

Deutsche Bank (Malaysia) Berhad

Deutsche Bank (Malaysia) Berhad
Company Registration No. 199401026871 (312552-W)
(Incorporated in Malaysia)
and its subsidiaries

Unaudited Condensed Interim Financial Statements
for the Financial Period ended 31 March 2023

Domiciled in Malaysia
Registered office:
Level 19, Menara IMC No. 8 Jalan Sultan Ismail 50250 Kuala Lumpur



Consolidated Statements of Financial Position
 As at 31 March 2023 - Unaudited

	Note	Group		Bank	
		31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Assets					
Cash and short-term funds	12.1	1,958,459	2,396,612	1,958,459	2,396,612
Deposits and placements with banks and other financial institutions	12.2	199,999	-	199,999	-
Reverse repurchase agreements		432,100	111,763	432,100	111,763
Financial securities measured at FVTPL	13	1,942,659	1,671,593	1,942,659	1,671,593
Financial securities measured at FVOCI	14	1,428,746	1,313,648	1,428,746	1,313,648
Loans, advances and financing	15	2,187,977	2,141,896	2,187,977	2,141,896
Derivative assets		1,431,440	1,410,526	1,431,440	1,410,526
Other assets	16	746,455	412,264	746,455	412,264
Tax recoverable		-	13,058	-	13,058
Statutory deposit with Bank Negara Malaysia		10,000	20,000	10,000	20,000
Investments in subsidiary companies		-	-	20	20
Property and equipment		10,608	11,461	10,608	11,461
Right-of-use assets		4,572	4,868	4,572	4,868
Deferred tax assets		10,196	23,986	10,196	23,986
Total assets		<u>10,363,211</u>	<u>9,531,675</u>	<u>10,363,231</u>	<u>9,531,695</u>
Liabilities and equity					
Deposits from customers	17	5,103,406	5,125,270	5,103,426	5,125,290
Deposits and placements of banks and other financial institutions	18	866,603	237,058	866,603	237,058
Lease liabilities		5,075	5,389	5,075	5,389
Derivative liabilities		1,348,899	1,352,400	1,348,899	1,352,400
Other liabilities	19	1,077,393	910,831	1,077,393	910,831
Tax payable		4,223	-	4,223	-
Total liabilities		<u>8,405,599</u>	<u>7,630,948</u>	<u>8,405,619</u>	<u>7,630,968</u>
Equity					
Share capital		531,362	531,362	531,362	531,362
Reserves		1,426,250	1,369,365	1,426,250	1,369,365
Total equity attributable to owner of the Bank		<u>1,957,612</u>	<u>1,900,727</u>	<u>1,957,612</u>	<u>1,900,727</u>
Total liabilities and equity		<u>10,363,211</u>	<u>9,531,675</u>	<u>10,363,231</u>	<u>9,531,695</u>
Commitments and contingencies	26	<u>116,590,334</u>	<u>111,833,000</u>	<u>116,590,334</u>	<u>111,833,000</u>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2022.

Consolidated Statements Of Profit Or Loss And Other Comprehensive Income
 For The Financial Period Ended 31 March 2023 - Unaudited

	Note	Group and Bank			
		1 st quarter ended		Three months ended	
		31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Interest income	20	72,778	44,922	72,778	44,922
Interest expense	21	(16,601)	(5,804)	(16,601)	(5,804)
Net interest income		56,177	39,118	56,177	39,118
Net income from Islamic Banking					
Operations	27	1,211	676	1,211	676
Non-interest income	22	55,055	26,434	55,055	26,434
Operating income		112,443	66,228	112,443	66,228
Other operating expenses	23	(38,912)	(37,437)	(38,912)	(37,437)
Operating profit		73,531	28,791	73,531	28,791
(Allowance for) / Write-back of expected credit losses	24	(276)	261	(276)	261
Profit before tax		73,255	29,052	73,255	29,052
Tax expense		(28,849)	(7,502)	(28,849)	(7,502)
Net profit for the period		44,406	21,550	44,406	21,550
Other comprehensive income / (loss):					
<i>Items that are or may be reclassified subsequently to profit or loss</i>					
Net change in fair value on debt securities at FVOCI		16,267	(3,556)	16,267	(3,556)
Net changes in ECL reserves		153	(90)	153	(90)
Income tax effect		(3,941)	875	(3,941)	875
Total other comprehensive income / (loss) for the period		12,479	(2,771)	12,479	(2,771)
Total comprehensive income for the period		56,885	18,779	56,885	18,779
Earnings per share (sen)		25.6 sen	12.4 sen	25.6 sen	12.4 sen

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2022.

Consolidated Statements Of Changes In Equity
 For The Financial Period Ended 31 March 2023

Group and Bank	Note	← Attributable to owner of the Bank →				Total reserves RM'000	Total RM'000
		Share capital RM'000	Non-distributable Other reserves RM'000	ECL Reserves RM'000	Distributable Retained profits RM'000		
At 1 January 2023		531,362	40,051	534	1,328,780	1,369,365	1,900,727
Net profit for the period		-	-	-	44,406	44,406	44,406
Other comprehensive income for the period		-	12,363	116	-	12,479	12,479
Total comprehensive income for the period		-	12,363	116	44,406	56,885	56,885
At 31 March 2023		531,362	52,414	650	1,373,186	1,426,250	1,957,612
At 1 January 2022		531,362	41,102	451	1,222,653	1,264,206	1,795,568
Net profit for the period		-	-	-	21,550	21,550	21,550
Other comprehensive loss for the period		-	(2,703)	(68)	-	(2,771)	(2,771)
Total comprehensive income for the period		-	(2,703)	(68)	21,550	18,779	18,779
At 31 March 2022		531,362	38,399	383	1,244,203	1,282,985	1,814,347

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2022.

Condensed Consolidated Statements Of Cash Flows
 For The Financial Period Ended 31 March 2023

	Group and Bank	
	31 March 2023 RM'000	31 March 2022 RM'000
Profit before tax	73,255	29,052
Adjustments for non-operating and non-cash items	1,202	604
Operating profit before working capital changes	74,457	29,656
Changes in working capital		
Net changes in operating assets	(1,081,245)	(1,700,911)
Net changes in operating liabilities	770,742	1,296,045
Income tax paid	(4,038)	(10,283)
Tax refund	2,319	-
Net cash used in operations	(237,765)	(385,493)
Cash flows from investing activities:		
Purchase of property and equipment	-	(9)
Net cash used in investing activities	-	(9)
Cash flows from financing activities:		
Payment of lease liabilities	(368)	(368)
Net cash used in financing activities	(368)	(368)
Net decrease in cash and cash equivalents	(238,133)	(385,870)
Cash and cash equivalents at beginning of the period	2,396,653	3,722,482
Cash and cash equivalents at end of the period	2,158,520	3,336,612
Analysis of cash and cash equivalents:		
Cash and short-term funds	1,958,520	3,123,112
Deposits and placement with banks and other financial institutions	200,000	213,500
Cash and cash equivalents at the end of the period	2,158,520	3,336,612

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the Group and the Bank for the year ended 31 December 2022.

Explanatory Notes To The Interim Financial Statements
For The Financial Period Ended 31 March 2023

1. Basis of preparation

The unaudited interim financial statements for the financial period ended 31 March 2023 have been prepared under the historical cost convention except for reverse repurchase agreements, financial securities and derivative financial instruments which are stated at fair values.

The unaudited interim financial statements have been prepared in accordance with MFRS 134, *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB"). The unaudited interim financial statements should be read in conjunction with the audited annual financial statements for the Group and the Bank for the financial year ended 31 December 2022. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2022.

The unaudited interim financial statements incorporated those activities relating to the Islamic banking business. Islamic banking business refers generally to the acceptance of deposits under the principles of Shariah.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the year ended 31 December 2022, except for the adoption of the following Malaysian Financial Reporting Standard ("MFRS"), Amendments to MFRSs and IC Interpretation that have been issued by the Malaysian Accounting Standard Board ("MASB"):

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- Amendments to MFRSs contained in the document entitled "Annual Improvements to MFRS Standards 2018-2020"
- Amendments to MFRS 3 *Business Combinations – Reference to the Conceptual Framework*
- Amendments to MFRS 116 *Property, Plant and Equipment – Proceeds before Intended Use*
- Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets – Onerous Contracts – Cost of Fulfilling a Contract*
- AIP# MFRS 1 *First-time Adoption of International Financial Reporting Standards – Subsidiary as a first-time adopter*
- AIP# MFRS 9 *Financial Instruments – Fees in the '10 per cent' test for derecognition of financial liabilities*

AIP refers to Annual Improvements to MFRSs

The adoption of the abovementioned accounting standards and amendments did not have any material impact on the financial statements of the Group and the Bank.

The following are financial reporting standards, amendments and interpretations that have been issued by the Malaysian Accounting Standards Board ("MASB") but have not been adopted by the Group and the Bank:

1. Basis of preparation (continued)

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts*
- Amendments to MFRS 17 *Insurance Contracts* – Initial Application of MFRS 17 and MFRS 9 – Comparative Information
- Amendments to MFRS 4 *Insurance Contracts* – *Extension of the Temporary Exemption from Applying MFRS 9*
- Amendments to MFRS 101, *Presentation of Financial Statements* – *Classification of Liabilities as Current or Non-current*
- Amendments to MFRS 101, *Presentation of Financial Statements* – *Disclosure of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors* – *Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes* – *Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

MFRSs, interpretations and amendments effective for annual periods beginning on or after 1 January 2023

- Amendments to MFRS 16 *Leases* – *Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101 *Presentation of Financial Statements* – *Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current*

MFRSs, interpretations and amendments effective for annual periods beginning on or after a date yet to be confirmed

- Amendments to MFRS 10 *Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures* – *Sale or Contribution of Assets between an Investor and its Associate or Joint Venture*

The Group and the Bank plan to apply the abovementioned accounting standards, interpretations and amendments, where applicable:

- from the annual period beginning on 1 January 2023 for the amendments that is effective for annual periods beginning on or after 1 January 2023; and
- from the annual period beginning on 1 January 2024 for the amendments, that is effective for annual periods beginning on or after 1 January 2024.

The Group and the Bank do not plan to apply MFRS 17 and amendments to MFRS 17 that are effective for annual periods beginning on or after 1 January 2023 as it is not applicable to the Group and the Bank.

The initial application of the accounting standards, amendments and interpretations are not expected to have any material financial impact to the current period and prior period financial statements of the Group and the Bank.

2. Audit Report

The audit report on the audited annual financial statements of the Group and the Bank for the financial year ended 31 December 2022 was not subject to any qualification.

3. Seasonality or Cyclicity of Operations

The business operations of the Group and the Bank are not subject to material seasonal or cyclical fluctuations.

4. Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Group and of the Bank for the financial period ended 31 March 2023.

5. Changes in Estimates

There were no significant changes in estimates of amounts reported in prior financial years that have a material effect on the financial results and position of the Group and the Bank for the financial period ended 31 March 2023.

6. Issuance and Repayment of Debt and Equity Securities

There were no issuance and repayment of debt and equity securities during the financial period ended 31 March 2023.

7. Dividend Paid

No dividend was paid during the financial period ended 31 March 2023. The final dividend recommended by the Directors in respect of the financial year ended 31 December 2022 is 123.2 sen per ordinary share totalling RM213,841,000.

8. Material Events

There were no material events subsequent to the reporting date that require disclosure or adjustments to the unaudited condensed interim financial statements.

9. Changes in the composition of the Group

There were no changes in the composition of the Group for the financial period ended 31 March 2023.

10. Review of Performance

The Bank recorded profit before tax for the financial period ended 31 March 2022 of RM73.3 million compared to RM29.1 million for the previous corresponding period. Operating income increased by RM46.2 million (+69.8%) from RM66.2 million to RM112.4 million, mainly attributed to higher non-interest income increased by RM28.7 million (+108.7%) to RM55.1 million against RM26.4 million in the previous corresponding period. Net interest income increased by RM17.1 million (+43.6%) from RM39.1 million to RM56.2 million.

Total assets registered an increase of RM0.9 billion or (+9.5%) from RM9.5 billion as at 31 December 2022 to RM10.4 billion as at 31 March 2023. The Bank's total common equity tier 1 ratio and total capital ratio remained strong at 21.9% and 22.5%, respectively.

11. Prospects

2023 is looking to be a challenging year for the world economy, as it gradually recovers from both the pandemic and Russia's invasion of Ukraine. Inflation seems to have peaked, but cautious central banks are still in the midst of tightening monetary policy, slowing growth across key economies. China's rapid and successful reopening has further contributed to the promise of a recovery of the global economy. There was a scare earlier in the year when several factors led to the collapse of several US-based regional banks, as well as the forced takeover of Credit Suisse by UBS. Thankfully, the threat of a global banking crisis did not materialise, and the threat of contagion has been contained for now.

The series of aggressive rate hikes in the previous year have begun to have the desired effect on inflation, with economic activity cooling down. As such, the US Fed have halted the increase of rates. However, the arrest in the increase of inflation might come with a risk of a recession, expected in the second half of 2023. In Europe, milder temperatures than expected, as well as alternative sources of energy have eased the fears that high gas prices might have led to runaway inflation. This, combined with the earlier than expected reopening of China means that 2023 looks to be a better year for Europe than 2022, however the usual potential downsides of a ECB tightening cycle persist.

In Malaysia, the continued recovery of the markets and rising domestic demand is driving growth of the local economy, but this is mitigated by the slower growth globally. The local regulators have also made several interest rate hikes last year in order to slow the growth of inflation, although this had the expected result, inflation remains at elevated levels due to lingering demand and cost pressures.

The Bank remains competitive with the solid frameworks around capital and liquidity management, risk controls and enhanced internal processes. We continue to be relentless in our commitment towards client centricity and in driving product innovation to deliver sustainable performance.

The Bank looks forward to contribute to the economic growth and wellbeing of the communities which we operate and to create positive impact for our clients, investors, employees and society at large.

12. Cash and cash equivalents

12.1 Cash and short-term funds

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Cash and balances with banks and other financial institutions	275,842	195,036
Money at call and deposit placements maturing within one month	<u>1,682,678</u>	<u>2,201,617</u>
	1,958,520	2,396,653
Expected credit losses on cash and cash equivalents		
• Stage 1 – 12-month ECL	<u>(61)</u>	<u>(41)</u>
	<u>1,958,459</u>	<u>2,396,612</u>

12.2 Deposits and placements with banks and other financial institutions

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Licensed Bank	200,000	-
Expected credit losses on cash and cash equivalents		
• Stage 1 – 12-month ECL	<u>(1)</u>	<u>-</u>
	<u>199,999</u>	<u>-</u>

12. Cash and cash equivalents (continued)

The following table shows reconciliations from the opening to the closing balance of the expected credit losses for cash and cash equivalents.

Group and Bank	2023				2022			
	12-month ECL	Lifetime ECL not credit - impaired	Lifetime ECL credit - impaired	Total	12-month ECL	Lifetime ECL not credit - impaired	Lifetime ECL credit - impaired	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash and cash equivalents								
Balance at 1 January	41	-	-	41	32	-	-	32
Transfer to 12-month ECL	-	-	-	-	-	-	-	-
Transfer to lifetime ECL not credit-impaired	-	-	-	-	-	-	-	-
Transfer to lifetime ECL credit-impaired	-	-	-	-	-	-	-	-
Net remeasurement of expected credit losses	21	-	-	21	12	-	-	12
New financial assets originated or purchased	7	-	-	7	9	-	-	9
Financial assets that have been derecognised	(9)	-	-	(9)	(12)	-	-	(12)
Write-offs	-	-	-	-	-	-	-	-
Recoveries of amounts previously written off	-	-	-	-	-	-	-	-
Changes in models/risk parameters	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Balance at 31 March / 31 December	62	-	-	62	41	-	-	41

13. Financial securities measured at FVTPL

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Debt securities at FVTPL		
Malaysian Government Securities	959,779	1,032,783
Malaysian Investment Issue	432,864	438,810
Cagamas bonds	50,021	-
Negotiable instruments of deposits	499,995	200,000
	<u>1,942,659</u>	<u>1,671,593</u>

14. Financial securities measured at FVOCI

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Debt securities at FVOCI		
Malaysian Government Securities	694,806	638,123
Malaysian Investment Issue	715,911	657,495
Unquoted bonds	5,016	5,017
	<u>1,415,733</u>	<u>1,300,635</u>
Equity investments at FVOCI		
Unquoted shares in Malaysia	13,013	13,013
	<u>1,428,746</u>	<u>1,313,648</u>

14. Financial securities (continued)

The following table shows reconciliations from the opening to the closing balance of the expected credit losses for debt securities at FVOCI.

Group and Bank	2023				2022			
	12-month ECL	Lifetime ECL not credit - impaired	Lifetime ECL credit - impaired	Total	12-month ECL	Lifetime ECL not credit - impaired	Lifetime ECL credit - impaired	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Debt securities at FVOCI								
Balance at 1 January	703	-	-	703	594	-	-	594
Transfer to 12-month ECL	-	-	-	-	-	-	-	-
Transfer to lifetime ECL not credit-impaired	-	-	-	-	-	-	-	-
Transfer to lifetime ECL credit-impaired	-	-	-	-	-	-	-	-
Net remeasurement of expected credit losses	(82)	-	-	(82)	25	-	-	25
New financial assets originated or purchased	235	-	-	235	242	-	-	242
Financial assets that have been derecognised	-	-	-	-	(158)	-	-	(158)
Write-offs	-	-	-	-	-	-	-	-
Recoveries of amounts previously written off	-	-	-	-	-	-	-	-
Changes in models/risk parameters	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Balance at 31 March / 31 December	856	-	-	856	703	-	-	703

15. Loans, advances and financing

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
<i>At amortised cost</i>		
Overdrafts	160,223	172,300
Term loans - Housing loans	4,502	4,797
- Other term loans	1,134,971	1,049,715
Bill receivable	56,703	62,416
Trust Receipt	165,554	155,595
Claims on customers under acceptance credits	674,266	704,441
	<u>2,196,219</u>	<u>2,149,264</u>
Unearned interest	(4,059)	(3,287)
Gross loans, advances and financing	<u>2,192,160</u>	<u>2,145,977</u>
Expected credit losses for impaired loans and financing	(4,183)	(4,081)
Net loans, advances and financing	<u><u>2,187,977</u></u>	<u><u>2,141,896</u></u>

15. Loans, advances and financing (continued)

The following table shows reconciliations from the opening to the closing balance of the expected credit losses for loans, advances and financing.

Group and Bank	2023				2022			
	12-month ECL	Lifetime ECL not credit – impaired	Lifetime ECL credit - impaired	Total	12-month ECL	Lifetime ECL not credit – impaired	Lifetime ECL credit - impaired	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing at amortised cost*								
Balance at 1 January	2,450	110	1,521	4,081	2,573	1,026	1,886	5,485
Transfer to 12-month ECL	64	-	(64)	-	311	(33)	(278)	-
Transfer to lifetime ECL not credit-impaired	(7)	7	-	-	-	-	-	-
Transfer to lifetime ECL credit-impaired	(87)	-	87	-	(97)	-	97	-
Net remeasurement of expected credit losses	(611)	211	(41)	(441)	20	(484)	(184)	(648)
New financial assets originated or purchased	458	298	-	756	823	80	-	903
Financial assets that have been derecognised	(141)	(72)	-	(213)	(1,180)	(479)	-	(1,659)
Write-offs	-	-	-	-	-	-	-	-
Recoveries of amounts previously written off	-	-	-	-	-	-	-	-
Changes in models/risk parameters	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	-	-
Balance at 31 March / 31 December	2,126	554	1,503	4,183	2,450	110	1,521	4,081

* The expected credit losses in this table includes ECL on loan commitment and financial guarantees.

15. Loans, advances and financing (continued)

The maturity structure of gross loans, advances and financing are as follows:

	Group and Bank	
	31 March	31 December
	2023	2022
	RM'000	RM'000
Maturing within one year	2,107,789	2,046,804
More than one year and three years	81,253	95,697
More than three years to five years	1,855	2,030
Over five years	1,263	1,446
	<u>2,192,160</u>	<u>2,145,977</u>

Gross loans, advances and financing analysed by type of customer are as follows:

	Group and Bank	
	31 March	31 December
	2023	2022
	RM'000	RM'000
Domestic banking institutions	6,880	5,664
Domestic non-bank financial institutions	227,955	224,318
Domestic business enterprises	1,733,273	1,657,144
Individuals	4,502	4,797
Government and statutory bodies	169,825	197,310
Foreign entities	49,725	56,744
	<u>2,192,160</u>	<u>2,145,977</u>

Gross loans, advances and financing analysed by interest / profit rate sensitivity are as follows:

	Group and Bank	
	31 March	31 December
	2023	2022
	RM'000	RM'000
Fixed rate		
- Other fixed rate loan / financing	95,139	102,921
Variable rate		
- Base lending rate plus	106,727	355,578
- Cost-plus	1,830,022	1,529,987
- Other variable rates	160,272	157,491
	<u>2,192,160</u>	<u>2,145,977</u>

15. Loans, advances and financing (continued)

Gross loans, advances and financing analysed by geographical distribution are as follows:

	Group and Bank	
	31 March 2023	31 December 2022
	RM'000	RM'000
Malaysia	2,142,435	2,089,233
India	14,960	22,027
Turkey	34,765	34,042
Others	-	675
	<u>2,192,160</u>	<u>2,145,977</u>

Gross loans, advances and financing analysed by economic sector are as follows:

	Group and Bank	
	31 March 2023	31 December 2022
	RM'000	RM'000
Mining and Quarrying	150,244	150,212
Manufacturing	665,104	444,849
Construction	153,535	169,391
Wholesale & retail trade and restaurants & hotels	194,944	415,019
Transport, storage and communication	483,992	428,878
Finance, insurance and business services	370,014	335,521
Education, health and others	169,825	197,310
Household	4,502	4,797
	<u>2,192,160</u>	<u>2,145,977</u>

Movements in impaired loans, advances and financing are as follows:

	Group and Bank	
	31 March 2023	31 December 2022
	RM'000	RM'000
Balance at 1 January	2,519	3,258
Classified as impaired during the period/year	195	513
Reclassified as non-impaired during the period/year	(143)	(767)
Amount recovered	(98)	(485)
At 31 March 2023 / 31 December 2022	<u>2,473</u>	<u>2,519</u>
Gross impaired loans as a percentage of gross loans, advances and financing	<u>0.11%</u>	<u>0.12%</u>

15. Loans, advances and financing (continued)

Impaired loans, advances and financing analysed by economic sector and geographical distribution are as follows:

	Group and Bank	
	31 March 2023	31 December 2022
	RM'000	RM'000
Household (Malaysia)	<u>2,473</u>	<u>2,519</u>

16. Other assets

	Group and Bank	
	31 March 2023	31 December 2022
	RM'000	RM'000
Interest/Income receivable	30,136	31,222
Margin placed with exchange	26,329	26,912
Collateral deposits placed	96,446	124,206
Other debtors, deposits and prepayments	<u>593,544</u>	<u>229,924</u>
	<u>746,455</u>	<u>412,264</u>

17. Deposits from customers

	Group		Bank	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Demand deposits	4,520,281	4,659,594	4,520,301	4,659,614
Savings deposits	-	1	-	1
Fixed deposits	179,470	138,297	179,470	138,297
Other deposits	<u>403,655</u>	<u>327,378</u>	<u>403,655</u>	<u>327,378</u>
	<u>5,103,406</u>	<u>5,125,270</u>	<u>5,103,426</u>	<u>5,125,290</u>

The maturity structure of fixed deposits and other deposits are as follows:

	Group and Bank	
	31 March 2023	31 December 2022
	RM'000	RM'000
Due within six months	383,191	274,407
More than six months to one year	350	-
More than one year to three years	<u>199,584</u>	<u>191,268</u>
	<u>583,125</u>	<u>465,675</u>

17. Deposits from customers (continued)

The deposits are sourced from the following types of customers:

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Business enterprises	4,206,616	4,075,278	4,206,636	4,075,298
Individuals	-	1	-	1
Foreign customers	73,857	43,121	73,857	43,121
Domestic non-bank financial institutions	822,933	1,006,870	822,933	1,006,870
	<u>5,103,406</u>	<u>5,125,270</u>	<u>5,103,426</u>	<u>5,125,290</u>

18. Deposits and placements of banks and other financial institutions

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Licensed banks	59,848	-
Other financial institutions	806,755	237,058
	<u>866,603</u>	<u>237,058</u>

19. Other liabilities

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Interest payable	3,714	2,556
Bills payable	12,623	44,003
Employee benefits	16,908	22,769
Collateral deposits received	492,531	670,637
Regulated short-selling activities	1,711	31,946
Other liabilities	549,906	138,920
	<u>1,077,393</u>	<u>910,831</u>

20. Interest income

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing	27,054	16,145	27,054	16,145
Money at call and deposit placements with financial institutions	15,844	11,147	15,844	11,147
Reverse repurchase agreements	2,724	508	2,724	508
Financial securities	26,975	17,122	26,975	17,122
Others	181	-	181	-
	<u>72,778</u>	<u>44,922</u>	<u>72,778</u>	<u>44,922</u>

21. Interest expense

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	2,893	1,147	2,893	1,147
Deposits from customers	13,602	4,591	13,602	4,591
Repurchase agreement	53	-	53	-
Other interest expense	53	66	53	66
	<u>16,601</u>	<u>5,804</u>	<u>16,601</u>	<u>5,804</u>

22. Non-interest income

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Fee income:				
Commissions	1,528	2,200	1,528	2,200
Service charges and fees	3,338	4,490	3,338	4,490
Guarantee fees	1,513	899	1,513	899
	<u>6,379</u>	<u>7,589</u>	<u>6,379</u>	<u>7,589</u>
Fee expense:				
Commissions	(863)	(985)	(863)	(985)
Service charges and fees	(875)	(873)	(875)	(873)
	<u>(1,738)</u>	<u>(1,858)</u>	<u>(1,738)</u>	<u>(1,858)</u>
Net fee income	<u>4,641</u>	<u>5,731</u>	<u>4,641</u>	<u>5,731</u>
Net gains from financial instruments:				
Net gain / (loss) arising on financial securities:				
Realised gain / (loss)	10,255	(7,929)	10,255	(7,929)
Unrealised loss	(1,394)	(3,844)	(1,394)	(3,844)
Net gain/(loss) arising on trading derivatives:				
Realised gain / (loss)	21,791	(13,988)	21,791	(13,988)
Unrealised gain	25,135	5,343	25,135	5,343
Foreign exchange (loss) / gain	(8,459)	40,902	(8,459)	40,902
Other income:				
Other operating income, net	3,086	219	3,086	219
	<u>50,414</u>	<u>20,703</u>	<u>50,414</u>	<u>20,703</u>
	<u>55,055</u>	<u>26,434</u>	<u>55,055</u>	<u>26,434</u>

23. Other operating expenses

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	10,423	10,310	10,423	10,310
- Others	3,223	2,690	3,223	2,690
Establishment costs				
- Rental	86	182	86	182
- Depreciation - property and equipment	853	244	853	244
- Depreciation - right-of-use assets	296	296	296	296
- Others	2,823	954	2,823	954
Marketing expenses	589	414	589	414
Administration and general expenses				
- Intercompany charges	18,926	20,686	18,926	20,686
- Communication	241	305	241	305
- Others	1,452	1,356	1,452	1,356
	<u>38,912</u>	<u>37,437</u>	<u>38,912</u>	<u>37,437</u>

The number of employees of the Group and the Bank at the end of the period was 192 (March 2022: 179).

24. (Allowance for) / Write-back of expected credit losses

	Group and Bank			
	1 st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
(Allowance for)/Write-back of expected credit losses				
- loans, advances and financing	(102)	157	(102)	157
- cash and cash equivalents	(21)	14	(21)	14
- debt securities at FVOCI	(153)	90	(153)	90
	<u>(276)</u>	<u>261</u>	<u>(276)</u>	<u>261</u>

25. Capital adequacy

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Components of Tier 1 and Tier 2 capital are as follows:		
Tier 1 capital		
Paid-up share capital	531,362	531,362
Other disclosed reserves	52,414	40,051
Retained profits	1,328,780	1,328,780
	<u>1,912,556</u>	<u>1,900,193</u>
Less: Deferred tax assets	(23,986)	(23,986)
Regulatory reserve	(45,000)	(45,000)
55% of fair value reserve	(4,077)	-
Total common equity tier 1/Total tier 1 capital	<u>1,839,493</u>	<u>1,831,207</u>
Tier 2 capital		
Expected credit losses ("ECL")*	2,680	2,560
Regulatory reserve	45,000	45,000
Total capital base	<u>1,887,173</u>	<u>1,878,767</u>
Common equity tier 1/Tier 1 capital ratio	21.900%	24.102%
Total capital ratio	<u>22.468%</u>	<u>24.728%</u>

* Refers to ECL for Stage 1 and Stage 2.

25. Capital adequacy (continued)

The capital adequacy ratios of the Group and of the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components and Basel II – Risk-weighted Assets) reissued on 2 February 2018. The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The minimum regulatory capital adequacy ratios before including capital conservation buffer and countercyclical capital buffer (CCyB) are 4.5% for CET1 Capital Ratio, 6.0% for Tier 1 Capital Ratio and 8.0% for Total Capital Ratio.

The capital conservation buffer required to be maintained in the form of CET1 Capital above the minimum regulatory capital adequacy ratios requirement is at 2.5%.

The CCyB which is in a range of between 0% and 2.5% is not a requirement for exposure in Malaysia yet but may be applied by regulators in the future.

The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

Risk Type		Risk Weighted Assets	
		31 March 2023 RM'000	31 December 2022 RM'000
1	Credit risk	5,255,920	4,868,323
2	Market risk	2,407,690	1,970,009
3	Operational risk	735,891	759,436
Total		8,399,501	7,597,768

25. Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category as at 31 March 2023 are as follows:

RISK TYPE		Gross Exposures	Net Exposures	Risk-Weighted Assets
		RM'000	RM'000	RM'000
1	Credit Risk			
	<u>On-Balance Sheet Exposures</u>			
	Sovereigns/Central Banks	3,160,523	3,115,809	-
	Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	1,789,261	1,401,875	662,880
	Corporates	2,136,070	2,136,070	2,128,512
	Residential Mortgages	2,029	2,029	710
	Other Assets	52,075	52,075	50,882
	Equity Exposure	13,033	13,033	13,263
	Defaulted Exposures	1,026	1,026	1,026
	<i>Total On-Balance Sheet Exposures</i>	<i>7,154,017</i>	<i>6,721,917</i>	<i>2,857,273</i>
	<u>Off-Balance Sheet Exposures</u>			
	OTC Derivatives	1,803,911	1,352,234	720,173
	Direct Credit Substitutes	315	315	315
	Transaction related contingent Items	408,708	403,626	342,837
	Short Term Self Liquidating trade related contingencies	4,623	4,623	4,102
	Other commitments, such as formal standby facilities and credit lines	1,331,220	1,331,220	1,331,220
	<i>Total for Off-Balance Sheet Exposures</i>	<i>3,548,777</i>	<i>3,092,018</i>	<i>2,398,647</i>
	<i>Total On and Off- Balance Sheet Exposures</i>	<i>10,702,794</i>	<i>9,813,935</i>	<i>5,255,920</i>

25. Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category as at 31 March 2023 are as follows (continued):

RISK TYPE		Gross Exposures		Risk Weighted Assets
		RM'000		RM'000
		Long Position	Short Position	
2	Market Risk			
	Interest Rate Risk	112,184,445	110,066,527	1,271,732
	Foreign Currency Risk	902,742	949,370	949,370
	Options	4,221	-	186,588
				2,407,690
3	Operational Risk			735,891
4	Total RWA			8,399,501

For interest rate risk, the gross exposures represent the sum of notional and mark-to-market value.

For foreign currency risk, the gross exposures represent net open position.

For options, the gross exposures represent net market value of option portfolio.

25. Capital adequacy (continued)

The breakdown of risk-weighted assets (“RWA”) by exposures in each major risk category for at 31 December 2022 are as follows:

RISK TYPE		Gross Exposures	Net Exposures	Risk-Weighted Assets
		RM'000	RM'000	RM'000
1	Credit Risk			
	<u>On-Balance Sheet Exposures</u>			
	Sovereigns/Central Banks	3,682,896	3,571,134	-
	Banks, Development Financial Institutions (“DFIs”) and Multilateral Development Banks (“MDBs”)	445,188	445,188	193,328
	Corporates	1,382,837	1,382,837	1,375,259
	Residential Mortgages	2,278	2,278	797
	Other Assets	888,941	888,941	887,711
	Equity Exposure	13,033	13,033	13,263
	Defaulted Exposures	1,036	1,036	1,036
	<i>Total On-Balance Sheet Exposures</i>	<i>6,416,209</i>	<i>6,304,447</i>	<i>2,471,394</i>
	<u>Off-Balance Sheet Exposures</u>			
	OTC Derivatives	1,886,035	1,275,384	717,280
	Direct Credit Substitutes	25	25	25
	Transaction related contingent Items	382,689	377,565	327,340
	Short Term Self Liquidating trade related contingencies	18,937	18,937	18,937
	Other commitments, such as formal standby facilities and credit lines	1,333,347	1,333,347	1,333,347
	<i>Total for Off-Balance Sheet Exposures</i>	<i>3,621,033</i>	<i>3,005,258</i>	<i>2,396,929</i>
	<i>Total On and Off- Balance Sheet Exposures</i>	<i>10,037,242</i>	<i>9,309,705</i>	<i>4,868,323</i>

25. Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category for at 31 December 2022 are as follows (continued):

RISK TYPE		Gross Exposures		Risk Weighted Assets	
		RM'000		RM'000	
2	Market Risk	Long Position	Short Position		
		Interest Rate Risk	105,894,931	105,184,029	1,221,900
		Foreign Currency Risk	219,176	233,275	233,273
		Options	-	6,109	514,836
				1,970,009	
3	Operational Risk			759,436	
4	Total RWA			7,597,767	

For interest rate risk, the gross exposures represent the sum of notional and mark-to-market value.

For foreign currency risk, the gross exposures represent net open position.

For options, the gross exposures represent net market value of option portfolio.

26. Commitments and contingencies

The Off-Balance Sheet exposures and their related counterparty credit risk of the Group and of the Bank are as follows:

31 March 2023 Group and Bank	Principal Amount	Credit Equivalent Amount	Risk Weighted Assets
	RM'000	RM'000	RM'000
Direct Credit Substitutes	315	315	315
Transaction Related Contingent Items	817,416	408,708	342,837
Short Term Self Liquidating Trade Related Contingencies	23,114	4,623	4,102
Foreign exchange related contracts			
One year or less	16,892,323	358,748	288,717
Over one year to five years	1,207,291	91,361	68,392
Over five years	-	-	-
Interest/Profit rate related contracts			
One year or less	98,285	251	138
Over one year to five years	418,162	9,802	6,801
Over five years	-	-	-
Equity related contracts			
One year or less	-	-	-
Over one year to five years	-	-	-
Over five years	-	-	-
Credit Derivative Contracts			
One year or less	-	-	-
Over one year to five years	-	-	-
Over five years	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	91,892,828	1,343,749	356,125
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	943,666	471,833	471,833
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	4,296,934	859,387	859,387
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-	-	-
Total	116,590,334	3,548,777	2,398,647

26. Commitments and contingencies (continued)

The Off-Balance Sheet exposures and their related counterparty credit risk of the Group and of the Bank are as follows (continued):

31 December 2022 Group and Bank	Principal Amount	Credit Equivalent Amount	Risk Weighted Assets
	RM'000	RM'000	RM'000
Direct Credit Substitutes	25	25	25
Transaction Related Contingent Items	765,377	382,689	327,340
Short-term Self Liquidating Trade Related Contingencies	94,684	18,937	18,937
Foreign exchange related contracts			
One year or less	16,532,569	333,287	302,634
Over one year to five years	1,328,986	106,595	83,497
Over five years	-	-	-
Interest/Profit rate related contracts			
One year or less	98,110	245	135
Over one year to five years	518,856	15,596	10,478
Over five years	-	-	-
Equity related contracts			
One year or less	-	-	-
Over one year to five years	-	-	-
Over five years	-	-	-
Credit Derivative Contracts			
One year or less	-	-	-
Over one year to five years	-	-	-
Over five years	-	-	-
OTC Derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	87,259,261	1,430,312	320,537
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	954,401	477,200	477,200
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	4,280,731	856,146	856,146
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	-	-	-
Total	111,833,000	3,621,032	2,396,929

27. The operations of Islamic Banking

Statement of Financial Position
 As at 31 March 2023 – Unaudited

	Note	Bank 31 March 2023 RM'000	31 December 2022 RM'000
Assets			
Cash and short-term funds	(a)	239,999	179,099
Financial securities	(b)	20,013	20,005
Other assets		257	109
Total assets		260,269	199,213
Liabilities and Islamic Banking funds			
Deposits from customers	(c)	222,815	162,945
Other liabilities	(d)	910	236
Tax payable		290	698
Total liabilities		224,015	163,879
Capital funds		25,000	25,000
Retained earnings		11,254	10,334
Islamic Banking funds		36,254	35,334
Total liabilities and Islamic Banking funds		260,269	199,213
Commitments and contingencies		-	-

27. The operations of Islamic Banking (continued)

Statement Of Profit Or Loss And Other Comprehensive Income
 For The Financial Period Ended 31 March 2023 - Unaudited

	Bank			
	1 st quarter ended		Three months ended	
	31	31	31	31
	March	March	March	March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of Islamic banking funds	1,211	676	1,211	676
Total net income	1,211	676	1,211	676
Other operating expenses	(7)	(7)	(7)	(7)
Operating profit	1,204	669	1,204	669
Write-back of expected credit losses	3	2	3	2
Profit before tax	1,207	671	1,207	671
Tax expense	(290)	(161)	(290)	(161)
Profit for the period	917	510	917	510
Other comprehensive income / (loss):				
<i>Movement in fair value reserve (debt securities):</i>				
Net change in fair value	7	(20)	7	(20)
Net amount transferred to profit or loss	(3)	(1)	(3)	(1)
Income tax effect relating to component of other comprehensive income	(1)	5	(1)	5
Other comprehensive income / (loss) for the period	3	(16)	3	(16)
Total comprehensive income for the period	920	494	920	494

27. The operations of Islamic Banking (continued)

Statement Of Changes In Islamic Banking Funds
 For The Financial Period Ended 31 March 2023

Bank	Capital funds RM'000	Other reserves RM'000	Retained profits RM'000	Total RM'000
At 1 January 2023	25,000	7	10,327	35,334
Net profit for the period	-	-	917	917
Other comprehensive income for the period	-	3	-	3
Total comprehensive income for the period	-	3	917	920
At 31 March 2023	25,000	10	11,254	36,254
At 1 January 2022	25,000	175	9,463	34,638
Net profit for the period	-	-	510	510
Other comprehensive loss for the period	-	(16)	-	(16)
Total comprehensive (loss) / income for the period	-	(16)	510	494
At 31 March 2022	25,000	159	9,973	35,132

27. The operations of Islamic Banking (continued)

Statement Of Cash Flows
 For The Financial Period Ended 31 March 2023

	Bank	
	31 March 2023 RM'000	31 March 2022 RM'000
Cash flows from operating activities		
Profit before taxation	1,207	671
Operating profit before working capital changes	<u>1,207</u>	<u>671</u>
Changes in working capital:		
Net changes in operating assets	(152)	(149)
Net changes in operating liabilities	60,543	(93,096)
Income taxes paid	(698)	(425)
Net cash generated from / (used) in operations	<u>60,900</u>	<u>(92,999)</u>
Net increase / (decrease) in cash and cash equivalents	60,900	(92,999)
Cash and cash equivalents at beginning of period	179,099	240,999
Cash and cash equivalents at end of period	<u>239,999</u>	<u>148,000</u>
Analysis of cash and cash equivalents:		
Cash and short-term funds	<u>239,999</u>	<u>148,000</u>

27. The operations of Islamic Banking (continued)

Shariah Committee

The Shariah Committee was established under BNM's "Guidelines on the Governance of Shariah Committee for the Islamic Financial Institutions" (BNM/GPS1) to advise the Board of Directors on Shariah matters in its Islamic business operations and to provide technical assistance in ensuring the Islamic banking products and services offered by the Bank and the relevant documentation are in compliance with Shariah principles.

The Shariah Committee comprises of Dr Uzaimah binti Ibrahim, Puan Zarinah binti Mohd Yusof and Encik Ahamad Firdaus bin Kadir.

Basis of measurement

The financial statements of the Islamic banking business have been prepared on the basis consistent with that of the Group and of the Bank as disclosed in Note 1 to the financial statements of the Group and of the Bank.

(a) Cash and short term funds

	Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Cash and balances with banks and other financial institutions	239,999	179,099

(b) Financial securities

	Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Debt securities at FVOCI Malaysian Investment Issue	20,013	20,005

(c) Deposits from customer

	Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Qard Demand deposits	222,815	162,945

27. The operations of Islamic Banking (continued)

(d) Other liabilities

	Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Bills payable	16	8
Others	894	228
	<u>910</u>	<u>236</u>

(e) Capital adequacy

The capital adequacy ratios of the Islamic banking business of the Bank are computed in accordance with the Capital Adequacy Framework for Islamic Banks (CAFIB). The Bank's Islamic banking business has adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk.

Components of Tier I and Tier II Capital:

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
Components of Tier 1 and Tier 2 capital are as follows:		
Tier 1 capital		
Capital funds	25,000	25,000
Other disclosed reserves	11	6
Retained profits	10,327	10,327
	<u>35,338</u>	<u>35,333</u>
Less: 55% of fair value reserve	(6)	(3)
Total common equity tier 1/Total tier 1 capital	35,332	35,330
Total Tier 2 capital	-	-
Total capital base	<u>35,332</u>	<u>35,330</u>
Common equity tier 1/Tier 1 capital ratio	722.683%	783.023%
Total capital ratio	<u>722.683%</u>	<u>783.023%</u>

The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

Risk Type		Risk Weighted Assets	
		31 March 2023 RM'000	31 December 2022 RM'000
1	Credit risk	-	-
2	Market risk	-	-
3	Operational risk	4,889	4,512
Total		4,889	4,512

27. The operations of Islamic Banking (continued)

(e) Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category as at 31 March 2023 are as follows:

RISK TYPE		Gross Exposures	Net Exposures	Risk-Weighted Assets
1	Credit Risk	RM'000	RM'000	RM'000
	<u>On-Balance Sheet Exposures</u>	260,269	260,269	-
	Sovereigns/Central Banks	-	-	-
	Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	-	-	-
	Insurance Companies, Securities Firms and Fund Managers	-	-	-
	Corporates	-	-	-
	Regulatory Retail	-	-	-
	Residential Mortgages	-	-	-
	Higher Risk Assets	-	-	-
	Other Assets	-	-	-
	Equity Exposure	-	-	-
	Defaulted Exposures	-	-	-
	<u>Total On-Balance Sheet Exposures</u>	260,269	260,269	-
	<u>Off-Balance Sheet Exposures</u>	-	-	-
	OTC Derivatives	-	-	-
	Credit Derivatives	-	-	-
	<u>Total for Off-Balance Sheet Exposures</u>	-	-	-
	<u>Total On and Off- Balance Sheet Exposures</u>	260,269	260,269	-

27. The operations of Islamic Banking (continued)

(e) Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category as at 31 March 2023 are as follows (continued):

RISK TYPE		Gross Exposures		Risk Weighted Assets
		RM'000		RM'000
2	Market Risk	Long Position	Short Position	
	Interest Rate Risk	-	-	-
	Foreign Currency Risk	-	-	-
	Options	-	-	-
				-
3	Operational Risk			4,889
4	Total RWA			4,889

For interest rate risk, the gross exposures represent the sum of notional and mark-to-market value.

For foreign currency risk, the gross exposures represent net open position.

For options, the gross exposures represent net market value of option portfolio.

27. The operations of Islamic Banking (continued)

(e) Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category as at 31 December 2022 are as follows:

RISK TYPE		Gross Exposures	Net Exposures	Risk-Weighted Assets
1		RM'000	RM'000	RM'000
	<u>On-Balance Sheet Exposures</u>			
	Sovereigns/Central Banks	199,213	199,213	-
	Banks, Development Financial Institutions ("DFIs") and Multilateral Development Banks ("MDBs")	-	-	-
	Insurance Companies, Securities Firms and Fund Managers	-	-	-
	Corporates	-	-	-
	Regulatory Retail	-	-	-
	Residential Mortgages	-	-	-
	Higher Risk Assets	-	-	-
	Other Assets	-	-	-
	Equity Exposure	-	-	-
	Defaulted Exposures	-	-	-
	<u>Total On-Balance Sheet Exposures</u>	199,213	199,213	-
	<u>Off-Balance Sheet Exposures</u>			
	OTC Derivatives	-	-	-
	Credit Derivatives	-	-	-
	<u>Total for Off-Balance Sheet Exposures</u>	-	-	-
	<u>Total On and Off- Balance Sheet Exposures</u>	199,213	199,213	-

27. The operations of Islamic Banking (continued)

(e) Capital adequacy (continued)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category as at 31 December 2022 are as follows (continued):

RISK TYPE		Gross Exposures		Risk Weighted Assets	
		RM'000		RM'000	
2	Market Risk	Long Position	Short Position		
		Interest Rate Risk	-	-	-
		Foreign Currency Risk	-	-	-
		Options	-	-	-
				-	
3	Operational Risk			4,512	
4	Total RWA			4,512	

For interest rate risk, the gross exposures represent the sum of notional and mark-to-market value.

For foreign currency risk, the gross exposures represent net open position.

For options, the gross exposures represent net market value of option portfolio.