up to 1 month RM'000	1 - 3 months RM'000	3 - 12 months RM'000	1 - 5 years RM'000	Over 5 years RM'000			
<b>Assets</b>								
Cash and short-term funds	1,430,029	-	-	-	-	-	1,607	1,431,636
Deposits and placements with banks and other financial institutions	-	-	-	-	-	-	-	-
Reverse repurchase agreements	-	-	-	-	-	-	-	-
Financial assets at fair value through profit or loss	-	-	-	-	-	100,233	-	100,233
Financial investments at fair value through other comprehensive income	3	438,272	229,436	284,162	-	-	5,636	957,509
Loans, advances and financing	744,125	308,845	139,404	-	-	-	(2,487)	1,189,887
Derivative financial assets	-	-	-	-	-	459,442	-	459,442
Other assets	-	-	-	-	-	-	27,251	27,251
<b>Total Assets</b>	<b>2,174,157</b>	<b>747,117</b>	<b>368,840</b>	<b>284,162</b>	<b>-</b>	<b>559,675</b>	<b>32,007</b>	<b>4,165,958</b>
<b>Liabilities</b>								
Deposits from customers	1,453,397	180,113	3,886	-	-	-	1,341	1,638,737
Deposits and placements from banks and other financial institutions	530,364	409,250	-	-	-	-	808	940,422
Derivatives financial liabilities	-	-	-	-	-	431,077	-	431,077
Other liabilities	-	-	-	-	-	-	399,550	399,550
<b>Total Liabilities</b>	<b>1,983,761</b>	<b>589,363</b>	<b>3,886</b>	<b>-</b>	<b>-</b>	<b>431,077</b>	<b>401,699</b>	<b>3,409,786</b>
<b>Net interest rate gap</b>	<b>190,396</b>	<b>157,754</b>	<b>364,954</b>	<b>284,162</b>	<b>-</b>	<b>128,598</b>	<b>(369,692)</b>	<b>756,172</b>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**23. 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 are not secured against the Bank's assets.

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<u>Commitments and Contingent Liabilities</u>		
Direct credit substitutes	343,949	387,830
Short-term self-liquidating trade-related contingencies	25,562	1,006
Irrevocable commitments to extend credit:		
Maturity more than one year	94,000	261,504
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation to deterioration in a borrower's credit worthiness	<u>1,497,739</u>	<u>-</u>
Total credit related commitment and contingencies	<u>1,961,250</u>	<u>650,340</u>
Foreign exchange derivatives:		
One year or less	51,682,742	54,493,027
Over one year to five years	2,159,450	1,157,092
Interest rate derivatives:		
One year or less	13,869,650	10,016,250
Over one year to five years	28,172,913	21,849,881
Over five years	1,548,118	1,113,118
Credit Derivatives:		
One year or less	117,859	78,229
Over one year to five years	893,016	994,711
Over five years	8,796	-
Total treasury related commitment and contingencies	<u>98,452,544</u>	<u>89,702,308</u>
Total commitment and contingencies	<u>100,413,794</u>	<u>90,352,648</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**24. Islamic Banking Window**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 30 JUNE 2020**

	Note	30-Jun 2020 RM'000	31-Dec 2019 RM'000
<b>ASSETS</b>			
Cash and short-term funds	(a)	19,799	29,079
Other assets	(b)	9,620	9,668
Property, plant and equipment	(c)	-	-
Intangible assets	(d)	-	-
<b>TOTAL ASSETS</b>		<u>29,419</u>	<u>38,747</u>
<b>LIABILITIES AND ISLAMIC BANKING FUNDS</b>			
Deposits from customers	(e)	7,323	16,312
Other liabilities		139	152
<b>Total liabilities</b>		<u>7,462</u>	<u>16,464</u>
Capital fund		26,850	26,850
Accumulated losses		(4,893)	(4,567)
Reserves		-	-
<b>Islamic banking funds</b>		<u>21,957</u>	<u>22,283</u>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS</b>		<u>29,419</u>	<u>38,747</u>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Bank for the year ended 31 December 2019.

**BNP PARIBAS MALAYSIA BERHAD**  
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**24. Islamic Banking Window**

UNAUDITED STATEMENT OF PROFIT OR LOSS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020		<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Income derived from investment of Islamic banking funds and depositors' funds	(f)	238	365
Profit expense to depositors		(21)	(155)
Net income derived from investment of Islamic banking funds and depositors' funds		217	210
Other operating income	(g)	355	255
Other operating expenses	(h)	(898)	(925)
Expected credit losses for impairment on financial asset		-	-
<b>Loss for the financial period before zakat and taxation</b>		<b>(326)</b>	<b>(460)</b>
Zakat		-	-
Taxation		-	-
<b>Loss for the financial period after zakat and taxation</b>		<b>(326)</b>	<b>(460)</b>
Other comprehensive loss:			
Items that may be reclassified subsequently to profit or loss :			
Financial investments at FVOCI :			
Net unrealised loss on changes in fair value		-	-
Other comprehensive loss		-	-
<b>Total comprehensive loss for the period</b>		<b>(326)</b>	<b>(460)</b>

**BNP PARIBAS MALAYSIA BERHAD****(Incorporated in Malaysia)****Islamic Banking Operations****UNAUDITED STATEMENT OF CHANGES IN EQUITY IN ISLAMIC BANKING FUNDS****FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020**

	<b>Capital fund RM'000</b>	<b>Regulatory reserve RM'000</b>	<b>Revaluation reserve- financial investments at FVOCI RM'000</b>	<b>Accumulated losses RM'000</b>	<b>Total RM'000</b>
At 1 January 2020	26,850	-	-	(4,567)	22,283
Loss for the financial period	-	-	-	(326)	(326)
At 30 June 2020	<u>26,850</u>	<u>-</u>	<u>-</u>	<u>(4,893)</u>	<u>21,957</u>

	<b>Capital fund RM'000</b>	<b>Regulatory reserve RM'000</b>	<b>Revaluation reserve- financial investments at FVOCI RM'000</b>	<b>Accumulated losses RM'000</b>	<b>Total RM'000</b>
At 1 January 2019	25,750	48	-	(4,185)	21,613
Additional capital fund	1,100	-	-	-	1,100
Loss for the financial year	-	-	-	(430)	(430)
Transfer from regulatory reserve	-	(48)	-	48	-
At 31 December 2019	<u>26,850</u>	<u>-</u>	<u>-</u>	<u>(4,567)</u>	<u>22,283</u>

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**24. Islamic Banking Window**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020**

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<u>At Amortised Cost</u>		
Cash and balances with banks and other financial institutions	1,794	6,081
Money at call and deposit placements maturing within one month	18,005	22,998
	<u>19,799</u>	<u>29,079</u>

**(b) OTHER ASSETS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Other receivables, deposit and prepayments	9,620	9,668
	<u>9,620</u>	<u>9,668</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED**  
**30 JUNE 2020 (CONTD.)**

**24. Islamic Banking Window**

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

	<b>Office Equipment and Machinery RM'000</b>	<b>Computer Equipment RM'000</b>	<b>Total RM'000</b>
<b>2020</b>			
<b>Cost</b>			
At beginning of the financial period	6	23	29
At end of the financial period	<u>6</u>	<u>23</u>	<u>29</u>
<b>Accumulated Depreciation</b>			
At beginning of the financial period	6	23	29
At end of the financial period	<u>6</u>	<u>23</u>	<u>29</u>
<b>Carrying amount</b>			
At end of the financial period	<u>-</u>	<u>-</u>	<u>-</u>
<b>2019</b>			
<b>Cost</b>			
At beginning of the financial period	6	23	29
At end of the financial period	<u>6</u>	<u>23</u>	<u>29</u>
<b>Accumulated Depreciation</b>			
At beginning of the financial period	5	23	28
Charge for the year	1	-	1
At end of the financial period	<u>6</u>	<u>23</u>	<u>29</u>
<b>Carrying amount</b>			
At end of the financial period	<u>-</u>	<u>-</u>	<u>-</u>

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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**24. Islamic Banking Window**

**(d) INTANGIBLE ASSETS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<u>Computer Software:</u>		
<b>Cost</b>		
At 1 January	41	41
At end of the financial period	<u>41</u>	<u>41</u>
<b>Accumulated Amortisation</b>		
At 1 January	41	37
Amortisation for the year	-	4
At end of the financial period	<u>41</u>	<u>41</u>
<b>Net Book Value</b>	<u>-</u>	<u>-</u>

**(e) DEPOSITS FROM CUSTOMERS**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<b>Type</b>		
At Amortised Cost:		
Non-Mudharabah Fund		
Demand deposits	7,323	16,312
	<u>7,323</u>	<u>16,312</u>

(i) Maturity structure of Commodity Murabahah is as follows:

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Due within six months	<u>-</u>	<u>-</u>

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Business enterprise	29	8,552
Domestic non-bank financial institution	7,294	7,760
	<u>7,323</u>	<u>16,312</u>



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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**24. Islamic Banking Window**

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Money at call and deposit placement with financial institutions	238	236
Financial investment at FVOCI	-	138
	<u>238</u>	<u>374</u>
Amortisation of premium less accretion of discount	-	(9)
	<u>238</u>	<u>365</u>

**(g) OTHER OPERATING INCOME**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Fee income:		
Other fee income	19	19
Net gain/(loss) arising from sale of:		
Financial investments at FVOCI	-	34
Unrealised gain/(loss) on revaluation of:		
Financial assets held-for-trading	-	
Other income:		
Foreign exchange:		
- Unrealised gain/(loss)	119	6
Others	217	196
Total	<u>355</u>	<u>255</u>

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

**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**24. Islamic Banking Window**

**(h) OTHER OPERATING EXPENSES**

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 30-Jun 2019 RM'000</b>
Personnel costs (Note i)	725	636
Establishment costs (Note ii)	48	51
Marketing expenses (Note iii)	-	3
Administration and general expenses (Note iv)	125	235
	<u>898</u>	<u>925</u>
<b>(i) Personnel Costs</b>		
Salaries, bonuses and allowances	578	504
Defined contribution plan	100	93
Other staff related expenses	47	39
	<u>725</u>	<u>636</u>
<b>(ii) Establishment costs</b>		
Rental of premises	33	42
Information technology costs	5	1
Others	10	8
	<u>48</u>	<u>51</u>
<b>(iii) Marketing Expenses</b>		
Others	-	3
	<u>-</u>	<u>3</u>
<b>(iv) Administration and general expenses</b>		
Legal and professional fees	75	129
Communication & transportation	8	-
Others	42	106
	<u>125</u>	<u>235</u>

**BNP PARIBAS MALAYSIA BERHAD**  
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**NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2020 (CONTD.)**

**24. Islamic Banking Window**

**(i) CAPITAL ADEQUACY**

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<b>Tier-I capital</b>		
Capital fund	26,850	26,850
Accumulated losses	(4,893)	(4,567)
	<u>21,957</u>	<u>22,283</u>
<u>Less : Regulatory adjustments</u>		
Intangible assets	-	-
55% of cumulative gains of financial instruments at FVOCI	-	-
Total Tier-I capital	<u>21,957</u>	<u>22,283</u>
	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
<b>Tier-II Capital</b>		
Regulatory reserve	-	-
Total Tier-II capital	<u>-</u>	<u>-</u>
Total capital base	<u>21,957</u>	<u>22,283</u>
<b>Capital Ratios</b>		
Tier 1 Capital Ratio	159.950%	169.144%
Tier 1 Capital Ratio	159.950%	169.144%
Total Capital Ratio	<u>159.950%</u>	<u>169.144%</u>

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

	<b>Bank 30-Jun 2020 RM'000</b>	<b>Bank 31-Dec 2019 RM'000</b>
Credit Risk	9,791	8,550
Market Risk	1,972	2,133
Operational Risk	1,964	2,491
Total risk-weighted assets	<u>13,727</u>	<u>13,174</u>