

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 30 JUNE 2022

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 30 JUNE 2022

ASSETS	<u>Note</u>	<u>30 Jun 2022</u> RM'000	<u>31 Dec 2021</u> RM'000
Cash and short-term funds	a	5,710,471	4,624,936
Securities purchased under resale agreement		4,926,047	2,442,786
Financial assets held at fair value through profit and loss	b	1,045,355	611,164
Derivative financial instruments		1,418,500	821,733
Financial assets held at fair value through other comprehensive income	c	249,338	377,948
Loans and advances	d	720,616	461,288
Amount due from related parties		992,924	566,929
Statutory deposits with Bank Negara Malaysia		2	2
Other assets	e	647,068	374,982
Tax recoverable		22,029	34,475
Deferred tax assets		5,042	5,834
Fixed assets		8,300	8,909
Right-of-use assets		13,313	15,898
TOTAL ASSETS		<u><u>15,759,005</u></u>	<u><u>10,346,884</u></u>
 LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	f	5,539,337	4,173,237
Deposits and placements of banks and other financial institutions	g	807,008	586,965
Obligations on securities sold under repurchase agreements		678,115	343,738
Derivative financial instruments		1,166,643	731,034
Amount due to related parties		5,045,808	2,218,618
Other liabilities	h	661,055	496,788
Total liabilities		<u><u>13,897,966</u></u>	<u><u>8,550,380</u></u>
Share capital		437,500	437,500
Retained earnings		1,409,713	1,340,841
Reserves		13,826	18,163
Shareholders' equity		<u><u>1,861,039</u></u>	<u><u>1,796,504</u></u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u><u>15,759,005</u></u>	<u><u>10,346,884</u></u>
 COMMITMENTS AND CONTINGENCIES	 p	 <u><u>129,113,541</u></u>	 <u><u>119,148,257</u></u>

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	<u>Note</u>	<u>30 Jun 2022</u> (Quarter 2 2022) RM'000	<u>30 Jun 2021</u> (Quarter 2 2021) RM'000
Interest income	i	84,009	45,958
Interest expense	j	(30,844)	(14,898)
		<hr/>	<hr/>
Net interest income		53,165	31,060
Other operating income	k	137,148	96,316
		<hr/>	<hr/>
Net income		190,313	127,376
Other operating expenses	l	(95,484)	(83,169)
		<hr/>	<hr/>
Operating profit before allowances		94,829	44,207
Expected credit losses (made)/written-back on loans and advances	m	(6,544)	2,926
		<hr/>	<hr/>
Profit before taxation		88,285	47,133
Taxation		(22,912)	(12,603)
		<hr/>	<hr/>
Net profit for the financial period		<u>65,373</u>	<u>34,530</u>

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	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 2022	437,500	317	11,953	5,893	1,340,841	1,796,504
Net profit for the financial period	-	-	-	-	65,373	65,373
Other comprehensive income (net of tax)	-	(838)	-	-	-	(838)
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	-	(1,103)	-	-	-	(1,103)
Income tax relating to component of other comprehensive income	-	265	-	-	-	265
Total comprehensive income for the financial period	-	(838)	-	-	65,373	64,535
Transfer from regulatory reserve	-	-	-	(3,499)	3,499	-
At 30 June 2022	<u>437,500</u>	<u>(521)</u>	<u>11,953</u>	<u>2,394</u>	<u>1,409,713</u>	<u>1,861,039</u>
At 1 January 2021	437,500	1,010	11,953	973	1,286,237	1,737,673
Net profit for the financial year	-	-	-	-	59,524	59,524
Other comprehensive income (net of tax)	-	(693)	-	-	-	(693)
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	-	(911)	-	-	-	(911)
Income tax relating to component of other comprehensive income	-	218	-	-	-	218
Total comprehensive income for the financial year	-	(693)	-	-	59,524	58,831
Transfer to regulatory reserve	-	-	-	4,920	(4,920)	-
At 31 December 2021	<u>437,500</u>	<u>317</u>	<u>11,953</u>	<u>5,893</u>	<u>1,340,841</u>	<u>1,796,504</u>

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

(Incorporated in Malaysia)

UNAUDITED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022

	<u>30 Jun 2022</u> RM'000	<u>30 Jun 2021</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	88,285	47,133
Adjustments for items not involving the movement of cash and cash equivalents:		
Depreciation of fixed assets	3,323	3,788
Amortisation of lease	2,585	2,408
Loss on disposal of fixed assets	-	198
Expected credit losses on loans and advances	6,544	(2,926)
Net unrealised (gain)/loss on revaluation of financial assets held at fair value through profit and loss	(4,777)	1,320
Net loss/(gain) on derivatives	31,194	(32,020)
Net unrealised (gain)/loss in revaluation on derivatives	(85,402)	27,349
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>41,752</u>	<u>47,250</u>
(Increase)/decrease in securities purchased under resale agreement	(2,483,261)	1,246,688
Increase in amount due from related parties	(602,857)	(487,088)
Increase in financial assets held at fair value through profit and loss	(429,414)	(808,075)
Increase in derivative financial instruments	(106,950)	(109,574)
Decrease in financial assets held at fair value through other comprehensive income	127,772	70,808
Increase in loans and advances	(265,872)	(132,985)
Increase in other assets	(269,731)	(492,554)
Increase/(decrease) in deposits from customers	1,366,100	(190,271)
Increase in deposits and placements of banks and other financial institutions	220,043	74,486
Increase in other liabilities	164,267	589,958
Increase/(decrease) in securities sold under repurchase agreements	334,377	(85,898)
Increase/(decrease) in amount due to related parties	2,827,190	(410,436)
 Cash generated from/(used in) operating activities	<u>923,416</u>	<u>(687,691)</u>
Income taxes paid	(9,410)	(26,565)
 Net cash generated from/(used in) operating activities	<u>914,006</u>	<u>(714,256)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(2,714)	(2,370)
 Net cash used in investing activities	<u>(2,714)</u>	<u>(2,370)</u>

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

(Incorporated in Malaysia)

UNAUDITED CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022 (CONTINUED)

	<u>30 Jun 2022</u> RM'000	<u>30 Jun 2021</u> RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rental payment	(2,619)	(2,408)
Net cash flow used in financing activities	<u>(2,619)</u>	<u>(2,408)</u>
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	908,673	(719,034)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD	4,806,275	3,250,353
CASH AND CASH EQUIVALENT AT END OF FINANCIAL PERIOD	<u>5,714,948</u>	<u>2,531,319</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and short term funds	5,710,471	2,375,594
Amount due from related parties	4,477	155,725
	<u>5,714,948</u>	<u>2,531,319</u>

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

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

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 2021. 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 2021.

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 2021.

B Auditor's Report on preceding Annual Financial Statements

The auditor's report on the financial statements for the financial year ended 31 December 2021 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 30 June 2022.

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 30 June 2022.

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 30 June 2022.

G Dividend

No dividend was paid during the financial period ended 30 June 2022.

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 - 30 JUNE 2022

I Review of Bank's Performance

The Bank's profit before taxation for the financial period to June 2022 amounted to RM88.3 million. Net interest income for the period was RM53.2 million. Major contributor for interest income include inter-bank lending (RM74.9 million), interest income from loans and advances (RM5.4 million) and interest earned from financial assets held at fair value through other comprehensive income for the period amounted to RM3.5 million. As for interest expense, amount incurred on inter-bank borrowings was RM22.1 million and interest incurred on customer deposits was RM8.8 million.

Income generated from the Bank's treasury activities comprises net gain from financial assets held at fair value through profit and loss of RM23.1 million, net gain from foreign exchange transaction of RM11.8 million and net gain on derivatives of RM54.2 million. Inter-company charges, commission and fees earned by the Bank amounted to RM48.1 million.

Total overhead expenditure incurred in the 6 months was RM95.5 million. Staff cost and benefits came up to RM34.9 million while establishment expenses amounted to RM5.9 million. Inter-company management fees and attribution fees incurred during the period was RM48.6 million while administration and general expenses amounted to RM5.6 million. Expected credit losses provided for loans and advances for the period was RM6.5 million, as compared to credit losses written-back in the corresponding period in 2021 of RM2.9 mil, mainly contributed by higher exposures.

Performance for year-to-date June 2022 was higher than that of the corresponding period in 2021. In the current period, the profit before taxation was RM88.3 million (YTD June 2021: RM47.1 million). Net interest income for the current period was higher by RM22.1 million while other operating income in the first 6 months of 2022 was RM137.1 million, higher than the amount earned in the corresponding period in 2021 by RM40.8 million. The higher net interest income recorded was attributable to higher interest income from money at call and placements with financial institutions by RM35.1 million, offset by higher interest expense arising from deposits and placements of banks and other financial institutions by RM13.5 million. During the current period, there was higher net management and attribution income by RM8.0 million, offset by lower foreign exchange gain by RM18.2 million. Net income from financial assets held at fair value through profit and loss for the first 6 months of 2022 amounted to RM23.1 million while RM22.1 million was recorded in the corresponding period for 2021. As for derivatives trading, a net gain of RM54.2 million was recorded in the period against a net gain of RM4.7 million recorded in first 6 months of 2021. Other operating expenses increased to RM95.5 million as compared with RM83.2 million incurred during the corresponding period of 2021, reflecting an increase of RM12.3 million.

J Business outlook for 2022

The Bank continues to address the impact of a challenging environment even as the pandemic enters a third year.

Malaysia is an open, export-orientated economy and is therefore exposed to macro factors that influence economic growth.

The high vaccination rate in Malaysia, however, is a positive development and the Bank stands ready to support clients comprising of multi-national corporations, large domestic corporates, financial institutions and non-bank financial institutions with its broad product mix across Corporate Banking, Payments and Markets.

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 capitalization, global network and fortress balance sheet.

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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

	<u>30 Jun 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
a) Cash and short-term funds		
Cash and balances with banks and other financial institutions	89,682	126,731
Money at call and deposit placements maturing within one month	<u>5,620,789</u>	<u>4,498,205</u>
	<u>5,710,471</u>	<u>4,624,936</u>
b) Financial assets held at fair value through profit or loss		
<u>Money market instruments</u>		
Malaysian Government Securities	697,182	442,108
Malaysian Treasury Bills	93,241	-
Malaysian Government Investment Issuance	224,366	138,485
Malaysian Government Guaranteed Bonds	24,157	24,016
<u>Unquoted securities</u>		
Unquoted shares	<u>6,409</u>	<u>6,555</u>
	<u>1,045,355</u>	<u>611,164</u>
c) Financial assets held at fair value through other comprehensive income		
<u>Money market instruments</u>		
Malaysian Government Investment Issuance	50,752	51,923
Malaysian Treasury Bills	<u>198,586</u>	<u>326,025</u>
	<u>249,338</u>	<u>377,948</u>
d) Loans and advances		
i) Loans and advances analysed by type of loan are as follows:		
Overdrafts	121,187	148,974
Housing loans	510	531
Staff loans	385	407
Revolving credits	390,532	232,316
Trade finance	<u>221,507</u>	<u>85,945</u>
	734,121	468,173
Less: Allowance for losses on loans and advances:		
- ECL not credit impaired	(13,466)	(6,839)
- ECL credit impaired	<u>(39)</u>	<u>(46)</u>
Total net loans and advances	<u>720,616</u>	<u>461,288</u>

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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

	<u>30 Jun 2022</u>	<u>31 Dec 2021</u>
	RM '000	RM '000
d) Loans and advances (continued)		
ii) The maturity structure of loans and advances are as follows:		
Maturity within		
- one year	733,294	467,278
- one year to three years	282	332
- three years to five years	36	26
- over five years	509	537
	<u>734,121</u>	<u>468,173</u>
iii) Loans and advances analysed by type of customers are as follows:		
Domestic business enterprises		
- Others	689,862	461,848
Individuals	895	938
Foreign entities	43,364	5,387
	<u>734,121</u>	<u>468,173</u>
iv) Loans and advances analysed by interest sensitivity are as follows:		
Fixed rate		
- Housing loans	895	938
Variable rate		
- Cost-plus	733,226	467,235
	<u>734,121</u>	<u>468,173</u>
v) Loans and advances analysed by their economic purpose are as follows:		
Purchase of landed properties	895	938
Working capital	733,226	467,235
	<u>734,121</u>	<u>468,173</u>
vi) Loans and advances analysed by their geographical distribution are as follows:		
In Malaysia	690,757	462,786
Other countries	43,364	5,387
	<u>734,121</u>	<u>468,173</u>
vii) Loans and advances analysed by measurement basis are as follows:		
Amortised cost	<u>734,121</u>	<u>468,173</u>

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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

	<u>30 Jun 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
d) Loans and advances (continued)		
viii) Impaired loans		
a) Movement in impaired loans and advances are as follows:		
At 1 January	198	90
Classified as impaired during the financial period/year	-	116
Reclassified as performing during the financial period/year	(37)	-
Amount recovered	<u>(6)</u>	<u>(8)</u>
At end of financial period/year	155	198
ECL credit impaired	<u>(39)</u>	<u>(46)</u>
Net impaired loans and advances	<u><u>116</u></u>	<u><u>152</u></u>
b) Impaired loans analysed by their economic purpose are as follows:		
Purchase of landed property	<u>155</u>	<u>198</u>
c) Impaired loans analysed by their geographical distribution are as follows:		
In Malaysia	<u>155</u>	<u>198</u>
d) Movement in allowance for impaired loans and advances are as follows:		
<u>ECL credit impaired</u>		
At 1 January	46	23
- Allowance made during the financial period/year	<u>(7)</u>	<u>23</u>
Balance at end of financial period/year	<u>39</u>	<u>46</u>
<u>ECL not credit impaired</u>		
At 1 January	6,839	8,164
- Allowance made/(written-back) during the financial period/year	<u>6,627</u>	<u>(1,325)</u>
Balance at end of financial period/year	<u>13,466</u>	<u>6,839</u>
e) Other assets		
Receivable from securities sold pending settlement	645,229	372,298
Other receivable, deposits and prepayments	<u>1,839</u>	<u>2,684</u>
	<u><u>647,068</u></u>	<u><u>374,982</u></u>

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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

	<u>30 Jun 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
f) Deposits from customers		
i) Deposits from customers analysed by type of deposits are as follows:		
Demand deposits	5,282,888	4,091,831
Fixed deposits	256,449	81,406
	<u>5,539,337</u>	<u>4,173,237</u>
Maturity structure of fixed deposits are as follows:		
Due within six months	<u>256,449</u>	<u>81,406</u>
ii) Deposits from customers analysed by type of customers are as follows:		
Business enterprises	5,537,967	4,172,135
Others	1,370	1,102
	<u>5,539,337</u>	<u>4,173,237</u>
g) Deposits and placements of banks and other financial institutions		
Licensed banks	665,738	452,916
Other financial institutions	141,270	134,049
	<u>807,008</u>	<u>586,965</u>
h) Other liabilities		
Other payables	636,614	459,742
Accruals and charges	9,434	19,444
Lease liabilities	13,638	16,157
Expected credit loss - off-balance sheet lending commitment	1,369	1,445
	<u>661,055</u>	<u>496,788</u>

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NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

	<u>30 Jun 2022</u> (Quarter 2 2022) RM '000	<u>30 Jun 2021</u> (Quarter 2 2021) RM '000
i) Interest income		
Loans and advances		
- Interest income other than recoveries from impaired loans	5,436	3,274
- Recoveries from impaired loans	2	3
Money at call and placements with financial institutions	74,919	39,860
Financial assets held at fair value through other comprehensive income	3,516	2,732
Other interest income	136	89
	<u>84,009</u>	<u>45,958</u>
j) Interest expense		
Deposits from customers	8,778	6,283
Deposits and placements of banks and other financial institutions	22,066	8,615
	<u>30,844</u>	<u>14,898</u>
k) Other operating income		
Fee income:		
Service charges and fees	3,059	2,479
Guarantee fees	914	916
	<u>3,973</u>	<u>3,395</u>
Net income from securities:		
Net gain from sale of financial assets fair value through profit or loss	4,987	8,241
Unrealised gain/(loss) from revaluation of financial assets fair value through profit or loss	4,777	(1,320)
Interest income from assets held at fair value through profit and loss	13,322	15,182
Derivatives:		
Net (loss)/gain from trading of derivatives	(31,194)	32,020
Unrealised gain/(loss) from revaluation of derivatives	85,402	(27,349)
Other income:		
Foreign exchange gain	11,762	29,980
Management and attribution income	44,119	36,167
	<u>137,148</u>	<u>96,316</u>
l) Other operating expenses		
Personnel expenses	34,869	30,814
Establishment expenses	5,823	6,437
Marketing expenses	558	200
Management and attribution fees paid	48,554	39,810
General administrative expenses	5,680	5,908
	<u>95,484</u>	<u>83,169</u>

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

	<u>30 Jun 2022</u> (Quarter 2 2022) RM '000	<u>30 Jun 2021</u> (Quarter 2 2021) RM '000
m) Expected credit losses (made)/written-back for losses on loans and advances:		
ECL - off-balance sheet lending commitment	76	896
ECL - loans and advances	(6,620)	2,027
Loans and advances recovered	-	3
	<u>(6,544)</u>	<u>2,926</u>

	<u>30 Jun 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
n) Credit exposures arising from transactions with connected parties		
Outstanding credit exposures with connected parties	<u>283,398</u>	<u>298,836</u>
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<u>5.85%</u>	<u>7.56%</u>
Percentage of outstanding credit exposures to connected parties which is non-performing or in default	<u>0%</u>	<u>0%</u>

o) 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>30 Jun 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
Tier-I capital		
Share capital	437,500	437,500
Retained earnings	1,340,841	1,340,841
Fair value reserve through other comprehensive income	(521)	317
Option reserve	11,953	11,953
	<u>1,789,773</u>	<u>1,790,611</u>
Deferred tax assets	(5,042)	(5,834)
Financial assets at fair value through other comprehensive income	-	(174)
Total Tier I capital	<u>1,784,731</u>	<u>1,784,603</u>
Tier-II capital		
Regulatory reserve	2,394	5,893
ECL not credit impaired	13,466	6,839
Total Tier-II capital	<u>15,860</u>	<u>12,732</u>
Total capital	<u>1,800,591</u>	<u>1,797,335</u>
Common Equity Tier 1 capital ratio	18.500%	24.042%
Tier 1 capital ratio	18.500%	24.042%
Total capital ratio	18.664%	24.214%

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

o) Capital adequacy (continued)

ii) Total risk weighted assets and capital requirements as at 30 June 2022 and 31 December 2021

Exposure class	30 June 2022				31 December 2021			
	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Capital requirements RM'000	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Capital requirements RM'000
(a) Credit risk								
On-balance sheet exposures								
Sovereigns/central banks	6,336,874	6,336,874	334,983	26,799	5,635,681	5,635,681	41,660	3,333
Public Sector Entities	9,776	9,776	1,955	156	19,946	19,946	3,989	319
Banks, development financial institutions Insurance companies, securities firms and fund managers	5,039,361	5,039,361	1,007,904	80,632	2,331,968	2,331,968	466,394	37,311
Corporates	1,386,054	1,386,054	386,651	30,932	540,995	540,995	156,689	12,535
Regulatory retail	738,469	738,469	738,469	59,077	467,253	467,253	467,253	37,380
Residential mortgages	385	385	385	31	407	407	407	33
Higher risk assets	350	350	123	10	334	334	122	10
Other assets	4	4	6	-	-	-	-	-
Defaulted exposures	34,867	34,867	29,357	2,349	93,400	93,400	766,087	61,287
	116	116	58	5	159	159	145	12
Total on-balance sheet exposures	13,546,256	13,546,256	2,499,891	199,991	9,090,143	9,090,143	1,902,746	152,220
Off-balance sheet exposures over-the-counter ('OTC') derivatives	3,931,296	3,931,296	1,624,371	129,950	3,197,678	3,197,678	1,295,165	103,613
Off-balance sheet exposures other than OTC derivatives	177,337	177,337	171,101	13,688	288,428	288,428	281,115	22,489
Total off-balance sheet exposures	4,108,633	4,108,633	1,795,472	143,638	3,486,106	3,486,106	1,576,280	126,102
Total on and off-balance sheet exposures	17,654,889	17,654,889	4,295,363	343,629	12,576,249	12,576,249	3,479,026	278,322
(b) Market risk								
	<u>Long position</u>	<u>Short position</u>			<u>Long position</u>	<u>Short position</u>		
Interest rate risk	130,125,372	129,220,762	4,397,958	351,837	119,338,039	118,012,168	3,159,354	252,748
Foreign currency risk	112,126	(1)	112,126	8,970	1,279	24,730	24,730	1,978
Option risk			177,306	14,184			109,775	8,782
(c) Operational risk								
			664,700	53,176			649,901	51,992
Total risk weighted assets and capital requirements			9,647,453	771,796			7,422,786	593,822

NOTES TO THE FINANCIAL STATEMENTS - 30 JUNE 2022

p) Commitments and contingencies

Total risk weighted assets and capital requirements as at 30 June 2022 and 31 December 2021

	30 June 2022			31 December 2021		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount RM'000	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount RM'000
Direct credit substitutes	165,316	165,316	160,918	263,690	263,690	259,553
Transaction-related contingent items	16,405	8,202	6,364	26,062	13,031	9,855
Short-term self-liquidating trade related contingencies	-	-	-	308	62	62
Foreign exchange related contracts:						
- less than one year	59,048,695	1,346,601	621,976	47,588,914	949,229	462,954
- one year to less than five years	1,680,126	172,209	89,167	2,531,462	231,757	86,204
Interest rate related contracts:						
- less than one year	20,174,242	92,305	38,181	23,555,312	122,893	47,427
- one year to less than five years	42,275,845	1,703,287	612,609	38,398,314	1,182,563	407,879
- more than five years	2,079,950	278,413	127,490	3,121,393	396,997	173,807
Credit derivatives contracts						
- less than one year	225,367	29,754	14,877	70,822	9,766	4,883
- one year to less than five years	294,018	67,513	20,934	291,545	50,708	18,969
Equity related contracts						
- less than one year	1,380,059	226,302	91,681	1,633,094	243,303	88,054
- one year to less than five years	80,233	14,912	7,456	72,223	10,462	4,988
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	7,637	3,819	3,819	23,290	11,645	11,645
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	1,685,648	-	-	1,571,828	-	-
	<u>129,113,541</u>	<u>4,108,633</u>	<u>1,795,472</u>	<u>119,148,257</u>	<u>3,486,106</u>	<u>1,576,280</u>

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