

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	Group		Bank	
		As at	As at	As at	As at
		31 March 2021	31 December 2020	31 March 2021	31 December 2020
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds		2,005,400	2,422,065	1,613,777	1,793,368
Deposits and placements with banks and other financial institutions		210,415	214,766	-	-
Financial assets at fair value through profit or loss ('FVTPL')	8	852,921	1,034,843	176,031	258,837
Financial assets at fair value through other comprehensive income ('FVOCI')	9	584,399	623,525	573,934	615,488
Financial investments at amortised costs	10	1,010,978	1,009,646	1,010,978	1,009,646
Loans and advances	11	1,830,213	1,817,874	1,483,615	1,496,483
Clients' and brokers' balances	12	1,273,967	1,339,568	1,058,727	946,680
Other assets	13	455,148	144,430	31,885	65,629
Derivative assets		741	1,017	619	122
Statutory deposits		25,099	16,977	21,000	13,000
Tax recoverable		1,686	1,781	-	-
Deferred tax assets		16,838	28,392	7,442	17,985
Investments in subsidiaries		-	-	714,622	715,398
Investments in associates and joint ventures		4,616	4,611	5,028	5,028
Right of use assets		22,165	23,034	6,208	6,733
Property, plant and equipment		37,241	38,374	18,203	19,272
Goodwill and other intangible assets		489,256	487,392	398,450	396,691
TOTAL ASSETS		8,821,083	9,208,295	7,120,519	7,360,360
LIABILITIES AND EQUITY					
Deposits from customers	14	1,052,039	1,252,094	1,052,039	1,252,094
Deposits and placements of banks and other financial institutions	15	2,622,332	2,773,193	2,622,332	2,773,193
Clients' and brokers' balances		1,154,943	1,171,930	973,612	824,677
Other liabilities	16	843,397	813,038	245,750	331,179
Derivative liabilities		33,060	71,748	31,987	71,732
Tax liabilities		11,722	15,481	2,397	6,646
Deferred tax liabilities		2	-	-	-
Lease liabilities		21,992	22,739	6,348	6,881
Borrowings		595,490	717,427	-	-
Subordinated obligations		204,564	202,148	204,564	202,148
TOTAL LIABILITIES		6,539,541	7,039,798	5,139,029	5,468,550
Share capital		1,487,773	1,487,773	1,487,773	1,487,773
Reserves		782,757	670,486	493,717	404,037
		2,270,530	2,158,259	1,981,490	1,891,810
Non-controlling interests		11,012	10,238	-	-
TOTAL EQUITY		2,281,542	2,168,497	1,981,490	1,891,810
TOTAL LIABILITIES AND EQUITY		8,821,083	9,208,295	7,120,519	7,360,360
COMMITMENTS AND CONTINGENCIES	27	1,109,521	1,157,647	825,621	786,858

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2021

Group	Note	1st Quarter Ended		Three Months Ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		RM'000	RM'000	RM'000	RM'000
Interest income	17	55,176	60,586	55,176	60,586
Interest expense	18	(25,323)	(42,036)	(25,323)	(42,036)
Net interest income		29,853	18,550	29,853	18,550
Fee and commission income	19	309,834	178,326	309,834	178,326
Fee and commission expense	20	(123,074)	(56,930)	(123,074)	(56,930)
Other operating income	21	57,248	22,604	57,248	22,604
		273,861	162,550	273,861	162,550
Other operating expenses	22	(132,307)	(138,005)	(132,307)	(138,005)
Operating profit before allowances		141,554	24,545	141,554	24,545
Allowance written back/(made) for expected credit losses	23	3,337	(3,467)	3,337	(3,467)
		144,891	21,078	144,891	21,078
Share of results of associates		5	14	5	14
Profit before taxation		144,896	21,092	144,896	21,092
Taxation		(36,438)	(4,750)	(36,438)	(4,750)
Profit from continuing operations		108,458	16,342	108,458	16,342
Loss from discontinued operation		-	(3,312)	-	(3,312)
Profit for the period		108,458	13,030	108,458	13,030
Profit attributable to:					
- Equity holder of the Bank		108,155	12,655	108,155	12,655
- Non-controlling interests		303	375	303	375
		108,458	13,030	108,458	13,030
Basic earnings/(loss) per share (sen)					
- Continuing operations	25	108.2	16.0	108.2	16.0
- Discontinued operation	25	-	(3.3)	-	(3.3)
		108.2	12.7	108.2	12.7

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2021

Group	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	108,458	13,030	108,458	13,030
Other comprehensive income/(loss) in respect of:				
(a) Item that will not be reclassified to income statements:				
(i) Actuarial (loss)/gain on defined benefit plan of subsidiaries	(599)	1,602	(599)	1,602
(ii) Financial assets at FVOCI, equity instruments:				
- Unrealised net gain/(loss) on revaluation	2,426	(491)	2,426	(491)
(b) Items that will be reclassified subsequently to income statements:				
(i) Foreign currency translation reserve				
- Currency translation differences	7,757	(23,467)	7,757	(23,467)
- Net investment hedge	-	566	-	566
(ii) Financial assets at FVOCI, debt instruments:				
- Unrealised net (loss)/gain on revaluation	(6,301)	436	(6,301)	436
Income tax relating to components of other comprehensive loss/(income)	1,304	(468)	1,304	(468)
Other comprehensive income/(loss), net of tax, for the financial period	4,587	(21,822)	4,587	(21,822)
Total comprehensive income/(loss) for the financial period	113,045	(8,792)	113,045	(8,792)
Total comprehensive income/(loss) attributable to:				
- Equity holder of the Bank	112,271	(8,864)	112,271	(8,864)
- Non-controlling interests	774	72	774	72
	113,045	(8,792)	113,045	(8,792)
Total comprehensive income/(loss) attributable to equity holder of the Bank arises from:				
- Continuing operations	112,271	(5,463)	112,271	(5,463)
- Discontinued operation	-	(3,401)	-	(3,401)
	112,271	(8,864)	112,271	(8,864)

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT
FOR THE THREE MONTHS ENDED 31 MARCH 2021

Bank	Note	1st Quarter Ended		Three Months Ended	
		31 March 2021	31 March 2020	31 March 2021	31 March 2020
		RM'000	RM'000	RM'000	RM'000
Interest income	17	43,453	49,637	43,453	49,637
Interest expense	18	(20,456)	(34,156)	(20,456)	(34,156)
Net interest income		22,997	15,481	22,997	15,481
Fee and commission income	19	129,117	67,156	129,117	67,156
Fee and commission expense	20	(9,543)	(1,963)	(9,543)	(1,963)
Other operating income	21	54,507	7,582	54,507	7,582
		197,078	88,256	197,078	88,256
Other operating expenses	22	(72,692)	(77,413)	(72,692)	(77,413)
Operating profit before allowances		124,386	10,843	124,386	10,843
Allowance written back/(made) for expected credit losses	23	435	(3,311)	435	(3,311)
Impairment loss on other non-financial assets	24	(547)	-	(547)	-
Profit before taxation		124,274	7,532	124,274	7,532
Taxation		(29,804)	(2,058)	(29,804)	(2,058)
Net profit for the financial period		94,470	5,474	94,470	5,474

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2021

Bank	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	94,470	5,474	94,470	5,474
Other comprehensive (loss)/income in respect of:				
(a) Item that will not be reclassified to income statement:				
(i) Financial assets at FVOCI, equity instruments:				
- Unrealised net gain on revaluation	-	436	-	436
(b) Items that will be reclassified subsequently to income statement:				
(i) Financial assets at FVOCI, debt instruments:				
- Unrealised net loss on revaluation	(6,302)	-	(6,302)	-
Income tax relating to components of other comprehensive loss/(income)	1,512	(105)	1,512	(105)
Other comprehensive (loss)/income, net of tax, for the financial period	(4,790)	331	(4,790)	331
Total comprehensive income for the financial period	89,680	5,805	89,680	5,805

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

RHB INVESTMENT BANK BERHAD
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2021

Attributable to the Equity Holder of the Bank

<u>Group</u>	Share capital	Statutory reserves	FVOCI reserves	Translation reserves	Regulatory reserves	Retained profits	Total	Non- controlling interests	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2021	1,487,773	515	50,380	61,582	35,282	522,727	2,158,259	10,238	2,168,497
Net profit for the financial period	-	-	-	-	-	108,155	108,155	303	108,458
Foreign currency translation reserve:-									
- Currency translation differences	-	-	-	7,763	-	-	7,763	(6)	7,757
Financial assets at FVOCI:-									
- Equity instruments									
- Unrealised net gain on revaluation	-	-	1,941	-	-	-	1,941	485	2,426
- Debt instruments									
- Unrealised net loss on revaluation	-	-	(6,301)	-	-	-	(6,301)	-	(6,301)
Actuarial loss on defined benefit plan of subsidiaries	-	-	-	-	-	(593)	(593)	(6)	(599)
Income tax relating to components of other comprehensive loss/(income)	-	-	1,512	-	-	(206)	1,306	(2)	1,304
Other comprehensive (loss)/income, net of tax, for the financial period	-	-	(2,848)	7,763	-	(799)	4,116	471	4,587
Total comprehensive (loss)/income for the financial period	-	-	(2,848)	7,763	-	107,356	112,271	774	113,045
Transfer to regulatory reserves	-	-	-	-	2,390	(2,390)	-	-	-
Balance as at 31 March 2021	1,487,773	515	47,532	69,345	37,672	627,693	2,270,530	11,012	2,281,542

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2020

<u>Group</u>	Attributable to Equity Holder of the Bank							Non- controlling interests	Total
	Share capital	Statutory reserves	FVOCI reserves	Translation reserves	Regulatory reserves	Retained profits	Total		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2020	1,487,773	517	41,918	134,778	32,004	587,298	2,284,288	10,208	2,294,496
Net profit for the financial period	-	-	-	-	-	12,655	12,655	375	13,030
Foreign currency translation reserve:-									
- Currency translation differences	-	-	-	(23,250)	-	-	(23,250)	(217)	(23,467)
- Net investment hedge	-	-	-	566	-	-	566	-	566
Financial assets at FVOCI:-									
- Equity instruments									
- Unrealised net loss on revaluation	-	-	(393)	-	-	-	(393)	(98)	(491)
- Debt instruments									
- Unrealised net gain on revaluation	-	-	436	-	-	-	436	-	436
Actuarial gain on defined benefit plan of subsidiaries	-	-	-	-	-	1,586	1,586	16	1,602
Income tax relating to components of other comprehensive income	-	-	(105)	-	-	(359)	(464)	(4)	(468)
Other comprehensive (loss)/income, net of tax, for the financial period	-	-	(62)	(22,684)	-	1,227	(21,519)	(303)	(21,822)
Total comprehensive (loss)/income for the financial period	-	-	(62)	(22,684)	-	13,882	(8,864)	72	(8,792)
Transfer from statutory reserves	-	(2)	-	-	-	2	-	-	-
Transfer from regulatory reserves	-	-	-	-	(1,537)	1,537	-	-	-
Dividend paid	-	-	-	-	-	(143,000)	(143,000)	-	(143,000)
Balance as at 31 March 2020	1,487,773	515	41,856	112,094	30,467	459,719	2,132,424	10,280	2,142,704

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2021

	Non-Distributable			Distributable	Total
	Share capital	FVOCI reserves	Regulatory reserves	Retained profits	
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2021	1,487,773	47,839	24,937	331,261	1,891,810
Net profit for the financial period	-	-	-	94,470	94,470
Financial assets at FVOCI, debt instruments:					
- Unrealised net loss on revaluation	-	(6,302)	-	-	(6,302)
Income tax relating to components of other comprehensive loss	-	1,512	-	-	1,512
Other comprehensive loss, net of tax, for the financial period	-	(4,790)	-	-	(4,790)
Total comprehensive (loss)/income for the financial period	-	(4,790)	-	94,470	89,680
Transfer to regulatory reserves	-	-	1,160	(1,160)	-
Balance as at 31 March 2021	1,487,773	43,049	26,097	424,571	1,981,490

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RHB INVESTMENT BANK BERHAD
 Incorporated in Malaysia
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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2020

	Non-Distributable		Distributable		Total
	Share capital	FVOCI reserves	Regulatory reserves	Retained profits	
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2020	1,487,773	39,360	20,557	567,193	2,114,883
Net profit for the financial period	-	-	-	5,474	5,474
Financial assets at FVOCI, equity instruments:					
- Unrealised net gain on revaluation	-	436	-	-	436
Income tax relating to components of other comprehensive loss	-	(105)	-	-	(105)
Other comprehensive income, net of tax, for the financial period	-	331	-	-	331
Total comprehensive income for the financial period	-	331	-	5,474	5,805
Transfer from regulatory reserves	-	-	(951)	951	-
Dividend paid	-	-	-	(143,000)	(143,000)
Balance as at 31 March 2020	1,487,773	39,691	19,606	430,618	1,977,688

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

INTERIM FINANCIAL STATEMENTS
 UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
 FOR THE THREE MONTHS ENDED 31 MARCH 2021

	Three Months Ended	
	31 March 2021	31 March 2020
	RM'000	RM'000
Group		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit/(Loss) before taxation:		
- Continuing operations	144,896	21,092
- Discontinued operation	-	(3,447)
	144,896	17,645
Adjustments for non-operating and non-cash items	(26,238)	14,747
Operating profit before working capital changes	118,658	32,392
Changes in working capital:		
Net changes in operating assets	(18,567)	386,929
Net changes in operating liabilities	(392,969)	750,550
Cash (used in)/generated from operations	(292,878)	1,169,871
Lease interest	(361)	(416)
Net taxation paid	(27,293)	(4,652)
Net cash (used in)/generated from operating activities	(320,532)	1,164,803
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds/(purchase) of financial assets at FVOCI and financial investments at amortised costs	33,306	(90,349)
Interest income received from financial assets at FVTPL, FVOCI and financial investments at amortised costs	13,850	10,537
Property, plant and equipment		
- Purchase	(1,743)	(1,430)
- Proceeds from disposal	66	-
Purchase of other intangible assets	(4,099)	(1,832)
Dividend income received from financial assets at FVTPL and FVOCI	3,794	1,655
Contingent consideration received from disposal of a subsidiary	1,256	-
Net cash generated from/(used in) investing activities	46,430	(81,419)
CASH FLOWS FROM FINANCING ACTIVITIES		
Net repayment of borrowings	(134,557)	(345,623)
Borrowings interest paid	(4,306)	(7,606)
Lease principal payment	(2,579)	(4,123)
Dividend paid to shareholder	-	(143,000)
Dividend paid to non-controlling interest	-	(1,000)
Net cash used in financing activities	(141,442)	(501,352)
Net (decrease)/increase in cash and cash equivalents	(415,544)	582,032
Effects of exchange rate differences	(1,518)	(7,084)
Cash and cash equivalents		
- at the beginning of the financial year	2,422,584	2,146,595
- at the end of the financial period	2,005,522	2,721,543
ANALYSIS OF CASH AND CASH EQUIVALENTS:		
Cash and short-term funds before expected credit losses	2,005,522	2,721,543
Less: Allowance for expected credit losses	(122)	(262)
Cash and short-term funds, net of expected credit losses	2,005,400	2,721,281
Cash flows of discontinued operation	-	39,902

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

INTERIM FINANCIAL STATEMENTS
 UNAUDITED CONDENSED STATEMENT OF CASH FLOWS
 FOR THE THREE MONTHS ENDED 31 MARCH 2021

	Three Months Ended	
	31 March 2021	31 March 2020
	RM'000	RM'000
Bank		
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	124,274	7,532
Adjustments for non-operating and non-cash items	(28,363)	11,869
Operating profit before working capital changes	95,911	19,401
Changes in working capital:		
Net changes in operating assets	(29,080)	89,997
Net changes in operating liabilities	(306,890)	863,900
Cash (used in)/generated from operations	(240,059)	973,298
Lease interest	(74)	(75)
Net taxation paid	(21,998)	(302)
Net cash (used in)/generated from operating activities	(262,131)	972,921
CASH FLOWS FROM INVESTING ACTIVITIES		
Net proceeds/(purchase) of financial assets at FVOCI and financial investments at amortised costs	34,804	(90,382)
Interest income received from financial assets at FVTPL, FVOCI and financial investments at amortised costs	13,850	10,536
Property, plant and equipment		
- Purchase	(391)	(778)
- Proceeds from disposal	73	-
Purchase of other intangible assets	(3,292)	(1,014)
Capital repayment from subsidiaries	229	
Dividend income received from financial assets at FVTPL and FVOCI	1,241	184
Dividend income received from subsidiaries	36,000	44,500
Additional investments in a subsidiary	-	(80,775)
Subscription of redeemable preference shares issued by a subsidiary	-	(20,000)
Contingent consideration received from disposal of a subsidiary	1,256	-
Net cash generated from/(used in) investing activities	83,770	(137,729)
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease principal payment	(1,221)	(1,303)
Dividend paid to shareholder	-	(143,000)
Net cash used in financing activities	(1,221)	(144,303)
Net (decrease)/increase in cash and cash equivalents	(179,582)	690,889
Cash and cash equivalents		
- at the beginning of the financial year	1,793,383	1,443,799
- at the end of the financial period	1,613,801	2,134,688
ANALYSIS OF CASH AND CASH EQUIVALENTS:		
Cash and short-term funds before expected credit losses	1,613,801	2,134,688
Less: Allowance for expected credit losses	(24)	(15)
Cash and short-term funds, net of expected credit losses	1,613,777	2,134,673

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2020.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021

1 Basis of Preparation

The interim financial statements are unaudited and has been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Board ('MASB') and should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2020.

The accounting policies and presentation adopted by the Group and the Bank for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2020, except for the adoption of the following accounting standards, annual improvements and amendments to MFRS which are effective and applicable for the Group and the Bank for financial periods beginning on or after 1 January 2021:

- Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7 and MFRS 16)
- Amendments to MFRS 16 - COVID-19 Related Rent Concessions

The adoption of the above accounting standards, annual improvements and amendments do not give rise to any material financial impact to the Group and the Bank.

2 Auditors' Report

The auditors' report for the financial year ended 31 December 2020 was not subject to any qualification.

3 Seasonal or Cyclical Factors

The business operations of the Group and the Bank have not been affected by any material seasonal or cyclical factors.

4 Exceptional or Unusual Items

There were no exceptional or unusual items for the three months ended 31 March 2021.

5 Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the three months ended 31 March 2021.

6 Changes in Debt and Equity Securities

There were no issuances and repayments of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the three months ended 31 March 2021.

7 Dividends Paid and Proposed Dividend

No dividend was paid by the Bank during the three months ended 31 March 2021.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

8 Financial Assets at Fair Value Through Profit or Loss ('FVTPL')

	Group		Bank	
	As at	As at	As at	As at
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
At fair value				
<u>Quoted securities:</u>				
In Malaysia				
Shares and exchange traded funds	129,974	209,292	129,974	209,292
Unit trusts	54,086	58,077	8,214	8,218
Outside Malaysia				
Shares and exchange traded funds	88,670	205,677	9,229	12,958
Unit trusts	26,092	25,676	26,092	25,676
<u>Unquoted securities:</u>				
In Malaysia				
Prasarana bonds	-	25	-	25
Corporate bonds/sukuk	2,522	1,412	2,522	1,412
Outside Malaysia				
Private equity funds	551,577	533,428	-	-
	852,921	1,033,587	176,031	257,581
Contingent consideration	-	1,256	-	1,256
	852,921	1,034,843	176,031	258,837

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

9 Financial Assets at Fair Value Through Other Comprehensive Income ('FVOCI')

	Group		Bank	
	As at	As at	As at	As at
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
At fair value				
(a) Debt instruments	538,980	580,534	538,980	580,534
(b) Equity instruments	45,419	42,991	34,954	34,954
	<u>584,399</u>	<u>623,525</u>	<u>573,934</u>	<u>615,488</u>
(a) Debt instruments				
<u>Money market instruments:</u>				
Malaysian Government Securities	134,786	138,165	134,786	138,165
Malaysian Government Investment Issues	21,138	21,072	21,138	21,072
Khazanah bonds	48,373	48,408	48,373	48,408
Sukuk Perumahan Kerajaan	73,298	73,100	73,298	73,100
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Corporate bonds/sukuk	235,732	273,620	235,732	273,620
Prasarana bonds	25,653	26,169	25,653	26,169
	<u>538,980</u>	<u>580,534</u>	<u>538,980</u>	<u>580,534</u>

There are no allowance for expected credit losses on FVOCI, debt instruments as all instruments are guaranteed by the Government of Malaysia.

(b) Equity instruments

Quoted securities:

Outside Malaysia

Shares	2,209	1,866	-	-
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Unquoted securities:

In Malaysia

Shares	42,906	40,823	34,954	34,954
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Outside Malaysia

Shares	304	302	-	-
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	<u>45,419</u>	<u>42,991</u>	<u>34,954</u>	<u>34,954</u>
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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

10 Financial Investments at Amortised Costs

	As at 31 March 2021	Group and Bank As at 31 December 2020
	RM'000	RM'000
At amortised cost		
<u>Money market instruments:</u>		
Malaysian Government Securities	91,968	92,878
Malaysian Government Investment Issues	372,524	369,222
Khazanah bonds	13,129	13,003
Wakala Global Sukuk	8,400	8,262
<u>Unquoted securities:</u>		
In Malaysia		
Corporate bonds/sukuk	505,899	507,075
Loan stocks	25,853	25,853
Prasarana bonds	70,652	70,800
	1,088,425	1,087,093
Allowance for expected credit losses	(77,447)	(77,447)
	1,010,978	1,009,646

(a) Movement in credit impaired financial investments at amortised costs

Balance as at the beginning/end of the financial year/period	77,447	77,447
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(b) Movement in allowance for expected credit losses at financial investments at amortised costs

	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
Group and Bank 31 March 2021	RM'000	RM'000	RM'000	RM'000
Balance as at the beginning/end of the financial year/period	-	-	77,447	77,447
Group and Bank 31 December 2020				
Balance as at the beginning/end of the financial year/period	-	-	77,447	77,447

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

11 Loans and Advances

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
(a) By type				
At amortised cost				
Term loans	2	2	2	2
Share margin financing	1,838,908	1,826,512	1,483,311	1,496,171
Staff loans	303	311	303	311
Gross loans and advances	1,839,213	1,826,825	1,483,616	1,496,484
Less: Allowance for expected credit losses	(9,000)	(8,951)	(1)	(1)
Net loans and advances	<u>1,830,213</u>	<u>1,817,874</u>	<u>1,483,615</u>	<u>1,496,483</u>
(b) By type of customer				
Domestic business enterprises:				
- small and medium enterprises	214,736	190,074	214,736	190,074
- others	201,955	201,109	201,955	201,109
Individuals	1,032,523	1,079,583	1,032,523	1,079,583
Foreign entities	389,999	356,059	34,402	25,718
	<u>1,839,213</u>	<u>1,826,825</u>	<u>1,483,616</u>	<u>1,496,484</u>
(c) By geographical distribution				
In Malaysia	1,483,616	1,496,484	1,483,616	1,496,484
Outside Malaysia				
- Indonesia	148,351	188,983	-	-
- Thailand	207,246	141,358	-	-
	<u>1,839,213</u>	<u>1,826,825</u>	<u>1,483,616</u>	<u>1,496,484</u>
(d) By interest rate sensitivity				
Fixed rate:				
- other fixed rate loans	1,631,965	1,685,465	1,483,614	1,496,482
Variable rate:				
- base lending rate plus	207,248	141,360	2	2
	<u>1,839,213</u>	<u>1,826,825</u>	<u>1,483,616</u>	<u>1,496,484</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at	As at	As at	As at
	31 March 2021	31 December 2020	31 March 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
(e) By purpose				
Purchase of securities	1,838,908	1,826,512	1,483,311	1,496,171
Purchase of landed property:				
- residential	305	313	305	313
	<u>1,839,213</u>	<u>1,826,825</u>	<u>1,483,616</u>	<u>1,496,484</u>
(f) By economic sector				
Agriculture, hunting, forestry and fishing	116	105	116	105
Mining and quarrying	91	91	91	91
Manufacturing	2,662	3,180	2,662	3,180
Construction	5,102	5,974	5,102	5,974
Wholesale and retail trade and restaurant and hotel	3,558	1,670	3,558	1,670
Transport, storage and communication	4,010	4,253	4,010	4,253
Finance, insurance, real estate and business services	404,283	387,219	404,283	378,667
Household sector	1,419,391	1,424,333	1,063,794	1,102,544
	<u>1,839,213</u>	<u>1,826,825</u>	<u>1,483,616</u>	<u>1,496,484</u>
(g) By remaining contractual maturities				
Maturity within one year	1,838,908	1,826,512	1,483,311	1,496,171
One year to three years	7	8	7	8
Three years to five years	20	21	20	21
Over five years	278	284	278	284
	<u>1,839,213</u>	<u>1,826,825</u>	<u>1,483,616</u>	<u>1,496,484</u>
(h) By stages				
Group	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
31 March 2021	RM'000	RM'000	RM'000	RM'000
Balance as at beginning of the financial year	1,816,035	1,123	9,667	1,826,825
Transfer to 12-month ECL (Stage 1)	4,583	(3,745)	(838)	-
Transfer to Lifetime ECL not credit impaired (Stage 2)	(3,926)	3,926	-	-
Transfer to Lifetime ECL credit impaired (Stage 3)	(1,298)	-	1,298	-
Addition and origination	6,523,867	-	-	6,523,867
Derecognition	(6,511,389)	(276)	-	(6,511,665)
Exchange differences	140	(1)	47	186
Balance as at the end of the financial period	<u>1,828,012</u>	<u>1,027</u>	<u>10,174</u>	<u>1,839,213</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

11 Loans and Advances (cont'd)

(h) By stages (cont'd)

Group	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
31 December 2020				
Balance as at beginning of the financial year	1,852,148	29	23,313	1,875,490
Transfer to 12-month ECL (Stage 1)	86,370	(82,179)	(4,191)	-
Transfer to Lifetime ECL not credit impaired (Stage 2)	(91,243)	91,243	-	-
Transfer to Lifetime ECL credit impaired (Stage 3)	(5,850)	-	5,850	-
Addition and origination	15,822,794	-	-	15,822,794
Derecognition	(15,779,111)	(7,970)	(4,632)	(15,791,713)
Amount written off	-	-	(8,381)	(8,381)
Disposal of a subsidiary	(61,240)	-	(1,874)	(63,114)
Exchange differences	(7,833)	-	(418)	(8,251)
Balance as at the end of the financial year	<u>1,816,035</u>	<u>1,123</u>	<u>9,667</u>	<u>1,826,825</u>
Bank				
31 March 2021				
Balance as at beginning of the financial year	1,495,682	802	-	1,496,484
Transfer to 12-month ECL (Stage 1)	2,078	(1,954)	(124)	-
Transfer to Lifetime ECL not credit impaired (Stage 2)	(2,454)	2,454	-	-
Transfer to Lifetime ECL credit impaired (Stage 3)	(212)	-	212	-
Addition and origination	1,876,662	-	-	1,876,662
Derecognition	(1,889,254)	(276)	-	(1,889,530)
Balance as at the end of the financial period	<u>1,482,502</u>	<u>1,026</u>	<u>88</u>	<u>1,483,616</u>
Bank				
31 December 2020				
Balance as at beginning of the financial year	1,405,664	29	-	1,405,693
Transfer to 12-month ECL (Stage 1)	70,003	(69,301)	(702)	-
Transfer to Lifetime ECL not credit impaired (Stage 2)	(77,853)	77,853	-	-
Transfer to Lifetime ECL credit impaired (Stage 3)	(896)	-	896	-
Addition and origination	6,807,780	-	-	6,807,780
Derecognition	(6,710,104)	(7,779)	(194)	(6,718,077)
Exchange differences	1,088	-	-	1,088
Balance as at the end of the financial year	<u>1,495,682</u>	<u>802</u>	<u>-</u>	<u>1,496,484</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

11 Loans and Advances (cont'd)

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
(i) Impaired loans and advances				
(i) By purpose				
Purchase of securities	10,174	9,667	88	-
(ii) By economic sector				
Household sector	10,174	9,667	88	-
(iii) By geographical distribution				
In Malaysia	88	-	88	-
Outside Malaysia:				
- Indonesia	1,086	716	-	-
- Thailand	9,000	8,951	-	-
	10,174	9,667	88	-

(iv) Movement in allowance for expected credit losses

	12-month 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
Group				
31 March 2021				
Balance as at beginning of the financial year	1	-	8,950	8,951
Exchange differences	-	-	49	49
Balance as at the end of the financial period	1	-	8,999	9,000
Group				
31 December 2020				
Balance as at beginning of the financial year	1	-	19,616	19,617
Net allowance made	-	-	(298)	(298)
Amount written off	-	-	(8,381)	(8,381)
Disposal of a subsidiary	-	-	(1,560)	(1,560)
Exchange differences	-	-	(427)	(427)
Balance as at the end of the financial year	1	-	8,950	8,951

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

11 Loans and Advances (cont'd)

(i) Impaired loans and advances (cont'd)

(iv) Movement in allowance for expected credit losses (cont'd)

	12-month 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
Bank				
31 March 2021				
Balance as at beginning/end of the financial year/period	1	-	-	1
Bank				
31 December 2020				
Balance as at beginning/end of the financial year	1	-	-	1

12 Clients' and Brokers' Balances

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Amounts owing by clients	1,071,165	1,084,974	847,221	743,519
Less: Allowance for expected credit losses	(26,042)	(30,067)	(2,982)	(4,465)
	1,045,123	1,054,907	844,239	739,054
Amounts owing by brokers	147,346	151,220	146,994	150,831
Amounts owing by clearing houses and stock exchanges	81,498	133,441	67,494	56,795
	1,273,967	1,339,568	1,058,727	946,680

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

12 Clients' and Brokers' Balances (cont'd)

Movement in allowance for expected credit losses

(a) Non-credit impaired

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Balance as at the beginning of the financial year	3	107	2	1
Transferred to credit impaired	-	(340)	-	-
Allowance for expected credit losses	2	850	2	17
Derecognition	-	(445)	-	(16)
Disposal of a subsidiary	-	(169)	-	-
Balance as at the end of the financial period/year	<u>5</u>	<u>3</u>	<u>4</u>	<u>2</u>

(b) Credit impaired

Balance as at the beginning of the financial year	30,064	20,665	4,463	4,635
Transferred from non-credit impaired	-	340	-	-
Allowance for expected credit losses	1,558	19,003	82	429
Derecognition	(4,203)	(2,228)	(196)	(600)
Amount written off	(1,371)	(4,058)	(1,371)	(1)
Disposal of a subsidiary	-	(3,335)	-	-
Exchange differences	(11)	(323)	-	-
Balance as at the end of the financial period/year	<u>26,037</u>	<u>30,064</u>	<u>2,978</u>	<u>4,463</u>

13 Other Assets

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Other receivables	43,825	59,303	17,638	18,129
Unit trust fee receivables	27,279	25,147	-	-
Management fee receivables	3,655	3,237	-	-
Deposits	7,229	7,506	2,680	2,952
Prepayments	17,234	10,307	10,165	4,630
Amount receivable for release of units from funds	355,244	36,355	-	-
Transferable memberships	262	262	262	262
Amount due from holding company	-	1,557	-	-
Amount due from subsidiaries	-	-	720	38,937
Amount due from related companies	420	756	420	719
	<u>455,148</u>	<u>144,430</u>	<u>31,885</u>	<u>65,629</u>

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14 Deposits from Customers

	Group and Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
(a) By type of deposits		
Short-term deposits	1,052,039	1,252,094
(b) By type of customers		
Government and statutory bodies	268,778	215,262
Business enterprises	783,261	1,036,832
	1,052,039	1,252,094
(c) By maturity structure of fixed deposits		
Due within six months	1,052,039	1,252,094

15 Deposits and Placements of Banks and Other Financial Institutions

	Group and Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Licensed banks	2,622,332	2,722,491
Licensed investment banks	-	50,702
	2,622,332	2,773,193

16 Other Liabilities

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Other creditors and accruals	197,471	262,092	107,523	166,551
Contract liabilities	5,366	5,691	1,851	1,981
Remisiers' trust deposits	97,137	92,060	97,137	92,060
Amount payable for creation of units due to funds	70,632	296,396	-	-
Amount payable for redemption units	422,444	58,430	-	-
Short-term employee benefits	22,373	69,357	14,980	49,468
Amount due to holding company	25,981	27,078	23,867	20,757
Amount due to subsidiaries	-	-	29	20
Amount due to related companies	770	529	363	342
Provision for restructuring costs	1,223	1,405	-	-
	843,397	813,038	245,750	331,179

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	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
17 Interest Income				
<u>Group</u>				
Loans and advances	25,420	22,858	25,420	22,858
Money at call and deposits and placements with banks and other financial institutions	11,074	18,509	11,074	18,509
Financial assets at FVTPL	23	3	23	3
Financial assets at FVOCI, debt instruments	5,158	6,701	5,158	6,701
Financial investments at amortised costs	9,623	9,338	9,623	9,338
Others	3,878	3,177	3,878	3,177
	55,176	60,586	55,176	60,586
of which:				
Interest income accrued on impaired financial assets	1,129	174	1,129	174
<u>Bank</u>				
Loans and advances	17,541	18,107	17,541	18,107
Money at call and deposits and placements with banks and other financial institutions	8,122	14,449	8,122	14,449
Financial assets at FVTPL	23	2	23	2
Financial assets at FVOCI, debt instrument	5,158	6,701	5,158	6,701
Financial investments at amortised costs	9,623	9,338	9,623	9,338
Others	2,986	1,040	2,986	1,040
	43,453	49,637	43,453	49,637
of which:				
Interest income accrued on impaired financial assets	2	6	2	6

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
18 Interest Expense				
<u>Group</u>				
Deposits and placements of banks and other financial institutions	13,138	18,515	13,138	18,515
Deposits from customers	4,814	10,665	4,814	10,665
Subordinated obligations	2,416	4,912	2,416	4,912
Borrowings	4,318	6,984	4,318	6,984
Others	637	960	637	960
	25,323	42,036	25,323	42,036
<u>Bank</u>				
Deposits and placements of banks and other financial institutions	13,138	18,515	13,138	18,515
Deposits from customers	4,814	10,665	4,814	10,665
Subordinated obligations	2,416	4,912	2,416	4,912
Others	88	64	88	64
	20,456	34,156	20,456	34,156
19 Fee and Commission Income				
(a) By type of fee income				
<u>Group</u>				
Brokerage income	139,764	69,926	139,764	69,926
Fund management fees	70,466	64,847	70,466	64,847
Unit trust fee income	74,639	23,753	74,639	23,753
Corporate advisory fees	5,137	3,720	5,137	3,720
Arrangement fees and underwriting	1,492	164	1,492	164
Placement fees	4,659	110	4,659	110
Rollover fees	1,153	1,475	1,153	1,475
Commission	1,128	1,025	1,128	1,025
Service charges and fees	322	519	322	519
Other fee income	11,074	12,787	11,074	12,787
	309,834	178,326	309,834	178,326
<u>Bank</u>				
Brokerage income	111,861	53,958	111,861	53,958
Corporate advisory fees	4,277	3,155	4,277	3,155
Arrangement fees and underwriting	475	-	475	-
Placement fees	4,659	110	4,659	110
Rollover fees	1,153	1,474	1,153	1,474
Commission	289	322	289	322
Service charges and fees	185	312	185	312
Other fee income	6,218	7,825	6,218	7,825
	129,117	67,156	129,117	67,156

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	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
19 Fee and Commission Income (cont'd)				
(b) By geographical market of fee income				
<u>Group</u>				
Malaysia	273,589	152,976	273,589	152,976
Singapore	3,352	4,556	3,352	4,556
Indonesia	17,928	8,094	17,928	8,094
Thailand	14,771	10,500	14,771	10,500
Hong Kong	87	2,196	87	2,196
Cambodia	105	2	105	2
Vietnam	2	2	2	2
	<u>309,834</u>	<u>178,326</u>	<u>309,834</u>	<u>178,326</u>
<u>Bank</u>				
Malaysia	<u>129,117</u>	<u>67,156</u>	<u>129,117</u>	<u>67,156</u>
(c) By timing of fee income recognition				
<u>Group</u>				
At a point in time	235,585	110,402	235,585	110,402
Over time	74,249	67,924	74,249	67,924
	<u>309,834</u>	<u>178,326</u>	<u>309,834</u>	<u>178,326</u>
<u>Bank</u>				
At a point in time	127,977	66,498	127,977	66,498
Over time	1,140	658	1,140	658
	<u>129,117</u>	<u>67,156</u>	<u>129,117</u>	<u>67,156</u>
20 Fee and Commission Expense				
<u>Group</u>				
Fund management fees	32,406	29,537	32,406	29,537
Unit trust fees	74,877	23,567	74,877	23,567
Commission and incentives	15,791	3,826	15,791	3,826
	<u>123,074</u>	<u>56,930</u>	<u>123,074</u>	<u>56,930</u>
<u>Bank</u>				
Commission and incentives	<u>9,543</u>	<u>1,963</u>	<u>9,543</u>	<u>1,963</u>

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
21 Other Operating Income				
<u>Group</u>				
(a) Net gain/(loss) arising from financial instruments at FVTPL				
- net gain/(loss) on disposal	32,802	(65,746)	32,802	(65,746)
- unrealised net loss on revaluation	(433)	(2,069)	(433)	(2,069)
- gross dividend income	3,794	1,655	3,794	1,655
	<u>36,163</u>	<u>(66,160)</u>	<u>36,163</u>	<u>(66,160)</u>
(b) Net (loss)/gain arising from derivatives	<u>(12,790)</u>	65,125	<u>(12,790)</u>	65,125
(c) Net gain arising from financial assets at FVOCI, debt instruments				
- net gain on disposal	53	77	53	77
(d) Other income				
- net foreign exchange gain	10,628	5,246	10,628	5,246
- net gain on disposal of property, plant and equipment	66	-	66	-
- gain on modification of right of use assets	-	38	-	38
- fair value changes to sale consideration	1,251	-	1,251	-
- other operating income	21,877	18,278	21,877	18,278
	<u>33,822</u>	<u>23,562</u>	<u>33,822</u>	<u>23,562</u>
	<u>57,248</u>	<u>22,604</u>	<u>57,248</u>	<u>22,604</u>

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	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
21 Other Operating Income (cont'd)				
<u>Bank</u>				
(a) Net loss arising from financial assets at FVTPL				
- net loss on disposal	(9,253)	(8,235)	(9,253)	(8,235)
- unrealised net gain/(loss) on revaluation	7,552	(12,686)	7,552	(12,686)
- gross dividend income	1,241	184	1,241	184
	<u>(460)</u>	<u>(20,737)</u>	<u>(460)</u>	<u>(20,737)</u>
(b) Net gain arising from derivatives	<u>21,363</u>	5,900	<u>21,363</u>	5,900
(c) Net gain arising from financial assets at FVOCI, debt instruments				
- net gain on disposal	<u>53</u>	<u>77</u>	<u>53</u>	<u>77</u>
(d) Gross dividend income from subsidiaries in Malaysia	<u>-</u>	<u>1,500</u>	<u>-</u>	<u>1,500</u>
(e) Other income				
- net foreign exchange gain	10,775	2,552	10,775	2,552
- gain on disposal of property, plant and equipment	73	-	73	-
- fair value changes to sales consideration	1,251	-	1,251	-
- gain on modification of right of use assets	-	2	-	2
- other operating income	21,452	18,288	21,452	18,288
	<u>33,551</u>	<u>20,842</u>	<u>33,551</u>	<u>20,842</u>
	<u>54,507</u>	<u>7,582</u>	<u>54,507</u>	<u>7,582</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
22 Other Operating Expenses				
<u>Group</u>				
<u>Personnel costs</u>				
- Salaries, bonus and allowances	63,234	67,735	63,234	67,735
- Defined contribution plan	7,220	7,701	7,220	7,701
- Other staff related costs	8,725	7,433	8,725	7,433
	79,179	82,869	79,179	82,869
<u>Establishment costs</u>				
- Property, plant and equipment				
- depreciation	2,936	2,675	2,936	2,675
- written off	-	4	-	4
- Amortisation of other intangible assets	2,257	2,312	2,257	2,312
- Depreciation of right of use assets	2,752	2,907	2,752	2,907
- Information technology expenses	15,873	14,578	15,873	14,578
- Security and escorting charges	116	53	116	53
- Repair and maintenance	569	665	569	665
- Rental of premises	3,824	5,430	3,824	5,430
- Water and electricity	826	1,058	826	1,058
- Rental of equipment	13	61	13	61
- Insurance	969	1,139	969	1,139
- Others	5,179	1,966	5,179	1,966
	35,314	32,848	35,314	32,848
<u>Marketing expenses</u>				
- Advertisements and publicity	880	1,112	880	1,112
- Sales commission	1,086	805	1,086	805
- Others	2,774	3,561	2,774	3,561
	4,740	5,478	4,740	5,478
<u>Administration and general expenses</u>				
- Communication expenses	5,810	6,409	5,810	6,409
- Legal and professional fees	2,251	2,072	2,251	2,072
- Others	5,013	8,329	5,013	8,329
	13,074	16,810	13,074	16,810
	132,307	138,005	132,307	138,005

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	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
22 Other Operating Expenses (cont'd)				
<u>Bank</u>				
<u>Personnel costs</u>				
- Salaries, bonus and allowances	33,339	40,428	33,339	40,428
- Defined contribution plan	5,279	5,730	5,279	5,730
- Other staff related costs	4,008	3,936	4,008	3,936
	42,626	50,094	42,626	50,094
<u>Establishment costs</u>				
- Depreciation of property, plant and equipment	1,460	1,244	1,460	1,244
- Amortisation of other intangible assets	1,533	1,574	1,533	1,574
- Depreciation of right of use assets	1,213	1,283	1,213	1,283
- Information technology expenses	11,646	8,462	11,646	8,462
- Security and escorting charges	91	47	91	47
- Repair and maintenance	324	381	324	381
- Rental of premises	1,987	1,683	1,987	1,683
- Water and electricity	619	733	619	733
- Rental of equipment	4	5	4	5
- Insurance	586	868	586	868
- Others	5,186	2,035	5,186	2,035
	24,649	18,315	24,649	18,315
<u>Marketing expenses</u>				
- Advertisements and publicity	6	73	6	73
- Sales commission	122	212	122	212
- Others	1,645	1,391	1,645	1,391
	1,773	1,676	1,773	1,676
<u>Administration and general expenses</u>				
- Communication expenses	2,835	2,710	2,835	2,710
- Legal and professional fees	195	149	195	149
- Others	614	4,469	614	4,469
	3,644	7,328	3,644	7,328
	72,692	77,413	72,692	77,413

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	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
	RM'000	RM'000	RM'000	RM'000
23 Allowance (Written Back)/Made for Expected Credit Losses				
<u>Group</u>				
Net allowance made on loans and advances	-	186	-	186
Allowance (written back)/made for expected credit losses on other receivables and clients' and brokers' balances	(3,314)	2,922	(3,314)	2,922
Bad debts recovered	-	(87)	-	(87)
Other financial assets	(23)	446	(23)	446
	(3,337)	3,467	(3,337)	3,467
<u>Bank</u>				
Net allowance made on loans and advances	-	206	-	206
Allowance (written back)/made for expected credit losses on other receivables and clients' and brokers' balances	(444)	3,213	(444)	3,213
Bad debts recovered	-	(87)	-	(87)
Other financial assets	9	(21)	9	(21)
	(435)	3,311	(435)	3,311
24 Impairment Loss on Other Non-financial Assets				
<u>Bank</u>				
Investments in subsidiaries	547	-	547	-

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

25 Basic Earnings/(Loss) Per Share

The basic earnings/(loss) per share ('EPS') is calculated by dividing the net profit/(loss) attributable to the owner of the Bank for the first quarter and three months ended 31 March by the weighted average number of ordinary shares in issue during the financial period.

Group	1st Quarter Ended		Three Months Ended	
	31 March 2021	31 March 2020	31 March 2021	31 March 2020
Net profit/(loss) attributable to equity holders (RM'000)				
- Continuing operations	108,155	15,967	108,155	15,967
- Discontinued operation	-	(3,312)	-	(3,312)
	108,155	12,655	108,155	12,655
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Basic earnings/(loss) per share (sen)				
- Continuing operations	108.2	16.0	108.2	16.0
- Discontinued operation	-	(3.3)	-	(3.3)
	108.2	12.7	108.2	12.7

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

26 Capital Adequacy Ratio

BNM guidelines on capital adequacy requires the Group and the Bank to maintain an adequate level of capital to withstand any losses which may result from credit and other risks associated with financing operations. The capital adequacy ratio is computed based on the eligible capital in relation to the total risk-weighted assets as determined by BNM.

The capital adequacy ratios of the Group and the Bank are as follows:

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Common Equity Tier I ('CET I')/ Tier I Capital				
Share capital	1,487,773	1,487,773	1,487,773	1,487,773
Retained profits	520,337	522,727	329,554	331,261
Other reserves	69,860	62,097	-	-
FVOCI reserves	47,532	50,380	43,049	47,839
	<u>2,125,502</u>	<u>2,122,977</u>	<u>1,860,376</u>	<u>1,866,873</u>
Less: Goodwill	(449,978)	(449,978)	(372,395)	(372,395)
Investments in subsidiaries	-	-	(714,622)	(715,398)
Investments in associates and joint ventures	(4,616)	(4,611)	(5,028)	(5,028)
Other intangible assets	(39,278)	(37,414)	(26,055)	(24,296)
55% of cumulative gains arising from change in value of FVOCI financial instruments	(26,143)	(27,709)	(23,677)	(26,311)
Other deductions	(15)	-	(15)	-
Deferred tax assets	(16,838)	(28,392)	(7,442)	(17,985)
Total CET I Capital	<u>1,588,634</u>	<u>1,574,873</u>	<u>711,142</u>	<u>705,460</u>
Qualifying non-controlling interests recognised as Tier I Capital	2,245	2,060	-	-
Total Tier I Capital	<u>1,590,879</u>	<u>1,576,933</u>	<u>711,142</u>	<u>705,460</u>
Tier II Capital				
Subordinated obligations meeting all relevant criteria	200,000	200,000	200,000	200,000
Qualifying non-controlling interests recognised as Tier II Capital	219	231	-	-
General provision ^	27,798	26,003	8,048	9,921
Total Tier II Capital	<u>228,017</u>	<u>226,234</u>	<u>208,048</u>	<u>209,921</u>
Total Capital	<u>1,818,896</u>	<u>1,803,167</u>	<u>919,190</u>	<u>915,381</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

26 Capital Adequacy Ratio (cont'd)

The capital adequacy ratios of the Group and the Bank are as follows: (cont'd)

	Group		Bank	
	As at 31 March 2021	As at 31 December 2020	As at 31 March 2021	As at 31 December 2020
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	38.372%	38.246%	40.286%	36.116%
Tier I Capital Ratio	38.426%	38.296%	40.286%	36.116%
Total Capital Ratio	43.934%	43.790%	52.071%	46.862%
After proposed dividends:				
CET I Capital Ratio	38.372%	38.246%	40.286%	36.116%
Tier I Capital Ratio	38.426%	38.296%	40.286%	36.116%
Total Capital Ratio	43.934%	43.790%	52.071%	46.862%

^ Pursuant to BNM's policy document on Financial Reporting, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserves, to the extent they are ascribed to non-credit-impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserves of the Group and the Bank of RM27,179,000 (31 December 2020: RM25,377,000) and RM8,019,000 (31 December 2020: RM9,903,000) respectively.

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

	Group		Bank	
	As at 31 March 2021	As at 31 December 2020	As at 31 March 2021	As at 31 December 2020
	RM'000	RM'000	RM'000	RM'000
Credit risk	2,223,853	2,080,268	643,811	793,669
Market risk	329,482	457,113	225,633	300,706
Operational risk	1,586,772	1,580,409	895,812	858,966
Total risk-weighted assets	4,140,107	4,117,790	1,765,256	1,953,341

The total risk-weighted assets of the Group and the Bank are computed based on BNM's Guidelines on Risk Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

27 Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. Apart from the allowance for commitments and contingencies already made in the financial statements, no material losses are anticipated as a result of these transactions.

The commitments and contingencies comprise the following:

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Principal amount				
Direct credit substitutes #	-	-	-	16
Forward assets purchases	-	5,843	-	5,843
Irrevocable commitments to extend credit:				
- maturity not exceeding one year	1,036,394	1,100,162	752,494	729,357
- maturity exceeding one year	22	22	22	22
Equity related contracts: ^				
- less than one year	24,272	7,082	24,272	7,082
Foreign exchange related contracts: ^				
- less than one year	48,833	44,538	48,833	44,538
	1,109,521	1,157,647	825,621	786,858

Included in direct credit substitutes comprise of financial guarantee given by the Bank to its subsidiaries.

^ These derivatives are revalued on gross position basis and the unrealised gains or losses have been reflected in the financial statements as derivatives assets or derivatives liabilities.

28 Capital and Other Commitments

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
Authorised and contracted for				
- Property, plant and equipment	25,404	21,005	16,155	13,899
- Investment securities	12,468	13,266	-	-
	37,872	34,271	16,155	13,899

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

29 Valuation of Property, Plant and Equipment

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

30 Event Subsequent to the Date of Statements of Financial Position

Pursuant to Section 119(4) of the Companies Act 2016 ('CA 2016'), the Companies Commission of Malaysia has issued a notice to the Bank on 2 April 2021 confirming that all the requirements of CA 2016 with respect to reduction of share capital have been complied with. Accordingly, effective on 2 April 2021, the reduction of the issued and paid-up ordinary share capital of the Bank is effected by way of:

- i) cancellation of 20,000,000 ordinary shares in the Bank which are held by RHB Bank Berhad resulting in the total number of issued ordinary shares in the Bank being reduced from 100,000,000 ordinary shares to 80,000,000 ordinary shares; and
- ii) reduction of the Bank's share capital from RM1,487,773,000 to RM1,220,000,000 by repaying the surplus capital of the amount of RM267,773,000 to RHB Bank Berhad.

31 Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the three months ended 31 March 2021 other than the following:

Dissolution of RHB Finance Hong Kong Limited ('RHBFinHK')

On 21 August 2020, RHBFinHK, an indirect wholly-owned subsidiary of the Bank, commenced the application for Member's Voluntary Winding Up pursuant to The Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong.

RHBFinHK has been dissolved upon its deregistration as a legal entity on 17 March 2021 pursuant to Section 751 of The Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong.

The dissolution of RHBFinHK do not have any material effect on the earnings and net assets of the Group for the financial year ending 31 December 2021.

32 Changes in Profit for the Quarter

For the current financial quarter ended 31 March 2021, the Group recorded a pre-tax profit of RM144.9 million, 10.4% higher as compared to the immediate preceding quarter pre-tax profit of RM131.3 million. The increase in profit is contributed by lower other operating expenses of RM10.5 million, higher allowance written back for expected credit losses of RM4.1 million, higher net fee and commission income of RM3.0 million; partially offset with lower other operating income of RM3.2 million and lower net interest income of RM0.8 million.

33 Performance Review

For the three months ended 31 March 2021, the Group recorded a pre-tax profit of RM144.9 million, 586.7% higher as compared to the previous corresponding period of RM21.1 million. The increase in profit is contributed by higher net fee and commission income of RM65.4 million, higher operating income by RM34.6 million, higher net interest income of RM11.3 million, higher allowance written back for expected credit losses of RM6.8 million, and lower other operating expenses of RM5.7 million.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

34 Prospects for 2021

The global economy is expected to recover in 2021, supported by continuous stimulus measures undertaken by governments and the rollout of the COVID-19 vaccination efforts worldwide.

With the economic recovery gaining momentum, Malaysia's GDP is expected to rebound this year, the rate of which will depend largely on the pandemic containment measures and the pace of vaccination. The banking sector is projected to remain resilient, with loans likely to grow around 4.0% while OPR is expected to remain stable for the rest of the year.

Amid the new normal and given the evolving nature of the COVID-19 situation, the Group continues to remain vigilant and prudent. Our priorities are to preserve our capital and liquidity strength, and monitor asset quality. With our FIT22 measures, we will continue to focus on improving business performance through digitalisation initiatives to improve customer experience and enhance credit risk management.

35 Client Trust Accounts

In accordance with Financial Reporting Standards Implementation Committee Consensus 18 'Monies Held in Trust by Participating Organisations of Bursa Malaysia Securities Berhad' ('FRSIC 18'), the cash held in trust for clients by the Group and the Bank amounted to RM3,254,336,000 and RM2,841,564,000 (2020: RM3,129,512,000 and RM2,765,490,000) respectively, are not recognised in the financial statements as the Group and the Bank held them in a fiduciary capacity.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

36 Fair Value of Financial Instruments

Determination of fair value and fair value hierarchy

The Group and the Bank analyse their financial instruments measured at fair value into three categories as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuations derived from valuation techniques in which one or more significant inputs are not based on observable market data.

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy:

Group	Level 1	Level 2	Level 3	Total
31 March 2021	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	298,822	2,522	551,577	852,921
- quoted securities	298,822	-	-	298,822
- unquoted securities	-	2,522	551,577	554,099
Financial assets at FVOCI	2,209	538,980	43,210	584,399
- money market instruments	-	277,595	-	277,595
- quoted securities	2,209	-	-	2,209
- unquoted securities	-	261,385	43,210	304,595
Derivative assets	-	741	-	741
	<u>301,031</u>	<u>542,243</u>	<u>594,787</u>	<u>1,438,061</u>
<u>Financial liabilities</u>				
Derivative liabilities	31,962	1,098	-	33,060
	<u>31,962</u>	<u>1,098</u>	<u>-</u>	<u>33,060</u>
Group	Level 1	Level 2	Level 3	Total
31 December 2020	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	498,722	1,437	534,684	1,034,843
- quoted securities	498,722	-	-	498,722
- unquoted securities	-	1,437	533,428	534,865
- contingent consideration	-	-	1,256	1,256
Financial assets at FVOCI	1,866	580,534	41,125	623,525
- money market instruments	-	280,745	-	280,745
- quoted securities	1,866	-	-	1,866
- unquoted securities	-	299,789	41,125	340,914
Derivative assets	-	1,017	-	1,017
	<u>500,588</u>	<u>582,988</u>	<u>575,809</u>	<u>1,659,385</u>
<u>Financial liabilities</u>				
Derivative liabilities	71,703	45	-	71,748
	<u>71,703</u>	<u>45</u>	<u>-</u>	<u>71,748</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

36 Fair Value of Financial Instruments (cont'd)

Determination of fair value and fair value hierarchy (cont'd)

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy: (cont'd)

Bank	Level 1	Level 2	Level 3	Total
31 March 2021	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	173,509	2,522	-	176,031
- quoted securities	173,509	-	-	173,509
- unquoted securities	-	2,522	-	2,522
Financial assets at FVOCI	-	538,980	34,954	573,934
- money market instruments	-	277,595	-	277,595
- unquoted securities	-	261,385	34,954	296,339
Derivative assets	-	619	-	619
	<u>173,509</u>	<u>542,121</u>	<u>34,954</u>	<u>750,584</u>
<u>Financial liabilities</u>				
Derivative liabilities	<u>31,962</u>	<u>25</u>	<u>-</u>	<u>31,987</u>

Bank	Level 1	Level 2	Level 3	Total
31 December 2020	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at FVTPL	256,144	1,437	1,256	258,837
- quoted securities	256,144	-	-	256,144
- unquoted securities	-	1,437	-	1,437
- contingent consideration	-	-	1,256	1,256
Financial assets at FVOCI	-	580,534	34,954	615,488
- money market instruments	-	280,745	-	280,745
- unquoted securities	-	299,789	34,954	334,743
Derivative assets	-	122	-	122
	<u>256,144</u>	<u>582,093</u>	<u>36,210</u>	<u>874,447</u>
<u>Financial liabilities</u>				
Derivative liabilities	<u>71,687</u>	<u>45</u>	<u>-</u>	<u>71,732</u>

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

36 Fair Value of Financial Instruments (cont'd)

Valuation techniques and sensitivity analysis

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices are readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include quoted securities and unit trusts.

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determines fair value based upon valuation techniques that use market parameters including but not limited to yield curves, volatilities and foreign exchange rates as inputs. The majority of valuation techniques employ only observable market data. These would include certain bonds, government bonds, corporate debt securities and derivatives.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). This category includes unquoted shares held for socio economic reasons and unquoted corporate loan stocks. Fair values for shares held for socio economic reasons are based on the net tangible assets of the affected companies. For unquoted corporate loan stocks, discounted cash flow analysis have been performed to determine the recoverability of the instruments.

Reconciliation of movements in Level 3 financial instruments

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2021 and 31 December 2020 for the Group and the Bank:

	Group		Bank	
	As at 31 March 2021	As at 31 December 2020	As at 31 March 2021	As at 31 December 2020
	RM'000	RM'000	RM'000	RM'000
<u>Financial assets at FVTPL</u>				
Balance as at the beginning of the financial year	534,684	492,717	1,256	-
Total gain/(loss) recognised in income statements				
- other operating income	1,251	55,877	1,251	(938)
Additions	1,800	24,006	-	17,217
Settlements	(2,541)	(27,272)	(2,510)	(15,023)
Exchange differences	16,383	(10,644)	3	-
Balance as at the end of the financial period/year	551,577	534,684	-	1,256

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

36 Fair Value of Financial Instruments (cont'd)

Reconciliation of movements in Level 3 financial instruments (cont'd)

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2021 and 31 December 2020 for the Group and the Bank: (cont'd)

	Group		Bank	
	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000	As at 31 March 2021 RM'000	As at 31 December 2020 RM'000
<u>Financial assets at FVOCI</u>				
Balance as at the beginning of the financial year	41,125	38,968	34,954	32,731
Total gain recognised in other comprehensive income	2,083	2,170	-	2,223
Exchange differences	2	(13)	-	-
Balance as at the end of financial period/year	43,210	41,125	34,954	34,954

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

37 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined RHB Banking Group's Management Committee as its chief operating decision-maker.

The Group's business segments can be organised into the following main segments reflecting the Group's internal reporting structure:

(a) Investment Banking

Investment banking provides services for advisory, fund raising in the structuring and issuance of debt securities and capital market instruments, mergers and acquisitions, private placements, underwriting, initial public offerings of equity related instruments, private placements and underwriting. This segment also covers facilities for equity share trading in local and foreign markets, share margin financing, futures broking products and services and custodian and nominees services.

Included in Investment Banking are Stockbroking and Investment Banking products and services to RHB regional customers in Hong Kong, Indonesia, Thailand, Cambodia and Vietnam.

(b) Treasury

Treasury and money market operations are involved in non-proprietary trading of various financial products that include short-term money market instruments, long term securities and foreign exchange and derivatives products, as well as funding centre.

Treasury includes treasury operations in Malaysia, Indonesia and Thailand.

(c) Asset Management

Asset Management business focuses on providing investment management services, unit trust fund management services, Islamic funds management services, wills and trustee services.

Asset Management consists of the Group's Asset Management and Trustee businesses, which includes overseas business operations in Singapore and Indonesia.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

37 Segment Reporting (cont'd)

Segment Profit and Loss for the Three Months Ended 31 March 2021

<u>Group</u>	Investment	Treasury	Asset	Others and	Total
	Banking	Management	Elimination		
	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	199,746	30,658	43,457	-	273,861
Inter-segment revenue	342	-	(261)	(81)	-
Segment revenue	200,088	30,658	43,196	(81)	273,861
Overhead expenses	(103,747)	(2,121)	(26,520)	81	(132,307)
Including:					
Depreciation of property, plant and equipment	(2,635)	-	(301)	-	(2,936)
Depreciation of right of use assets	(2,527)	(20)	(205)	-	(2,752)
Amortisation of other intangible assets	(1,901)	(55)	(301)	-	(2,257)
Allowance written back/(made) for expected credit losses	3,485	26	(174)	-	3,337
	99,826	28,563	16,502	-	144,891
Share of results of associates					5
Profit before taxation					144,896
Taxation					(36,438)
Profit for the period					108,458

Segment Assets and Liabilities as at 31 March 2021

<u>Group</u>	Investment	Treasury	Asset	Others and	Total
	Banking	Management	Elimination		
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	4,336,309	3,856,939	881,663	(726,946)	8,347,965
Goodwill	306,611	-	143,367	-	449,978
Investments in associates and joint ventures					4,616
Tax recoverable					1,686
Deferred tax assets					16,838
Total assets					8,821,083
Segment liabilities	1,177,365	3,674,396	881,662	(5,660)	5,727,763
Tax liabilities					11,722
Deferred tax liabilities					2
Borrowings					595,490
Subordinated obligations					204,564
Total liabilities					6,539,541

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE THREE MONTHS ENDED 31 MARCH 2021 (cont'd)

37 Segment Reporting (cont'd)

Segment Profit and Loss for the Three Months Ended 31 March 2020

Group	Continuing Operations				Discontinued Operation		
	Investment Banking	Treasury	Asset Management	Others and Elimination	Total	Investment Banking	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	107,327	24,310	30,913	-	162,550	22,122	184,672
Inter-segment revenue	752	-	(353)	(399)	-	-	-
Segment revenue	108,079	24,310	30,560	(399)	162,550	22,122	184,672
Overhead expenses Including:	(104,422)	(4,032)	(29,950)	399	(138,005)	(24,889)	(162,894)
Depreciation of property, plant and equipment	(2,427)	-	(248)	-	(2,675)	(410)	(3,085)
Depreciation of right of use assets	(2,684)	-	(223)	-	(2,907)	(1,412)	(4,319)
Amortisation of other intangible assets	(1,913)	(47)	(352)	-	(2,312)	(869)	(3,181)
Allowance (made)/written back for expected credit losses	(2,278)	(1,209)	20	-	(3,467)	(680)	(4,147)
	1,379	19,069	630	-	21,078	(3,447)	17,631
Share of results of associates					14	-	14
Profit/(Loss) before taxation					21,092	(3,447)	17,645
Taxation					(4,750)	135	(4,615)
Profit/(Loss) for the period					16,342	(3,312)	13,030

Segment Assets and Liabilities as at 31 December 2020

Group	Investment Banking	Treasury	Asset Management	Others and Elimination	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	4,452,854	4,224,514	771,520	(725,355)	8,723,533
Goodwill	306,611	-	143,367	-	449,978
Investments in associates and joint ventures					4,611
Tax recoverable					1,781
Deferred tax assets					28,392
Total assets					9,208,295
Segment liabilities	1,655,816	4,026,200	458,398	(35,672)	6,104,742
Tax liabilities					15,481
Borrowings					717,427
Subordinated obligations					202,148
Total liabilities					7,039,798