



BNP PARIBAS MALAYSIA BERHAD
(Company No.201001034168 (918091 - T))
Incorporated in Malaysia

**UNAUDITED CONDENSED FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

1. PERFORMANCE REVIEW

The Bank registered a profit after tax of RM23.92 million for the three month financial period ended 31 March 2024, compared to RM17.95 million in the corresponding period last year.

Other operating income improved by RM8.83 million or 29% against last year, mainly driven by stronger performance from our Global Market's Derivatives business.

Net interest income however, saw a reduction of RM2.39 million or 13% year on year attributable mainly to higher funding cost.

While other operating expenses were higher by RM2.75 million against last year, the income growth continued to outpace the increase in expenses.

Provision for Expected Credit Losses was a writeback of RM0.68 million compared to a charge of RM3.37 million last year as our portfolio credit quality remains strong.

Loans, advances and financing was relatively flat at RM1.60 billion while Deposits from customers showed a strong growth momentum, increasing by RM387.35 million during the period to close at RM3.18 billion.

The Bank remained well capitalised with CET 1 and Total Capital Ratio of 21.250% and 31.457% respectively as at 31 March 2024.

2. CURRENT YEAR PROSPECTS

In the 2024 Budget, Malaysia's GDP growth was forecasted at between 4% to 5%, supported by resilient private consumption and investment and a rebound in public spending, while the rate of inflation was expected to moderate at 2.7%. Whilst the US Federal Reserve has signaled interest rate cuts in 2024 due to diminishing inflation risks, recent geopolitical events in the Middle East have created more uncertainty. For Malaysia, the market consensus is for BNM to keep the OPR at 3.00% throughout the year, subject to developments in the US Federal Reserve policy.

Amidst this outlook, the Bank plans to continue driving the underlying growth momentum of its loans, financing, Transaction Banking and Global Market activities by deepening its existing relationships while broadening its client base.

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	Bank 31-Mar 2024 RM'000	Bank 31-Dec 2023 RM'000
ASSETS			
Cash and short-term funds	2	305,688	741,700
Reverse repurchase agreements		3,024,280	1,910,888
Financial assets at fair value through profit or loss ('FVTPL')	3	2,596,983	2,196,893
Financial assets at fair value through other comprehensive income ('FVOCI')	4	1,303,420	1,387,556
Loans, advances and financing	5	1,601,675	1,656,287
Derivative financial assets		926,939	1,113,207
Other assets	6	203,635	194,868
Property, plant and equipment	7	14,402	13,896
Intangible assets	8	129	145
Tax recoverable		159	4,276
Deferred tax assets		2,257	2,946
TOTAL ASSETS		9,979,567	9,222,662
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	9	3,179,651	2,792,306
Deposits and placements from banks and other financial institutions	10	1,531,242	1,360,724
Repurchase agreements		1,561,699	1,052,895
Derivative financial liabilities		791,037	1,107,193
Subordinated term loan		420,789	420,188
Other liabilities	11	1,524,326	1,541,979
TOTAL LIABILITIES		9,008,744	8,275,285

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 2023.

Company No.201001034168 (918091-T)

BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024 (CONTD.)

	Note	Bank 31-Mar 2024 RM'000	Bank 31-Dec 2023 RM'000
Share capital	12	650,000	650,000
Retained profits		300,225	277,067
Reserves	13	20,598	20,310
SHAREHOLDER'S EQUITY		<u>970,823</u>	<u>947,377</u>
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY		<u>9,979,567</u>	<u>9,222,662</u>
COMMITMENTS AND CONTINGENCIES	21	<u>153,257,324</u>	<u>143,555,210</u>

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BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENT OF TOTAL COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Note	Bank 31-Mar 2024 RM'000	Bank 31-Mar 2023 RM'000
Interest income	14	63,669	60,616
Interest income for financial asset at FVTPL	14	18,294	15,768
Interest expenses	15	<u>(66,056)</u>	<u>(58,092)</u>
Net interest income		15,907	18,292
Net income from Islamic banking business	22	<u>297</u>	<u>229</u>
		16,204	18,521
Other operating income	16	39,606	30,774
Other operating expenses	17	(24,917)	(22,166)
Expected credit losses written back/(made)	18	683	(3,365)
Profit before tax		<u>31,576</u>	<u>23,764</u>
Taxation		<u>(7,653)</u>	<u>(5,813)</u>
Profit for the financial period		<u>23,923</u>	<u>17,951</u>
Other comprehensive loss, 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		(97)	264
Net change in cash flow hedge		<u>(380)</u>	<u>(3,046)</u>
Other comprehensive loss		<u>(477)</u>	<u>(2,782)</u>
Total comprehensive income for the financial period		<u>23,446</u>	<u>15,169</u>

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BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Bank 31-Mar 2024 RM'000	Bank 31-Mar 2023 RM'000
Cash Flows from/(Used In) Operating Activities		
Profit before tax	31,576	23,764
Adjustments for:		
Depreciation of property, plant and equipment	827	767
Amortisation of intangible assets	16	-
Expected credit losses on loans, advances and financing	(683)	3,365
Amortisation of premium less accretion of discount	(3,512)	(602)
Unrealised loss on derivative financial instruments	2,716	15,880
Unrealised gain on foreign exchange	(41,058)	(115,640)
Unrealised loss/(gain) on financial assets at FVTPL	3,713	(1,199)
Unrealised gain on reverse repurchase agreements	(20)	(1,554)
Realised loss on repurchase agreements	831	831
Interest income on financial investments at FVOCI	(11,745)	(9,737)
Interest expense on lease liabilities	79	13
Operating profit before working capital changes	(17,260)	(84,112)

BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

	Bank 31-Mar 2024 RM'000	Bank 31-Mar 2023 RM'000
(Increase)/Decrease in:		
Financial assets at FVTPL	(403,803)	(2,040,043)
Loans, advances and financing	55,295	263,234
Right of use asset	2,472	(5,358)
Reverse repurchase agreements	(1,113,372)	(1,419,392)
Other assets	(8,767)	267,821
Increase/(Decrease) in:		
Deposits from customers	387,345	500,028
Deposits and placements from banks and other financial institutions	170,518	1,380,281
Repurchase agreements	507,973	1,064,594
Derivative financial assets/liabilities	(91,315)	(36,530)
Subordinated term loan	(11)	518
Other liabilities	(17,376)	(550,686)
Net cash used in operations	(528,301)	(659,645)
Income taxes paid	(2,817)	(1,660)
Net cash used in operating activities	(531,118)	(661,305)
Cash Flows used in Investing Activities		
Purchase of property, plant and equipment	(3,807)	(22)
Net sales of financial investments at FVOCI	88,761	267,316
Interest income on financial investments at FVOCI	10,506	12,043
Net cash generated from investing activities	95,460	279,337

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BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENTS OF CASH FLOW
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

	Bank 31-Mar 2024 RM'000	Bank 31-Mar 2023 RM'000
Cash Flows Used In Financing Activities		
Payment for lease liabilities	(354)	(642)
Net cash used in financing activities	(354)	(642)
NET DECREASE IN CASH AND CASH EQUIVALENTS	(436,012)	(382,610)
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	741,700	2,170,758
CASH AND CASH EQUIVALENTS AT END OF YEAR	305,688	1,788,148
Cash and cash equivalents comprise the following:		
Cash and short-term funds	305,688	1,788,148

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 2023.

BNP PARIBAS MALAYSIA BERHAD
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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	← Non-distributable →			→		
	Share capital RM'000	Hedging reserves RM'000	Regulatory reserves RM'000	Revaluation reserve- financial assets at FVOCI RM'000	Retained profits RM'000	Total RM'000
At 1 January 2024	650,000	1,605	18,532	173	277,067	947,377
Profit for the period	-	-	-	-	23,923	23,923
Transfer to regulatory reserve	-	-	765	-	(765)	-
Other comprehensive (loss)/ income	-	(380)	-	(97)	-	(477)
At 31 March 2024	<u>650,000</u>	<u>1,225</u>	<u>19,297</u>	<u>76</u>	<u>300,225</u>	<u>970,823</u>

	← Non-distributable →			→		
	Share capital RM'000	Hedging reserves RM'000	Regulatory reserves RM'000	Revaluation reserve- financial assets at FVOCI RM'000	Retained profits RM'000	Total RM'000
At 1 January 2023	650,000	4,073	18,532	175	255,828	928,608
Profit for the period	-	-	-	-	71,687	71,687
Transfer to regulatory reserve	-	-	-	-	-	-
Other comprehensive (loss)/ income	-	(2,468)	-	(2)	-	(2,470)
Dividend paid on ordinary shares	-	-	-	-	(50,448)	(50,448)
At 31 December 2023	<u>650,000</u>	<u>1,605</u>	<u>18,532</u>	<u>173</u>	<u>277,067</u>	<u>947,377</u>

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BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL QUARTER ENDED 31 MARCH 2024

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
At Amortised Cost:		
Cash and balances with banks and other financial institutions	37,622	51,530
Money at call and deposit placements maturing within one month	268,066	690,170
	<u>305,688</u>	<u>741,700</u>

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
At Fair Value:		
Government Securities:		
Malaysian Government Securities	1,581,636	1,666,370
Malaysian Government Investment Issues	1,015,347	530,523
	<u>2,596,983</u>	<u>2,196,893</u>

4. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ('FVOCI')

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
At Fair Value:		
Government securities:		
Malaysian Government Securities	152,893	-
Malaysian Government Investment Issues	-	149,058
Bank Negara Malaysia Debt Securities	1,150,527	1,238,498
	<u>1,303,420</u>	<u>1,387,556</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

5. LOANS, ADVANCES AND FINANCING

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
At amortised cost:		
(i) By type		
Revolving credit	812,194	817,043
Term loans	639,568	599,057
Bridging loans	-	90,554
Bill receivables	-	801
Factoring receivables	133,809	101,740
Overdrafts	19,600	51,279
Gross loans, advances and financing	<u>1,605,171</u>	<u>1,660,474</u>
Less: Expected Credit Losses ('ECL')	<u>(3,496)</u>	<u>(4,187)</u>
Net loans, advances and financing	<u><u>1,601,675</u></u>	<u><u>1,656,287</u></u>
<p>Funding extended to BNP Paribas Najmah (an Islamic Banking window in the Bank) under Profit Sharing Investment Account ("PSIA") are included as Loans, Advances and Financing. As at current reporting date, the amount is RM75.79 million (FY2023: RM 110.35 million). The PSIA is a contract based on the Wakalah principle.</p>		
(ii) By type of customer		
Domestic business enterprises	1,496,818	1,567,190
Domestic non-bank financial institutions	57,025	42,009
Financial institutions	51,328	51,275
	<u>1,605,171</u>	<u>1,660,474</u>
(iii) By interest rate sensitivity		
Variable rate:		
Cost plus	1,599,155	1,654,457
Fixed rate	6,016	6,017
	<u>1,605,171</u>	<u>1,660,474</u>
(iv) By residual contractual maturity		
Maturing within one year	1,026,117	1,130,655
More than one year to five years	306,124	309,345
More than five years	272,930	220,474
	<u>1,605,171</u>	<u>1,660,474</u>
(v) By geographical distribution		
In Malaysia	<u>1,605,171</u>	<u>1,660,474</u>
	<u><u>1,605,171</u></u>	<u><u>1,660,474</u></u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

5. LOANS, ADVANCES AND FINANCING (CONTD.)

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
(vi) By Sector		
Mining & Quarrying	4,070	4,023
Manufacturing	675,078	756,851
Electricity, gas and water supply	214,235	215,441
Construction	13,338	8,588
Wholesale and retail	185,572	247,415
Transport, storage and communication	143,109	142,706
Financial services	108,353	93,284
Real estate activities	4,628	5,006
Other business services	256,788	187,160
	<u>1,605,171</u>	<u>1,660,474</u>

(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
31 March 2024				
Balance at beginning of financial year	2,307	1,880	-	4,187
Changes in credit risk	288	(288)	-	-
Allowances made/(written-back) during the financial period	130	(570)	-	(440)
Derecognised during the financial period	(251)	-	-	(251)
Balance at end of financial period	<u>2,474</u>	<u>1,022</u>	<u>-</u>	<u>3,496</u>
31 December 2023				
Balance at beginning of financial year	4,539	1,258	-	5,797
Changes in credit risk	(255)	255	-	-
Allowances (written-back)/made during the financial period	(825)	503	-	(322)
Derecognised during the financial period	(1,152)	(136)	-	(1,288)
Balance at end of financial period	<u>2,307</u>	<u>1,880</u>	<u>-</u>	<u>4,187</u>

(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
31 March 2024				
Balance at beginning of financial year	1,486,897	173,577	-	1,660,474
Changes in credit risk	25,960	(25,960)	-	-
Purchases and origination	393,680	3,414	-	397,094
Derecognised during the financial period	(407,706)	(44,691)	-	(452,397)
Balance at end of financial period	<u>1,498,831</u>	<u>106,340</u>	<u>-</u>	<u>1,605,171</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

5. LOANS, ADVANCES AND FINANCING (CONTD.)

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

	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
31 December 2023				
Balance at beginning of financial year	1,839,689	68,547	-	1,908,236
Changes in credit risk	(166,740)	166,740	-	-
Purchases and origination	564,772	-	-	564,772
Derecognised during the financial period	(750,824)	(61,710)	-	(812,534)
Balance at end of financial period	<u>1,486,897</u>	<u>173,577</u>	<u>-</u>	<u>1,660,474</u>

6. OTHER ASSETS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Collateral assets	191,924	185,353
Other receivables	9,893	7,784
Deposit	820	820
Prepayments	998	911
	<u>203,635</u>	<u>194,868</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

7. PROPERTY, PLANT AND EQUIPMENT

	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
31 March 2024								
Cost								
At beginning of the financial year	638	1,589	1,049	10,664	6	-	10,609	24,555
Additions	13	1,064	245	11	-	-	-	1,333
At end of the financial period	<u>651</u>	<u>2,653</u>	<u>1,294</u>	<u>10,675</u>	<u>6</u>	<u>-</u>	<u>10,609</u>	<u>25,888</u>
Accumulated Depreciation								
At beginning of the financial year	378	86	197	8,339	3	-	1,656	10,659
Depreciation charged for financial period	20	67	44	221	-	-	475	827
At end of the financial period	<u>398</u>	<u>153</u>	<u>241</u>	<u>8,560</u>	<u>3</u>	<u>-</u>	<u>2,131</u>	<u>11,486</u>
Net Book Value								
As at 31 March 2024	<u>253</u>	<u>2,500</u>	<u>1,053</u>	<u>2,115</u>	<u>3</u>	<u>-</u>	<u>8,478</u>	<u>14,402</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

7. 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
31 December 2023								
Cost								
At beginning of the financial year	490	4,256	1,855	9,450	6	99	12,088	28,244
Additions	167	1,549	877	1,214	-	696	10,609	15,112
Write-off	(19)	(4,216)	(1,683)	-	-	-	-	(5,918)
Matured during the financial year	-	-	-	-	-	-	(12,088)	(12,088)
Reclassification to intangible assets	-	-	-	-	-	(795)	-	(795)
At end of the financial year	<u>638</u>	<u>1,589</u>	<u>1,049</u>	<u>10,664</u>	<u>6</u>	<u>-</u>	<u>10,609</u>	<u>24,555</u>
Accumulated Depreciation								
At beginning of the financial year	342	4,250	1,849	7,404	2	-	11,709	25,556
Depreciation charged for financial year	55	52	31	935	1	-	2,035	3,109
Write-off	(19)	(4,216)	(1,683)	-	-	-	-	(5,918)
Matured during the financial year	-	-	-	-	-	-	(12,088)	(12,088)
At end of the financial year	<u>378</u>	<u>86</u>	<u>197</u>	<u>8,339</u>	<u>3</u>	<u>-</u>	<u>1,656</u>	<u>10,659</u>
Net Book Value								
As at 31 December 2023	<u>260</u>	<u>1,503</u>	<u>852</u>	<u>2,325</u>	<u>3</u>	<u>-</u>	<u>8,953</u>	<u>13,896</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

8. INTANGIBLE ASSETS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
<u>Computer Software:</u>		
Cost		
At beginning of the financial year	3,280	3,090
Reclassification from property, plant and equipment	-	190
At end of the financial period/year	<u>3,280</u>	<u>3,280</u>
Accumulated Amortisation		
At beginning of the financial year	3,135	3,090
Amortisation for the year	16	45
At end of the financial period/year	<u>3,151</u>	<u>3,135</u>
Total Net Book Value	<u>129</u>	<u>145</u>

9. DEPOSITS FROM CUSTOMERS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Type		
At amortised cost:		
Demand deposits	2,468,840	1,997,329
Fixed deposits	694,807	794,977
Commodity Murabahah	16,004	-
	<u>3,179,651</u>	<u>2,792,306</u>
(i) Maturity structure of fixed deposits and Commodity Murabahah are as follows:		
Due within six months	<u>710,811</u>	<u>794,977</u>
(ii) The deposits are sourced from the following types of customers:		
Business enterprises	3,132,607	2,761,409
Non-bank financial institutions	47,044	30,897
	<u>3,179,651</u>	<u>2,792,306</u>

10. DEPOSITS AND PLACEMENTS FROM BANKS AND OTHER FINANCIAL INSTITUTIONS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
At amortised cost:		
Other financial institutions	<u>1,531,242</u>	<u>1,360,724</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

11. OTHER LIABILITIES

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Collateral deposits	1,459,827	1,479,373
Other payables	45,136	39,662
Accruals and charges	10,427	13,760
Lease Liabilities	8,690	8,965
Expected credit losses on loans commitment and financial guarantee	246	219
	<u>1,524,326</u>	<u>1,541,979</u>

(i) Movements in ECL on loans commitments and financial guarantee 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
31 March 2024				
Balance at beginning of financial year	204	15	-	219
Allowances made/(written back) during the financial period	43	(16)	-	27
At end of financial period	<u>247</u>	<u>(1)</u>	<u>-</u>	<u>246</u>
31 December 2023				
Balance at beginning of financial year	225	24	-	249
Changes in credit risk	5	(5)	-	-
Allowances written back during the financial period	(26)	(4)	-	(30)
At end of financial period	<u>204</u>	<u>15</u>	<u>-</u>	<u>219</u>

12. SHARE CAPITAL

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Ordinary shares issued and fully paid:		
Balance as at 31 March/31 December	<u>650,000</u>	<u>650,000</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

13. RESERVES

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Non-distributable:		
Revaluation reserve financial assets at FVOCI	76	173
Regulatory reserve	19,297	18,532
Hedging reserve	1,225	1,605
	<u>20,598</u>	<u>20,310</u>

14. INTEREST INCOME

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Loans, advances and financing	21,217	20,147
Money at call and deposit placements with financial institutions	7,541	10,145
Financial assets at FVTPL	18,294	15,768
Financial assets at FVOCI	11,745	9,737
Reverse repurchase agreements	17,463	15,611
Other interest income	2,191	4,374
	<u>78,451</u>	<u>75,782</u>
Amortisation of premium less accretion of discount	3,512	602
	<u>81,963</u>	<u>76,384</u>

15. INTEREST EXPENSE

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Deposits from customers	15,622	12,937
Deposits and placements from banks and other financial institutions	13,088	8,067
Repurchase agreements	14,765	15,010
Lease Liabilities	79	13
Subordinated term loan	5,491	3,298
Financial collateral	16,803	18,730
Other interest expense	208	37
	<u>66,056</u>	<u>58,092</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

16. OTHER OPERATING INCOME

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Fee income:		
Commissions	90	76
Guarantee fees	156	366
Other fee income	816	680
	<u>1,062</u>	<u>1,122</u>
(Loss)/Gain arising from sale of:		
Financial assets at FVTPL	<u>(1,940)</u>	<u>1,897</u>
(Loss)/Gain on derivatives trading:		
Realised gain	11,522	16,619
Unrealised loss	<u>(2,716)</u>	<u>(15,880)</u>
	<u>8,806</u>	<u>739</u>
Unrealised (loss)/gain on revaluation of:		
Financial assets at FVTPL	(3,713)	1,199
Net loss arising from hedging activities	(88)	(431)
Unrealised gain on reverse repurchase agreements	20	1,554
Realised loss on repurchase agreements	(831)	(831)
Other income:		
Foreign exchange:		
- Realised loss	(6,871)	(94,189)
- Unrealised gain	41,058	115,640
Others	<u>2,103</u>	<u>4,074</u>
	<u>36,290</u>	<u>25,525</u>
	<u>39,606</u>	<u>30,774</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

17. OTHER OPERATING EXPENSES

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Personnel costs (Note a)	13,353	14,483
Establishment costs (Note b)	5,108	4,949
Marketing expenses (Note c)	330	288
Administration and general expenses (Note d)	6,126	2,446
	<u>24,917</u>	<u>22,166</u>
(a) Personnel costs		
Salaries, bonuses and allowances	10,631	12,142
Defined contribution plan	1,527	1,008
Social security cost	41	37
Other staff related expenses	1,154	1,296
	<u>13,353</u>	<u>14,483</u>
(b) Establishment costs		
Information technology costs	1,551	2,122
Depreciation of property, plant and equipment	827	767
Amortization of intangible asset	16	-
Others	2,714	2,060
	<u>5,108</u>	<u>4,949</u>
(c) Marketing Expenses		
Sponsorship	330	288
	<u>330</u>	<u>288</u>
(d) Administration and general expenses		
Legal and professional fees	360	421
Communication & transportation	323	416
Others general expenses	5,443	1,609
	<u>6,126</u>	<u>2,446</u>

18. EXPECTED CREDIT LOSSES

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Expected credit losses:		
Allowance (written-back)/made during the financial period	(683)	3,365
	<u>(683)</u>	<u>3,365</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

19. CAPITAL ADEQUACY

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Tier-I capital		
Paid-up share capital	650,000	650,000
Retained profits	276,302	277,067
Other disclosed reserves	20,598	20,310
	<u>946,900</u>	<u>947,377</u>
<u>Less : Regulatory adjustments</u>		
Intangible assets	(129)	(145)
Deferred tax assets	(2,257)	(2,946)
55% of cumulative gains of financial instruments at FVOCI	(42)	(95)
Hedging reserve	(1,225)	(1,605)
Regulatory reserve	(19,297)	(18,532)
Total Tier-I capital	<u>923,950</u>	<u>924,054</u>
Tier-II Capital		
General provisions (Expected Credit Losses and regulatory reserve)	23,039	22,938
Subordinated term loan	420,789	420,188
Total Tier-II capital	<u>443,828</u>	<u>443,126</u>
Total capital base	<u>1,367,778</u>	<u>1,367,180</u>
Capital Ratios		
Before deducting proposed dividend		
Common Equity Tier 1 Ratio	21.250%	21.215%
Tier 1 Capital Ratio	21.250%	21.215%
Total Capital Ratio	<u>31.457%</u>	<u>31.389%</u>
Capital Ratios		
After deducting proposed dividend*		
Common Equity Tier 1 Ratio	19.601%	19.569%
Tier 1 Capital Ratio	19.601%	19.569%
Total Capital Ratio	<u>29.808%</u>	<u>29.743%</u>

* The proposed dividend is in respect of financial year ended 31 December 2023.

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Credit Risk	2,763,699	2,553,149
Market Risk	1,403,283	1,658,933
Operational Risk	181,115	143,527
Total risk-weighted assets	<u>4,348,097</u>	<u>4,355,609</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

20. INTEREST RATE RISK

The following table represents the Bank's assets and liabilities at carrying amounts as at 31 March 2024

	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			
Assets								
Cash and short-term funds	305,622	-	-	-	-	-	66	305,688
Reverse repurchase agreements	-	-	-	-	-	3,007,013	17,267	3,024,280
Financial assets at fair value through profit or loss	-	-	-	-	-	2,596,983	-	2,596,983
Financial assets at fair value through other comprehensive income	449,783	700,744	-	152,432	-	-	461	1,303,420
Loans, advances and financing	878,672	698,675	21,577	-	-	-	2,751	1,601,675
Derivatives Financial assets	-	-	-	11,480	-	915,459	-	926,939
Other assets	-	-	-	-	-	-	201,817	201,817
Total Assets	1,634,077	1,399,419	21,577	163,912	-	6,519,455	222,361	9,960,802
Liabilities								
Deposits from customers	3,078,852	75,272	24,723	-	-	-	804	3,179,651
Deposits and placements from banks and other financial institutions	1,146,394	381,800	1,300	-	-	-	1,748	1,531,242
Repurchase agreements	-	-	-	-	-	1,543,508	18,191	1,561,699
Derivatives Financial Liabilities	-	-	-	-	-	791,037	-	791,037
Subordinated term loan	-	-	-	-	417,024	-	3,765	420,789
Other liabilities	-	-	-	-	-	-	1,524,326	1,524,326
Total Liabilities	4,225,246	457,072	26,023	-	417,024	2,334,545	1,548,834	9,008,744
Net interest rate gap	(2,591,169)	942,347	(4,446)	163,912	(417,024)	4,184,910	(1,326,473)	952,058

BNP PARIBAS MALAYSIA BERHAD
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

20. INTEREST RATE RISK (CONTD)

The following table represents the Bank's assets and liabilities at carrying amounts as of 31 December 2023

	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			
Assets								
Cash and short-term funds	741,530	-	-	-	-	-	170	741,700
Reverse repurchase agreements	-	-	-	-	-	1,903,928	6,960	1,910,888
Financial assets at fair value through profit or loss	-	-	-	-	-	2,196,893	-	2,196,893
Financial assets at fair value through other comprehensive income	557,743	829,813	-	-	-	-	-	1,387,556
Loans, advances and financing	717,852	813,995	123,231	-	-	-	1,209	1,656,287
Derivative financial assets	-	-	-	11,257	-	1,101,950	-	1,113,207
Other assets	-	-	-	-	-	-	193,137	193,137
Total Assets	2,017,125	1,643,808	123,231	11,257	-	5,202,771	201,476	9,199,668
Liabilities								
Deposits from customers	2,639,917	151,436	-	-	-	-	953	2,792,306
Deposits and placements from banks and other financial institutions	825,761	529,932	3,500	-	-	-	1,531	1,360,724
Repurchase agreements	-	-	-	-	-	1,042,822	10,073	1,052,895
Derivatives financial liabilities	-	-	-	-	-	1,107,193	-	1,107,193
Subordinated term loan	-	-	-	-	416,411	-	3,777	420,188
Other liabilities	-	-	-	-	-	-	1,541,979	1,541,979
Total Liabilities	3,465,678	681,368	3,500	-	416,411	2,150,015	1,558,313	8,275,285
Net interest rate gap	(1,448,553)	962,440	119,731	11,257	(416,411)	3,052,756	(1,356,837)	924,383

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

21. 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 principal amount of the commitments and contingencies of the Bank are as follows:

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
<u>Commitments and Contingent Liabilities</u>		
Direct credit substitutes	192,242	245,694
Transaction-related contingent items	86,550	93,908
Short-term self-liquidating trade-related contingencies	4,184	379
Irrevocable commitments to extend credit:		
Maturity more than one year	234,012	98,200
Total credit related commitments and contingencies	<u>516,988</u>	<u>438,181</u>
Foreign exchange derivatives:		
One year or less	69,394,748	64,800,281
Over one year to five years	2,965,898	3,656,876
Over five years	543,088	527,735
Interest rate derivatives:		
One year or less	28,417,965	24,681,158
Over one year to five years	48,833,015	47,006,980
Over five years	1,617,133	1,615,133
Credit Derivatives:		
One year or less	100,496	38,675
Over one year to five years	847,381	790,191
Over five years	20,612	-
Total treasury related commitments and contingencies	<u>152,740,336</u>	<u>143,117,029</u>
Total commitment and contingencies	<u>153,257,324</u>	<u>143,555,210</u>

BNP PARIBAS MALAYSIA BERHAD
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22. Islamic Banking Window

UNAUDITED STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2024

	Note	31-Mar 2024 RM'000	31-Dec 2023 RM'000
ASSETS			
Cash and short-term funds	(a)	53,795	24,758
Financial assets at fair value through other comprehensive income ('FVOCI')	(b)	-	29,949
Other assets	(d)	-	114
Property, plant and equipment	(e)	-	-
Intangible assets	(f)	-	-
TOTAL ASSETS		<u>53,795</u>	<u>54,821</u>
LIABILITIES AND ISLAMIC BANKING FUNDS			
Deposits from customers	(g)	19,362	20,787
Other liabilities	(h)	10,419	10,422
Total liabilities		<u>29,781</u>	<u>31,209</u>
Capital fund		26,850	26,850
Accumulated losses		(2,836)	(3,242)
Reserves		-	4
Islamic banking funds		<u>24,014</u>	<u>23,612</u>
TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS		<u>53,795</u>	<u>54,821</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 2023.

BNP PARIBAS MALAYSIA BERHAD
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22. Islamic Banking Window

UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	31-Mar	31-Mar
	2024	2023
	RM'000	RM'000
Income derived from investment of		
Islamic banking funds and depositors' funds	(i) 357	249
Profit expense to depositors	(60)	(21)
Net income derived from investment of Islamic banking funds and depositors' funds	297	228
Other operating income/(loss)	(j) 414	(9)
Other operating expenses	(k) (305)	(381)
Profit/(Loss) for the financial period before taxation	406	(162)
Taxation	-	-
Profit/(Loss) for the financial period after taxation	406	(162)
Total comprehensive profit/(loss) for the period	406	(162)

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 2023.

BNP PARIBAS MALAYSIA BERHAD
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Islamic Banking Operations

UNAUDITED STATEMENT OF CHANGES IN EQUITY IN ISLAMIC BANKING FUNDS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Capital fund RM'000	Regulatory reserve RM'000	Revaluation reserve- financial assets at FVOCI RM'000	Accumulated losses RM'000	Total RM'000
At 1 January 2024	26,850	-	4	(3,242)	23,612
Profit for the period	-	-	(4)	406	402
At 31 March 2024	<u>26,850</u>	<u>-</u>	<u>-</u>	<u>(2,836)</u>	<u>24,014</u>

	Capital fund RM'000	Regulatory reserve RM'000	Revaluation reserve- financial assets at FVOCI RM'000	Accumulated losses RM'000	Total RM'000
At 1 January 2023	26,850	-	-	(3,932)	22,918
Profit for the year	-	-	-	690	690
Other comprehensive income	-	-	4	-	4
At 31 December 2023	<u>26,850</u>	<u>-</u>	<u>4</u>	<u>(3,242)</u>	<u>23,612</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 2023.

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

22. Islamic Banking Window

(a) CASH AND SHORT-TERM FUNDS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
<u>At Amortised Cost</u>		
Cash and balances with banks and other financial institutions	1,782	8,525
Money at call and deposit placements maturing within one month	52,013	16,233
	<u>53,795</u>	<u>24,758</u>

(b) FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ('FVOCI')

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
At Fair value		
Government securities:		
Bank Negara Malaysia Debt Securities	-	29,949
	<u>-</u>	<u>29,949</u>

(c) LOANS, ADVANCES AND FINANCING

Funding extended to BNP Paribas Najmah under Profit Sharing Investment Account ("PSIA") are included in the Bank's loans, advances and financing. As at current reporting date, the amount is RM75.79 million (FY2023: RM 110.35 million). The PSIA is a contract based on the Wakalah principle.

(d) OTHER ASSETS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Other receivables	-	114
	<u>-</u>	<u>114</u>

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

22. Islamic Banking Window

(e) PROPERTY, PLANT AND EQUIPMENT

	Office Equipment and Machinery RM'000	Computer Equipment RM'000	Total RM'000
31 March 2024			
Cost			
At beginning of year/At end of the financial period	-	23	23
Accumulated Depreciation			
At beginning of year/At end of the financial period	-	23	23
Net Book Value	-	-	-
31 December 2023			
Cost			
At 1 January	6	23	29
Write-off	(6)	-	(6)
At beginning of year/At end of the financial period	-	23	23
Accumulated Depreciation			
At 1 January	6	23	29
Write-off	(6)	-	(6)
At beginning of year/At end of the financial period	-	23	23
Net Book Value	-	-	-

BNP PARIBAS MALAYSIA BERHAD
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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

22. Islamic Banking Window

(f) INTANGIBLE ASSETS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
<u>Computer Software:</u>		
Cost		
At beginning of year/At end of the financial period	41	41
Accumulated Amortisation		
At beginning of year/At end of the financial period	41	41
Net Book Value	-	-

(g) DEPOSITS FROM CUSTOMERS

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Type		
At Amortised Cost:		
Non-Mudharabah Fund		
Demand deposits	3,358	20,787
Commodity Murabahah	16,004	-
	19,362	20,787

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Due within six months	16,004	-

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Business enterprises	14	-
Domestic non-bank financial institution	19,348	20,787
	19,362	20,787

(h) OTHER LIABILITIES

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Other payables	10,419	10,422

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

22. Islamic Banking Window

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

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Money at call and deposit placement with financial institutions	140	249
Amortisation of premium less accretion of discount	217	-
	<u>357</u>	<u>249</u>

(j) OTHER OPERATING INCOME/(LOSS)

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Foreign exchange:		
- Unrealised gain	63	3
Others	351	(12)
	<u>414</u>	<u>(9)</u>

(k) OTHER OPERATING EXPENSES

	31-Mar 2024 RM'000	31-Mar 2023 RM'000
Personnel costs (Note i)	228	283
Establishment costs (Note ii)	17	31
Administration and general expenses (Note iii)	60	67
	<u>305</u>	<u>381</u>
(i) Personnel Costs		
Salaries, bonuses and allowances	222	226
Defined contribution plan	5	43
Other staff related expenses	1	14
	<u>228</u>	<u>283</u>
(ii) Establishment costs		
Rental of premises	11	22
Information technology costs	-	2
Others	6	7
	<u>17</u>	<u>31</u>
(iii) Administration and general expenses		
Legal and professional fees	37	39
Communication & transportation	4	4
Others	19	24
	<u>60</u>	<u>67</u>

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NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTD.)

22. Islamic Banking Window

(I) CAPITAL ADEQUACY

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Tier-I capital		
Capital fund	26,850	26,850
Accumulated losses	(3,242)	(3,242)
Other disclosed reserves	-	4
	<u>23,608</u>	<u>23,612</u>
Less : Regulatory adjustments		
55% of cumulative gains of financial instruments at FVOCI	-	(2)
	<u>-</u>	<u>(2)</u>
Total capital base	<u>23,608</u>	<u>23,610</u>
Capital Ratios		
Common Equity Tier 1 Capital Ratio	523.753%	405.936%
Tier 1 Capital Ratio	523.753%	405.936%
Total Capital Ratio	<u>523.753%</u>	<u>405.936%</u>

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

	31-Mar 2024 RM'000	31-Dec 2023 RM'000
Credit Risk	355	1,717
Market Risk	2,182	2,231
Operational Risk	1,970	1,868
Total risk-weighted assets	<u>4,507</u>	<u>5,816</u>