

MALAYSIA'S PREMIER
SHARIAH - COMPLIANT
FINANCIAL SERVICES GROUP



FINANCIAL HIGHLIGHTS SEPTEMBER 2020

BIMB HOLDINGS BERHAD
30 NOVEMBER 2020

BHB GROUP 9M2020 HIGHLIGHTS

Total Revenue
RM3.7 billion
Reduction 7.7%

Gross Fund Based
Income
RM2.2 billion
Reduction 7.6%

Takaful
Gross Earned
Contribution
RM1.8 billion
Reduction 11.7%

PBZT
**RM794.5
million**
Reduction 15.3%

ROE (based on PAZT)
11.7%
EPS **27.8 sen**

Total Assets
**RM80.3
billion**
YoY Growth 3.9%

Net Financing
**RM53.8
billion**
YoY Growth 8.8%

Gross Impaired
Financing ratio
0.60%

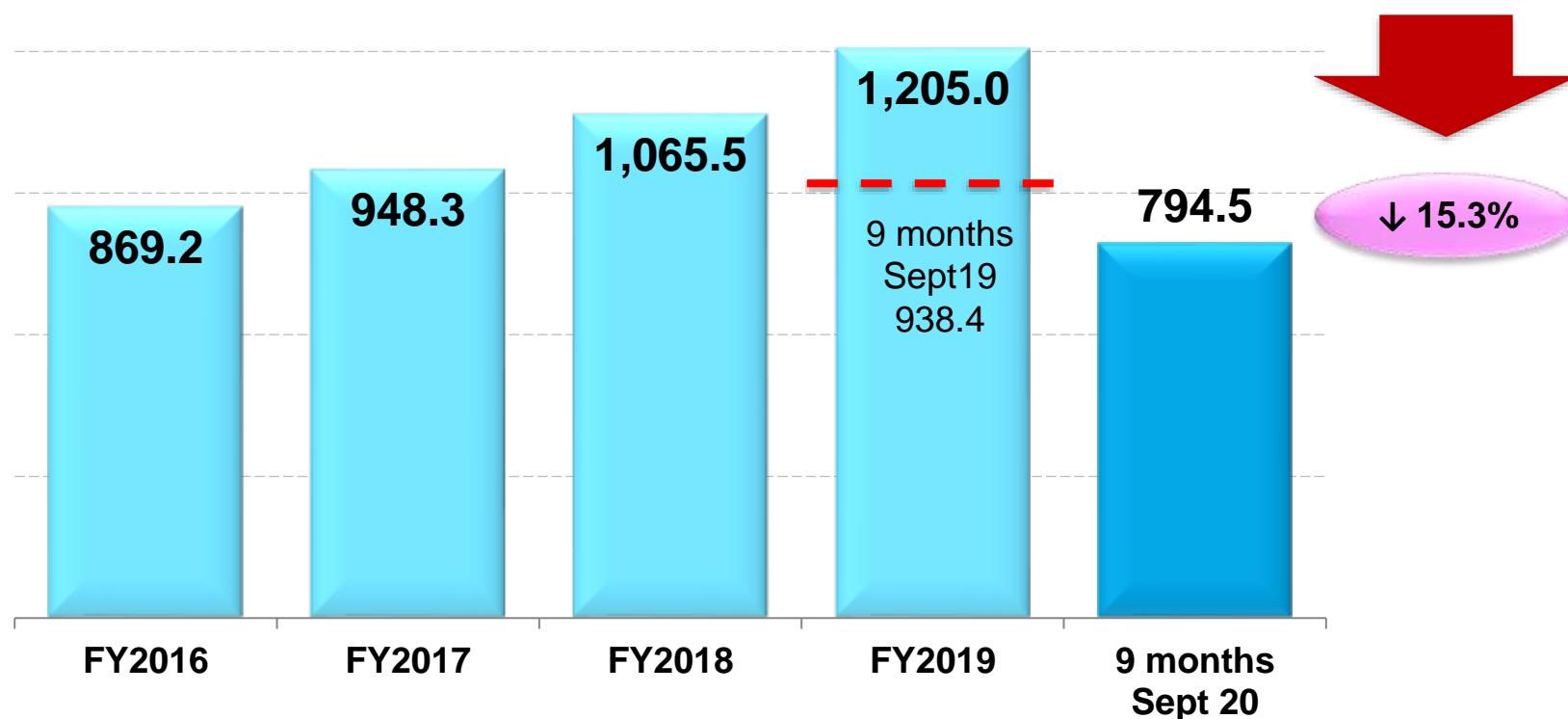
Takaful Assets
RM1.2 billion
YoY Growth 25.9%

Takaful Liabilities
RM9.5 billion
YoY Growth 11.2%

PROFITABILITY – BHB GROUP

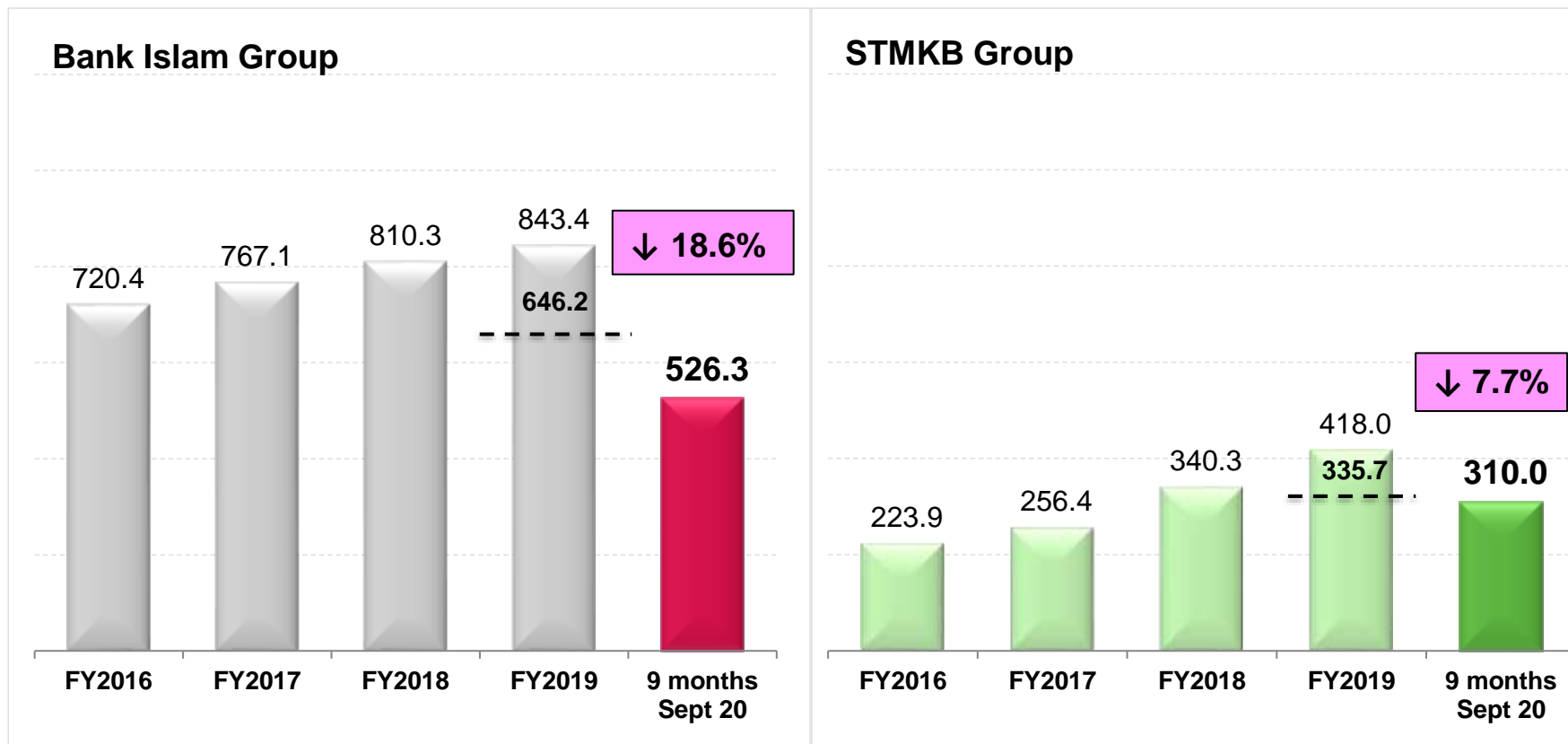
Profit before zakat & taxation

RM million



PROFITABILITY TREND – BHB GROUP

Profit before zakat and taxation (RM million)



CONSOLIDATED PROFIT & LOSS

RM million	9 months Actual		Variance	
	Sept 20	Sept 19	Amount	%
Total revenue	3,720.8	4,029.2	(308.4)	-7.7
Net income	2,389.8	2,389.1	0.7	0.0
Total operating overheads	(1,281.1)	(1,256.7)	(24.4)	-1.9
Operating results	1,108.7	1,132.4	(23.7)	-2.1
Allowance for impairment on financial assets	(209.4)	(90.8)	(118.6)	> -100.0
Finance cost from issuance of sukuk	(91.3)	(89.6)	(1.7)	-1.9
Finance cost – profit expense on lease	(13.5)	(13.6)	0.1	0.7
Profit before zakat & taxation (PBZT)	794.5	938.4	(143.9)	-15.3
Zakat	(12.1)	(12.3)	0.2	1.6
Taxation	(178.7)	(201.7)	23.0	11.4
Profit after zakat & taxation (PAT)	603.7	724.4	(120.7)	-16.7
Profit attributable to Owners of the Company	498.1	606.1	(108.0)	-17.8

KEY CONSOLIDATED FINANCIAL POSITION ITEMS

RM million	Sept 20	Dec 19	Sept 20 vs. Dec 19		Sept 19	Sept 20 vs. Sept 19	
			Amount	%		Amount	%
Total Assets	80,249.7	77,263.5	2,986.2	3.9	75,265.8	4,983.9	6.6
Cash, short-term funds and placements	3,821.2	5,916.1	(2,094.9)	-35.4	4,245.4	(424.2)	-10.0
Financial assets measured at FVTPL	2,079.8	1,494.5	585.3	39.2	1,798.1	281.7	15.7
Financial assets measured at FVOCI	17,615.8	16,946.9	668.9	3.9	17,116.6	499.2	2.9
Net financing, advances and others	53,838.7	49,472.5	4,366.2	8.8	48,208.2	5,630.5	11.7
Takaful assets	1,247.9	959.5	288.4	30.1	991.5	256.4	25.9
Statutory deposits with BNM	261.7	1,170.1	(908.4)	-77.6	1,671.9	(1,410.2)	-84.3
Deposits from customers	45,550.8	46,752.7	(1,201.9)	-2.6	47,542.5	(1,991.7)	-4.2
Investment accounts	12,332.9	9,797.5	2,535.4	25.9	7,509.8	4,823.1	64.2
Recourse obligation on financing sold to Cagamas	1,501.2	1,501.2	-	0.0	1,501.2	-	0.0
Takaful liabilities	9,502.5	8,684.2	818.3	9.4	8,544.3	958.2	11.2
Sukuk liabilities	2,289.8	2,139.7	150.1	7.0	2,158.9	130.9	6.1
Equity	7,169.4	6,418.1	751.3	11.7	6,569.3	600.1	9.1

GROUP KEY FINANCIAL INDICATORS

	Actual Sept 20	Actual Dec 19	Actual Sept 19
Return on Equity (%) based on PAZT	11.7%	15.6%	15.7%
Return on Assets (%) based on PAZT	1.0%	1.3%	1.3%
Return on Equity (%) based on PATAMI	10.6%	14.4%	14.4%
Return on Assets (%) based on PATAMI	0.8%	1.1%	1.1%
Cost Income Ratio (%)	56.1%	57.7%	55.0%
Earnings per Share (sen)	27.82	44.75	34.50
Net tangible assets per share (RM)	3.64	3.34	3.41

FINANCIAL HIGHLIGHTS SEPTEMBER 2020



KEY FINANCIAL INDICATORS

	Actual Sept 20	Actual Dec 19	Islamic Banking System	Banking System
PROFITABILITY				
Return on equity (%) – based on PBZT	11.8% ^	15.3%	NA	13.0 *
Return on assets (%) – based on PBZT	1.0% ^	1.3%	1.2% *	1.5% *
Return on equity (%) – based on PAZT	8.7% ^	11.4%	NA	NA
Return on assets (%) – based on PAZT	0.8% ^	1.0%	NA	NA
Non-Fund Based Income Ratio (%)	16.5%	10.8%	NA	NA
Cost Income Ratio (%)	51.6%	52.9%	NA	NA
ASSET QUALITY				
Gross impaired financing ratio (%)	0.60%	0.86%	1.24% #	1.38% #
Net impaired financing ratio – less IA & CA (%)	-1.09%	-0.64%	0.04% #	0.10% #
Financing loss coverage ratio (%)	279.1%	179.3%	103.4% #	105.2% #
Financing credit cost ratio (%)	0.54% ^	0.17%	NA	NA
EFFICIENCY				
Financing to available fund ratio (%)	85.3%	78.9%	90.6% #	85.9% #
CASA & Transactional IA to Total Deposits & IA (%)	37.3%	32.8%	NA	NA
CAPITALISATION				
Total Capital Ratio (%)	18.8%	18.6%	18.2% #	18.4% #

^ Annualised

* Bank Negara
Malaysia Annual
Report 2019

Bank Negara
Malaysia Monthly
Statistical Bulletin
@ Sept 2020

BANK ISLAM – PROFIT & LOSS

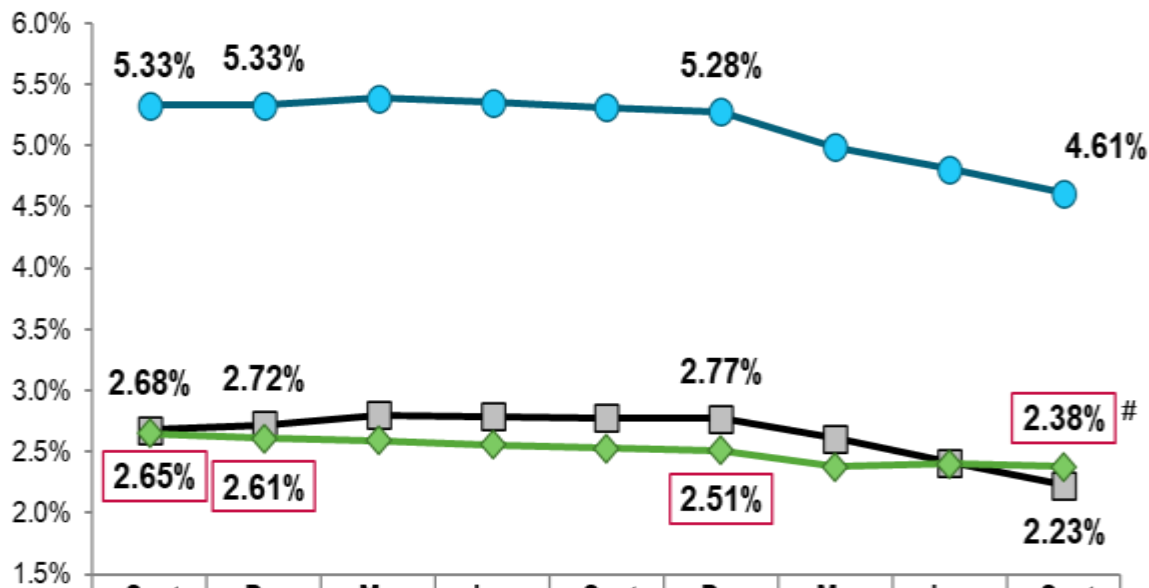
RM million	9 months Actual		Variance	
	Sept 20	Sept 19	Amount	%
Total revenue	2,655.1	2,702.5	(47.4)	-1.8
Net loss on modified financing	(91.7)	-	(91.7)	-
	2,563.4	2,702.5	(139.1)	-5.1
Profit to depositors & investment account holders	(980.1)	(1,161.5)	181.4	15.6
Net income	1,583.3	1,541.0	42.3	2.7
Total operating overheads	(783.3)	(739.7)	(43.6)	-5.9
Operating results	800.0	801.3	(1.3)	-0.2
Allowance for impairment on financing & advances	(212.2)	(86.9)	(125.3)	-144.2
Reversal of/ (Allowance for) impairment on other financial assets	2.8	(3.9)	6.7	171.8
Finance cost from issuance of sukuk	(52.5)	(52.3)	(0.2)	-0.4
Finance cost – profit expense on lease	(13.4)	(13.5)	0.1	0.7
Profit before zakat & taxation (PBZT)	524.7	644.7	(120.0)	-18.6
Profit after zakat & taxation (PAZT)	386.2	476.0	(89.8)	-18.9

MODIFICATION LOSS ON FINANCING

- ❖ As a form of assistance to customers experiencing temporary financial difficulties resulting from the COVID-19 pandemic, Bank has granted an automatic moratorium on certain financing repayments (except for credit card balances) by individuals and small and medium (SMEs) for a period six months from 1 April 2020.
- ❖ The automatic moratorium was applicable to financing that are not in arrears exceeding 90 days and denominated in Malaysian Ringgit.
- ❖ As a result of the of payment moratorium, the Bank has recognised a loss of RM97.8 million arising from the modification of the expected cash flows of the affected financing under moratorium.

RM million	As at 1 June 2020	YTD Unwinding of Modification Loss	As at 30 Sept 2020
House & Fixed Assets Financing			
Fixed Rate	(25.6)	0.9	(24.7)
Floating Rate	(11.1)	0.1	(11.0)
	(36.7)	1.0	(35.7)
Personal Financing			
Fixed Rate	(1.6)	0.3	(1.3)
Floating Rate	(11.0)	0.6	(10.4)
	(12.6)	0.9	(11.7)
Vehicle Financing Fixed Rate	(45.3)	3.6	(41.7)
Others	(3.2)	0.6	(2.6)
Net Loss on Modification Financing	(97.8)	6.1	(91.7)

NET INCOME MARGIN TREND



The past year has seen multiple OPR cuts since May 2019:

- a) 7 May 2019, OPR ↓ 25 bps to 3.00%
- b) 22 Jan 2020, OPR ↓ 25 bps to 2.75%
- c) 3 Mar 2020, OPR ↓ 25 bps to 2.50%
- d) 5 May 2020, OPR ↓ 50 bps to 2.00%
- e) 7 July 2020, OPR ↓ 25 bps to 1.75%

Net income margin for YTD Sept 2020:
Exclude modification loss = 2.38%
Include modification loss = 2.20%

	Sept 18	Dec 18	Mar 19	June 19	Sept 19	Dec 19	Mar 20	June 20	Sept 20
● Average assets rate	5.33%	5.33%	5.39%	5.35%	5.31%	5.28%	4.99%	4.81%	4.61%
■ Average liabilities rate	2.68%	2.72%	2.80%	2.79%	2.78%	2.77%	2.61%	2.41%	2.23%
◆ Net income margin	2.65%	2.61%	2.59%	2.56%	2.53%	2.51%	2.38%	2.40%	2.38%

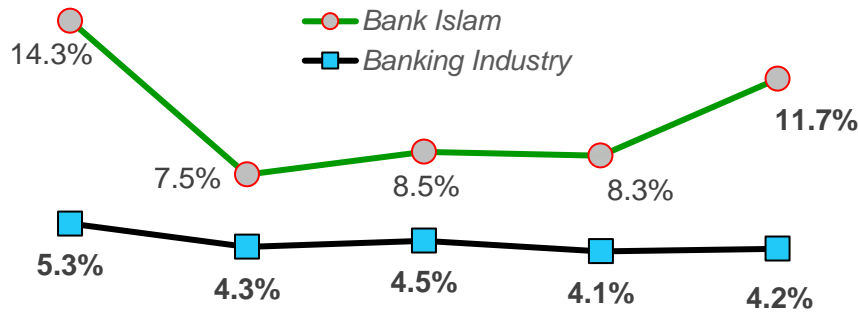
By Quarter	3Q18	4Q18	1Q19	2Q19	3Q19	4Q19	1Q20	2Q20	3Q20
Net Income Margin	2.63%	2.59%	2.59%	2.55%	2.44%	2.49%	2.38%	2.30%	2.26%
								1.84%	2.29%

Exclude modification loss

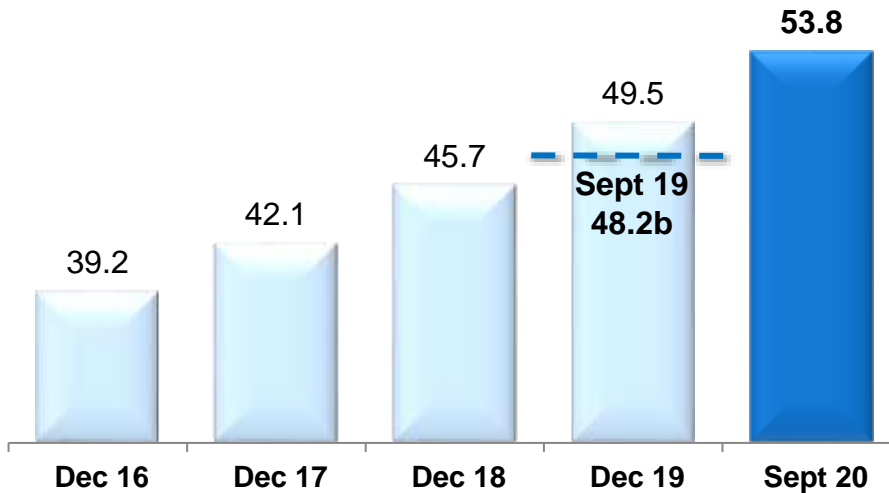
Include modification loss

HEALTHY YEAR-on-YEAR FINANCING GROWTH

Healthy 11.7%YoY net financing growth and well above banking industry growth

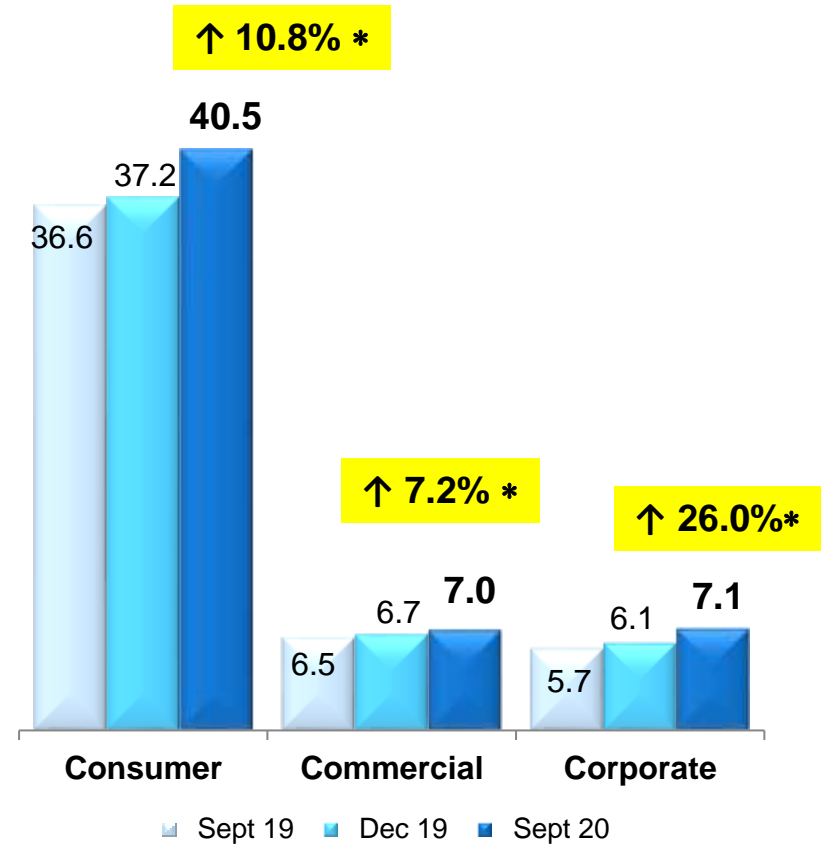


RM billion



Gross financing grew 12.0%YoY

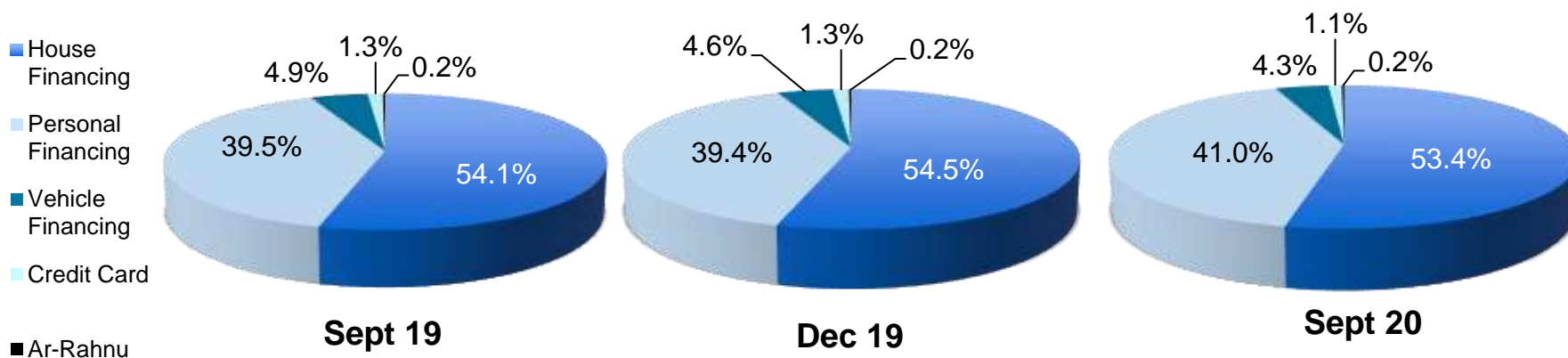
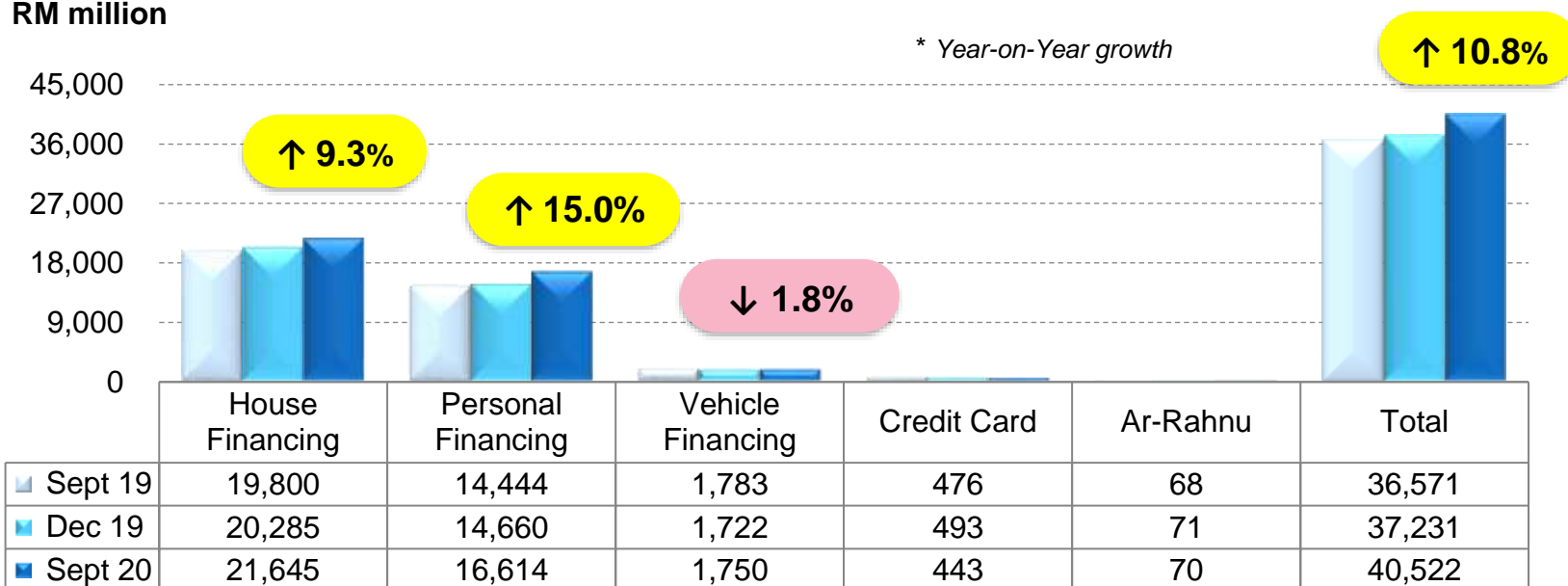
RM billion



CONSUMER FINANCING

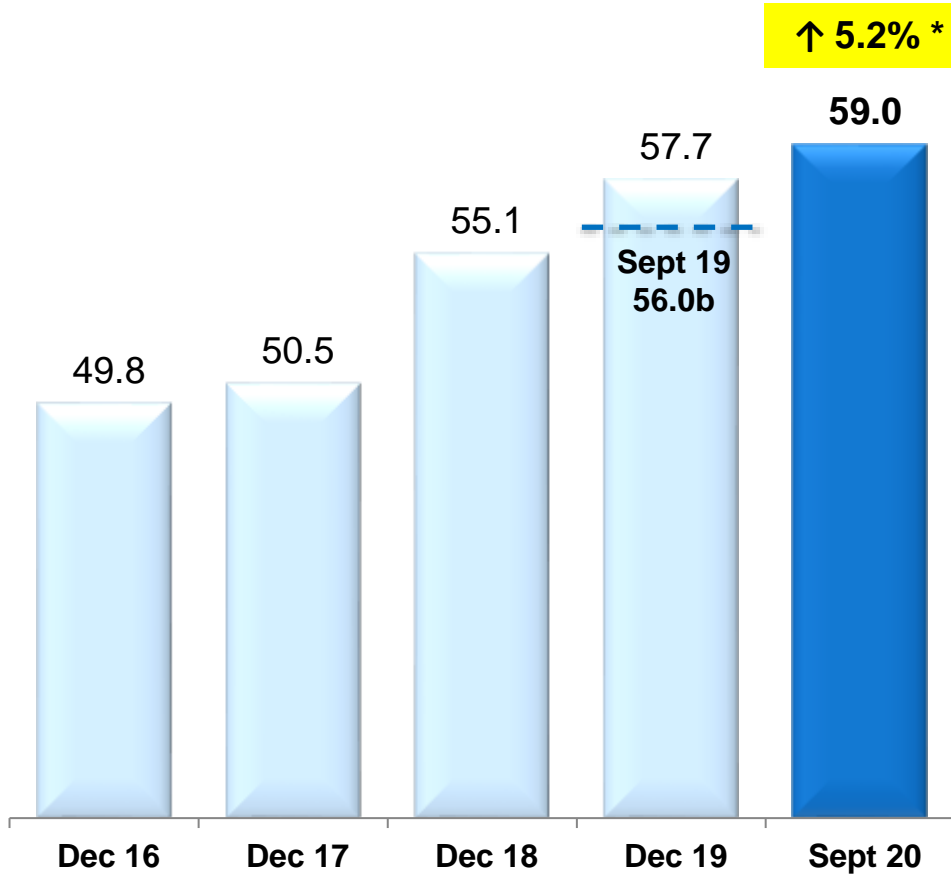
RM million

* Year-on-Year growth



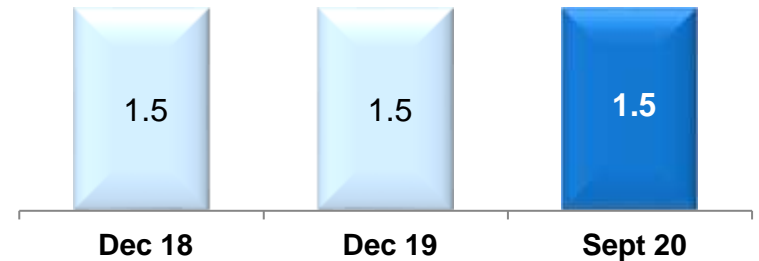
FUNDING

TOTAL DEPOSITS & INVESTMENT ACCOUNTS RM Billion



* Year-on-Year growth

RECOURSE OBLIGATION ON FINANCING SOLD TO CAGAMAS RM Billion



CASA DEPOSITS & TRANSACTIONAL INVESTMENT ACCOUNT

RM million	Dec 16	Dec 17	Dec 18	Dec 19	Sept 20
Total Deposits	45,950	46,209	49,909	47,477	46,260
<i>of which: CASA Deposits</i>	14,136	15,482	15,081	15,711	17,313
Investment Accounts (URIA)	3,812	4,260	5,177	10,240	12,693
<i>of which: Transactional IA</i>	1,517	1,994	2,595	3,211	4,669
Total Deposits & Investment Accounts	49,762	50,469	55,086	57,717	58,953
→ CASA Deposits & Transactional IA	15,653	17,476	17,676	18,922	21,982

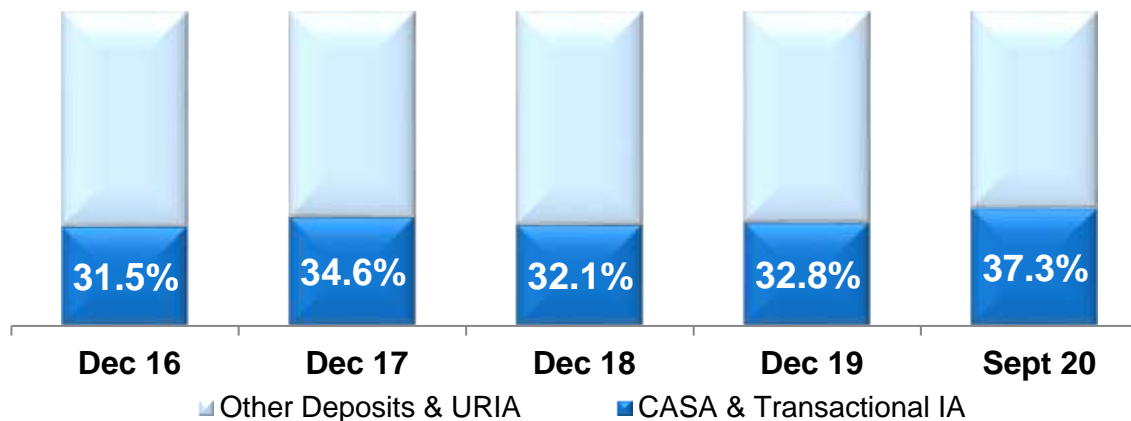


↑ 10.2%

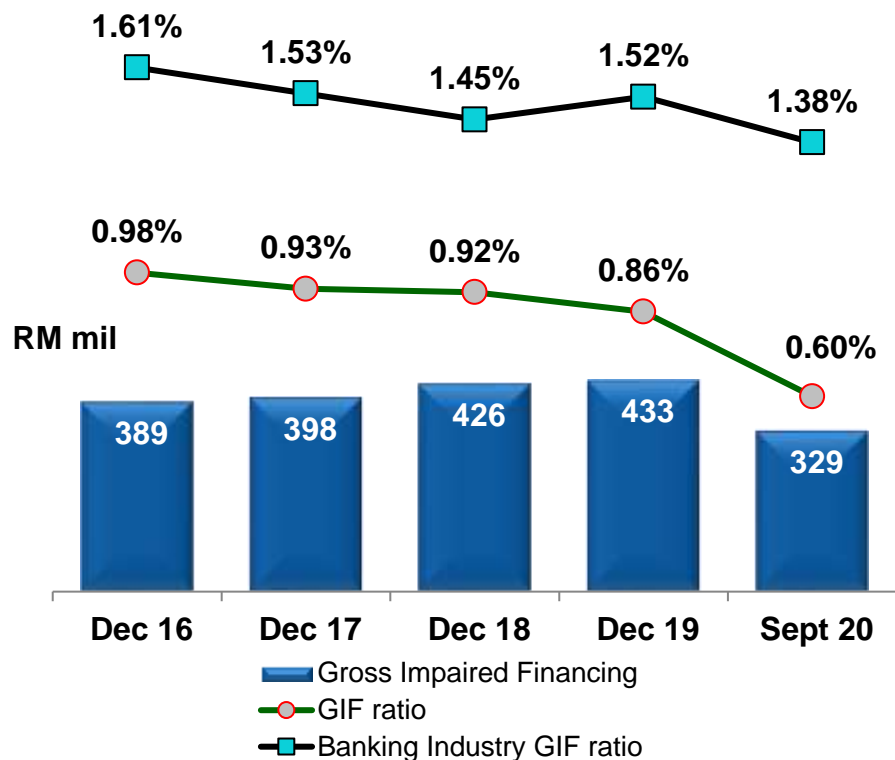
↑ 45.4%

↑ 16.2%

CASA & Transactional IA against
Total Deposits & Investment Accounts



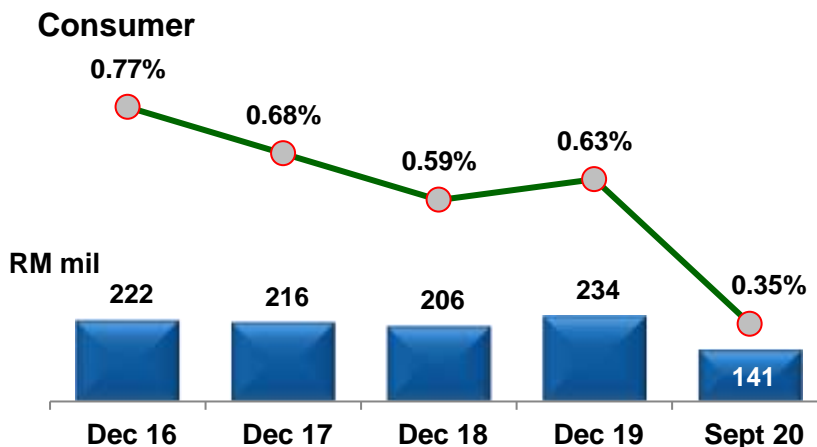
ASSET QUALITY



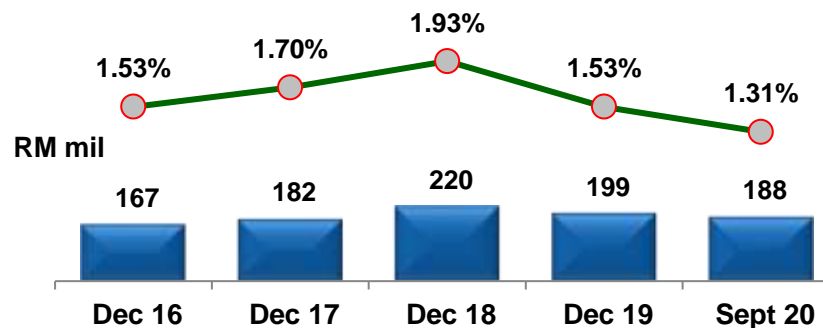
Financing Loss Coverage	Dec 16	Dec 17	Dec 18	Dec 19	Sept 20
Bank Islam	175.4%	160.0%*	187.8%*	179.3%*	279.1%
Banking Industry	90.2%	82.9%	97.9%	89.4%	105.2%

* inclusive of regulatory reserve

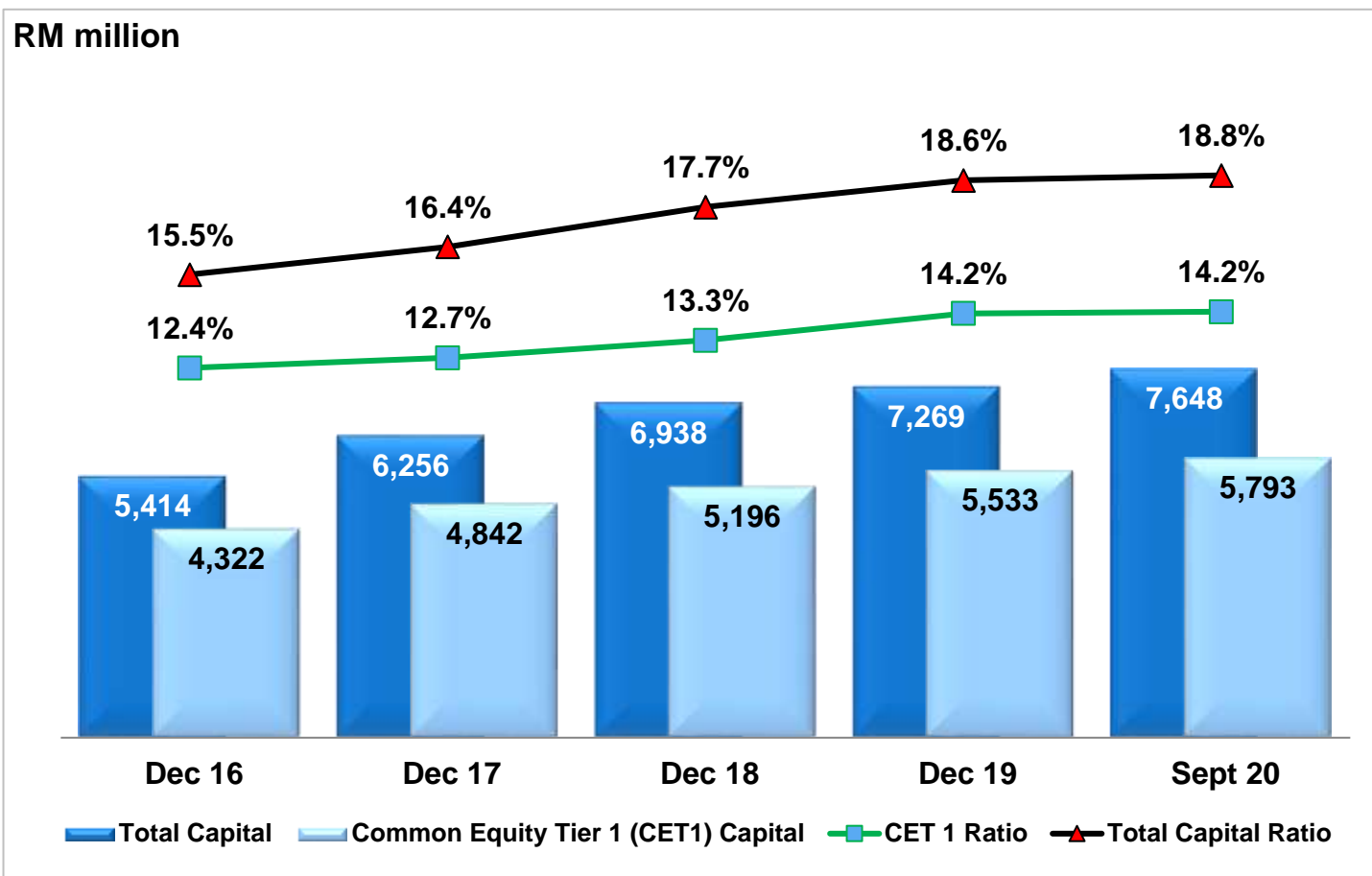
Gross impaired financing of which:



Corporate and Commercial



CAPITAL ADEQUACY



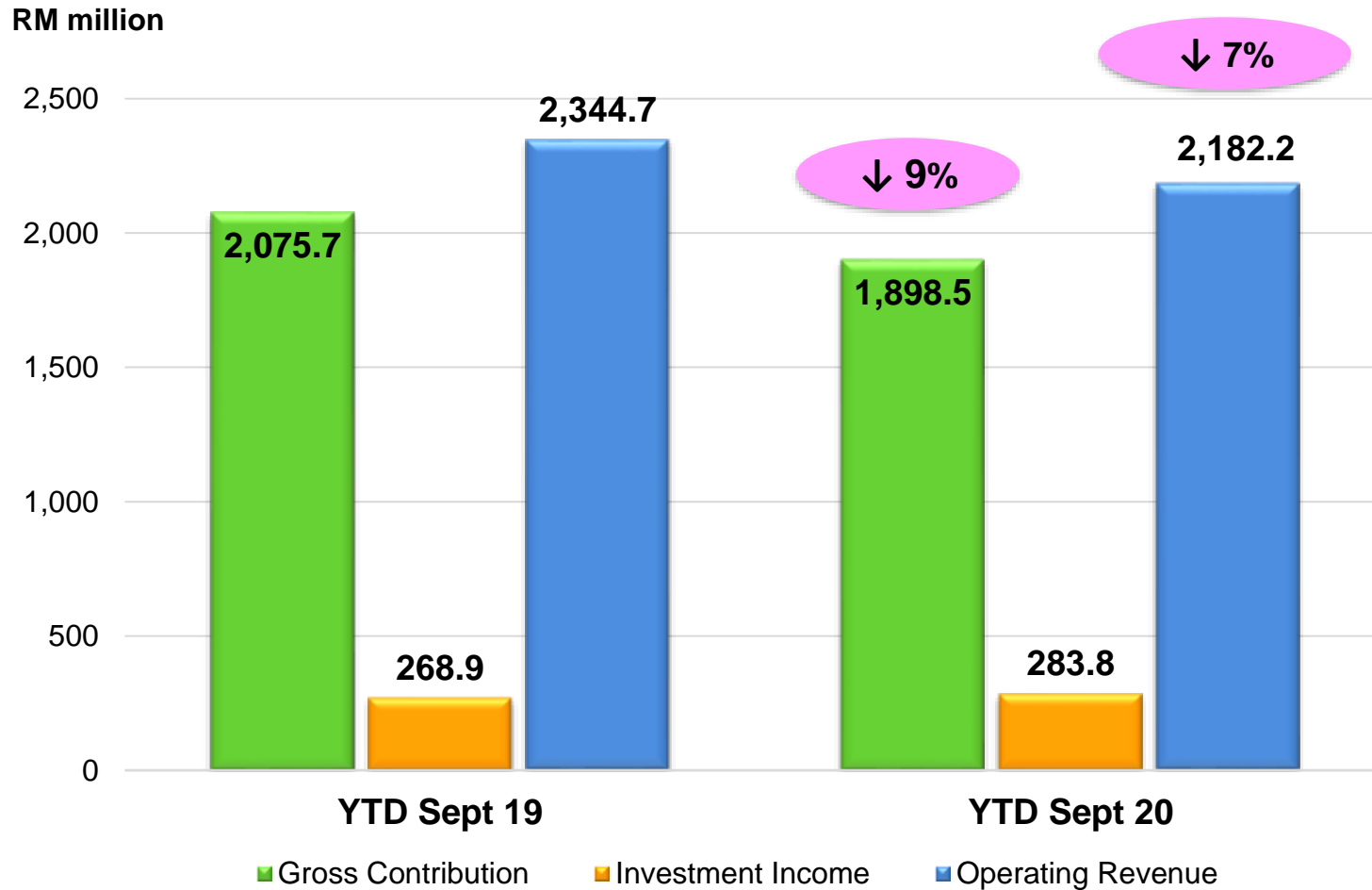
RM million	Dec 16	Dec 17	Dec 18	Dec 19	Sept 20
Total Risk-Weighted Assets	34,962	38,122	39,109	39,003	40,676

FINANCIAL HIGHLIGHTS SEPTEMBER 2020



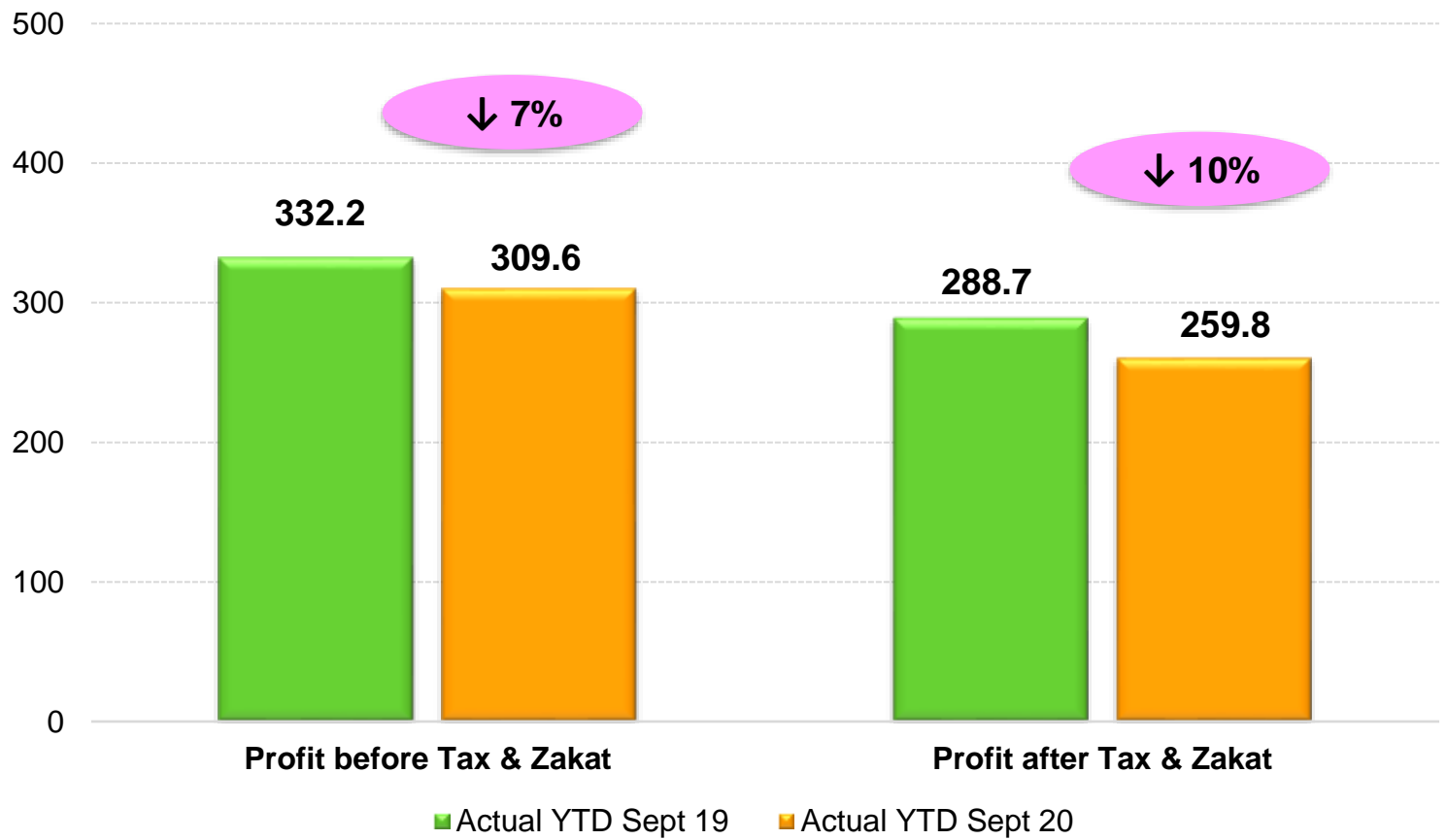
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GROUP OPERATING REVENUE

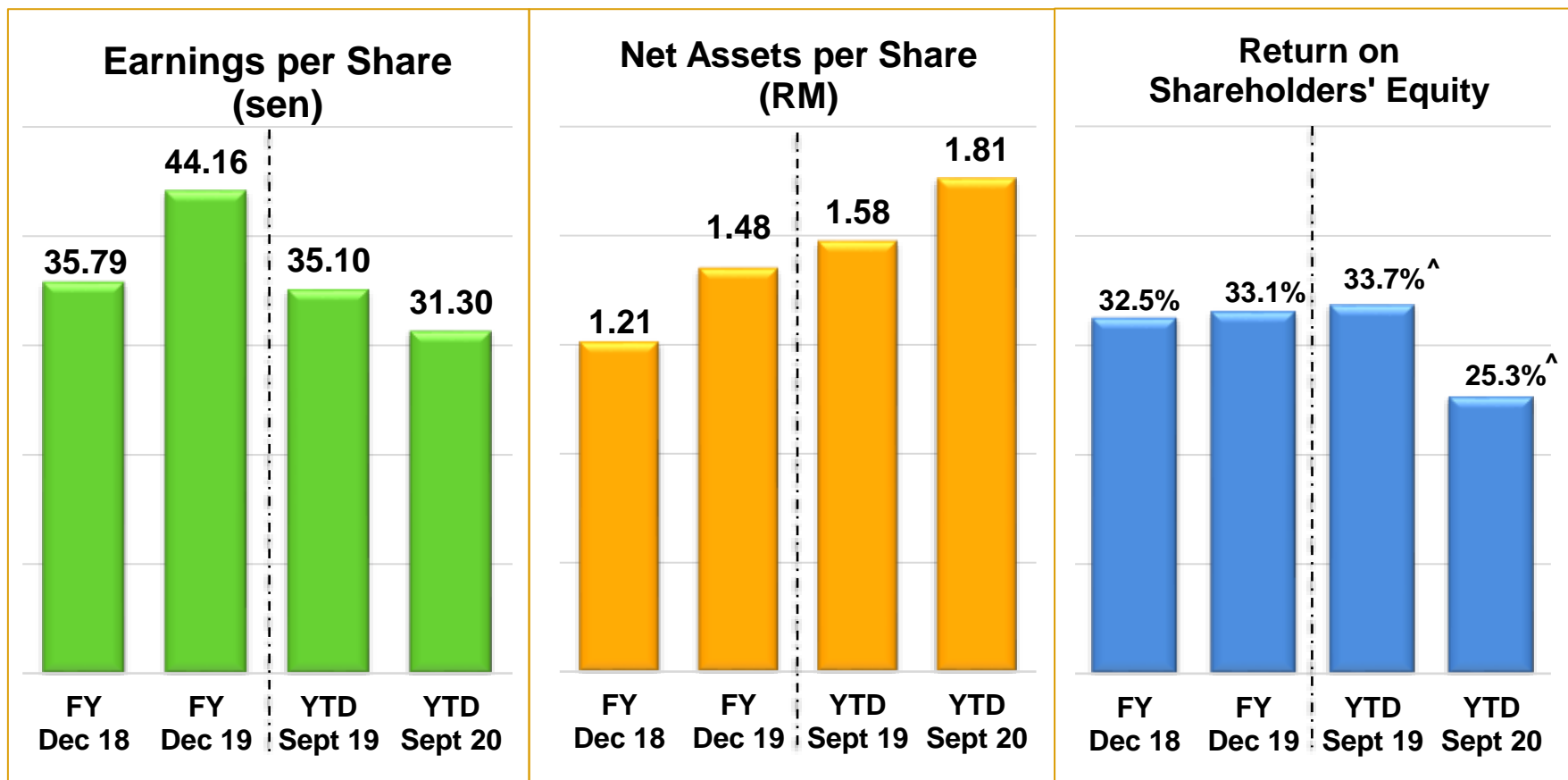


PROFITABILITY

RM million



KEY FINANCIAL INDICATORS



[^] Annualised

Thank You والسلام

