

J.P.Morgan

J.P. MORGAN CHASE BANK BERHAD

(Company number: 199401030666 (316347-D))

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

Domiciled in Malaysia
Principal place of business:
Level 18, Integra Tower
The Intermark
348, Jalan Tun Razak
50400 Kuala Lumpur

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))

(Incorporated in Malaysia)

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2024

ASSETS	<u>Note</u>	<u>31 Mar 2024</u> RM'000	<u>31 Dec 2023</u> RM'000
Cash and short-term funds	a	11,031,041	15,515,001
Securities purchased under resale agreement	b	13,264,263	10,810,789
Financial assets held at fair value through profit and loss ("FVTPL")	c	1,536,658	1,196,665
Derivative financial instruments		1,031,350	1,009,845
Financial assets held at fair value through other comprehensive income ("FVOCI")	d	138,695	137,604
Loans and advances	e	613,811	555,775
Amount due from related parties		873,265	353,623
Statutory deposits with Bank Negara Malaysia		2	2
Other assets	f	426,574	345,006
Deferred tax assets		4,025	8,178
Fixed assets		6,399	7,048
Right-of-use assets		5,523	6,790
TOTAL ASSETS		<u>28,931,606</u>	<u>29,946,326</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	g	14,360,319	14,186,490
Deposits and placements of banks and other financial institutions	h	993,543	2,271,026
Financial liabilities designated as fair value through profit and loss	j	259,218	248,959
Obligations on securities sold under repurchase agreements		130,289	229,925
Derivative financial instruments		888,335	1,139,614
Amount due to related parties	i	9,233,099	9,377,428
Other liabilities	k	768,801	256,982
Tax payable		6,233	7,465
Total liabilities		<u>26,639,837</u>	<u>27,717,889</u>
Share capital		437,500	437,500
Retained earnings		1,842,135	1,778,922
Reserves		12,134	12,015
Shareholders' equity		<u>2,291,769</u>	<u>2,228,437</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>28,931,606</u>	<u>29,946,326</u>
COMMITMENTS AND CONTINGENCIES	s	<u>159,995,822</u>	<u>153,205,128</u>

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))
(Incorporated in Malaysia)

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	<u>Note</u>	<u>31 Mar 2024</u> (Quarter 1 2024) RM'000	<u>31 Mar 2023</u> (Quarter 1 2023) RM'000
Interest income *	l	131,009	114,254
Interest income from financial assets held at fair value through profit and loss	l	109,696	61,612
Interest expense	m	(229,738)	(129,839)
		<hr/>	<hr/>
Net interest income		10,967	46,027
Other operating income	n	134,656	94,177
		<hr/>	<hr/>
Net income		145,623	140,204
Other operating expenses	o	(61,698)	(50,106)
		<hr/>	<hr/>
Operating profit before allowances		83,925	90,098
Expected credit losses written-back on loans and advances	p	1,079	4,154
		<hr/>	<hr/>
Profit before taxation		85,004	94,252
Taxation		(21,635)	(23,562)
		<hr/>	<hr/>
Net profit for the financial period		<u>63,369</u>	<u>70,690</u>

* Comprises of interest recognised on financial assets measured at amortised cost and fair value through other comprehensive income.

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))
(Incorporated in Malaysia)

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

	Share capital RM'000	Fair value reserves of OCI RM'000	Option reserve RM'000	Regulatory reserve RM'000	Distributable Retained earnings RM'000	Total RM'000
At 1 January 2024	437,500	62	11,953	-	1,778,922	2,228,437
Net profit for the financial period	-	-	-	-	63,369	63,369
Other comprehensive loss (net of tax)	-	(37)	-	-	-	(37)
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	-	(49)	-	-	-	(49)
Income tax relating to component of other comprehensive income	-	12	-	-	-	12
Total comprehensive (loss)/income for the financial perio	-	(37)	-	-	63,369	63,332
Transfer to regulatory reserve	-	-	-	156	(156)	-
At 31 March 2024	<u>437,500</u>	<u>25</u>	<u>11,953</u>	<u>156</u>	<u>1,842,135</u>	<u>2,291,769</u>
At 1 January 2023	437,500	(256)	11,953	6,096	1,490,242	1,945,535
Net profit for the financial year	-	-	-	-	282,584	282,584
Other comprehensive income (net of tax)	-	318	-	-	-	318
Net unrealised gain on revaluation of financial assets at fair value through other comprehensive income	-	419	-	-	-	419
Income tax relating to component of other comprehensive income	-	(101)	-	-	-	(101)
Total comprehensive income for the financial year	-	318	-	-	282,584	282,902
Transfer from regulatory reserve	-	-	-	(6,096)	6,096	-
At 31 December 2023	<u>437,500</u>	<u>62</u>	<u>11,953</u>	<u>-</u>	<u>1,778,922</u>	<u>2,228,437</u>

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))

(Incorporated in Malaysia)

UNAUDITED STATEMENT OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	<u>31 Mar 2024</u> RM'000	<u>31 Mar 2023</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	85,004	94,252
Adjustments for items not involving the movement of cash and cash equivalents:		
Depreciation of fixed assets	704	645
Depreciation of right-of-use of assets	1,267	1,275
Expected credit losses written-back on loans and advances	(1,079)	(4,154)
Interest expense on lease liabilities	36	36
Net unrealised loss/(gain) on revaluation of financial assets held at fair value through profit and loss	881	(7,082)
Net loss/(gain) on derivatives	5,209	(19,174)
Net unrealised (gain)/loss in revaluation on derivatives	(21,104)	16,229
Net unrealised loss in revaluation of structured deposits	10,259	6,868
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>81,177</u>	<u>88,895</u>
Increase in securities purchased under resale agreement	(2,453,474)	(103,623)
(Increase)/Decrease in amount due from related parties	(248,071)	356,817
Increase in financial assets held at fair value through profit and loss	(340,874)	(1,025,085)
Increase in derivative financial instruments	(256,889)	(212,031)
(Increase)/Decrease in financial assets held at fair value through other comprehensive income	(1,128)	126,997
Increase in loans and advances	(56,957)	(137,467)
Increase in other assets	(97,727)	(249,076)
Increase/(Decrease) in deposits from customers	173,829	(208,063)
(Decrease)/increase in deposits and placements of banks and other financial institutions	(1,277,483)	8,443
Increase/(Decrease) in other liabilities	529,289	(416,884)
Decrease in securities sold under repurchase agreements	(99,636)	(26,000)
(Decrease)/increase in amount due to related parties	(144,329)	562,053
Cash used in operating activities	<u>(4,192,273)</u>	<u>(1,235,024)</u>
Income taxes paid	(18,702)	(9,564)
Net cash used in operating activities	<u>(4,210,975)</u>	<u>(1,244,588)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(55)	-
Net cash used in investing activities	<u>(55)</u>	<u>-</u>

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))

(Incorporated in Malaysia)

UNAUDITED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024 (CONTINUED)

	<u>31 Mar 2024</u> RM'000	<u>31 Mar 2023</u> RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rental payment	(1,359)	(1,344)
Net cash flow used in financing activities	<u>(1,359)</u>	<u>(1,344)</u>
NET DECREASE IN CASH AND CASH EQUIVALENTS	(4,212,389)	(1,245,932)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	15,699,614	14,248,248
CASH AND CASH EQUIVALENT AT END OF FINANCIAL PERIOD	<u>11,487,225</u>	<u>13,002,316</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and short term funds	11,031,041	12,765,073
Amount due from related parties	456,184	237,243
	<u>11,487,225</u>	<u>13,002,316</u>

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

A Basis of preparation

The unaudited interim financial statements herein have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board.

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2023. The explanatory notes attached in the unaudited interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Bank since the financial year ended 31 December 2023.

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 financial statements for the financial year ended 31 December 2023.

B Auditor's report on preceding annual financial statements

The auditor's report on the financial statements for the financial year ended 31 December 2023 was not subject to any qualification.

C Seasonality or cyclical factors

The business operations of the Bank are not subject to material seasonal or cyclical fluctuation.

D 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 Bank for the financial period ended 31 March 2024.

E Change in estimates

There were no changes in estimates of amounts reported in prior financial years that have material effect on the financial results and position of the Bank for the financial period ended 31 March 2024.

F Issuance and repayment of debts and equity securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period ended 31 March 2024.

G Dividend

No dividend was paid during the financial period ended 31 March 2024.

H Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

I Review of Bank's performance

The Bank's profit before taxation for the financial period to March 2024 amounted to RM85 million. Net interest income for the period was RM11 million. Major contributors for interest income include interest income from inter-bank lending (RM121.6 million), interest income from financial assets held at fair value through profit and loss (RM109.7 million) and interest income from loans and advances (RM8.3 million). As for interest expense, amount incurred on customer deposits was RM107.8 million and interest incurred on inter-bank borrowings was RM122 million.

Income generated from the Bank's treasury activities comprises net gain from foreign exchange transaction of RM103.3 million, net gain from financial assets held at fair value through profit and loss of RM3.5 million, net gain on derivatives of RM15.9 million, and net gain from financial liabilities designated as fair value through profit and loss of RM10.3 million.

Total overhead expenditure incurred in the 3 months was RM61.7 million. Staff cost and benefits came up to RM20.5 million while establishment expenses amounted to RM1.7 million. Inter-company management fees and attribution fees incurred during the period was RM35.3 million while administration and general expenses amounted to RM3.6 million. Expected credit losses written back on loans and advances for the period was RM1.1 million, mainly contributed by lower expected credit losses provided.

Performance for year-to-date March 2024 was lower than that of the corresponding period in 2023. In the current period, the profit before taxation was RM85 million (YTD March 2023: RM94.3 million). Net interest income for the current period was lower by RM35.1 million while other operating income in the first 3 months of 2024 was RM134.7 million, higher than the amount earned in the corresponding period in 2023 by RM40.5 million. The lower net interest income recorded was attributable to higher interest expense arising from deposits from customers, and deposits and placements of banks and other financial institutions by RM34.3 million and RM65.6 million respectively, offset by higher interest income from money at call and placements with financial institutions by RM16 million. During the current period, there was higher foreign exchange gain by RM48.3 million. Net loss from financial assets held at fair value through profit and loss for the first 3 months of 2024 amounted to RM3.5 million against a net gain of RM17.0 million recorded in the corresponding period of 2023, and the Bank made net loss from financial liabilities designated as fair value through profit and loss during the current period amounted to RM10.3 million. As for derivatives trading, a net gain of RM15.9 million was recorded in the period against a net gain of RM2.9 million recorded in first 3 months of 2023. Other operating expenses increased to RM61.7 million as compared with RM50.1 million incurred during the corresponding period of 2023, reflecting an increase of RM11.6 million.

J Business outlook for 2024

Malaysia is an open, export-orientated economy, hence its growth will be influenced by macro factors. The Bank will remain focused on the quality and stability of the Bank by investing in transaction services, trade and wholesale banking businesses while enhancing flow business. The Bank's target clients, which consist of multi-national corporations, large domestic corporates, financial institutions and non-bank financial institutions, will continue to benefit from the Bank's significant competitive advantage of a broad product mix and an expansive global network.

Our commitment to developing our business in Malaysia has allowed us to become a leader among foreign banks in the country, and we are confident of further growth with the support of the Bank's strong capitalisation, global network and fortress balance sheet.

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))
(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

	<u>31 Mar 2024</u> RM '000	<u>31 Dec 2023</u> RM '000
a) Cash and short-term funds		
Cash and balances with banks and other financial institutions	175,394	194,458
Money at call and deposit placements maturing within one month	<u>10,855,647</u>	<u>15,320,543</u>
	<u>11,031,041</u>	<u>15,515,001</u>
b) Securities purchased under resale agreement		
Securities purchased under resale agreement measured at fair value through profit or loss	<u>13,264,263</u>	<u>10,810,789</u>
c) Financial assets held at fair value through profit or loss		
<u>Money market instruments</u>		
Malaysian Government Securities	1,375,182	859,106
Negotiable Instruments of Deposits	-	100,809
Malaysian Treasury Bills	29,954	12,232
Malaysian Government Investment Issuance	124,377	216,918
<u>Unquoted securities</u>		
Unquoted shares	<u>7,145</u>	<u>7,600</u>
	<u>1,536,658</u>	<u>1,196,665</u>
d) Financial assets held at fair value through other comprehensive income		
<u>Money market instruments</u>		
Malaysian Treasury Bills	<u>138,695</u>	<u>137,604</u>
e) Loans and advances		
i) Loans and advances analysed by type of loan are as follows:		
Overdrafts	97,254	116,823
Housing loans	452	523
Staff loans	326	331
Revolving credits	480,686	380,030
Trade finance	<u>48,934</u>	<u>73,506</u>
	627,652	571,213
Less: Allowance for losses on loans and advances:		
- ECL not credit impaired	(13,792)	(15,384)
- ECL credit impaired	(49)	(54)
Total net loans and advances	<u>613,811</u>	<u>555,775</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

	<u>31 Mar 2024</u> RM '000	<u>31 Dec 2023</u> RM '000
e) Loans and advances (continued)		
ii) The maturity structure of loans and advances are as follows:		
Maturity within		
- one year	627,108	570,663
- one year to three years	59	51
- three years to five years	75	84
- over five years	410	415
	<u>627,652</u>	<u>571,213</u>
iii) Loans and advances analysed by type of customers are as follows:		
Domestic business enterprises		
- Others	626,125	560,120
Individuals	778	854
Foreign entities	749	10,239
	<u>627,652</u>	<u>571,213</u>
iv) Loans and advances analysed by interest sensitivity are as follows:		
Fixed rate		
- Housing loans	778	854
Variable rate		
- Cost-plus	626,874	570,359
	<u>627,652</u>	<u>571,213</u>
v) Loans and advances analysed by their economic purpose are as follows:		
Purchase of landed properties	778	854
Working capital	626,874	570,359
	<u>627,652</u>	<u>571,213</u>
vi) Loans and advances analysed by their geographical distribution are as follows:		
In Malaysia	626,903	560,974
Other countries	749	10,239
	<u>627,652</u>	<u>571,213</u>
vii) Loans and advances analysed by measurement basis are as follows:		
Amortised cost	<u>627,652</u>	<u>571,213</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

	<u>31 Mar 2024</u> RM '000	<u>31 Dec 2023</u> RM '000
e) Loans and advances (continued)		
viii) Impaired loans		
a) Movement in impaired loans and advances are as follows:		
At 1 January	222	186
Classified as impaired during the financial period/year	36	62
Reclassified as performing during the financial period/year	(17)	(19)
Amount recovered	<u>(37)</u>	<u>(7)</u>
At end of financial period/year	204	222
ECL credit impaired	<u>(49)</u>	<u>(54)</u>
Net impaired loans and advances	<u><u>155</u></u>	<u><u>168</u></u>
b) Impaired loans analysed by their economic purpose are as follows:		
Purchase of landed property	<u><u>204</u></u>	<u><u>222</u></u>
c) Impaired loans analysed by their geographical distribution are as follows:		
In Malaysia	<u><u>204</u></u>	<u><u>222</u></u>
d) Movement in allowance for impaired loans and advances are as follows:		
<u>ECL credit impaired</u>		
At 1 January	54	46
- Allowance (written-back)/made during the financial period/year	<u>(5)</u>	<u>8</u>
Balance at end of financial period/year	<u><u>49</u></u>	<u><u>54</u></u>
<u>ECL not credit impaired</u>		
At 1 January	15,384	15,264
- Allowance (written-back)/made during the financial period/year	<u>(1,592)</u>	<u>120</u>
Balance at end of financial period/year	<u><u>13,792</u></u>	<u><u>15,384</u></u>
f) Other assets		
Receivable from securities sold pending settlement	419,957	340,669
Other receivable, deposits and prepayments	<u>6,617</u>	<u>4,337</u>
	<u><u>426,574</u></u>	<u><u>345,006</u></u>

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(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

	<u>31 Mar 2024</u>	<u>31 Dec 2023</u>
	RM '000	RM '000
g) Deposits from customers		
i) Deposits from customers analysed by type of deposits are as follows:		
Demand deposits	14,250,092	14,082,264
Fixed deposits	110,227	104,226
	<u>14,360,319</u>	<u>14,186,490</u>
Maturity structure of fixed deposits are as follows:		
Due within six months	<u>110,227</u>	<u>104,226</u>
ii) Deposits from customers analysed by type of customers are as follows:		
Business enterprises	14,359,496	14,185,826
Others	823	664
	<u>14,360,319</u>	<u>14,186,490</u>
h) Deposits and placements of banks and other financial institutions		
Licensed banks	696,196	616,421
Other financial institutions	297,347	1,654,605
	<u>993,543</u>	<u>2,271,026</u>
i) Amounts due to related parties		
Current deposits	258,627	265,347
Interbank taking	-	458,956
Fixed deposits	27,892	27,721
Securities sold under repurchase agreement	8,927,412	8,471,458
Other payables	19,168	153,946
	<u>9,233,099</u>	<u>9,377,428</u>
j) Financial liabilities designated as fair value through profit and loss		
Structured deposits	<u>259,218</u>	<u>248,959</u>
k) Other liabilities		
Other payables	754,969	227,787
Accruals and charges	5,905	20,462
Lease liabilities	5,844	7,168
Expected credit loss - off-balance sheet lending commitment	2,083	1,565
	<u>768,801</u>	<u>256,982</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

	<u>31 Mar 2024</u> (Quarter 1 2024) RM '000	<u>31 Mar 2023</u> (Quarter 1 2023) RM '000
l) Interest income		
Loans and advances		
- Interest income other than recoveries from impaired loans	8,309	5,841
- Recoveries from impaired loans	2	1
Money at call and placements with financial institutions	121,553	105,579
Financial assets held at fair value through other comprehensive income	1,139	2,829
Other interest income	6	4
	<u>131,009</u>	<u>114,254</u>
Interest income from financial assets at fair value through profit or loss		
Financial assets at fair value through profit or loss	<u>109,696</u>	<u>61,612</u>
m) Interest expense		
Deposits from customers	107,757	73,441
Deposits and placements of banks and other financial institutions	121,981	56,398
	<u>229,738</u>	<u>129,839</u>
n) Other operating income		
Fee income:		
Service charges and fees	1,865	1,601
Guarantee fees	503	520
	<u>2,368</u>	<u>2,121</u>
Net income from securities:		
Net (loss)/gain from sale of financial assets fair value through profit or loss	(2,600)	9,878
Unrealised (loss)/gain from revaluation of financial assets fair value through profit or loss	(881)	7,082
Net loss from financial liabilities designated as fair value through profit or loss	(10,259)	(6,868)
Derivatives:		
Net (loss)/gain from trading of derivatives	(5,209)	19,174
Unrealised gain/(loss) from revaluation of derivatives	21,104	(16,229)
Other income:		
Foreign exchange gain	103,339	55,035
Management and attribution income	26,794	23,984
	<u>134,656</u>	<u>94,177</u>
o) Other operating expenses		
Personnel expenses	20,487	18,586
Establishment expenses	1,741	2,112
Marketing expenses	574	484
Management and attribution fees paid	35,317	24,838
General administrative expenses	3,579	4,086
	<u>61,698</u>	<u>50,106</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

	<u>31 Mar 2024</u> (Quarter 1 2024) RM '000	<u>31 Mar 2023</u> (Quarter 1 2023) RM '000
p) Expected credit losses made on loans and advances:		
ECL - off-balance sheet lending commitment	(518)	276
ECL - loans and advances	1,597	3,878
	<u>1,079</u>	<u>4,154</u>

	<u>31 Mar 2024</u> RM '000	<u>31 Dec 2023</u> RM '000
q) Credit exposures arising from transactions with connected parties		
Outstanding credit exposures with connected parties	<u>735,372</u>	<u>773,275</u>
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<u>15.29%</u>	<u>17.23%</u>
Percentage of outstanding credit exposures to connected parties which is non-performing or in default	<u>0%</u>	<u>0%</u>

r) Capital adequacy

The capital adequacy ratios of the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk, and Basic Indicator Approach for Operational Risk (Basel II).

i) The capital adequacy ratios of the Bank are as follows:	<u>31 Mar 2024</u> RM '000	<u>31 Dec 2023</u> RM '000
Tier-I capital		
Paid-up share capital	437,500	437,500
Retained earnings	1,778,922	1,778,922
Fair value reserve through other comprehensive income	25	62
Option reserve	11,953	11,953
	<u>2,228,400</u>	<u>2,228,437</u>
Deferred tax assets	(4,025)	(8,178)
Financial assets at fair value through other comprehensive income	(14)	(34)
Total Tier I capital	<u>2,224,361</u>	<u>2,220,225</u>
Tier-II capital		
Regulatory reserve	156	-
ECL not credit impaired	15,875	16,949
Total Tier-II capital	<u>16,031</u>	<u>16,949</u>
Total capital	<u>2,240,392</u>	<u>2,237,174</u>
Common Equity Tier 1 capital ratio	27.676%	27.283%
Tier 1 capital ratio	27.676%	27.283%
Total capital ratio	27.876%	27.492%

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

s) Capital adequacy (continued)

ii) Total risk weighted assets and capital requirements as at 31 March 2024 and 31 December 2023

Exposure class	31 March 2024				31 December 2023			
	Gross exposures	Net exposures	Risk weighted assets	Capital requirements	Gross exposures	Net exposures	Risk weighted assets	Capital requirements
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
(a) Credit risk								
On-balance sheet exposures								
Sovereigns/central banks	11,325,964	10,946,837	529,145	42,332	15,552,877	15,397,723	458,945	36,716
Public Sector Entities	59,338	59,338	11,868	949	-	-	-	-
Banks, development financial institutions	13,876,255	1,051,430	210,305	16,825	11,273,943	678,905	135,799	10,864
Insurance companies, securities firms								
and fund managers	950,634	744,309	193,798	15,504	1,238,633	1,132,648	375,810	30,065
Corporates	632,172	632,172	631,935	50,555	577,513	577,513	575,084	46,007
Regulatory retail	326	326	326	26	331	331	331	26
Residential mortgages	247	247	77	6	302	302	127	10
Higher risk assets	-	-	-	-	-	-	-	-
Other assets	33,204	33,204	27,140	2,171	32,328	32,328	25,853	2,068
Defaulted exposures	155	155	103	8	169	169	101	8
Total on-balance sheet exposures	<u>26,878,295</u>	<u>13,468,018</u>	<u>1,604,697</u>	<u>128,376</u>	<u>28,676,096</u>	<u>17,819,919</u>	<u>1,572,050</u>	<u>125,764</u>
Off-balance sheet exposures								
over-the-counter ('OTC') derivatives	4,008,070	4,008,070	1,735,294	138,824	3,635,362	3,635,362	1,460,493	116,840
Off-balance sheet exposures								
other than OTC derivatives	175,026	175,026	166,716	13,337	282,410	282,410	273,355	21,868
Total off-balance sheet exposures	<u>4,183,096</u>	<u>4,183,096</u>	<u>1,902,010</u>	<u>152,161</u>	<u>3,917,772</u>	<u>3,917,772</u>	<u>1,733,848</u>	<u>138,708</u>
Total on and off-balance sheet exposures	<u>31,061,391</u>	<u>17,651,114</u>	<u>3,506,707</u>	<u>280,537</u>	<u>32,593,868</u>	<u>21,737,691</u>	<u>3,305,898</u>	<u>264,472</u>
(b) Market risk	Long position	Short position			Long position	Short position		
Interest rate risk	174,771,576	169,049,538	3,373,136	269,851	152,937,639	149,022,369	3,687,568	295,006
Foreign currency risk	98,926	82,222	98,926	7,914	114,824	2	114,825	9,186
Option risk			192,200	15,376			213,931	17,114
(c) Operational risk			866,101	69,288			815,400	65,232
Total risk weighted assets and capital requirements			<u>8,037,070</u>	<u>642,966</u>			<u>8,137,622</u>	<u>651,010</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2024

t) Commitments and contingencies

Total risk weighted assets and capital requirements as at 31 March 2024 and 31 December 2023

	31 March 2024			31 December 2023		
	Principal amount	Credit equivalent amount*	Risk-weighted amount	Principal amount	Credit equivalent amount*	Risk-weighted amount
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Direct credit substitutes	135,318	135,318	130,486	223,888	223,888	219,108
Transaction-related contingent items	59,643	29,822	26,344	50,353	25,176	20,901
Foreign exchange related contracts:						
- less than one year	69,221,711	1,336,653	652,748	63,714,605	1,007,983	404,323
- one year to less than five years	1,851,164	196,949	111,596	1,744,021	174,987	111,513
- more than five years	198,840	36,989	16,536	193,155	39,365	18,031
Interest rate related contracts:						
- less than one year	27,538,582	108,216	44,555	25,488,551	84,093	36,622
- one year to less than five years	53,334,196	1,680,300	634,111	55,087,764	1,765,216	657,328
- more than five years	4,251,060	418,615	204,171	3,449,158	342,769	166,181
Equity related contracts						
- less than one year	1,190,041	164,731	49,666	1,126,918	153,293	43,922
- one year to less than five years	30,353	3,795	1,215	54,059	6,951	2,299
	-	-	-	-	-	-
Credit derivatives contracts						
- less than one year	27,713	3,171	1,463	22,938	2,666	1,333
- one year to less than five years	330,114	58,651	19,233	348,239	58,039	18,941
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	19,772	9,886	9,886	66,692	33,346	33,346
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 borrower's creditworthiness	1,807,315	-	-	1,634,787	-	-
	<u>159,995,822</u>	<u>4,183,096</u>	<u>1,902,010</u>	<u>153,205,128</u>	<u>3,917,772</u>	<u>1,733,848</u>

* The credit equivalent amount is arrived at using the credit conversion factor as per Bank Negara Malaysia guidelines.