

**MALAYAN BANKING BERHAD**  
(Co. Reg. No.: 196001000142)  
(Incorporated in Malaysia)

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<u>Group</u>		First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000 Restated
	Note				
Interest income	A20	6,917,358	4,543,828	6,917,358	4,543,828
Interest expense	A21	(3,688,948)	(1,217,054)	(3,688,948)	(1,217,054)
Net interest income		3,228,410	3,326,774	3,228,410	3,326,774
Income from Islamic Banking Scheme operations	A39a	1,791,159	1,670,464	1,791,159	1,670,464
Insurance/takaful service result	A22	(8,043)	(27,881)	(8,043)	(27,881)
Other operating income	A24	1,719,441	1,023,065	1,719,441	1,023,065
Total operating income		6,730,967	5,992,422	6,730,967	5,992,422
Net insurance/takaful investment/finance result	A25	(406,655)	260,247	(406,655)	260,247
Net operating income		6,324,312	6,252,669	6,324,312	6,252,669
Overhead expenses	A26	(3,052,166)	(2,729,960)	(3,052,166)	(2,729,960)
Operating profit before impairment losses		3,272,146	3,522,709	3,272,146	3,522,709
Allowances for impairment losses on loans, advances, financing and other debts, net	A27	(360,064)	(443,412)	(360,064)	(443,412)
Writeback of/(allowances for) impairment losses on financial investments, net	A28	75,828	(127,591)	75,828	(127,591)
Allowances for impairment losses on other financial assets, net	A29	(8,629)	(26,047)	(8,629)	(26,047)
Operating profit		2,979,281	2,925,659	2,979,281	2,925,659
Share of profits in associates and joint ventures		76,568	49,515	76,568	49,515
<b>Profit before taxation and zakat</b>		3,055,849	2,975,174	3,055,849	2,975,174
Taxation and zakat	B5	(723,253)	(885,737)	(723,253)	(885,737)
<b>Profit for the financial period</b>		2,332,596	2,089,437	2,332,596	2,089,437
<b>Attributable to:</b>					
Equity holders of the Bank		2,265,405	2,046,860	2,265,405	2,046,860
Non-controlling interests		67,191	42,577	67,191	42,577
		2,332,596	2,089,437	2,332,596	2,089,437
<b>Earnings per share attributable to equity holders of the Bank</b>					
Basic/diluted	B12	18.79 sen	17.23 sen	18.79 sen	17.23 sen

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these financial statements)

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000 Restated
<b>Profit for the financial period</b>	<b>2,332,596</b>	2,089,437	<b>2,332,596</b>	2,089,437
<b>Other comprehensive income/(loss):</b>				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Defined benefit plan actuarial loss	(5,154)	(4,953)	(5,154)	(4,953)
Net loss from change in fair value on equity instruments at fair value through other comprehensive income	(2,413)	(342)	(2,413)	(342)
	<b>(7,567)</b>	(5,295)	<b>(7,567)</b>	(5,295)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net gain/(loss) on debt instruments at fair value through other comprehensive income	889,682	(1,221,653)	889,682	(1,221,653)
- Net gain/(loss) from change in fair value	1,069,140	(1,960,078)	1,069,140	(1,960,078)
- Changes in expected credit losses	42,829	234,191	42,829	234,191
- Income tax effect	(222,287)	504,234	(222,287)	504,234
Net gain on foreign exchange translation	638,905	120,943	638,905	120,943
Cost of hedging for fair value hedge	(12,543)	129	(12,543)	129
Net (loss)/gain on capital reserve	(60)	33	(60)	33
Net gain on revaluation reserve	443	-	443	-
Share of change in associates' reserve	(353,407)	(137,209)	(353,407)	(137,209)
Net insurance finance/investment result	(22,234)	(13,768)	(22,234)	(13,768)
	<b>1,140,786</b>	(1,251,525)	<b>1,140,786</b>	(1,251,525)
Other comprehensive income/(loss) for the financial period, net of tax	<b>1,133,219</b>	(1,256,820)	<b>1,133,219</b>	(1,256,820)
<b>Total comprehensive income for the financial period</b>	<b>3,465,815</b>	832,617	<b>3,465,815</b>	832,617
<b>Other comprehensive income/(loss) for the financial period, attributable to:</b>				
Equity holders of the Bank	1,104,487	(1,206,251)	1,104,487	(1,206,251)
Non-controlling interests	28,732	(50,569)	28,732	(50,569)
	<b>1,133,219</b>	(1,256,820)	<b>1,133,219</b>	(1,256,820)
<b>Total comprehensive income for the financial period, attributable to:</b>				
Equity holders of the Bank	3,369,892	840,609	3,369,892	840,609
Non-controlling interests	95,923	(7,992)	95,923	(7,992)
	<b>3,465,815</b>	832,617	<b>3,465,815</b>	832,617

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENTS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<b>Bank</b>	<b>Note</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
		<b>31 March 2023 RM'000</b>	<b>31 March 2022 RM'000</b>	<b>31 March 2023 RM'000</b>	<b>31 March 2022 RM'000</b>
Interest income	A20	<b>4,908,348</b>	2,934,676	<b>4,908,348</b>	2,934,676
Interest expense	A21	<b>(3,040,280)</b>	(872,296)	<b>(3,040,280)</b>	(872,296)
Net interest income		<b>1,868,068</b>	2,062,380	<b>1,868,068</b>	2,062,380
Dividends from subsidiaries	A23	<b>1,634,630</b>	1,579,020	<b>1,634,630</b>	1,579,020
Other operating income	A24	<b>1,063,020</b>	912,836	<b>1,063,020</b>	912,836
		<b>2,697,650</b>	2,491,856	<b>2,697,650</b>	2,491,856
Net operating income		<b>4,565,718</b>	4,554,236	<b>4,565,718</b>	4,554,236
Overhead expenses	A26	<b>(1,405,111)</b>	(1,168,847)	<b>(1,405,111)</b>	(1,168,847)
Operating profit before impairment losses		<b>3,160,607</b>	3,385,389	<b>3,160,607</b>	3,385,389
Allowances for impairment					
losses on loans, advances, financing					
and other debts, net	A27	<b>(194,339)</b>	(333,163)	<b>(194,339)</b>	(333,163)
Writeback of/(allowances for) impairment losses					
on financial investments, net	A28	<b>4,333</b>	(33,266)	<b>4,333</b>	(33,266)
Allowances for impairment losses on					
other financial assets, net	A29	<b>(1,208)</b>	(17,640)	<b>(1,208)</b>	(17,640)
<b>Profit before taxation and zakat</b>		<b>2,969,393</b>	3,001,320	<b>2,969,393</b>	3,001,320
Taxation and zakat	B5	<b>(327,572)</b>	(478,703)	<b>(327,572)</b>	(478,703)
<b>Profit for the financial period</b>		<b>2,641,821</b>	2,522,617	<b>2,641,821</b>	2,522,617

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<u>Bank</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
<b>Profit for the financial period</b>	<b>2,641,821</b>	<b>2,522,617</b>	<b>2,641,821</b>	<b>2,522,617</b>
<b>Other comprehensive income/(loss):</b>				
<i><b>Items that will not be reclassified subsequently to profit or loss:</b></i>				
Net gain from change in fair value on equity instruments at fair value through other comprehensive income	4,246	1,057	4,246	1,057
<i><b>Items that may be reclassified subsequently to profit or loss:</b></i>				
Net gain/(loss) on debt instruments at fair value through other comprehensive income	611,641	(744,392)	611,641	(744,392)
- Net gain/(loss) from change in fair value	717,444	(1,370,642)	717,444	(1,370,642)
- Changes in expected credit losses	40,513	221,406	40,513	221,406
- Income tax effect	(146,316)	404,844	(146,316)	404,844
Net gain on foreign exchange translation	95,978	48,758	95,978	48,758
Cost of hedging for fair value hedge	(12,543)	129	(12,543)	129
	<b>695,076</b>	<b>(695,505)</b>	<b>695,076</b>	<b>(695,505)</b>
Other comprehensive income/(loss) for the financial period, net of tax	<b>699,322</b>	<b>(694,448)</b>	<b>699,322</b>	<b>(694,448)</b>
<b>Total comprehensive income for the financial period</b>	<b>3,341,143</b>	<b>1,828,169</b>	<b>3,341,143</b>	<b>1,828,169</b>

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**MALAYAN BANKING BERHAD**  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023**

		Group		Bank	
		31 March 2023	31 December 2022	31 March 2023	31 December 2022
	Note	RM'000	RM'000 Restated	RM'000	RM'000
<b>ASSETS</b>					
Cash and short-term funds		28,105,051	37,573,869	30,059,652	29,590,431
Deposits and placements with financial institutions		27,909,773	16,095,978	27,620,813	28,358,259
Financial assets purchased under resale agreements		17,052,599	14,968,762	15,797,578	14,330,476
Financial assets designated upon initial recognition at fair value through profit or loss	A10(i)	12,780,855	12,822,800	-	-
Financial investments at fair value through profit or loss	A10(ii)	29,015,795	25,143,208	17,068,915	13,978,475
Financial investments at fair value through other comprehensive income	A10(iii)	127,601,344	121,366,990	76,328,808	73,551,480
Financial investments at amortised cost	A10(iv)	71,525,376	71,756,942	47,718,050	46,234,128
Loans, advances and financing to financial institutions	A11(i)	1,322,211	1,361,712	30,580,151	31,304,965
Loans, advances and financing to customers	A11(ii)	578,907,759	573,765,662	215,789,850	213,831,963
Derivative assets	A36	20,883,919	24,686,755	20,684,784	24,293,832
Insurance/reinsurance contract assets/ takaful/retakaful certificate assets	A12(i)	3,493,365	4,561,651	-	-
Other assets	A13	13,219,423	11,458,151	5,645,026	7,229,657
Investment properties		989,044	988,895	-	-
Statutory deposits with central banks		12,673,348	13,777,324	2,291,989	2,728,211
Investment in subsidiaries		-	-	34,488,589	33,860,627
Interest in associates and joint ventures		1,914,132	2,207,244	438,859	438,859
Property, plant and equipment		2,169,905	2,142,065	858,991	869,693
Right-of-use assets		1,752,876	1,176,776	528,221	550,311
Intangible assets		6,805,741	6,747,125	424,708	425,796
Deferred tax assets		2,018,936	2,374,433	854,930	1,099,262
<b>TOTAL ASSETS</b>		<b>960,141,452</b>	<b>944,976,342</b>	<b>527,179,914</b>	<b>522,676,425</b>
<b>LIABILITIES</b>					
Customers' funding:					
- Deposits from customers	A14	624,439,588	614,895,094	281,033,487	274,854,161
- Investment accounts of customers <sup>1</sup>	A39g	26,828,930	24,500,981	-	-
Deposits and placements from financial institutions	A15	47,276,876	51,893,780	50,509,627	66,794,444
Obligations on financial assets sold under repurchase agreements		28,896,099	15,585,836	44,561,244	26,290,296
Derivative liabilities	A36	23,273,088	27,874,325	22,546,819	27,190,450
Financial liabilities at fair value through profit or loss	A16	8,928,981	8,317,084	8,928,981	8,317,084
Bills and acceptances payable		993,061	1,810,954	541,880	1,212,731
Insurance contract liabilities/takaful certificate liabilities	A12(ii)	40,291,403	39,364,029	-	-
Other liabilities	A18	26,008,941	25,992,601	12,704,940	9,801,242
Provision for taxation and zakat		297,069	372,176	-	-
Deferred tax liabilities		478,564	435,668	-	-
Borrowings	A17(i)	30,439,874	31,736,007	20,956,280	22,486,167
Subordinated obligations	A17(ii)	10,195,217	10,238,389	9,780,219	9,830,233
Capital securities	A17(iii)	2,799,993	2,828,817	2,799,993	2,828,817
<b>TOTAL LIABILITIES</b>		<b>871,147,684</b>	<b>855,845,741</b>	<b>454,363,470</b>	<b>449,605,625</b>

<sup>1</sup> Investment accounts of customers are used to fund financing and advances as disclosed in Note A39e.

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023**

		Group		Bank	
		31 March 2023 RM'000	31 December 2022 RM'000 Restated	31 March 2023 RM'000	31 December 2022 RM'000
Note					
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b>					
Share capital		<b>54,619,344</b>	54,619,344	<b>54,619,344</b>	54,619,344
Shares held-in-trust		<b>(198)</b>	(198)	<b>(198)</b>	(198)
Retained profits		<b>28,921,282</b>	29,908,176	<b>14,128,793</b>	14,936,379
Reserves		<b>2,338,394</b>	1,577,107	<b>4,068,505</b>	3,515,275
		<b>85,878,822</b>	86,104,429	<b>72,816,444</b>	73,070,800
<b>Non-controlling interests</b>		<b>3,114,946</b>	3,026,172	-	-
		<b>88,993,768</b>	89,130,601	<b>72,816,444</b>	73,070,800
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
		<b>960,141,452</b>	944,976,342	<b>527,179,914</b>	522,676,425
<b>COMMITMENTS AND CONTINGENCIES</b>	A34	<b>1,570,211,002</b>	1,526,306,198	<b>1,448,149,977</b>	1,422,559,344
<b><u>CAPITAL ADEQUACY</u></b>					
	A35				
The capital adequacy ratios of the Group and of the Bank are as follows:					
CET1 Capital Ratio		<b>15.087%</b>	15.669%	<b>13.992%</b>	15.264%
Tier 1 Capital Ratio		<b>15.788%</b>	16.376%	<b>14.780%</b>	16.045%
Total Capital Ratio		<b>18.484%</b>	19.080%	<b>17.398%</b>	18.635%
Net assets per share attributable to equity holders of the Bank					
		<b>RM7.12</b>	RM7.14	<b>RM6.04</b>	RM6.06

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<===== Attributable to equity holders of the Bank =====>  
<===== Non-Distributable =====>

	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	<sup>1</sup> Other Reserves RM'000	<sup>2</sup> Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>Group</b>												
<b>At 1 January 2023</b>												
- as previously stated	54,619,344	(198)	429,303	2,465,059	(1,630,719)	499,269	89,687	(220,172)	29,705,461	85,957,034	2,960,106	88,917,140
- effects of adopting MFRS 17 (Note A40)	-	-	-	-	(42,515)	(3,296)	-	(9,509)	202,715	147,395	66,066	213,461
At 1 January 2023, as restated	54,619,344	(198)	429,303	2,465,059	(1,673,234)	495,973	89,687	(229,681)	29,908,176	86,104,429	3,026,172	89,130,601
Profit for the financial period	-	-	-	-	-	-	-	-	2,265,405	2,265,405	67,191	2,332,596
Other comprehensive income/(loss)	-	-	-	-	846,615	285,028	-	(27,156)	-	1,104,487	28,732	1,133,219
Defined benefit plan actuarial gain/(loss)	-	-	-	-	-	-	-	332	-	332	(5,486)	(5,154)
Share of associates' reserve	-	-	-	-	(14,189)	(339,218)	-	-	-	(353,407)	-	(353,407)
Net gain on foreign exchange translation	-	-	-	-	-	624,246	-	-	-	624,246	14,659	638,905
Net gain on financial investments at fair value through other comprehensive income	-	-	-	-	860,804	-	-	-	-	860,804	26,465	887,269
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	(12,543)	-	(12,543)	-	(12,543)
Net loss on capital reserve	-	-	-	-	-	-	-	(58)	-	(58)	(2)	(60)
Net gain on revaluation reserve	-	-	-	-	-	-	-	443	-	443	-	443
Net insurance finance/investment result	-	-	-	-	-	-	-	(15,330)	-	(15,330)	(6,904)	(22,234)
<b>Total comprehensive income/(loss) for the financial period</b>	-	-	-	-	846,615	285,028	-	(27,156)	2,265,405	3,369,892	95,923	3,465,815
<b>Carried forward</b>	54,619,344	(198)	429,303	2,465,059	(826,619)	781,001	89,687	(256,837)	32,173,581	89,474,321	3,122,095	92,596,416

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	Attributable to equity holders of the Bank											
	Non-Distributable											
	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	<sup>1</sup> Other Reserves RM'000	<sup>2</sup> Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>Group (cont'd.)</b>												
<b>Brought forward</b>	54,619,344	(198)	429,303	2,465,059	(826,619)	781,001	89,687	(256,837)	32,173,581	89,474,321	3,122,095	92,596,416
Net loss on disposal of financial investments at fair value through other comprehensive income	-	-	-	-	6,411	-	-	-	(6,411)	-	-	-
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	20,739	-	-	20,739	-	20,739
Effect of net acquisition from/disposal to non-controlling interests	-	-	-	-	-	-	-	-	-	-	(7,149)	(7,149)
Transfer to statutory reserve	-	-	2,009	-	-	-	-	-	(2,009)	-	-	-
Transfer from regulatory reserve	-	-	-	(372,359)	-	-	-	-	372,359	-	-	-
Dividends paid (Note A9(a))	-	-	-	-	-	-	-	-	(3,616,238)	(3,616,238)	-	(3,616,238)
<b>Total transactions with shareholders/ other equity movements</b>	-	-	2,009	(372,359)	6,411	-	20,739	-	(3,252,299)	(3,595,499)	(7,149)	(3,602,648)
<b>At 31 March 2023</b>	54,619,344	(198)	431,312	2,092,700	(820,208)	781,001	110,426	(256,837)	28,921,282	85,878,822	3,114,946	88,993,768

<sup>1</sup> The further breakdown and movement of other reserves are disclosed in Note A19.

<sup>2</sup> The retained profits of the Group include the non-distributable Life Funds surplus from an insurance subsidiary amounted to RM818.3 million (net of tax). This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<===== Attributable to equity holders of the Bank =====>  
<===== Non-Distributable =====>

<b>Group</b>	<b>Share Capital</b> RM'000	<b>Shares Held-in-trust</b> RM'000	<b>Statutory Reserve</b> RM'000	<b>Regulatory Reserve</b> RM'000	<b>Fair Value Through Other Comprehensive Income Reserve</b> RM'000	<b>Exchange Fluctuation Reserve</b> RM'000	<b>ESGP Reserve</b> RM'000	<sup>1</sup> <b>Other Reserves</b> RM'000	<sup>2</sup> <b>Retained Profits</b> RM'000	<b>Total Shareholders' Equity</b> RM'000	<b>Non-Controlling Interests</b> RM'000	<b>Total Equity</b> RM'000
<b>At 1 January 2022</b>												
- as previously stated	53,156,473	(1,274)	332,372	1,315,261	1,234,705	351,277	94,006	(301,124)	29,629,726	85,811,422	2,740,999	88,552,421
- effects of adopting MFRS 17 (Note A40)	-	-	-	-	(14,228)	-	-	(24,973)	389,526	350,325	157,024	507,349
At 1 January 2022, as restated	53,156,473	(1,274)	332,372	1,315,261	1,220,477	351,277	94,006	(326,097)	30,019,252	86,161,747	2,898,023	89,059,770
Profit for the financial period	-	-	-	-	-	-	-	-	2,046,860	2,046,860	42,577	2,089,437
Other comprehensive loss	-	-	-	-	(1,106,278)	(85,673)	-	(14,300)	-	(1,206,251)	(50,569)	(1,256,820)
Defined benefit plan actuarial gain	-	-	-	-	-	-	-	(4,953)	-	(4,953)	-	(4,953)
Share of associates' reserve	-	-	-	-	75,739	(212,948)	-	-	-	(137,209)	-	(137,209)
Net gain/(loss) on foreign exchange translation	-	-	-	-	-	127,275	-	-	-	127,275	(6,332)	120,943
Net loss on financial investments at fair value through other comprehensive income	-	-	-	-	(1,182,017)	-	-	-	-	(1,182,017)	(39,978)	(1,221,995)
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	129	-	129	-	129
Net gain on capital reserve	-	-	-	-	-	-	-	31	-	31	2	33
Net insurance finance/investment result	-	-	-	-	-	-	-	(9,507)	-	(9,507)	(4,261)	(13,768)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	-	(1,106,278)	(85,673)	-	(14,300)	2,046,860	840,609	(7,992)	832,617
<b>Carried forward</b>	53,156,473	(1,274)	332,372	1,315,261	114,199	265,604	94,006	(340,397)	32,066,112	87,002,356	2,890,031	89,892,387

**MALAYAN BANKING BERHAD**  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

<===== Attributable to equity holders of the Bank =====>  
<===== Non-Distributable =====>

	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	<sup>1</sup> Other Reserves RM'000	<sup>2</sup> Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
<b>Group (cont'd.)</b>												
<b>Brought forward</b>	53,156,473	(1,274)	332,372	1,315,261	114,199	265,604	94,006	(340,397)	32,066,112	87,002,356	2,890,031	89,892,387
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	20,393	-	-	20,393	-	20,393
Effect of net acquisition from/disposal to non-controlling interests	-	-	-	-	-	-	-	-	-	-	1,926	1,926
Transfer to statutory reserve	-	-	1,510	-	-	-	-	-	(1,510)	-	-	-
Transfer to regulatory reserve	-	-	-	351,966	-	-	-	-	(351,966)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(2,908,038)	(2,908,038)	-	(2,908,038)
<b>Total transactions with shareholders/ other equity movements</b>	-	-	1,510	351,966	-	-	20,393	-	(3,261,514)	(2,887,645)	1,926	(2,885,719)
<b>At 31 March 2022</b>	53,156,473	(1,274)	333,882	1,667,227	114,199	265,604	114,399	(340,397)	28,804,598	84,114,711	2,891,957	87,006,668

<sup>1</sup> The further breakdown and movement of other reserves are disclosed in Note A19.

<sup>2</sup> The retained profits of the Group include the non-distributable Life Funds surplus from an insurance subsidiary amounted to RM798.6 million (net of tax). This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these financial statements)

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**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	<===== Attributable to equity holders of the Bank =====>									
	<===== Non-Distributable =====>									
<b>Bank</b>	<b>Share Capital RM'000</b>	<b>Shares Held-in-trust RM'000</b>	<b>Statutory Reserve RM'000</b>	<b>Regulatory Reserve RM'000</b>	<b>Fair Value Through Other Comprehensive Income Reserve RM'000</b>	<b>Exchange Fluctuation Reserve RM'000</b>	<b>ESGP Reserve RM'000</b>	<b>Hedge Reserve RM'000</b>	<b>Distributable Retained Profits RM'000</b>	<b>Total Equity RM'000</b>
<b>At 1 January 2023</b>	54,619,344	(198)	79,003	1,549,033	(1,180,242)	2,921,100	89,687	56,694	14,936,379	73,070,800
Profit for the financial period	-	-	-	-	-	-	-	-	2,641,821	2,641,821
Other comprehensive income/(loss)	-	-	-	-	615,887	95,978	-	(12,543)	-	699,322
Net gain on foreign exchange translation	-	-	-	-	-	95,978	-	-	-	95,978
Net gain on financial investments at fair value through other comprehensive income	-	-	-	-	615,887	-	-	-	-	615,887
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	(12,543)	-	(12,543)
<b>Total comprehensive income/(loss) for the financial period</b>	-	-	-	-	615,887	95,978	-	(12,543)	2,641,821	3,341,143
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	20,739	-	-	20,739
Transfer to statutory reserve	-	-	2,009	-	-	-	-	-	(2,009)	-
Transfer from regulatory reserve	-	-	-	(168,840)	-	-	-	-	168,840	-
Dividends paid (Note A9(a))	-	-	-	-	-	-	-	-	(3,616,238)	(3,616,238)
<b>Total transactions with shareholders/ other equity movements</b>	-	-	2,009	(168,840)	-	-	20,739	-	(3,449,407)	(3,595,499)
<b>At 31 March 2023</b>	54,619,344	(198)	81,012	1,380,193	(564,355)	3,017,078	110,426	44,151	14,128,793	72,816,444

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these financial statements)

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	Attributable to equity holders of the Bank									
	Non-Distributable									
<b>Bank</b>	<b>Share Capital RM'000</b>	<b>Shares Held-in-trust RM'000</b>	<b>Statutory Reserve RM'000</b>	<b>Regulatory Reserve RM'000</b>	<b>Fair Value Through Other Comprehensive Income Reserve RM'000</b>	<b>Exchange Fluctuation Reserve RM'000</b>	<b>ESGP Reserve RM'000</b>	<b>Hedge Reserve RM'000</b>	<b>Distributable Retained Profits RM'000</b>	<b>Total Equity RM'000</b>
<b>At 1 January 2022</b>	53,156,473	(1,274)	74,696	1,180,201	930,283	2,430,642	94,006	6,995	15,236,418	73,108,440
Profit for the financial period	-	-	-	-	-	-	-	-	2,522,617	2,522,617
Other comprehensive (loss)/income	-	-	-	-	(743,335)	48,758	-	129	-	(694,448)
Net gain on foreign exchange translation	-	-	-	-	-	48,758	-	-	-	48,758
Net loss on financial investments at fair value through other comprehensive income	-	-	-	-	(743,335)	-	-	-	-	(743,335)
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	129	-	129
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	-	-	(743,335)	48,758	-	129	2,522,617	1,828,169
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	20,393	-	-	20,393
Transfer to statutory reserve	-	-	408	-	-	-	-	-	(408)	-
Transfer to regulatory reserve	-	-	-	198,007	-	-	-	-	(198,007)	-
Dividends paid	-	-	-	-	-	-	-	-	(2,908,038)	(2,908,038)
<b>Total transactions with shareholders/ other equity movements</b>	-	-	408	198,007	-	-	20,393	-	(3,106,453)	(2,887,645)
<b>At 31 March 2022</b>	53,156,473	(1,274)	75,104	1,378,208	186,948	2,479,400	114,399	7,124	14,652,582	72,048,964

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these financial statements)

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	Group		Bank	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000
<b>Cash flows from operating activities</b>				
Profit before taxation and zakat	3,055,849	2,975,174	2,969,393	3,001,320
Adjustments for:				
Share of profits in associates and joint ventures	(76,568)	(49,515)	-	-
Depreciation of property, plant and equipment	73,145	68,846	19,431	19,649
Depreciation of right-of-use assets	140,572	106,184	29,070	27,512
Amortisation of intangible assets	60,984	65,685	17,268	18,938
Gain on disposal of property, plant and equipment	(635)	(1,799)	(178)	(39)
Net gain on change in structure of a subsidiary	-	-	(50,706)	-
Net (gain)/loss on disposal of financial assets at fair value through profit or loss	(84,671)	99,419	(90,576)	68,861
Net gain on disposal of financial investments at fair value through other comprehensive income	(14,850)	(37,090)	(91,704)	(20,982)
Net loss on redemption of financial investments at amortised cost	-	1,610	-	1,610
Unrealised (gain)/loss on revaluation of financial assets at fair value through profit or loss and derivatives	(460,531)	1,222,472	(12,460)	914,837
Unrealised loss/(gain) on revaluation of financial liabilities at fair value through profit or loss	418,386	(1,472,538)	418,386	(1,472,538)
Allowances for impairment losses on loans, advances and financing, net	494,252	529,993	246,593	368,145
Allowances for/(writeback of) impairment losses on other debts	1,457	309	667	(924)
(Writeback of)/allowances for impairment losses on financial investments, net	(75,828)	127,591	(4,333)	33,266
Allowances for impairment losses on other financial assets, net	8,629	26,047	1,208	17,640
Dividend income	(40,159)	(34,246)	(1,635,130)	(1,579,520)
ESGP expenses	22,450	24,258	14,073	14,231
Other adjustments for non-operating and non-cash items	52,788	89,131	(64,021)	6,054
Operating profit before working capital changes	3,575,270	3,741,531	1,766,981	1,418,060
Change in cash and short-term funds with original maturity of more than three months	6,669,980	1,159,809	(300,801)	153,771
Change in deposits and placements with financial institutions with original maturity of more than three months	(5,926,888)	(79,255)	3,401,850	3,999,096
Change in financial investments portfolio	(8,344,888)	(13,643,287)	(6,459,450)	(10,825,494)
Change in loans, advances and financing	(1,220,947)	(7,692,146)	58,756	(3,872,116)
Change in insurance/reinsurance contract assets/takaful/retakaful certificate assets	3,327,673	3,097,587	-	-
Change in statutory deposits with central banks	1,104,697	(218,482)	436,221	(266,708)
Change in deposits from customers	8,109,816	13,776,343	6,369,607	10,554,782
Change in investment accounts of customers	2,327,950	(748,266)	-	-
Change in deposits and placements from financial institutions	(4,616,904)	6,425,054	(16,284,817)	3,692,773
Change in financial liabilities at fair value through profit or loss	(6,293)	4,327	(6,293)	4,327
Change in insurance contract liabilities/takaful certificate liabilities	(1,405,738)	(3,575,768)	-	-
Change in other operating activities	7,217,924	(15,546)	19,820,202	508,973
Cash generated from operations	10,811,652	2,231,901	8,802,256	5,367,464
Taxes and zakat paid	(706,308)	(825,797)	(255,500)	(206,804)
Net cash generated from operating activities	10,105,344	1,406,104	8,546,756	5,160,660

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**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FIRST QUARTER ENDED 31 MARCH 2023**

	Group		Bank	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000
<b>Cash flows from investing activities</b>				
Dividends received from:				
- financial investments portfolio	40,159	34,246	500	500
- subsidiaries	-	-	1,634,630	1,579,020
Purchase of property, plant and equipment	(95,808)	(42,061)	(8,710)	(8,672)
Purchase of intangible assets	(66,392)	(50,986)	(16,448)	(11,767)
Purchase of investment properties	(39)	(97)	-	-
Purchase of additional ordinary shares in existing subsidiaries	-	-	(627,962)	-
Proceeds from disposal of property, plant and equipment	2,779	1,742	178	1,415
Proceeds from disposal of deemed controlled structured entities	-	-	50,706	-
Net effect arising from transaction with non-controlling interests	(7,149)	1,926	-	-
Net cash (used in)/generated from investing activities	(126,450)	(55,230)	1,032,894	1,560,496
<b>Cash flows from financing activities</b>				
Repayment of borrowings, net	(3,256,215)	(378,151)	(3,178,792)	(1,389,887)
Repayment of lease liabilities	(129,739)	(99,790)	(20,163)	(18,311)
Dividends paid	(3,616,238)	-	(3,616,238)	-
Net cash used in financing activities	(7,002,192)	(477,941)	(6,815,193)	(1,408,198)
Net increase in cash and cash equivalents	2,976,702	872,933	2,764,457	5,312,958
Cash and cash equivalents at beginning of the financial period	50,830,482	51,882,143	43,210,287	35,122,120
Effects of foreign exchange rate changes	109,812	90,791	66,334	52,949
Cash and cash equivalents at end of the financial period	53,916,996	52,845,867	46,041,078	40,488,027
<b>Cash and cash equivalents comprise:</b>				
Cash and short-term funds	28,122,735	41,928,733	30,066,218	31,374,889
Deposits and placements with financial institutions	27,914,244	15,509,717	27,624,043	27,062,920
	56,036,979	57,438,450	57,690,261	58,437,809
Less:				
Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(2,119,983)	(4,592,583)	(11,649,183)	(17,949,782)
Cash and cash equivalents at end of the financial period	53,916,996	52,845,867	46,041,078	40,488,027

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2022 and the accompanying explanatory notes attached to these financial statements)

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**Part A: Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting**

**A1. Basis of Preparation**

The unaudited condensed interim financial statements for the Group and the Bank have been prepared under the historical cost convention except for the following assets and liabilities that are stated at fair values: financial assets at fair value through other comprehensive income, financial assets and liabilities at fair value through profit or loss, derivative financial instruments and investment properties.

The unaudited condensed interim financial statements have been prepared in accordance with the requirements of Chapter 9, part K of the Listing Requirements of Bursa Malaysia Securities Berhad, MFRS 134 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The unaudited condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2022. These explanatory notes attached to the unaudited condensed 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 of the Bank since the financial year ended 31 December 2022.

The unaudited condensed interim financial statements of the Group include Islamic banking and insurance business. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under the Shariah principles. Insurance business refers to the underwriting of general and life insurance business, the management of general and family takaful business and investment-linked business.

The significant accounting policies and methods of computation applied by the Group and the Bank are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2022 except for adoption of the following Malaysian Financial Reporting Standards ("MFRSs") and amendments to MFRSs, which are effective for annual periods beginning on or after 1 January 2023:

- MFRS 17 *Insurance Contracts*
- Amendments to MFRS 101 *Presentation of Financial Statements - Disclosure of Accounting Policies*
- Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current*
- 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*

The adoption of the above amendments to MFRSs do not have any significant financial impact to the Group's and the Bank's financial statements except for the adoption of MFRS 17 as disclosed below:

**MFRS 17 *Insurance Contracts***

MFRS 17 replaced MFRS 4 *Insurance Contracts* for annual periods on or after 1 January 2023. The Group restated the comparative information for 2022 applying the transitional provisions to MFRS 17. The financial impacts of MFRS 17 adoption are disclosed in note A40. The nature of the changes in accounting policies can be summarised, as follows:

**(i) Changes to classification and measurement**

The adoption of MFRS 17 does not change the classification of the Group's Insurance contracts/takaful certificates.

MFRS 17 requires the Group to:

- Identify insurance contracts/takaful certificates as those under which the Group accepts significant insurance/takaful risk from another party (the policyholder/participants) by agreeing to compensate the policyholder/participants if a specified uncertain future event (the insured event) adversely affects the policyholder/participants;
- Separate specified embedded derivatives, distinct investment components and distinct non-insurance goods or services from insurance contracts/takaful certificates and accounts for them in accordance with other standards;

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**A1. Basis of Preparation (cont'd.)**

**MFRS 17 Insurance Contracts (cont'd.)**

**(i) Changes to classification and measurement (cont'd.)**

MFRS 17 requires the Group to (cont'd.):

- Divide the insurance/takaful and reinsurance contracts/retakaful certificates into groups it will recognise and measure;
- Recognise and measure groups of insurance contracts/takaful certificates at a risk-adjusted present value of the future cash flows (the fulfilment cash flows), that incorporates all available information about the fulfilment cash flows in a way that is consistent with observable market information plus an amount representing the unearned profit in the group of contracts/certificates (the contractual service margin or "CSM");
- Recognise profit from a group of insurance contracts/takaful certificates over the period the Group provides insurance coverage. If a group of contracts is expected to be onerous (i.e. loss making) over the remaining coverage period, the Group recognises the loss immediately; and
- Recognise an asset for insurance/takaful acquisition cash flows in respect of acquisition cash flows paid, or incurred, before the related group of insurance contracts/takaful certificates is recognised. Such an asset is derecognised when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts/takaful certificates.

MFRS 17 provides comprehensive guidance on accounting for insurance contracts/takaful certificates issued, reinsurance contracts/retakaful certificates held, and investment contracts with discretionary participation features through three new measurement models. The Group applies the following measurement models in measuring various insurance contracts/takaful certificates it issues:-

**(a) Premium Allocation Approach ("PAA")**

For those policies/certificates with contract boundary of less than one (1) year coverage period and that pass the PAA eligibility test.

**(b) General Measurement Model ("GMM")**

GMM is the default measurement model for policies/certificates valued using fulfilment cash flows (the present value of expected cash flows, plus a risk adjustment), offset by the contractual service margin which represents unearned profit the insurer recognises as it provides services under the contract.

**(c) Variable Fee Approach ("VFA")**

VFA deals with policies/certificates from the participating business where payments to policyholders are contractually linked to and substantially vary with the underlying items.

The Group applies the PAA or GMM for all the reinsurance contracts/retakaful certificates held depending on the contract boundary of the respective contracts/treaty.

**(ii) Changes to presentation and disclosure**

For presentation in the statement of financial position, the Group aggregates insurance/takaful and reinsurance/retakaful contracts/certificates held, respectively and presents separately:

- Groups of insurance contracts/takaful certificates issued, including reinsurance/retakaful contracts that are assets;
- Groups of insurance contracts/takaful certificates issued, including reinsurance/retakaful contracts, that are liabilities;
- Groups of reinsurance contracts/retakaful certificates held that are assets; and
- Groups of reinsurance contracts/retakaful certificates held that are liabilities.

The groups referred above are those established at initial recognition in accordance with the MFRS 17 requirements. Groups of insurance contracts/takaful certificates issued including any assets for insurance/takaful acquisition cash flows.

With the adoption of MFRS 17, the Group presents the following items under the income statement:

- Net insurance/takaful service result; and
- Net insurance/takaful investment/finance result.



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**A1. Basis of Preparation (cont'd.)**

**MFRS 17 Insurance Contracts (cont'd.)**

**(iii) Transition**

MFRS 17 including the amendments introduced in the Amendments to MFRS 17 are effective for annual periods beginning on or after 1 January 2023. Early application is permitted, provided the entity also applies MFRS 9 and MFRS 15 on or before the date it first applies MFRS 17. The Group shall apply the retrospective approach for estimating the CSM on the transition date. However, if full retrospective application for estimating the CSM, as defined by MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors* for a group of insurance contracts, is impracticable, an entity is required to apply either the Modified Retrospective Approach or Fair Value Approach.

On transition date, 1 January 2023, the Group:

- Identified, recognised and measured each group of insurance/takaful and reinsurance contracts/retakaful certificates as if MFRS 17 had always applied (unless impracticable, refer notes (b) Modified retrospective approach and (c) Fair value approach);
- Identified, recognised and measured assets for insurance/takaful acquisition cash flows as if MFRS 17 had always applied;
- Derecognised any existing balances that would not exist had MFRS 17 always been applied; and
- Recognised any resulting net difference in equity.

**(a) Full retrospective approach**

On transition to MFRS 17, the Group applied the full retrospective approach unless impracticable. To achieve this, the Group used data/assumptions and full history up-to-date of transaction, for each group of contracts/certificates.

**(b) Modified retrospective approach**

Based on reasonable and supportable information available without undue cost and effort to the entity, certain modifications were applied to the extent full retrospective application is not possible, but with the objective to achieve the closest possible outcome to retrospective application.

**(c) Fair value approach**

The CSM is determined as the positive difference between the fair value determined in accordance with MFRS 13 *Fair Value Measurement* and the fulfilment cash flows (any negative difference would be recognised in retained earnings at the transition date).

**Amendment to MFRS 9 as a result of MFRS 17 implementation**

The Group has adopted the MFRS 9 overlay approach in year 2018 where under the amendment, the Group was permitted to reclassify the financial assets from fair value through profit or loss ("FVTPL") to fair value through other comprehensive income ("FVOCI"). MFRS 17 allows an election for the effect of changes in discount rates to be recognised through Profit & Loss or through Other Comprehensive Income. Accordingly, the Group has to be cognisant of its balance sheet management strategies and the accounting treatment under MFRS 9 of the assets used for these strategies as these will impact the Group's statement of comprehensive income. Choices will impact the volatility of the income statements and net asset positions.

**Amendments to MFRS 101 Presentation of Financial Statements - Disclosure of Accounting Policies**

The amendments require companies to disclose material accounting policies rather than significant accounting policies. Entities are expected to make disclosure of accounting policies specific to the entity and not generic disclosure on MFRS applications.

The amendments explain that an accounting policy is material if, without it the users of the financial statements would be unable to understand other material information in the financial statements or/and when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decision that the primary users of general purpose financial statements make on the basis of those financial statements. Immaterial accounting policy information need not be disclosed. However, if it is disclosed, it should not obscure material accounting information.

The amendments are to be applied prospectively in annual periods beginning on or after 1 January 2023, earlier application is permitted. These amendments do not have significant impact on the preparation of the Group's and the Bank's financial statements.

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**A1. Basis of Preparation (cont'd.)**

**Amendments to MFRS 101 *Classification of Liabilities as Current or Non-current***

The amendments clarify the followings:

- What is meant by a right to defer settlement;
- That a right to defer must exist at the end of the reporting period;
- That classification is unaffected by the likelihood that an entity will exercise its deferral right; and
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification.

The amendments are to be applied retrospectively in annual periods beginning on or after 1 January 2023, earlier application is permitted. The amendments do not have impact on the Group's and the Bank's financial statements.

**Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates***

The amendments redefined accounting estimates as "monetary amounts in financial statements that are subject to measurement uncertainty". These amendments provide clarity on how to distinguish changes in accounting policies from changes in accounting estimates. The amendments clarify that effects of a change in an input or measurement technique use to develop an accounting estimate is a change in accounting estimate if the changes do not arise from prior period errors.

The distinction is important because changes in accounting estimates are applied prospectively but changes in accounting policies are applied retrospectively. The amendments are to be applied prospectively in annual periods beginning on or after 1 January 2023, earlier application is permitted. This amendments do not have significant impact to the financial statements of the Group and of the Bank.

**Amendments to MFRS 112 *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction***

The amendments specify the treatment for deferred tax on transactions related to leases and decommissioning obligation. The amendments clarify that the initial recognition exemption set out in MFRS 112 does not apply to transactions that give rise to equal amounts of taxable and deductible temporary difference. The aim of the amendments is to reduce diversity in the reporting of deferred tax on leases and decommissioning obligations.

The amendments are to be applied to transactions that occur on or after the beginning of the earliest comparative period presented. These amendments do not have significant impact on the preparation of the Group's and the Bank's financial statements.

**A2. Significant Accounting Policies**

The audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2022 were prepared in accordance with MFRS and International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia. The significant accounting policies adopted in preparing these unaudited condensed interim financial statements are consistent with those of the audited annual financial statements for the financial year ended 31 December 2022 except for the adoption of the new MFRS and amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2023 as disclosed in Note A1.

**A3. Significant Accounting Estimates and Judgements**

The preparation of unaudited condensed interim financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of income, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the Group's and the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 31 December 2022.

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**A4. Auditors' Report on Preceding Audited Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2022 was not qualified.

**A5. Seasonal or Cyclical Factors**

The operations of the Group and of the Bank were not materially affected by any seasonal or cyclical factors during the first quarter ended 31 March 2023.

**A6. Unusual Items Due to Their Nature, Size or Incidence**

During the first quarter ended 31 March 2023, save as disclosed in Note A8 below, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank.

**A7. Changes in Estimates**

There were no material changes in estimates during the first quarter ended 31 March 2023.

**A8. Changes in Debt and Equity Securities**

- (i) Save as disclosed below, there were no new shares issuance, cancellations, share buy-backs, resale of shares bought back by the Group and by the Bank during the first quarter ended 31 March 2023.

(a) **Borrowings**

**Issuance/redemption of medium term notes by the Bank**

Currency	Description	Aggregate Nominal Value (in million)
<b>Issuance of medium term notes</b>		
HKD	Fixed Rate Notes	2,735.0
<b>Redemption of medium term notes</b>		
USD	Fixed Rate Notes	20.0
USD	Floating Rate Notes	235.0
HKD	Fixed Rate Notes	701.0
JPY	Fixed Rate Notes (Samurai Bonds)	46,700.0

**Issuance/redemption of Structured Notes by the Bank**

Currency	Description	Aggregate Nominal Value (in million)
<b>Issuance of structured notes</b>		
USD	Equity-Linked Notes	0.9
JPY	Equity-Linked Notes	55.0
<b>Redemption of structured notes</b>		
SGD	Equity-Linked Notes	1.1
AUD	Collared Floating Rate Notes	12.0

**Issuance of bonds by PT Bank Maybank Indonesia Tbk and its subsidiaries**

Currency	Description	Aggregate Nominal Value (in million)
<b>Issuance of bonds</b>		
IDR	Fixed Rate Notes	645,500.0

**Issuance of commercial papers by the Bank**

The aggregate nominal value of the commercial papers issued by the Bank and outstanding as at 31 March 2023 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
RM	Zero Coupon Notes	112.0
SGD	Fixed Rate Notes*	106.3
USD	Fixed Rate Notes*	7.1

\* Extendible money market certificates

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**A8. Changes in Debt and Equity Securities (cont'd.)**

- (i) Save as disclosed below, there were no new shares issuance, cancellations, share buy-backs, resale of shares bought back by the Group and by the Bank during the first quarter ended 31 March 2023 (cont'd.).

(a) **Borrowings (cont'd.)**

**Issuance of commercial papers by Maybank Singapore Limited**

The aggregate nominal value of the commercial papers issued by Maybank Singapore Limited and outstanding as at 31 March 2023 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
USD	Zero Coupon Notes	630.6

- (ii) The following are the changes in debt securities for the Group and the Bank subsequent to the first quarter ended 31 March 2023 and have not been reflected in the financial statements for the first quarter ended 31 March 2023:

(a) **Borrowings**

**Issuance of medium term notes by the Bank**

Currency	Description	Aggregate Nominal Value (in million)
<b>Issuance of medium term notes</b>		
RM	Fixed Rate Notes	24.0
USD	Floating Rate Notes	30.0

**Redemption of Structured Notes by the Bank**

Currency	Description	Aggregate Nominal Value (in million)
<b>Redemption of structured notes</b>		
USD	Equity-Linked Notes	0.9

**Issuance/redemption of bonds by PT Bank Maybank Indonesia Tbk and its subsidiaries**

Currency	Description	Aggregate Nominal Value (in million)
<b>Issuance of bonds</b>		
IDR	Fixed Rate Notes	1,000,000.0
<b>Redemption of bonds</b>		
IDR	Fixed Rate Notes	435,000.0

**A9. Dividend paid**

Dividend paid during the first quarter ended 31 March 2023 is as follows:

- (a) A single-tier second interim cash dividend, in respect of the financial year ended 31 December 2022 of 30.0 sen per ordinary share, was declared by the Bank on 27 February 2023.

The single-tier second interim dividend of 30.0 sen amounted to RM3,616,238,128 was paid on 24 March 2023.

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**A10. Financial Investments Portfolio**

	Note	Group		Bank	
		31 March 2023 RM'000	31 December 2022 RM'000 Restated	31 March 2023 RM'000	31 December 2022 RM'000
Financial assets designated upon initial recognition at fair value through profit or loss	(i)	12,780,855	12,822,800	-	-
Financial investments at fair value through profit or loss	(ii)	29,015,795	25,143,208	17,068,915	13,978,475
Financial investments at fair value through other comprehensive income	(iii)	127,601,344	121,366,990	76,328,808	73,551,480
Financial investments at amortised cost	(iv)	71,525,376	71,756,942	47,718,050	46,234,128
		<b>240,923,370</b>	<b>231,089,940</b>	<b>141,115,773</b>	<b>133,764,083</b>

**(i) Financial assets designated upon initial recognition at fair value through profit or loss ("FVTPL")**

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	411,420	407,092	-	-
Malaysian Government Investment Issues	351,043	468,099	-	-
	<b>762,463</b>	<b>875,191</b>	<b>-</b>	<b>-</b>
<b>Quoted securities:</b>				
<b>In Malaysia:</b>				
Unit trusts	3,932	3,932	-	-
<b>Outside Malaysia:</b>				
Shares, warrants and loan stocks	15,183	18,790	-	-
	<b>19,115</b>	<b>22,722</b>	<b>-</b>	<b>-</b>
<b>Unquoted securities:</b>				
<b>In Malaysia:</b>				
Corporate Bonds and Sukuk	11,846,481	11,764,213	-	-
<b>Outside Malaysia:</b>				
Corporate Bonds and Sukuk	152,796	160,674	-	-
	<b>11,999,277</b>	<b>11,924,887</b>	<b>-</b>	<b>-</b>
<b>Total financial assets designated upon initial recognition at FVTPL</b>	<b>12,780,855</b>	<b>12,822,800</b>	<b>-</b>	<b>-</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(ii) Financial investments at fair value through profit or loss ("FVTPL")**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>		
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	2,380,420	1,563,979	2,347,950	1,523,469
Malaysian Government Investment Issues	1,765,508	317,298	1,652,120	275,496
Cagamas Bonds	300,302	-	300,302	-
Foreign Government Securities	4,285,314	4,631,204	4,088,268	4,493,485
Malaysian Government Treasury Bills	3,046,337	1,648,435	2,656,573	1,648,435
Bank Negara Malaysia Bills and Notes	888,817	241,757	888,817	241,757
	<b>12,666,698</b>	<b>8,402,673</b>	<b>11,934,030</b>	<b>8,182,642</b>
<b>Quoted securities:</b>				
<b>In Malaysia:</b>				
Shares, warrants, mutual funds and loan stocks	2,813,173	2,910,063	-	-
Unit trusts	327,794	328,970	244,052	240,453
<b>Outside Malaysia:</b>				
Shares, warrants, mutual funds and loan stocks	3,483,443	4,255,594	2,735	66
Unit trusts	1,449,077	1,273,604	277,601	274,087
Corporate Bonds and Sukuk	2,063,683	1,236,259	-	-
Government Bonds	437,433	57,922	-	-
Government Treasury Bills	46,396	-	-	-
	<b>10,620,999</b>	<b>10,062,412</b>	<b>524,388</b>	<b>514,606</b>
<b>Unquoted securities:</b>				
<b>In Malaysia:</b>				
Shares	936,309	972,960	715,908	715,908
Unit trusts	50,909	29,003	-	-
Corporate Bonds and Sukuk	1,813,851	1,768,316	1,104,557	1,079,658
Structured deposits	159,613	155,582	-	-
<b>Outside Malaysia:</b>				
Shares	379	369	-	-
Mutual funds	117,618	92,814	-	-
Corporate Bonds and Sukuk	977,466	2,906,292	1,118,079	2,732,874
Government Bonds	1,671,953	752,787	1,671,953	752,787
	<b>5,728,098</b>	<b>6,678,123</b>	<b>4,610,497</b>	<b>5,281,227</b>
<b>Total financial investments at FVTPL</b>	<b>29,015,795</b>	<b>25,143,208</b>	<b>17,068,915</b>	<b>13,978,475</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(iii) Financial investments at fair value through other comprehensive income ("FVOCI")**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>		
<b>At fair value</b>				
<b>Money market instruments:</b>				
Malaysian Government Securities	12,611,435	11,745,562	12,201,771	11,327,132
Malaysian Government Investment Issues	22,974,955	21,835,585	8,813,412	8,531,351
Negotiable instruments of deposits	9,035	4,991	-	-
Foreign Government Securities	18,896,984	19,531,047	7,433,312	9,125,421
Malaysian Government Treasury Bills	197,167	-	-	-
Foreign Government Treasury Bills	8,493,355	4,778,217	4,287,197	2,155,557
Khazanah Bonds	57,356	55,874	57,356	55,874
Cagamas Bonds	451,605	166,245	451,605	166,245
	<b>63,691,892</b>	<b>58,117,521</b>	<b>33,244,653</b>	<b>31,361,580</b>
<b>Quoted securities:</b>				
<b>In Malaysia:</b>				
Shares, warrants and loan stocks	312,745	194,460	22,261	18,029
<b>Outside Malaysia:</b>				
Corporate Bonds and Sukuk	4,151,278	4,445,570	-	-
Government Bonds	2,352,297	2,375,552	-	-
Government Treasury Bills	-	177,957	-	-
	<b>6,816,320</b>	<b>7,193,539</b>	<b>22,261</b>	<b>18,029</b>
<b>Unquoted securities:</b>				
<b>In Malaysia:</b>				
Shares and loan stocks	355,713	353,597	341,197	341,113
Government Bonds	1,787,799	1,343,430	1,787,799	1,343,430
Corporate Bonds and Sukuk	27,477,837	27,063,652	15,648,161	15,286,933
<b>Outside Malaysia:</b>				
Shares	3,890	3,806	-	-
Government Bonds	16,214,607	15,704,130	15,621,753	15,118,709
Corporate Bonds and Sukuk	11,253,286	11,587,315	9,662,984	10,081,686
	<b>57,093,132</b>	<b>56,055,930</b>	<b>43,061,894</b>	<b>42,171,871</b>
<b>Total financial investments at FVOCI</b>	<b>127,601,344</b>	<b>121,366,990</b>	<b>76,328,808</b>	<b>73,551,480</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(iii) Financial investments at fair value through other comprehensive income ("FVOCI") (cont'd.)**

(a) Movements in the allowances for impairment losses on financial investments at fair value through other comprehensive income are as follows:

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	Total
As at 31 March 2023	RM'000	impaired	impaired	RM'000
At 1 January 2023	29,462	8,344	149,600	187,406
Transferred to Stage 1	1,852	(1,852)	-	-
Transferred to Stage 2	(9)	9	-	-
Net remeasurement of allowances	273	(530)	(203)	(460)
New financial assets originated or purchased	3,092	-	-	3,092
Financial assets derecognised	(1,247)	(1)	(41,817)	(43,065)
Changes in models/risk parameters	(3,040)	(97)	-	(3,137)
Amount related to insurance/takaful contract liabilities	-	-	41,254	41,254
Amount written-off	-	-	(1,336)	(1,336)
Exchange differences	440	(215)	-	225
At 31 March 2023	30,823	5,658	147,498	183,979

  

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	Total
As at 31 December 2022	RM'000	impaired	impaired	RM'000
At 1 January 2022	31,279	1,766	124,367	157,412
Transferred to Stage 2	(990)	990	-	-
Net remeasurement of allowances	(1,384)	2,193	147,379	148,188
New financial assets originated or purchased	9,434	3,395	-	12,829
Financial assets derecognised	(9,103)	-	(154)	(9,257)
Changes in models/risk parameters	(45)	-	-	(45)
Amount related to insurance/takaful contract liabilities	-	-	(96,741)	(96,741)
Amount written-off	-	-	(26,037)	(26,037)
Exchange differences	271	-	786	1,057
At 31 December 2022	29,462	8,344	149,600	187,406



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**A10. Financial Investments Portfolio (cont'd.)**

**(iii) Financial investments at fair value through other comprehensive income ("FVOCI") (cont'd.)**

(a) Movements in the allowances for impairment losses on financial investments at fair value through other comprehensive income are as follows (cont'd.):

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>ECL</b>	<b>not credit</b>	<b>credit</b>	
<b>Bank</b>		<b>impaired</b>	<b>impaired</b>	<b>Total</b>
<b>As at 31 March 2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2023	16,928	3,210	139,919	160,057
Transferred to Stage 2	(9)	9	-	-
Net remeasurement of allowances	(922)	15	(203)	(1,110)
New financial assets originated or purchased	1,219	-	-	1,219
Financial assets derecognised	(742)	-	-	(742)
Changes in models/risk parameters	(1,294)	(38)	-	(1,332)
Exchange differences	49	-	-	49
At 31 March 2023	<b>15,229</b>	<b>3,196</b>	<b>139,716</b>	<b>158,141</b>

  

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>ECL</b>	<b>not credit</b>	<b>credit</b>	
<b>Bank</b>		<b>impaired</b>	<b>impaired</b>	<b>Total</b>
<b>As at 31 December 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2022	17,448	204	96,718	114,370
Transferred to Stage 2	(35)	35	-	-
Net remeasurement of allowances	(2,341)	(57)	43,201	40,803
New financial assets originated or purchased	4,381	3,028	-	7,409
Financial assets derecognised	(2,765)	-	-	(2,765)
Changes in models/risk parameters	(6)	-	-	(6)
Exchange differences	246	-	-	246
At 31 December 2022	<b>16,928</b>	<b>3,210</b>	<b>139,919</b>	<b>160,057</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(iv) Financial investments at amortised cost**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Money market instruments:</b>				
Malaysian Government Securities	12,307,410	12,357,726	12,307,309	12,357,624
Malaysian Government Investment Issues	24,634,059	24,691,751	9,238,738	9,254,337
Foreign Government Securities	3,470,442	3,488,456	273,522	270,289
Khazanah Bonds	596,629	592,145	46,802	46,262
Cagamas Bonds	50,895	175,710	50,772	50,242
	<b>41,059,435</b>	<b>41,305,788</b>	<b>21,917,143</b>	<b>21,978,754</b>
<b>Unquoted securities:</b>				
<b>In Malaysia:</b>				
Corporate Bonds and Sukuk	28,249,348	28,496,001	22,483,456	21,158,007
<b>Outside Malaysia:</b>				
Corporate Bonds and Sukuk	1,205,263	1,208,594	2,287,936	2,270,632
Government Bonds	2,477,977	2,244,819	1,046,426	846,006
	<b>31,932,588</b>	<b>31,949,414</b>	<b>25,817,818</b>	<b>24,274,645</b>
Allowances for impairment losses	(1,466,647)	(1,498,260)	(16,911)	(19,271)
<b>Total financial investments at amortised cost</b>	<b>71,525,376</b>	<b>71,756,942</b>	<b>47,718,050</b>	<b>46,234,128</b>

(a) Movements in the allowances for impairment losses on financial investments at amortised cost are as follows:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>ECL</b>	<b>not credit</b>	<b>credit</b>	
<b>Group</b>		<b>impaired</b>	<b>impaired</b>	<b>Total</b>
<b>As at 31 March 2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2023	60,775	3,801	1,433,684	1,498,260
Transferred to Stage 2	(425)	425	-	-
Net remeasurement of allowances	(394)	893	(24,549)	(24,050)
New financial assets originated or purchased	995	-	-	995
Financial assets derecognised	(1,135)	-	-	(1,135)
Changes in models/risk parameters	(8,026)	(42)	-	(8,068)
Exchange differences	645	-	-	645
At 31 March 2023	<b>52,435</b>	<b>5,077</b>	<b>1,409,135</b>	<b>1,466,647</b>

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**A10. Financial Investments Portfolio (cont'd.)**

**(iv) Financial investments at amortised cost (cont'd.)**

(a) Movements in the allowances for impairment losses on financial investments at amortised cost are as follows (cont'd.):

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	
As at 31 December 2022	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
At 1 January 2022	63,701	3,043	1,060,783	1,127,527
Transferred to Stage 1	46	(46)	-	-
Transferred to Stage 2	(608)	608	-	-
Net remeasurement of allowances	1,597	241	509,887	511,725
New financial assets originated or purchased	6,923	-	-	6,923
Financial assets derecognised	(9,381)	(45)	(136,986)	(146,412)
Changes in models/risk parameters	(567)	-	-	(567)
Exchange differences	(936)	-	-	(936)
At 31 December 2022	60,775	3,801	1,433,684	1,498,260

  

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank	ECL	not credit	credit	
As at 31 March 2023	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
At 1 January 2023	19,271	-	-	19,271
Net remeasurement of allowances	(328)	-	-	(328)
New financial assets originated or purchased	935	-	-	935
Financial assets derecognised	(1,020)	-	-	(1,020)
Changes in models/risk parameters	(1,955)	-	-	(1,955)
Exchange differences	8	-	-	8
At 31 March 2023	16,911	-	-	16,911

  

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank	ECL	not credit	credit	
As at 31 December 2022	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
At 1 January 2022	24,769	91	136,986	161,846
Transferred to Stage 1	46	(46)	-	-
Transferred to Stage 2	(222)	222	-	-
Net remeasurement of allowances	(1,645)	(222)	-	(1,867)
New financial assets originated or purchased	4,569	-	-	4,569
Financial assets derecognised	(7,762)	(45)	(136,986)	(144,793)
Changes in models/risk parameters	(543)	-	-	(543)
Exchange differences	59	-	-	59
At 31 December 2022	19,271	-	-	19,271

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**A11. Loans, Advances and Financing**

	Note	Group		Bank	
		31 March 2023 RM'000	31 December 2022 RM'000 Restated	31 March 2023 RM'000	31 December 2022 RM'000
Loans, advances and financing to financial institutions	(i)	1,322,211	1,361,712	30,580,151	31,304,965
Loans, advances and financing to customers	(ii)	578,907,759	573,765,662	215,789,850	213,831,963
		<b>580,229,970</b>	<b>575,127,374</b>	<b>246,370,001</b>	<b>245,136,928</b>
<b>(i) Loans, advances and financing to financial institutions^:</b>					
(A) Loans, advances and financing to financial institutions at amortised cost		1,206,842	1,250,070	32,054,309	32,798,507
(B) Loans, advances and financing to financial institutions at fair value through other comprehensive income		120,910	117,597	465,238	440,406
Gross loans, advances and financing to financial institutions		1,327,752	1,367,667	32,519,547	33,238,913
Allowances for loans, advances and financing:					
- Stage 1 - 12-month ECL		(4,849)	(5,868)	(16,448)	(18,972)
- Stage 2 - Lifetime ECL not credit impaired		(692)	(87)	(23,203)	(1,228)
- Stage 3 - Lifetime ECL credit impaired		-	-	(1,899,745)	(1,913,748)
Net loans, advances and financing to financial institutions		1,322,211	1,361,712	30,580,151	31,304,965
<b>(ii) Loans, advances and financing to customers:</b>					
(A) Loans, advances and financing to customers at fair value through profit or loss		-	1,668	-	1,668
(B) Loans, advances and financing to customers at fair value through other comprehensive income		33,516,978	29,898,744	29,464,867	26,414,713
(C) Loans, advances and financing to customers at amortised cost		634,075,616	633,504,864	192,671,876	194,236,286
		667,592,594	663,405,276	222,136,743	220,652,667
Unearned interest and income to customers		(77,206,137)	(77,911,147)	(791,465)	(808,629)
Gross loans, advances and financing to customers		590,386,457	585,494,129	221,345,278	219,844,038
Allowances for loans, advances and financing:					
- Stage 1 - 12-month ECL		(2,004,710)	(2,000,435)	(889,703)	(883,584)
- Stage 2 - Lifetime ECL not credit impaired		(3,448,844)	(3,329,902)	(1,329,858)	(1,343,859)
- Stage 3 - Lifetime ECL credit impaired		(6,025,144)	(6,398,130)	(3,335,867)	(3,784,632)
Net loans, advances and financing to customers		578,907,759	573,765,662	215,789,850	213,831,963
Net loans, advances and financing	(i) & (ii)	580,229,970	575,127,374	246,370,001	245,136,928

^ Included in the Bank's loans/financing to financial institutions is financing granted to Maybank Islamic Berhad ("MIB"), a subsidiary of the Bank, under a government financing scheme as part of the government support measures in response to COVID-19 pandemic for the purpose of SME lending amounting to RM1,003.5 million (31 December 2022: RM1,003.5 million), and under the Restricted Profit-Sharing Investment Account ("RPSIA") amounting to RM29,438.3 million net of expected credit losses (31 December 2022: RM30,138.8 million). The RPSIA is a contract based on the Mudharabah principle between two parties financing where the Bank acts as the investor who provides capital to MIB whereas the business venture is managed by MIB as an entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratios. Losses, if any, are borne by the Bank.

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**A11. Loans, Advances and Financing (cont'd.)**

	Group		Bank	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	RM'000	RM'000 Restated	RM'000	RM'000
<b>(iii) Loans, advances and financing to financial institutions and customers</b>				
Loans/financing to financial institutions	1,327,752	1,367,667	32,519,547	33,238,913
Overdrafts/cashline	17,593,441	17,756,331	5,642,144	5,834,436
Term loans:				
- Housing loans/financing	194,884,440	193,701,007	46,028,388	46,344,789
- Syndicated loans/financing	57,002,707	56,349,988	46,956,095	46,756,972
- Hire purchase receivables	85,425,567	83,038,247	9,658,148	9,846,496
- Lease receivables	2,398,889	2,034,794	-	-
- Other loans/financing	204,985,751	205,466,209	55,487,043	54,836,583
Credit card receivables	10,462,965	10,517,219	6,771,055	6,872,769
Bills receivables	6,556,042	5,969,774	5,971,739	5,370,263
Trust receipts	3,865,304	4,345,917	3,214,543	3,660,378
Claims on customers under acceptance credits	11,558,126	11,452,266	5,023,169	5,065,436
Revolving credits	61,810,550	62,208,363	34,483,611	33,162,108
Share margin financing	6,998,506	6,531,112	2,358,055	2,361,531
Staff loans	3,989,819	3,961,950	540,815	538,960
Loans to:				
- Directors of the Bank	4,939	5,101	1,823	1,770
- Directors of subsidiaries	6,995	6,761	114	175
Others	48,553	60,237	1	1
	<u>668,920,346</u>	<u>664,772,943</u>	<u>254,656,290</u>	<u>253,891,580</u>
Unearned interest and income	(77,206,137)	(77,911,147)	(791,465)	(808,629)
Gross loans, advances and financing	<u>591,714,209</u>	<u>586,861,796</u>	<u>253,864,825</u>	<u>253,082,951</u>
Allowances for loans, advances and financing:				
- Stage 1 - 12-month ECL	(2,009,559)	(2,006,303)	(906,151)	(902,556)
- Stage 2 - Lifetime ECL not credit impaired	(3,449,536)	(3,329,989)	(1,353,061)	(1,345,087)
- Stage 3 - Lifetime ECL credit impaired	(6,025,144)	(6,398,130)	(5,235,612)	(5,698,380)
Net loans, advances and financing	<u>580,229,970</u>	<u>575,127,374</u>	<u>246,370,001</u>	<u>245,136,928</u>

**(iv) Loans, advances and financing analysed by type of customers are as follows:**

	Group		Bank	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	RM'000	RM'000 Restated	RM'000	RM'000
Domestic banking institutions	1,526,076	1,343,013	32,492,811	33,092,908
Domestic non-banking financial institutions	21,631,764	19,762,607	14,902,199	13,139,759
Domestic business enterprises:				
- Small and medium enterprises	73,382,979	71,922,930	24,599,495	24,495,849
- Others	127,119,841	127,808,720	73,264,539	72,728,290
Government and statutory bodies	16,577,928	16,583,958	59,881	60,405
Individuals	294,277,507	292,854,226	64,279,424	64,927,922
Other domestic entities	14,008,531	13,368,408	4,518,692	4,688,532
Foreign entities	43,189,583	43,217,934	39,747,784	39,949,286
Gross loans, advances and financing	<u>591,714,209</u>	<u>586,861,796</u>	<u>253,864,825</u>	<u>253,082,951</u>

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**A11. Loans, Advances and Financing (cont'd.)**

**(v) Loans, advances and financing analysed by geographical locations are as follows:**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>		
Malaysia	364,735,843	364,003,666	153,348,315	155,189,402
Singapore	147,307,882	144,695,517	64,797,434	62,449,296
Indonesia	32,608,511	31,670,365	-	-
Labuan Offshore	10,417,614	10,259,682	10,417,614	10,259,682
Hong Kong SAR	17,362,699	17,324,297	17,024,686	16,999,129
United States of America	487,541	493,813	487,541	493,813
People's Republic of China	5,212,762	4,892,403	5,212,762	4,892,403
Vietnam	1,540,885	1,636,999	1,004,518	1,152,433
United Kingdom	974,379	1,052,385	974,379	1,052,385
Brunei	478,915	487,659	478,915	487,659
Cambodia	4,546,915	4,541,390	-	-
Philippines	3,801,653	3,748,979	-	-
Thailand	2,119,949	1,947,892	-	-
Laos	35,780	36,921	35,780	36,921
Myanmar	82,881	69,828	82,881	69,828
Gross loans, advances and financing	<b>591,714,209</b>	<b>586,861,796</b>	<b>253,864,825</b>	<b>253,082,951</b>

**(vi) Loans, advances and financing analysed by interest/profit rate sensitivity are as follows:**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>		
Fixed rate:				
- Housing loans/financing	25,119,939	26,736,931	400,105	401,843
- Hire purchase receivables	62,663,353	61,128,825	7,981,264	8,209,430
- Other fixed rate loans/financing	72,010,414	74,359,077	55,062,667	56,183,519
Variable rate:				
- Base lending/financing rate/ base rate plus	224,649,030	223,618,388	75,470,167	75,825,992
- Cost plus	36,575,820	39,087,461	18,811,578	20,938,621
- Other variable rates	170,695,653	161,931,114	96,139,044	91,523,546
Gross loans, advances and financing	<b>591,714,209</b>	<b>586,861,796</b>	<b>253,864,825</b>	<b>253,082,951</b>

**(vii) Loans, advances and financing analysed by economic purpose are as follows:**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>Restated</b>		
Purchase of securities	36,667,767	38,039,719	6,601,701	6,952,551
Purchase of transport vehicles	76,246,792	74,233,906	7,354,685	7,663,122
Purchase of landed properties:				
- Residential	167,206,332	164,810,326	46,149,383	46,115,807
- Non-residential	41,331,375	41,281,360	14,537,265	14,971,398
Purchase of fixed assets (excluding landed properties)	3,186,001	3,204,664	2,097,243	2,141,348
Personal use	8,993,798	9,075,444	3,498,160	3,557,514
Credit card	10,554,653	10,610,731	6,790,166	6,893,291
Purchase of consumer durables	5,123	5,637	4,650	5,162
Constructions	14,210,525	14,689,441	7,480,680	7,716,731
Mergers and acquisitions	2,685,108	2,722,043	2,238,041	2,249,790
Working capital	193,035,954	191,823,359	126,281,816	125,137,198
Others	37,590,781	36,365,166	30,831,035	29,679,039
Gross loans, advances and financing	<b>591,714,209</b>	<b>586,861,796</b>	<b>253,864,825</b>	<b>253,082,951</b>

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**A11. Loans, Advances and Financing (cont'd.)**

(viii) The maturity profile of loans, advances and financing are as follows:

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000 Restated	31 March 2023 RM'000	31 December 2022 RM'000
Within one year	128,342,092	129,189,210	79,230,812	79,080,550
One year to three years	64,538,978	62,679,135	42,353,526	40,540,022
Three years to five years	77,834,351	78,094,060	43,354,831	43,925,512
After five years	320,998,788	316,899,391	88,925,656	89,536,867
Gross loans, advances and financing	<b>591,714,209</b>	<b>586,861,796</b>	<b>253,864,825</b>	<b>253,082,951</b>

(ix) Movements in impaired loans, advances and financing ("impaired loans") are as follows:

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
At 1 January	9,204,859	11,043,533	8,205,103	10,103,703
Impaired during the financial period	939,300	4,310,636	359,289	2,001,356
Reclassified as non-impaired	(142,883)	(792,624)	(40,913)	(433,128)
Amount recovered	(339,932)	(2,817,825)	(125,903)	(1,867,027)
Amount written-off	(849,777)	(3,078,763)	(751,843)	(2,130,955)
Exchange differences	83,286	539,902	14,767	531,154
Gross impaired loans at 31 March 2023/ 31 December 2022	<b>8,894,853</b>	<b>9,204,859</b>	<b>7,660,500</b>	<b>8,205,103</b>
Less: Stage 3 - Lifetime ECL credit impaired	<b>(6,217,018)</b>	<b>(6,590,207)</b>	<b>(5,427,486)</b>	<b>(5,890,457)</b>
Net impaired loans at 31 March 2023/ 31 December 2022	<b>2,677,835</b>	<b>2,614,652</b>	<b>2,233,014</b>	<b>2,314,646</b>

Calculation of ratio of net impaired loans:

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Gross impaired loans at 31 March 2023/ 31 December 2022 (excluding financing funded by Investment Account*)	8,815,108	9,145,242	7,660,500	8,205,103
Less: Stage 3 - Lifetime ECL credit impaired	<b>(6,217,018)</b>	<b>(6,590,207)</b>	<b>(5,427,486)</b>	<b>(5,890,457)</b>
Net impaired loans	<b>2,598,090</b>	<b>2,555,035</b>	<b>2,233,014</b>	<b>2,314,646</b>
Gross loans, advances and financing	591,714,209	586,861,796	253,864,825	253,082,951
Less: Funded by Investment Account*	<b>(26,828,930)</b>	<b>(24,500,981)</b>	-	-
Less: Allowances for loans, advances and financing at fair value through other comprehensive income and at amortised cost	<b>(11,874,365)</b>	<b>(12,078,292)</b>	<b>(7,873,854)</b>	<b>(8,282,624)</b>
Net loans, advances and financing	<b>553,010,914</b>	<b>550,282,523</b>	<b>245,990,971</b>	<b>244,800,327</b>
Ratio of net impaired loans	<b>0.47%</b>	<b>0.46%</b>	<b>0.91%</b>	<b>0.95%</b>

\* In the books of Maybank Islamic Berhad, a wholly-owned subsidiary of the Bank, the unrestricted investment accounts (net of intercompany balances) as at 31 March 2023 was RM26,828.9 million (31 December 2022: RM24,501.0 million).

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**A11. Loans, Advances and Financing (cont'd.)**

**(x) Impaired loans, advances and financing by economic purpose are as follows:**

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Purchase of securities	52,542	52,985	2,589	6,792
Purchase of transport vehicles	326,379	291,952	54,816	51,381
Purchase of landed properties:				
- Residential	842,933	751,425	229,158	216,693
- Non-residential	544,647	509,803	220,286	198,830
Purchase of fixed assets (excluding landed properties)	67,334	67,961	42,987	43,646
Personal use	116,599	134,571	59,980	83,441
Credit card	80,960	75,784	42,331	39,515
Purchase of consumer durables	3,344	3,370	3,342	3,368
Constructions	633,106	639,312	354,819	366,362
Working capital	5,989,050	6,489,133	6,470,624	7,048,421
Others	237,959	188,563	179,568	146,654
Gross impaired loans, advances and financing	<b>8,894,853</b>	<b>9,204,859</b>	<b>7,660,500</b>	<b>8,205,103</b>

**(xi) Impaired loans, advances and financing by geographical distribution are as follows:**

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Malaysia	4,986,474	5,030,783	5,844,938	6,072,338
Singapore	872,587	823,840	506,976	476,616
Indonesia	1,337,631	1,314,119	-	-
Labuan Offshore	25,079	11,079	25,079	11,079
Hong Kong SAR	1,105,886	1,535,103	1,105,886	1,535,103
People's Republic of China	128,238	60,218	128,238	60,218
Vietnam	16,398	16,637	16,394	16,580
Brunei	20,050	19,781	20,050	19,781
Cambodia	135,905	110,249	-	-
Philippines	220,033	236,939	-	-
Thailand	33,633	32,723	-	-
Laos	8,024	7,986	8,024	7,986
Myanmar	4,915	5,402	4,915	5,402
Gross impaired loans, advances and financing	<b>8,894,853</b>	<b>9,204,859</b>	<b>7,660,500</b>	<b>8,205,103</b>



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**A11. Loans, Advances and Financing (cont'd.)**

(xii) **Movements in the allowances for impairment losses on loans, advances and financing are as follows:**

**At fair value through other comprehensive income**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	Total
As at 31 March 2023	RM'000	impaired	impaired	RM'000
At 1 January 2023	122,541	29,252	192,077	343,870
Net remeasurement of allowances	(1,419)	911	(545)	(1,053)
New financial assets originated or purchased	17,758	804	-	18,562
Financial assets derecognised	(3,299)	-	-	(3,299)
Changes in models/risk parameters	30,437	(271)	-	30,166
Exchange differences	1,331	207	342	1,880
At 31 March 2023	167,349	30,903	191,874	390,126

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	Total
As at 31 December 2022	RM'000	impaired	impaired	RM'000
At 1 January 2022	59,713	282,533	116,638	458,884
Transferred to Stage 1	73	(73)	-	-
Transferred to Stage 3	-	(5,738)	5,738	-
Net remeasurement of allowances	18,233	(255,527)	160,768	(76,526)
New financial assets originated or purchased	51,156	2,961	-	54,117
Financial assets derecognised	(10,988)	(3,664)	(93,916)	(108,568)
Amount written-off	-	-	(1,834)	(1,834)
Exchange differences	4,354	8,760	4,683	17,797
At 31 December 2022	122,541	29,252	192,077	343,870

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank	ECL	not credit	credit	Total
As at 31 March 2023	RM'000	impaired	impaired	RM'000
At 1 January 2023	115,273	29,251	192,077	336,601
Net remeasurement of allowances	(1,290)	911	(545)	(924)
New financial assets originated or purchased	13,473	804	-	14,277
Financial assets derecognised	(3,299)	-	-	(3,299)
Changes in models/risk parameters	30,766	(271)	-	30,495
Exchange differences	1,327	211	342	1,880
At 31 March 2023	156,250	30,906	191,874	379,030

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**A11. Loans, Advances and Financing (cont'd.)**

(xii) **Movements in the allowances for impairment losses on loans, advances and financing are as follows (cont'd.):**

**At fair value through other comprehensive income (cont'd.)**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank	ECL	not credit	credit	
As at 31 December 2022	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
At 1 January 2022	57,414	282,531	116,638	456,583
Transferred to Stage 1	73	(73)	-	-
Transferred to Stage 3	-	(5,738)	5,738	-
Net remeasurement of allowances	15,349	(255,527)	160,768	(79,410)
New financial assets originated or purchased	48,606	2,961	-	51,567
Financial assets derecognised	(10,494)	(3,664)	(93,916)	(108,074)
Amount written-off	-	-	(1,834)	(1,834)
Exchange differences	4,325	8,761	4,683	17,769
At 31 December 2022	115,273	29,251	192,077	336,601

**At amortised cost**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	
As at 31 March 2023	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
At 1 January 2022	2,006,303	3,329,989	6,398,130	11,734,422
Transferred to Stage 1	294,661	(284,900)	(9,761)	-
Transferred to Stage 2	(187,034)	220,165	(33,131)	-
Transferred to Stage 3	(5,336)	(173,943)	179,279	-
Net remeasurement of allowances	7,935	460,247	632,997	1,101,179
New financial assets originated or purchased	259,257	59,778	-	319,035
Financial assets derecognised	(309,891)	(94,332)	(319,781)	(724,004)
Changes in models/risk parameters	(67,278)	(84,998)	(7,380)	(159,656)
Amount written-off	-	-	(849,777)	(849,777)
Exchange differences	10,942	17,530	34,568	63,040
At 31 March 2023	2,009,559	3,449,536	6,025,144	11,484,239

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Group	ECL	not credit	credit	
As at 31 December 2022	RM'000	impaired	impaired	Total
		RM'000	RM'000	RM'000
At 1 January 2022	1,895,232	3,695,513	6,309,928	11,900,673
Transferred to Stage 1	379,282	(358,894)	(20,388)	-
Transferred to Stage 2	(89,233)	291,116	(201,883)	-
Transferred to Stage 3	(21,269)	(432,157)	453,426	-
Net remeasurement of allowances	(333,933)	214,470	3,216,070	3,096,607
New financial assets originated or purchased	585,174	227,333	-	812,507
Financial assets derecognised	(391,624)	(327,526)	(430,457)	(1,149,607)
Changes in models/risk parameters	(29,367)	(14,751)	(85,144)	(129,262)
Amount written-off	-	-	(3,076,929)	(3,076,929)
Exchange differences	12,041	34,885	233,507	280,433
At 31 December 2022	2,006,303	3,329,989	6,398,130	11,734,422

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**A11. Loans, Advances and Financing (cont'd.)**

(xii) Movements in the allowances for impairment losses on loans, advances and financing are as follows (cont'd.):

**At amortised cost (cont'd.)**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank	ECL	not credit	credit	Total
As at 31 March 2023	RM'000	impaired	impaired	RM'000
At 1 January 2023	902,556	1,345,087	5,698,380	7,946,023
Transferred to Stage 1	175,194	(172,588)	(2,606)	-
Transferred to Stage 2	(150,660)	164,752	(14,092)	-
Transferred to Stage 3	(1,890)	(143,445)	145,335	-
Net remeasurement of allowances	53,191	234,418	293,245	580,854
New financial assets originated or purchased	109,005	23,208	-	132,213
Financial assets derecognised	(173,436)	(27,394)	(130,227)	(331,057)
Changes in models/risk parameters	(10,641)	(76,645)	(6,530)	(93,816)
Amount written-off	-	-	(751,843)	(751,843)
Exchange differences	2,832	5,668	3,950	12,450
At 31 March 2023	906,151	1,353,061	5,235,612	7,494,824

  

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
Bank	ECL	not credit	credit	Total
As at 31 December 2022	RM'000	impaired	impaired	RM'000
At 1 January 2022	805,617	1,414,643	5,368,659	7,588,919
Transferred to Stage 1	127,069	(121,722)	(5,347)	-
Transferred to Stage 2	(38,730)	209,024	(170,294)	-
Transferred to Stage 3	(5,776)	(158,470)	164,246	-
Net remeasurement of allowances	35,157	25,063	2,525,097	2,585,317
New financial assets originated or purchased	165,434	75,437	-	240,871
Financial assets derecognised	(168,614)	(108,434)	(168,655)	(445,703)
Changes in models/risk parameters	(17,104)	(25,024)	(77,717)	(119,845)
Amount written-off	-	-	(2,129,121)	(2,129,121)
Exchange differences	(497)	34,570	191,512	225,585
At 31 December 2022	902,556	1,345,087	5,698,380	7,946,023

**A12. Insurance contracts/takaful certificates**

(i) Insurance/reinsurance contract assets/takaful/retakaful certificate assets

	Group	
	31 March	31 December
	2023	2022
	RM'000	RM'000
	Restated	
Assets for remaining coverage	533,994	638,042
Amounts recoverable for incurred claims	2,959,371	3,923,609
	3,493,365	4,561,651

(ii) Insurance contract liabilities/takaful certificate liabilities

	Group	
	31 March	31 December
	2023	2022
	RM'000	RM'000
	Restated	
Liabilities for remaining coverage	33,573,447	32,490,007
- Excluding loss component	33,067,391	31,961,262
- Loss component	506,056	528,745
Liabilities for incurred claims	6,079,530	6,687,387
Assets for insurance/takaful acquisition cash flow	638,426	186,635
	40,291,403	39,364,029

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**A13. Other Assets**

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
		Restated		
Other debtors, net of allowances for impairment losses	7,633,195	7,227,573	5,005,751	6,592,721
Amount due from brokers and clients	3,435,289	2,421,721	-	-
Prepayments and deposits	1,281,619	983,587	300,706	326,216
Tax recoverable	446,084	416,790	310,069	282,220
Foreclosed properties	423,236	408,480	28,500	28,500
	<b>13,219,423</b>	<b>11,458,151</b>	<b>5,645,026</b>	<b>7,229,657</b>

**A14. Deposits from Customers**

**(i) By type of deposit**

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Fixed deposits and negotiable instruments of deposits				
- One year or less	317,143,711	288,829,538	160,953,027	147,069,267
- More than one year	7,892,543	8,678,151	1,003,906	1,360,535
	<b>325,036,254</b>	<b>297,507,689</b>	<b>161,956,933</b>	<b>148,429,802</b>
Money market deposits	68,007,501	76,894,298	10,343,077	10,175,820
Savings deposits	91,808,191	91,065,792	35,158,811	34,263,311
Demand deposits	139,587,642	149,427,315	73,574,666	81,985,228
	<b>624,439,588</b>	<b>614,895,094</b>	<b>281,033,487</b>	<b>274,854,161</b>

**(ii) By type of customer**

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Business enterprises	281,136,795	277,008,600	165,321,705	158,132,250
Individuals	238,533,496	230,613,145	83,570,487	83,639,653
Government and statutory bodies	53,205,951	52,219,059	12,868,830	13,797,858
Others	51,563,346	55,054,290	19,272,465	19,284,400
	<b>624,439,588</b>	<b>614,895,094</b>	<b>281,033,487</b>	<b>274,854,161</b>

**(iii) The maturity profile of fixed deposits and negotiable instruments of deposits are as follows:**

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Within six months	254,714,866	230,952,662	138,826,211	125,929,702
Six months to one year	62,428,845	57,876,876	22,126,816	21,139,565
One year to three years	7,777,117	8,561,099	934,723	1,297,992
Three years to five years	115,426	117,052	69,183	62,543
	<b>325,036,254</b>	<b>297,507,689</b>	<b>161,956,933</b>	<b>148,429,802</b>

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**A15. Deposits and Placements from Financial Institutions**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	43,844,547	49,139,318	48,415,942	65,244,035
Licensed finance companies	62,566	55,217	62,566	55,217
Licensed investment banks	1,103,579	878,171	1,103,579	878,171
Other financial institutions	2,266,184	1,821,074	927,540	617,021
	<b>47,276,876</b>	<b>51,893,780</b>	<b>50,509,627</b>	<b>66,794,444</b>

The maturity profile of deposits and placements from financial institutions are as follows:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
One year or less	44,882,280	49,454,866	49,066,267	65,351,189
More than one year	2,394,596	2,438,914	1,443,360	1,443,255
	<b>47,276,876</b>	<b>51,893,780</b>	<b>50,509,627</b>	<b>66,794,444</b>

**A16. Financial Liabilities at Fair Value Through Profit or Loss ("FVTPL")**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Structured deposits</b>	<b>203,811</b>	<b>209,827</b>	<b>203,811</b>	<b>209,827</b>
<b>Borrowings</b>				
Unsecured				
Medium Term Notes				
- More than one year				
Denominated in:				
- USD	8,725,170	8,107,257	8,725,170	8,107,257
Total financial liabilities at fair value through profit or loss	<b>8,928,981</b>	<b>8,317,084</b>	<b>8,928,981</b>	<b>8,317,084</b>

The carrying amounts of both structured deposits and borrowings designated at FVTPL of the Group and of the Bank as at 31 March 2023 were RM204,726,000 (31 December 2022: RM211,019,000) and RM12,941,819,000 (31 December 2022: RM12,742,015,000) respectively. The fair value changes of the financial liabilities at FVTPL that are attributable to the changes in own credit risk are not significant.

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**A17. Borrowings, Subordinated Obligations and Capital Securities**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>(i) Borrowings</b>				
Secured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- IDR	<b>652,501</b>	636,894	-	-
	<b>652,501</b>	636,894	-	-
- More than one year				
Denominated in:				
- IDR	<b>1,297,300</b>	1,308,473	-	-
	<b>1,297,300</b>	1,308,473	-	-
Total secured borrowings	<b>1,949,801</b>	1,945,367	-	-
Unsecured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- USD	<b>494,546</b>	552,842	<b>221,302</b>	221,002
- CNY	<b>378,600</b>	378,352	<b>378,600</b>	378,352
- SGD	<b>3,906,040</b>	3,874,228	<b>397,206</b>	388,752
- THB	<b>1,581,769</b>	1,422,339	-	-
- HKD	<b>309,687</b>	98,517	-	-
- IDR	<b>1,544,100</b>	1,667,064	-	-
- PHP	<b>4,105</b>	3,960	-	-
- JPY	-	422	-	-
	<b>8,218,847</b>	7,997,724	<b>997,108</b>	988,106
- More than one year				
Denominated in:				
- USD	<b>221,065</b>	214,925	<b>221,065</b>	214,925
- IDR	<b>311,775</b>	294,855	-	-
- CNY	<b>220,788</b>	220,592	<b>220,788</b>	220,592
- JPY	<b>279</b>	-	-	-
- RM (Note (a))	<b>2,520,720</b>	2,507,594	<b>2,520,720</b>	2,507,594
	<b>3,274,627</b>	3,237,966	<b>2,962,573</b>	2,943,111

Note (a): Included in the borrowings is the amount received by the Group and the Bank under government financing scheme as part of the government support measure in response amounting to COVID-19 pandemic of RM1,671,635,000 (31 December 2022: RM1,659,006,000) for the purpose of SME lending at a below market rate with a six-year maturity to be repaid on 17 June 2026. The financing under the government scheme is for lending at concession rates to SMEs and for COVID-19 related relief measures.

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**A17. Borrowings, Subordinated Obligations and Capital Securities (cont'd.)**

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
<b>(i) Borrowings (cont'd.)</b>				
Unsecured (cont'd.)				
(b) Medium Term Notes				
- Less than one year				
Denominated in:				
- USD	3,148,623	3,802,532	3,148,623	3,802,532
- HKD	1,340,098	653,592	1,340,098	653,592
- SGD	687	687	687	687
- JPY	79,527	1,556,787	79,527	1,556,787
- AUD	558,373	116,490	558,373	116,490
- CNH	-	533,795	-	533,795
- RM	112,358	179,358	112,358	179,358
	<u>5,239,666</u>	<u>6,843,241</u>	<u>5,239,666</u>	<u>6,843,241</u>
- More than one year				
Denominated in:				
- USD	5,209,340	5,660,976	5,209,340	5,660,976
- HKD	1,707,810	1,224,550	1,707,810	1,224,550
- JPY	2,609,702	2,614,635	2,609,702	2,614,635
- AUD	379,939	381,549	379,939	381,549
- CNH	1,850,142	1,829,999	1,850,142	1,829,999
	<u>11,756,933</u>	<u>11,711,709</u>	<u>11,756,933</u>	<u>11,711,709</u>
Total unsecured borrowings	<u>28,490,073</u>	<u>29,790,640</u>	<u>20,956,280</u>	<u>22,486,167</u>
Total borrowings	<u>30,439,874</u>	<u>31,736,007</u>	<u>20,956,280</u>	<u>22,486,167</u>
	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
<b>(ii) Subordinated Obligations</b>				
Unsecured				
- More than one year				
Denominated in:				
- RM	10,097,572	10,144,534	9,780,219	9,830,233
- IDR	97,645	93,855	-	-
	<u>10,195,217</u>	<u>10,238,389</u>	<u>9,780,219</u>	<u>9,830,233</u>
	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
<b>(iii) Capital Securities</b>				
Unsecured				
- More than one year				
Denominated in:				
- RM	2,799,993	2,828,817	2,799,993	2,828,817
	<u>2,799,993</u>	<u>2,828,817</u>	<u>2,799,993</u>	<u>2,828,817</u>

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**A18. Other Liabilities**

	Note	Group		Bank	
		31 March 2023 RM'000	31 December 2022 RM'000 Restated	31 March 2023 RM'000	31 December 2022 RM'000
Amount due to brokers and clients		6,784,095	6,515,828	-	-
Deposits, other creditors and accruals		9,235,188	10,322,903	11,552,611	8,696,564
Defined benefit pension plans		513,633	483,374	-	-
Provisions for commitments and contingencies		38,918	38,880	28,118	28,080
Allowances for impairment losses on loan commitments and financial guarantee contracts	(i)	356,542	454,808	175,439	268,678
Lease liabilities		1,713,143	1,139,694	523,709	543,134
Structured deposits		7,367,422	7,037,114	425,063	264,786
		<b>26,008,941</b>	<b>25,992,601</b>	<b>12,704,940</b>	<b>9,801,242</b>

(i) **Movements in the allowances for impairment losses on loan commitments and financial guarantee contracts are as follows:**

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>Group</b>				
<b>As at 31 March 2023</b>				
At 1 January 2023	162,152	37,846	254,810	454,808
Transferred to Stage 1	6,170	(6,014)	(156)	-
Transferred to Stage 2	(2,603)	2,907	(304)	-
Transferred to Stage 3	(31)	(287)	318	-
Net remeasurement of allowances	(9,854)	67,081	90,002	147,229
New credit exposures originated or purchased	43,262	4,478	-	47,740
Credit exposures derecognised	(50,215)	(5,978)	(229,960)	(286,153)
Changes in models/risk parameters	(3,939)	(222)	(211)	(4,372)
Exchange differences	(3,480)	385	385	(2,710)
At 31 March 2023	<b>141,462</b>	<b>100,196</b>	<b>114,884</b>	<b>356,542</b>
	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>Group</b>				
<b>As at 31 December 2022</b>				
At 1 January 2022	127,960	68,815	90,597	287,372
Transferred to Stage 1	7,732	(7,604)	(128)	-
Transferred to Stage 2	(1,990)	2,011	(21)	-
Transferred to Stage 3	(110)	(7,902)	8,012	-
Net remeasurement of allowances	(14,554)	2,541	235,313	223,300
New credit exposures originated or purchased	104,771	27,330	-	132,101
Credit exposures derecognised	(73,506)	(47,814)	(79,166)	(200,486)
Changes in models/risk parameters	515	65	112	692
Exchange differences	11,334	404	91	11,829
At 31 December 2022	<b>162,152</b>	<b>37,846</b>	<b>254,810</b>	<b>454,808</b>



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**A18. Other Liabilities (cont'd.)**

- (i) **Movements in the allowances for impairment losses on loan commitments and financial guarantee contracts are as follows (cont'd.):**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	not credit	credit	
Bank		impaired	impaired	Total
As at 31 March 2023	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	91,147	20,107	157,424	268,678
Transferred to Stage 1	2,573	(2,573)	-	-
Transferred to Stage 2	(1,221)	1,521	(300)	-
Transferred to Stage 3	(10)	(1)	11	-
Net remeasurement of allowances	(1,731)	66,884	(1,480)	63,673
New credit exposures originated or purchased	26,458	2,703	-	29,161
Credit exposures derecognised	(39,311)	(3,355)	(139,484)	(182,150)
Changes in models/risk parameters	116	-	-	116
Exchange differences	(4,510)	177	294	(4,039)
At 31 March 2023	73,511	85,463	16,465	175,439

  

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
	ECL	not credit	credit	
Bank		impaired	impaired	Total
As at 31 December 2022	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	67,231	44,662	72,669	184,562
Transferred to Stage 1	3,163	(3,163)	-	-
Transferred to Stage 2	(1,054)	1,054	-	-
Transferred to Stage 3	(5)	(1,183)	1,188	-
Net remeasurement of allowances	(14,684)	(1,374)	146,211	130,153
New credit exposures originated or purchased	65,828	14,215	-	80,043
Credit exposures derecognised	(39,537)	(34,685)	(62,828)	(137,050)
Changes in models/risk parameters	50	-	119	169
Exchange differences	10,155	581	65	10,801
At 31 December 2022	91,147	20,107	157,424	268,678

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**A19. Other Reserves**

The breakdown and movement of other reserves are as follows:

<===== Non-Distributable=====>						
<u>Group</u>	Capital Reserve RM'000	Revaluation Reserve RM'000	Defined Benefit Reserve RM'000	Hedge Reserve RM'000	Insurance Finance Reserve RM'000	Total Other Reserves RM'000
<b>At 1 January 2023</b>						
- as previously stated	13,997	(3,155)	80,034	(311,048)	-	(220,172)
- effect of adopting MFRS 17	-	-	-	-	(9,509)	(9,509)
At 1 January 2023, as restated	13,997	(3,155)	80,034	(311,048)	(9,509)	(229,681)
Other comprehensive (loss)/income	(58)	443	332	(12,543)	(15,330)	(27,156)
Defined benefit plan actuarial gain	-	-	332	-	-	332
Cost of hedging for fair value hedge	-	-	-	(12,543)	-	(12,543)
Net insurance finance/investment result	-	-	-	-	(15,330)	(15,330)
Net loss on capital reserve	(58)	-	-	-	-	(58)
Net gain on revaluation reserve	-	443	-	-	-	443
Share of associates' reserve	-	-	-	-	-	-
<b>Total comprehensive (loss)/income for the financial period</b>	(58)	443	332	(12,543)	(15,330)	(27,156)
<b>At 31 March 2023</b>	13,939	(2,712)	80,366	(323,591)	(24,839)	(256,837)

<===== Non-Distributable=====>						
<u>Group</u>	Capital Reserve RM'000	Revaluation Reserve RM'000	Defined Benefit Reserve RM'000	Hedge Reserve RM'000	Insurance Finance Reserve RM'000	Total Other Reserves RM'000
<b>At 1 January 2022</b>						
- as previously stated	12,912	(2,712)	49,423	(360,747)	-	(301,124)
- effect of adopting MFRS 17	-	-	-	-	(24,973)	(24,973)
At 1 January 2022, as restated	12,912	(2,712)	49,423	(360,747)	(24,973)	(326,097)
Other comprehensive income/(loss)	31	-	(4,953)	129	(9,507)	(14,300)
Defined benefit plan actuarial loss	-	-	(4,953)	-	-	(4,953)
Cost of hedging for fair value hedge	-	-	-	129	-	129
Net insurance finance/investment result	-	-	-	-	(9,507)	(9,507)
Net gain on capital reserve	31	-	-	-	-	31
<b>Total comprehensive income/(loss) for the financial period</b>	31	-	(4,953)	129	(9,507)	(14,300)
<b>At 31 March 2022</b>	12,943	(2,712)	44,470	(360,618)	(34,480)	(340,397)

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**A20. Interest Income**

Group	First Quarter Ended		Cumulative 3 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	4,658,715	3,084,053	4,658,715	3,084,053
Money at call and deposits and placements with financial institutions	356,830	77,158	356,830	77,158
Financial assets purchased under resale agreements	223,871	27,654	223,871	27,654
Financial assets at FVTPL	245,822	241,015	245,822	241,015
Financial investments at FVOCI	958,444	739,520	958,444	739,520
Financial investments at amortised cost	499,404	434,103	499,404	434,103
	<b>6,943,086</b>	<b>4,603,503</b>	<b>6,943,086</b>	<b>4,603,503</b>
Accretion of discounts, net	<b>(25,728)</b>	<b>(59,675)</b>	<b>(25,728)</b>	<b>(59,675)</b>
	<b>6,917,358</b>	<b>4,543,828</b>	<b>6,917,358</b>	<b>4,543,828</b>

  

Bank	First Quarter Ended		Cumulative 3 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	3,045,355	1,862,520	3,045,355	1,862,520
Money at call and deposits and placements with financial institutions	493,203	152,112	493,203	152,112
Financial assets purchased under resale agreements	191,269	9,139	191,269	9,139
Financial assets at FVTPL	61,961	61,542	61,961	61,542
Financial investments at FVOCI	624,589	472,259	624,589	472,259
Financial investments at amortised cost	423,946	359,826	423,946	359,826
	<b>4,840,323</b>	<b>2,917,398</b>	<b>4,840,323</b>	<b>2,917,398</b>
Amortisation of premiums, net	<b>68,025</b>	<b>17,278</b>	<b>68,025</b>	<b>17,278</b>
	<b>4,908,348</b>	<b>2,934,676</b>	<b>4,908,348</b>	<b>2,934,676</b>

Included in interest income for the three-month financial period ended 31 March 2023 was interest on impaired assets amounting to approximately RM50,053,000 (31 March 2022: RM64,543,000) for the Group and RM27,444,000 (31 March 2022: RM46,871,000) for the Bank.

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**A21. Interest Expense**

Group	First Quarter Ended		Cumulative 3 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 from financial institutions	477,666	69,376	477,666	69,376
Deposits from customers	2,347,678	791,335	2,347,678	791,335
Obligations on financial assets sold under repurchase agreements	160,951	12,966	160,951	12,966
Borrowings	339,107	164,876	339,107	164,876
Subordinated obligations	113,744	112,562	113,744	112,562
Capital securities	28,529	28,529	28,529	28,529
Structured deposits	42,720	6,461	42,720	6,461
Financial liabilities at FVTPL	178,553	30,949	178,553	30,949
	<b>3,688,948</b>	<b>1,217,054</b>	<b>3,688,948</b>	<b>1,217,054</b>

Bank	First Quarter Ended		Cumulative 3 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 from financial institutions	582,378	74,757	582,378	74,757
Deposits from customers	1,665,931	489,299	1,665,931	489,299
Obligations on financial assets sold under repurchase agreements	288,865	53,831	288,865	53,831
Borrowings	203,842	102,332	203,842	102,332
Subordinated obligations	90,026	90,026	90,026	90,026
Capital securities	28,529	28,529	28,529	28,529
Structured deposits	2,156	2,573	2,156	2,573
Financial liabilities at FVTPL	178,553	30,949	178,553	30,949
	<b>3,040,280</b>	<b>872,296</b>	<b>3,040,280</b>	<b>872,296</b>

**A22. Insurance/takaful service result**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
		Restated		Restated
Insurance/takaful revenue	2,109,207	1,640,717	2,109,207	1,640,717
Insurance/takaful service expenses	(1,804,630)	(1,155,467)	(1,804,630)	(1,155,467)
Net expenses from reinsurance contracts/retakaful certificate held	(312,620)	(513,131)	(312,620)	(513,131)
	<b>(8,043)</b>	<b>(27,881)</b>	<b>(8,043)</b>	<b>(27,881)</b>

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**A23. Dividends from subsidiaries**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
<b>Bank</b>				
Gross dividend income from: Subsidiaries	<b>1,634,630</b>	<b>1,579,020</b>	<b>1,634,630</b>	<b>1,579,020</b>

**A24. Other Operating Income**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000 Restated
(a) Fee income:				
Commission	<b>309,260</b>	292,446	<b>309,260</b>	292,446
Service charges and fees	<b>344,226</b>	348,297	<b>344,226</b>	348,297
Underwriting fees	<b>26,029</b>	8,849	<b>26,029</b>	8,849
Brokerage income	<b>87,270</b>	110,848	<b>87,270</b>	110,848
Fees on loans, advances and financing	<b>36,700</b>	61,282	<b>36,700</b>	61,282
	<b>803,485</b>	<b>821,722</b>	<b>803,485</b>	<b>821,722</b>
(b) Investment income:				
Net gain/(loss) on disposal of financial assets at FVTPL	<b>83,704</b>	(101,013)	<b>83,704</b>	(101,013)
Net (loss)/gain on disposal of financial investments at FVOCI	<b>(6,568)</b>	29,294	<b>(6,568)</b>	29,294
Net loss on redemption of financial investments at amortised cost	-	(1,610)	-	(1,610)
	<b>77,136</b>	<b>(73,329)</b>	<b>77,136</b>	<b>(73,329)</b>
(c) Gross dividend income from: Financial investments portfolio	<b>40,159</b>	34,246	<b>40,159</b>	34,246
(d) Unrealised gain/(loss) on revaluation of: Financial assets designated upon initial recognition at FVTPL	<b>291,469</b>	(294,009)	<b>291,469</b>	(294,009)
Financial investments at FVTPL	<b>54,411</b>	(117,313)	<b>54,411</b>	(117,313)
Financial liabilities at FVTPL	<b>(418,386)</b>	1,472,538	<b>(418,386)</b>	1,472,538
Derivatives	<b>107,412</b>	(741,664)	<b>107,412</b>	(741,664)
	<b>34,906</b>	<b>319,552</b>	<b>34,906</b>	<b>319,552</b>
(e) Other income:				
Foreign exchange gain, net	<b>497,108</b>	22,061	<b>497,108</b>	22,061
Realised gain/(loss) on derivatives	<b>204,485</b>	(169,359)	<b>204,485</b>	(169,359)
Rental income	<b>12,400</b>	9,893	<b>12,400</b>	9,893
Gain on disposal of property, plant and equipment	<b>635</b>	1,799	<b>635</b>	1,799
Gain/(loss) on disposal of foreclosed properties	<b>3,114</b>	(304)	<b>3,114</b>	(304)
Fair value adjustments on investments properties	<b>(35)</b>	(36)	<b>(35)</b>	(36)
Others	<b>46,048</b>	56,820	<b>46,048</b>	56,820
	<b>763,755</b>	<b>(79,126)</b>	<b>763,755</b>	<b>(79,126)</b>
Total other operating income	<b>1,719,441</b>	<b>1,023,065</b>	<b>1,719,441</b>	<b>1,023,065</b>

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**A24. Other Operating Income (cont'd.)**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
<b>Bank</b>				
(a) Fee income:				
Commission	237,012	220,900	237,012	220,900
Service charges and fees	211,379	194,145	211,379	194,145
Underwriting fees	8,141	2,260	8,141	2,260
Brokerage income	197	106	197	106
Fees on loans, advances and financing	29,493	50,130	29,493	50,130
	<b>486,222</b>	<b>467,541</b>	<b>486,222</b>	<b>467,541</b>
(b) Investment income:				
Net gain/(loss) on disposal of financial assets at FVTPL	90,576	(68,861)	90,576	(68,861)
Net gain on disposal of financial investments at FVOCI	91,704	20,982	91,704	20,982
Net loss on redemption of financial investments at amortised cost	-	(1,610)	-	(1,610)
Net gain on change in structure of a subsidiary	50,706	-	50,706	-
	<b>232,986</b>	<b>(49,489)</b>	<b>232,986</b>	<b>(49,489)</b>
(c) Gross dividend income from: Financial investments portfolio	500	500	500	500
(d) Unrealised gain/(loss) on revaluation of:				
Financial investments at FVTPL	1,112	(56,330)	1,112	(56,330)
Financial liabilities at FVTPL	(418,386)	1,472,538	(418,386)	1,472,538
Derivatives	11,348	(858,507)	11,348	(858,507)
	<b>(405,926)</b>	<b>557,701</b>	<b>(405,926)</b>	<b>557,701</b>
(e) Other income:				
Foreign exchange gain/(loss), net	475,586	(5,788)	475,586	(5,788)
Realised gain/(loss) on derivatives	215,763	(105,315)	215,763	(105,315)
Rental income	15,340	15,072	15,340	15,072
Gain on disposal of property, plant and equipment	178	39	178	39
Others	42,371	32,575	42,371	32,575
	<b>749,238</b>	<b>(63,417)</b>	<b>749,238</b>	<b>(63,417)</b>
Total other operating income	<b>1,063,020</b>	<b>912,836</b>	<b>1,063,020</b>	<b>912,836</b>

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**A25. Net insurance/takaful investment/finance result**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000 Restated
Finance expenses/(income) from insurance/ takaful certificate contract issued	458,769	(256,281)	458,769	(256,281)
Finance income from reinsurance/ retakaful certificate contract held	(52,114)	(3,966)	(52,114)	(3,966)
<b>Net insurance/takaful investment/finance result</b>	<b>406,655</b>	<b>(260,247)</b>	<b>406,655</b>	<b>(260,247)</b>

**A26. Overhead Expenses**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000 Restated
(a) Personnel expenses				
Salaries, allowances and bonuses	1,342,497	1,202,738	1,342,497	1,202,738
Social security cost	13,935	11,213	13,935	11,213
Retirement costs	156,754	141,608	156,754	141,608
ESGP expenses	22,450	24,258	22,450	24,258
Other staff related expenses	247,406	243,283	247,406	243,283
	<b>1,783,042</b>	<b>1,623,100</b>	<b>1,783,042</b>	<b>1,623,100</b>
(b) Establishment costs				
Depreciation of property, plant and equipment	73,145	68,846	73,145	68,846
Depreciation of right-of-use assets	140,572	106,184	140,572	106,184
Amortisation of intangible assets	60,984	65,685	60,984	65,685
Rental of leasehold land and premises	2,538	4,149	2,538	4,149
Repairs and maintenance of property, plant and equipment	46,529	43,857	46,529	43,857
Information technology expenses	167,496	132,055	167,496	132,055
Finance cost on lease liabilities	10,384	8,401	10,384	8,401
Others	5,324	5,084	5,324	5,084
	<b>506,972</b>	<b>434,261</b>	<b>506,972</b>	<b>434,261</b>
(c) Marketing expenses				
Advertisement and publicity	36,966	37,198	36,966	37,198
Others	76,981	42,067	76,981	42,067
	<b>113,947</b>	<b>79,265</b>	<b>113,947</b>	<b>79,265</b>

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**A26. Overhead Expenses (cont'd.)**

Group (cont'd.)	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000 Restated	31 March 2023 RM'000	31 March 2022 RM'000 Restated
(d) Administration and general expenses				
Fees and brokerage	319,244	256,616	319,244	256,616
Administrative expenses	131,418	116,753	131,418	116,753
General expenses	195,980	214,537	195,980	214,537
Others	1,563	5,428	1,563	5,428
	<b>648,205</b>	<b>593,334</b>	<b>648,205</b>	<b>593,334</b>
Total overhead expenses	<b>3,052,166</b>	<b>2,729,960</b>	<b>3,052,166</b>	<b>2,729,960</b>
<b>Cost to income ratio ("CIR")<sup>1</sup></b>	<b>48.3%</b>	<b>43.7%</b>	<b>48.3%</b>	<b>43.7%</b>

<sup>1</sup> Cost to income ratio ("CIR") is computed using the total cost over the net operating income. Income refers to net operating income amount as disclosed on the face of income statements.

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	737,550	619,794	737,550	619,794
Social security cost	7,233	5,909	7,233	5,909
Retirement costs	110,773	96,118	110,773	96,118
ESGP expenses	14,073	14,231	14,073	14,231
Other staff related expenses	136,528	128,824	136,528	128,824
	<b>1,006,157</b>	<b>864,876</b>	<b>1,006,157</b>	<b>864,876</b>
(b) Establishment costs				
Depreciation of property, plant and equipment	19,431	19,649	19,431	19,649
Depreciation of right-of-use assets	29,070	27,512	29,070	27,512
Amortisation of intangible assets	17,268	18,938	17,268	18,938
Rental of leasehold land and premises	1,521	1,354	1,521	1,354
Repairs and maintenance of property, plant and equipment	26,345	21,870	26,345	21,870
Information technology expenses	310,591	221,109	310,591	221,109
Finance cost on lease liabilities	3,710	3,249	3,710	3,249
Others	2,161	3,393	2,161	3,393
	<b>410,097</b>	<b>317,074</b>	<b>410,097</b>	<b>317,074</b>
(c) Marketing expenses				
Advertisement and publicity	11,215	16,153	11,215	16,153
Others	52,345	28,490	52,345	28,490
	<b>63,560</b>	<b>44,643</b>	<b>63,560</b>	<b>44,643</b>
(d) Administration and general expenses				
Fees and brokerage	228,948	176,171	228,948	176,171
Administrative expenses	59,969	48,071	59,969	48,071
General expenses	87,683	69,196	87,683	69,196
Others	822	1,821	822	1,821
	<b>377,422</b>	<b>295,259</b>	<b>377,422</b>	<b>295,259</b>
(e) Overhead expenses allocated to subsidiaries, net	<b>(452,125)</b>	<b>(353,005)</b>	<b>(452,125)</b>	<b>(353,005)</b>
Total overhead expenses	<b>1,405,111</b>	<b>1,168,847</b>	<b>1,405,111</b>	<b>1,168,847</b>
<b>Cost to income ratio ("CIR")<sup>2</sup></b>	<b>30.8%</b>	<b>25.7%</b>	<b>30.8%</b>	<b>25.7%</b>

<sup>2</sup> Cost to income ratio ("CIR") is computed using the total cost over the net operating income.



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**A27. Allowances for Impairment Losses on Loans, Advances, Financing and Other Debts, net**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
(Writeback of)/allowances for impairment losses on loans, advances and financing:				
- Stage 1 - 12-month ECL, net	(87,246)	(165,759)	(87,246)	(165,759)
- Stage 2 - Lifetime ECL not credit impaired, net	407,498	26,912	407,498	26,912
- Stage 3 - Lifetime ECL credit impaired, net	165,122	647,137	165,122	647,137
Bad debts and financing written-off	8,878	21,703	8,878	21,703
Bad debts and financing recovered	(135,645)	(86,890)	(135,645)	(86,890)
Allowances for impairment losses on other debts	1,457	309	1,457	309
	<b>360,064</b>	<b>443,412</b>	<b>360,064</b>	<b>443,412</b>

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Allowances for/(writeback of) impairment losses on loans, advances and financing:				
- Stage 1 - 12-month ECL, net	3,301	(39,933)	3,301	(39,933)
- Stage 2 - Lifetime ECL not credit impaired, net	221,263	11,470	221,263	11,470
- Stage 3 - Lifetime ECL credit impaired, net	14,979	379,499	14,979	379,499
Bad debts and financing written-off	7,050	17,109	7,050	17,109
Bad debts and financing recovered	(52,921)	(34,058)	(52,921)	(34,058)
Allowances for/(writeback of) impairment losses on other debts	667	(924)	667	(924)
	<b>194,339</b>	<b>333,163</b>	<b>194,339</b>	<b>333,163</b>

**A28. (Writeback of)/allowances for Impairment Losses on Financial Investments, net**

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	(922)	(2,573)	(922)	(2,573)
- Stage 2 - Lifetime ECL not credit impaired, net	(628)	1,358	(628)	1,358
- Stage 3 - Lifetime ECL credit impaired, net	(42,020)	263,525	(42,020)	263,525
Net	<b>(43,570)</b>	<b>262,310</b>	<b>(43,570)</b>	<b>262,310</b>
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	(8,560)	(581)	(8,560)	(581)
- Stage 2 - Lifetime ECL not credit impaired, net	851	659	851	659
- Stage 3 - Lifetime ECL credit impaired, net	(24,549)	(134,797)	(24,549)	(134,797)
Net	<b>(32,258)</b>	<b>(134,719)</b>	<b>(32,258)</b>	<b>(134,719)</b>
	<b>(75,828)</b>	<b>127,591</b>	<b>(75,828)</b>	<b>127,591</b>

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**A28. (Writeback of)/allowances for Impairment Losses on Financial Investments, net (cont'd.)**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Bank</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	(1,739)	(1,547)	(1,739)	(1,547)
- Stage 2 - Lifetime ECL not credit impaired, net	(23)	18	(23)	18
- Stage 3 - Lifetime ECL credit impaired, net	(203)	169,880	(203)	169,880
Net	(1,965)	168,351	(1,965)	168,351
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	(2,368)	(284)	(2,368)	(284)
- Stage 2 - Lifetime ECL not credit impaired, net	-	(4)	-	(4)
- Stage 3 - Lifetime ECL credit impaired, net	-	(134,797)	-	(134,797)
Net	(2,368)	(135,085)	(2,368)	(135,085)
	(4,333)	33,266	(4,333)	33,266

**A29. Allowances for Impairment Losses on Other Financial Assets, net**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
<b>Group</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cash and short-term funds				
- Stage 1 - 12-month ECL, net	1,244	9,260	1,244	9,260
Net	1,244	9,260	1,244	9,260
Deposits and placements with financial institutions				
- Stage 1 - 12-month ECL, net	(3,378)	(9,357)	(3,378)	(9,357)
Net	(3,378)	(9,357)	(3,378)	(9,357)
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	6,388	7,197	6,388	7,197
Net	6,388	7,197	6,388	7,197
Insurance/reinsurance contract/takaful/retakaful operators' certificate assets				
- Stage 1 - 12-month ECL, net	2,362	2,228	2,362	2,228
Net	2,362	2,228	2,362	2,228
Other assets				
- Stage 1 - 12-month ECL, net	77	53	77	53
- Stage 2 - Lifetime ECL not credit impaired	7	(1)	7	(1)
- Stage 3 - Lifetime ECL credit impaired	2,650	16,345	2,650	16,345
Net	2,734	16,397	2,734	16,397
Statutory deposit with central banks				
- Stage 1 - 12-month ECL, net	(721)	322	(721)	322
Net	(721)	322	(721)	322
	8,629	26,047	8,629	26,047

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**A29. Allowances for Impairment Losses on Other Financial Assets, net (cont'd.)**

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
<b>Bank</b>				
Cash and short-term funds				
- Stage 1 - 12-month ECL, net	72	(2,088)	72	(2,088)
Net	<u>72</u>	<u>(2,088)</u>	<u>72</u>	<u>(2,088)</u>
Deposits and placements with financial institutions				
- Stage 1 - 12-month ECL, net	(2,562)	(155)	(2,562)	(155)
Net	<u>(2,562)</u>	<u>(155)</u>	<u>(2,562)</u>	<u>(155)</u>
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	1,818	4,531	1,818	4,531
Net	<u>1,818</u>	<u>4,531</u>	<u>1,818</u>	<u>4,531</u>
Other assets				
- Stage 3 - Lifetime ECL credit impaired	1,880	15,352	1,880	15,352
Net	<u>1,880</u>	<u>15,352</u>	<u>1,880</u>	<u>15,352</u>
	<u>1,208</u>	<u>17,640</u>	<u>1,208</u>	<u>17,640</u>

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**A30. Segment Information**

**By business segments**

The Group's operating segments are Group Community Financial Services, Group Global Banking and Group Insurance and Takaful. The Group determines and presents operating segments based on information provided to the Board and senior management of the Group.

The Group is organised into three (3) operating segments based on services and products available within the Group as follows:

(a) Group Community Financial Services ("CFS")

(i) Consumer Banking

Consumer Banking comprises the full range of products and services offered to individuals in the region, which includes savings and fixed deposits, remittance services, current accounts, consumer loans such as housing loans and personal loans, hire purchases, unit trusts, bancassurance products and credit cards.

(ii) Small, Medium Enterprise ("SME") Banking

SME Banking comprises the full range of products and services offered to small and medium enterprises in the region. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(iii) Business Banking

Business Banking comprises the full range of products and services offered to commercial enterprises in the region. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(b) Group Global Banking ("GB")

(i) Group Corporate Banking and Global Markets

Group Corporate Banking and Global Markets comprise of Corporate Banking and Global Markets businesses.

Corporate Banking comprises the full range of products and services offered to business customers in the region, ranging from large corporate and the public sector. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services.

Global Markets comprise the full range of products and services relating to treasury activities and services, which includes foreign exchange, money market, derivatives and trading of capital market.

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**A30. Segment Information (cont'd.)**

**By business segments (cont'd.)**

(b) Group Global Banking ("GB") (cont'd.)

(ii) Group Investment Banking

Investment Banking comprises the investment banking and securities broking business. This segment focuses on business needs of mainly large corporate customers and financial institutions. The products and services offered to customers include corporate advisory services, bond issuance, equity issuance, syndicated acquisition advisory services, debt restructuring advisory services, and share and futures dealings.

(iii) Group Asset Management

Asset Management comprises the asset and fund management services, providing a diverse range of Conventional and Islamic investment solutions to retail, corporate and institutional clients.

(c) Group Insurance and Takaful

Insurance and Takaful comprise the business of underwriting all classes of general and life insurance businesses, offshore investment life insurance business, general takaful and family takaful businesses.

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**A30. Segment Information (cont'd.)**

**By business segments (cont'd.)**

	<===== Business Segments =====>						
	<===== Group Global Banking =====>						
Three Months Ended 31 March 2023	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000	Head Office and Others RM'000	Total RM'000
Net interest income/(loss):							
- External	1,901,164	865,739	102,325	28	337,185	(26,848)	3,179,593
- Inter-segment	-	-	(25,836)	1,156	73,497	-	48,817
	1,901,164	865,739	76,489	1,184	410,682	(26,848)	3,228,410
Net interest income/(loss)	1,901,164	865,739	76,489	1,184	410,682	(26,848)	3,228,410
Income/(loss) from IBS operations	1,289,490	498,239	24,306	-	-	(20,876)	1,791,159
Insurance/takaful service result	-	-	-	-	(69,420)	61,377	(8,043)
Other operating income	738,387	424,520	193,545	23,179	328,655	11,155	1,719,441
Total operating income	3,929,041	1,788,498	294,340	24,363	669,917	24,808	6,730,967
Net insurance/takaful investment/finance result	-	-	-	-	(406,655)	-	(406,655)
Net operating income	3,929,041	1,788,498	294,340	24,363	263,262	24,808	6,324,312
Overhead expenses	(2,188,647)	(534,388)	(237,426)	(23,877)	(67,828)	-	(3,052,166)
Operating profit before impairment losses	1,740,394	1,254,110	56,914	486	195,434	24,808	3,272,146
(Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net	(314,203)	(46,033)	(2,677)	-	2,849	-	(360,064)
Writeback of impairment losses on financial investments, net	2	33,962	-	-	41,864	-	75,828
(Allowances for)/writeback of impairment losses on other financial assets, net	(50)	(6,332)	30	2	(2,279)	-	(8,629)
Operating profit	1,426,143	1,235,707	54,267	488	237,868	24,808	2,979,281
Share of profits/(losses) in associates and joint ventures	-	76,791	(223)	-	-	-	76,568
Profit before taxation and zakat	1,426,143	1,312,498	54,044	488	237,868	24,808	3,055,849
Taxation and zakat							(723,253)
Profit after taxation and zakat							2,332,596
Non-controlling interests							(67,191)
Profit for the financial period attributable to equity holders of the Bank							2,265,405

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**A30. Segment Information (cont'd.)**

**By business segments (cont'd.)**

<===== Business Segments =====>							
<===== Group Global Banking =====>							
Three Months Ended 31 March 2023 (cont'd.)	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000	Head Office and Others RM'000	Total RM'000
<b>Included in other operating income are:</b>							
Fee income:							
Commission	309,428	21,928	14,300	5,627	-	(42,023)	309,260
Service charges and fees	224,102	64,512	18,372	24,718	566	11,956	344,226
Underwriting fees	-	8,141	18,381	-	-	(493)	26,029
Brokerage income	197	-	87,073	-	-	-	87,270
Fees on loans, advances and financing	4,912	31,016	692	-	-	80	36,700
Fee income from IBS operations	98,557	24,097	21,389	-	-	1,206	145,249
<b>Included in overhead expenses are:</b>							
Depreciation of property, plant and equipment	(51,780)	(12,694)	(7,169)	(93)	(1,409)	-	(73,145)
Depreciation of right-of-use assets	(94,465)	(25,789)	(17,459)	(1,027)	(1,832)	-	(140,572)
Amortisation of intangible assets	(46,633)	(12,326)	(585)	(13)	(1,427)	-	(60,984)

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**A30. Segment Information (cont'd.)**

**By business segments (cont'd.)**

	<===== Business Segments =====>						
	<===== Group Global Banking =====>						
Three Months Ended 31 March 2022	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000 Restated	Head Office and Others RM'000	Total RM'000 Restated
Net interest income/(loss):							
- External	1,749,067	1,089,196	88,871	32	330,669	68,939	3,326,774
- Inter-segment	-	-	(4,205)	529	18,075	(14,399)	-
	1,749,067	1,089,196	84,666	561	348,744	54,540	3,326,774
Net interest income	1,749,067	1,089,196	84,666	561	348,744	54,540	3,326,774
Income from IBS operations	1,153,611	462,585	13,940	-	-	40,328	1,670,464
Insurance/takaful service result	-	-	-	-	(101,624)	73,743	(27,881)
Other operating income/(loss)	701,808	653,737	246,607	22,427	(330,003)	(271,511)	1,023,065
Total operating income/(loss)	3,604,486	2,205,518	345,213	22,988	(82,883)	(102,900)	5,992,422
Net insurance/takaful investment/finance result	-	-	-	-	260,247	-	260,247
Net operating income/(loss)	3,604,486	2,205,518	345,213	22,988	177,364	(102,900)	6,252,669
Overhead expenses	(1,874,062)	(483,183)	(254,075)	(51,163)	(67,477)	-	(2,729,960)
Operating profit/(loss) before impairment losses (Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net	1,730,424	1,722,335	91,138	(28,175)	109,887	(102,900)	3,522,709
Allowances for impairment losses on financial investments, net	-	(34,330)	-	-	(93,261)	-	(127,591)
Allowances for impairment losses on other financial assets, net	(23)	(22,184)	(1,328)	(2)	(2,510)	-	(26,047)
Operating profit/(loss)	1,662,821	1,289,395	90,532	(28,177)	13,988	(102,900)	2,925,659
Share of profits in associates and joint ventures	-	47,070	2,445	-	-	-	49,515
<b>Profit/(loss) before taxation and zakat</b>	1,662,821	1,336,465	92,977	(28,177)	13,988	(102,900)	2,975,174
Taxation and zakat							(885,737)
<b>Profit after taxation and zakat</b>							2,089,437
Non-controlling interests							(42,577)
<b>Profit for the financial period attributable to equity holders of the Bank</b>							2,046,860



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**A30. Segment Information (cont'd.)**

**By business segments (cont'd.)**

<===== Business Segments =====>							
<===== Group Global Banking =====>							
Three Months Ended 31 March 2022 (cont'd.)	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000 Restated	Head Office and Others RM'000	Total RM'000 Restated
<b>Included in other operating income are:</b>							
Fee income:							
Commission	307,378	25,438	18,508	11,899	-	(70,777)	292,446
Service charges and fees	207,801	93,768	28,726	31,641	(2,330)	(11,309)	348,297
Underwriting fees	-	2,260	6,589	-	-	-	8,849
Brokerage income	106	-	110,742	-	-	-	110,848
Fees on loans, advances and financing	17,311	44,554	389	-	-	(972)	61,282
Fee income from IBS operations	84,197	21,881	13,430	-	-	865	120,373
<b>Included in overhead expenses are:</b>							
Depreciation of property, plant and equipment	(47,729)	(11,870)	(7,712)	(146)	(1,389)	-	(68,846)
Depreciation of right-of-use assets	(66,453)	(22,765)	(13,188)	(773)	(3,005)	-	(106,184)
Amortisation of intangible assets	(48,398)	(12,753)	(873)	(294)	(3,367)	-	(65,685)

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**A31. Carrying Amount of Revalued Assets**

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. There was no change in the valuation of property and equipment that were brought forward from the previous audited annual financial statements for the financial year ended 31 December 2022.

**A32. Subsequent Events**

There were no material events subsequent to the reporting date, other than as disclosed in Note A8(ii) and B6.

**A33. Changes in the Composition of the Group**

There were no significant changes to the composition of the Group during the first quarter ended 31 March 2023.

**A34. Commitments and Contingencies**

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group and of the Bank as at the following reporting dates are as follows:

Group	As at 31 March 2023			As at 31 December 2022		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<b><u>Contingent liabilities</u></b>						
Direct credit substitutes	11,715,150	9,933,858	7,299,613	12,624,792	11,792,332	6,488,154
Certain transaction-related contingent items	15,499,337	7,438,154	3,979,228	14,534,071	7,370,135	3,999,055
Short-term self-liquidating trade-related contingencies	3,505,867	694,973	426,200	7,143,351	1,067,336	601,663
Obligations under underwriting agreements	171,558	-	-	-	-	-
	<b>30,891,912</b>	<b>18,066,985</b>	<b>11,705,041</b>	<b>34,302,214</b>	<b>20,229,803</b>	<b>11,088,872</b>
<b><u>Commitments</u></b>						
Irrevocable commitments to extend credit:						
- Maturity within one year	142,413,849	14,832,457	3,973,042	142,217,444	13,893,627	3,697,325
- Maturity exceeding one year	71,395,561	65,086,669	30,102,420	40,319,358	64,801,259	29,833,459
	<b>213,809,410</b>	<b>79,919,126</b>	<b>34,075,462</b>	<b>182,536,802</b>	<b>78,694,886</b>	<b>33,530,784</b>
Miscellaneous commitments and contingencies	17,501,173	1,799,144	97,218	11,205,013	1,060,766	60,300
Total credit-related commitments and contingencies	<b>262,202,495</b>	<b>99,785,255</b>	<b>45,877,721</b>	<b>228,044,029</b>	<b>99,985,455</b>	<b>44,679,956</b>
<b><u>Derivative financial instruments</u></b>						
Foreign exchange related contracts:						
- Less than one year	593,236,992	6,814,353	1,361,848	592,564,361	8,289,850	1,540,396
- One year to less than five years	38,090,296	2,228,876	1,330,672	31,244,650	1,791,523	1,037,341
- Five years and above	7,045,903	894,930	554,132	7,950,665	997,186	700,553
	<b>638,373,191</b>	<b>9,938,159</b>	<b>3,246,652</b>	<b>631,759,676</b>	<b>11,078,559</b>	<b>3,278,290</b>
Interest rate related contracts:						
- Less than one year	189,401,298	59,814	43,353	173,030,838	68,376	50,099
- One year to less than five years	286,285,339	1,488,472	948,585	307,593,840	1,454,413	925,605
- Five years and above	184,538,245	2,980,816	1,506,544	177,013,049	2,877,381	1,430,600
	<b>660,224,882</b>	<b>4,529,102</b>	<b>2,498,482</b>	<b>657,637,727</b>	<b>4,400,170</b>	<b>2,406,304</b>

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**A34. Commitments and Contingencies (cont'd.)**

The risk-weighted exposures of the Group and of the Bank as at the following reporting dates are as follows (cont'd.):

	As at 31 March 2023			As at 31 December 2022		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<b>Group (cont'd.)</b>						
<b><u>Derivative financial instruments</u></b>						
<b><u>(cont'd.)</u></b>						
Equity and commodity related contracts:						
- Less than one year	6,315,720	329,266	85,207	6,551,126	406,085	112,334
- One year to less than five years	3,028,692	264,045	74,114	2,246,767	166,111	47,112
	<b>9,344,412</b>	<b>593,311</b>	<b>159,321</b>	<b>8,797,893</b>	<b>572,196</b>	<b>159,446</b>
Credit related contracts:						
- Less than one year	58,236	-	-	57,489	-	-
- One year to less than five years	7,786	-	-	9,384	-	-
	<b>66,022</b>	<b>-</b>	<b>-</b>	<b>66,873</b>	<b>-</b>	<b>-</b>
Total treasury-related commitments and contingencies	<b>1,308,008,507</b>	<b>15,060,572</b>	<b>5,904,455</b>	<b>1,298,262,169</b>	<b>16,050,925</b>	<b>5,844,040</b>
Total commitments and contingencies	<b>1,570,211,002</b>	<b>114,845,827</b>	<b>51,782,176</b>	<b>1,526,306,198</b>	<b>116,036,380</b>	<b>50,523,996</b>
	As at 31 March 2023			As at 31 December 2022		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<b>Bank</b>						
<b><u>Contingent liabilities</u></b>						
Direct credit substitutes	7,857,520	6,314,265	4,399,698	8,970,256	8,417,835	4,113,690
Certain transaction-related contingent items	11,004,337	5,266,086	2,589,193	10,397,750	5,393,107	2,815,646
Short-term self-liquidating trade-related contingencies	2,552,779	505,801	331,086	6,278,940	879,558	506,456
	<b>21,414,636</b>	<b>12,086,152</b>	<b>7,319,977</b>	<b>25,646,946</b>	<b>14,690,500</b>	<b>7,435,792</b>
<b><u>Commitments</u></b>						
Irrevocable commitments to extend credit:						
- Maturity within one year	85,048,408	7,215,577	1,529,422	88,867,814	6,476,767	1,341,339
- Maturity exceeding one year	48,464,780	39,380,506	20,149,200	17,659,753	39,595,776	20,129,633
	<b>133,513,188</b>	<b>46,596,083</b>	<b>21,678,622</b>	<b>106,527,567</b>	<b>46,072,543</b>	<b>21,470,972</b>
Miscellaneous commitments and contingencies	<b>13,958,040</b>	<b>1,970,706</b>	<b>121,328</b>	<b>9,748,609</b>	<b>1,426,290</b>	<b>117,630</b>
Total credit-related commitments and contingencies	<b>168,885,864</b>	<b>60,652,941</b>	<b>29,119,927</b>	<b>141,923,122</b>	<b>62,189,333</b>	<b>29,024,394</b>
<b><u>Derivative financial instruments</u></b>						
Foreign exchange related contracts:						
- Less than one year	570,819,482	6,418,107	1,195,284	579,667,448	8,110,780	1,390,769
- One year to less than five years	37,139,161	2,142,074	1,229,286	30,208,110	1,678,805	927,325
- Five years and above	6,510,987	879,608	534,715	7,436,048	979,354	676,602
	<b>614,469,630</b>	<b>9,439,789</b>	<b>2,959,285</b>	<b>617,311,606</b>	<b>10,768,939</b>	<b>2,994,696</b>

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**A34. Commitments and Contingencies (cont'd.)**

The risk-weighted exposures of the Group and of the Bank as at the following reporting dates are as follows (cont'd.):

	As at 31 March 2023			As at 31 December 2022		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<b>Bank (cont'd.)</b>						
<b><u>Derivative financial instruments</u></b>						
<b><u>(cont'd.)</u></b>						
Interest rate related contracts:						
- Less than one year	188,210,839	54,728	24,960	171,421,796	60,216	23,752
- One year to less than five years	286,139,638	1,476,185	666,882	309,390,096	1,426,533	604,151
- Five years and above	184,462,035	2,974,425	1,497,666	177,013,048	2,871,441	1,427,107
	<b>658,812,512</b>	<b>4,505,338</b>	<b>2,189,508</b>	<b>657,824,940</b>	<b>4,358,190</b>	<b>2,055,010</b>
Equity and commodity related contracts:						
- Less than one year	2,887,257	208,075	59,037	3,186,036	262,117	81,430
- One year to less than five years	3,028,692	264,045	74,114	2,246,767	166,111	47,112
	<b>5,915,949</b>	<b>472,120</b>	<b>133,151</b>	<b>5,432,803</b>	<b>428,228</b>	<b>128,542</b>
Credit related contracts:						
- Less than one year	58,236	-	-	57,489	-	-
- One year to less than five years	7,786	-	-	9,384	-	-
	<b>66,022</b>	<b>-</b>	<b>-</b>	<b>66,873</b>	<b>-</b>	<b>-</b>
Total treasury-related commitments and contingencies	<b>1,279,264,113</b>	<b>14,417,247</b>	<b>5,281,944</b>	<b>1,280,636,222</b>	<b>15,555,357</b>	<b>5,178,248</b>
Total commitments and contingencies	<b>1,448,149,977</b>	<b>75,070,188</b>	<b>34,401,871</b>	<b>1,422,559,344</b>	<b>77,744,690</b>	<b>34,202,642</b>

\* The credit equivalent amount and the risk-weighted amount are derived from using the credit conversion factors and risk-weights respectively as specified by Bank Negara Malaysia for regulatory capital adequacy purposes.

(i) The Group's and the Bank's derivative financial instruments are subject to market, credit and liquidity risks, as follows:

Market Risk

Market risk on derivatives is the potential loss to the value of these contracts due to changes in price of the underlying items such as equities, interest rates, foreign exchange rates, credit spreads, commodities or other indices. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amount at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions.

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Bank and certain subsidiaries have a gain position. As at 31 March 2023, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM20,884.0 million (31 December 2022: RM24,686.8 million). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.

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**A34. Commitments and Contingencies (cont'd.)**

- (ii) There have been no changes since the end of the previous financial year in respect of the following:
- (a) The types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
  - (b) The risk management policies in place for mitigating and controlling the risks associated with these derivative financial contracts; and
  - (c) The related accounting policies.

**A35. Capital Adequacy**

**(a) Capital Adequacy Framework**

- (i) Bank Negara Malaysia ("BNM") had on 9 December 2020 issued the Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) on the computation of capital and capital adequacy ratios for Conventional banks and Islamic banks respectively. All financial institutions shall hold and maintain at all times, the following minimum capital adequacy ratios:

<b>Common Equity Tier 1 (CET1) Capital Ratio</b>	<b>Tier 1 Capital Ratio</b>	<b>Total Capital Ratio</b>
4.5%*	6.0%	8.0%

\* In addition, BNM had introduced Capital Conservation Buffer of 2.5% of total risk-weighted assets ("RWA") as well as Countercyclical Capital Buffer ranging between 0% - 2.5% of total RWA.

- (ii) Total RWA is calculated as the sum of credit RWA, market RWA, operational RWA and large exposure risk requirements as determined in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets) and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) both issued by BNM on 3 May 2019 for Conventional banks and Islamic banks respectively.

Any exposures which are deducted in the calculation of CET1 Capital, Tier 1 Capital and Total Capital are not subjected to any further capital charges in the computation of RWA.

**(b) Compliance and application of capital adequacy ratios**

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

- (A) Credit risk under Internal Ratings-Based Approach and Standardised Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

On an entity level basis, the computation of capital adequacy ratios of the subsidiaries of the Group are as follows:

- (i) For Maybank Islamic Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 9 December 2020 and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

- (A) Credit risk under Internal Ratings-Based Approach and Standardised Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ending 31 December 2023 (2022: 4.5%, 6.0% and 8.0% of total RWA).

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**A35. Capital Adequacy (cont'd.)**

**(b) Compliance and application of capital adequacy ratios (cont'd.)**

- (ii) For Maybank Investment Bank Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

- (A) Credit risk under Standardised Approach;  
 (B) Market risk under Standardised Approach; and  
 (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ending 31 December 2023 (2022: 4.5%, 6.0% and 8.0% of total RWA).

- (iii) For PT Bank Maybank Indonesia Tbk, the computation of capital adequacy ratios are in accordance with local requirements, which is based on the Basel II capital accord. The total RWA are computed based on the following approaches:

- (A) Credit risk under Standardised Approach;  
 (B) Market risk under Standardised Approach; and  
 (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirement for PT Bank Maybank Indonesia Tbk for the financial year ending 31 December 2023 is 9% up to less than 10% (2022: 9% up to less than 10%) of total RWA.

- (iv) For Maybank Singapore Limited, the computation of capital adequacy ratios are based on MAS Notice 637 dated 14 September 2012 (last revised on 2 December 2021) issued by the Monetary Authority of Singapore ("MAS"). The total RWA are computed based on the following approaches:

- (A) Credit risk under Internal Ratings-Based Approach and Standardised Approach;  
 (B) Market risk under Standardised Approach;  
 (C) Operational risk under Basic Indicator Approach; and  
 (D) Capital floor adjustment to RWA under MAS Notice 637.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 6.5%, 8.0% and 10.0% of total RWA for the financial year ending 31 December 2023 (2022: 6.5%, 8.0% and 10.0% of total RWA).

**(c) The capital adequacy ratios of the Group and of the Bank**

With effect from 30 June 2013, the amount of declared dividend to be deducted in the calculation of CET1 Capital under a DRP shall be determined in accordance with BNM's Implementation Guidance on Capital Adequacy Framework (Capital Components) ("Implementation Guidance") issued on 8 May 2013. Under the said Implementation Guidance, where a portion of the dividend may be reinvested under a DRP (the electable portion), the amount of declared dividend to be deducted in the calculation of CET1 Capital may be reduced as follows:

- (i) where an irrevocable written undertaking from shareholder has been obtained to reinvest the electable portion of the dividend; or  
 (ii) where there is no irrevocable written undertaking provided, the average of the preceding 3-year take-up rates subject to the amount being not more than 50% of the total electable portion of the dividend.

Pursuant to Note A9(a), in arriving the capital adequacy ratios for the three months financial period ended 31 March 2023, the paid dividend have been deducted from the calculation of CET1 Capital.

Based on the above, the capital adequacy ratios of the Group and of the Bank are as follows:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2023</b>	<b>31 December 2022</b>	<b>31 March 2023</b>	<b>31 December 2022</b>
CET1 Capital Ratio	<b>15.087%</b>	15.669%	<b>13.992%</b>	15.264%
Tier 1 Capital Ratio	<b>15.788%</b>	16.376%	<b>14.780%</b>	16.045%
Total Capital Ratio	<b>18.484%</b>	19.080%	<b>17.398%</b>	18.635%

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**A35. Capital Adequacy (cont'd.)**

**(d) Components of capital:**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2023 RM'000</b>	<b>31 December 2022 RM'000</b>	<b>31 March 2023 RM'000</b>	<b>31 December 2022 RM'000</b>
<b>CET1 Capital</b>				
Share capital	54,619,344	54,619,344	54,619,344	54,619,344
Retained profits <sup>1</sup>	18,754,870	22,007,168	11,488,150	14,937,554
Other reserves <sup>1</sup>	1,994,490	1,349,642	3,531,138	3,018,421
Qualifying non-controlling interests	114,608	113,735	-	-
CET1 Capital before regulatory adjustments	75,483,312	78,089,889	69,638,632	72,575,319
Less: Regulatory adjustments applied on CET1 Capital:	(13,279,158)	(14,065,528)	(37,676,382)	(37,380,391)
Deferred tax assets	(1,937,657)	(2,169,271)	(854,930)	(1,099,262)
Goodwill	(5,646,587)	(5,583,795)	(81,015)	(81,015)
Other intangibles	(991,980)	(993,569)	(343,693)	(344,781)
Gains on financial instruments classified as fair value through other comprehensive income <sup>2</sup>	(111,339)	(61,980)	(99,392)	(36,096)
Regulatory reserve	(2,092,700)	(2,465,059)	(1,380,193)	(1,549,033)
Investment in ordinary shares of unconsolidated financial and insurance/takaful entities <sup>2</sup>	(2,498,895)	(2,791,854)	(34,917,159)	(34,270,204)
<b>Total CET1 Capital</b>	<b>62,204,154</b>	<b>64,024,361</b>	<b>31,962,250</b>	<b>35,194,928</b>
<b>Additional Tier 1 Capital</b>				
Capital securities	2,800,000	2,800,000	2,800,000	2,800,000
Qualifying CET1 and Additional Tier 1 Capital instruments held by third parties	86,668	90,601	-	-
Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	-	(1,000,000)	(1,000,000)
<b>Total Tier 1 Capital</b>	<b>65,090,822</b>	<b>66,914,962</b>	<b>33,762,250</b>	<b>36,994,928</b>
<b>Tier 2 Capital</b>				
Subordinated obligations	9,700,000	9,700,000	9,700,000	9,700,000
Qualifying CET1, Additional Tier 1 and Tier 2 Capital instruments held by third parties	35,005	35,759	-	-
General provisions <sup>3</sup>	325,253	273,100	84,385	36,059
Surplus of total eligible provision over total expected loss	1,748,869	1,730,272	1,014,972	1,028,820
Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(691,000)	(691,000)	(4,818,532)	(4,791,418)
<b>Total Tier 2 Capital</b>	<b>11,118,127</b>	<b>11,048,131</b>	<b>5,980,825</b>	<b>5,973,461</b>
<b>Total Capital</b>	<b>76,208,949</b>	<b>77,963,093</b>	<b>39,743,075</b>	<b>42,968,389</b>

<sup>1</sup> For the Group, the amount excludes retained profits and other reserves from insurance and takaful business. For the Bank, the amount includes retained profits and other reserves of Maybank International (L) Ltd.

<sup>2</sup> For the Bank, the regulatory adjustment includes cost of investment in subsidiaries and associates, except for: (i) Myfin Berhad of RM18,994,000 as its business, assets and liabilities have been transferred to the Bank and (ii) Maybank International (L) Ltd. of RM10,289,000 as its assets are included in the Bank's RWA. For the Group, the regulatory adjustment includes carrying amount of associates and investment in insurance and takaful entities.

<sup>3</sup> Refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses and regulatory reserve, to the extent they are ascribed to non-credit impaired exposures, determined under Standardised Approach for credit risk.

The capital adequacy ratios of the Group are derived from consolidated balances of the Bank and its subsidiaries, excluding the investments in insurance and takaful entities and associates.

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**A35. Capital Adequacy (cont'd.)**

**(d) Components of capital (cont'd.):**

The capital adequacy ratios of the Bank are derived from the Bank and its wholly-owned offshore banking subsidiary, Maybank International (L) Ltd., excluding the investments in subsidiaries and associates (except for Myfin Berhad and Maybank International (L) Ltd. as disclosed above).

**(e) The capital adequacy ratios of the banking subsidiaries of the Bank are as follows:**

	<b>Maybank Islamic Berhad</b>	<b>Maybank Investment Bank Berhad</b>	<b>PT Bank Maybank Indonesia Tbk</b>	<b>Maybank Singapore Limited</b>
<b><u>At 31 March 2023</u></b>				
CET1 Capital Ratio	<b>13.133%</b>	<b>24.541%</b>	-	<b>14.158%</b>
Tier 1 Capital Ratio	<b>14.177%</b>	<b>24.541%</b>	-	<b>14.158%</b>
Total Capital Ratio	<b>16.821%</b>	<b>26.711%</b>	<b>29.112%</b>	<b>18.279%</b>
<b><u>At 31 December 2022</u></b>				
CET1 Capital Ratio	14.100%	27.260%	-	14.178%
Tier 1 Capital Ratio	15.171%	27.260%	-	14.178%
Total Capital Ratio	17.844%	29.468%	26.648%	18.327%



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**A35. Capital Adequacy (cont'd.)**

(f) The breakdown of RWA by each major risk categories are as follows:

**At 31 March 2023**

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Maybank Indonesia Tbk RM'000	Maybank Singapore Limited RM'000
Standardised Approach exposure	51,637,125	20,908,008	2,565,071	853,868	24,925,207	16,242,094
Internal Ratings-Based Approach exposure after scaling factor	291,478,210	169,162,010	92,113,837	-	-	28,249,686
Credit valuation adjustment	-	-	-	-	-	571,469
Total RWA for credit risk	343,115,335	190,070,018	94,678,908	853,868	24,925,207	45,063,249
Total RWA for credit risk absorbed by Maybank and Investment Account Holders*	-	-	(10,785,509)	-	-	-
Total RWA for market risk	22,008,602	16,363,583	647,769	415,739	924,938	55,127
Total RWA for operational risk	47,166,108	22,005,457	11,247,923	999,154	3,312,286	3,960,669
Total RWA	412,290,045	228,439,058	95,789,091	2,268,761	29,162,431	49,079,045

**At 31 December 2022**

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Maybank Indonesia Tbk RM'000	Maybank Singapore Limited RM'000
Standardised Approach exposure	49,320,991	19,526,657	2,721,390	694,767	24,715,405	16,574,679
Internal Ratings-Based Approach exposure after scaling factor	288,378,632	171,470,054	89,387,080	-	-	27,184,545
Credit valuation adjustment	-	-	-	-	-	642,694
Total RWA for credit risk	337,699,623	190,996,711	92,108,470	694,767	24,715,405	44,401,918
Total RWA for credit risk absorbed by Maybank and Investment Account Holders*	-	-	(10,496,635)	-	-	-
Total RWA for market risk	23,805,235	17,268,631	781,233	430,046	643,229	15,237
Total RWA for operational risk	47,103,833	22,310,241	10,996,646	975,803	5,292,870	3,811,544
Total RWA	408,608,691	230,575,583	93,389,714	2,100,616	30,651,504	48,228,699

\* In accordance to the BNM Investment Account policy, the credit risk weighted assets funded by investment accounts (Unrestricted Investment Account and Restricted Investment Account) are excluded from the calculation of capital adequacy ratio of the Bank.

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**A36. Derivative Financial Instruments**

The following tables summarise the contractual or underlying principal amounts of trading derivatives and financial instruments held for hedging purposes. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at the reporting date, and do not represent amounts at risk.

Derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Derivative Financial Instruments" Assets and Liabilities respectively.

	Group			Bank		
	Principal Amount RM'000	<----- Fair Value ----->		Principal Amount RM'000	<----- Fair Value ----->	
At 31 March 2023		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<b>Trading derivatives</b>						
<u>Foreign exchange related contracts</u>						
Currency forwards:						
- Less than one year	63,077,026	507,521	(489,459)	42,747,517	376,442	(361,489)
- One year to three years	2,208,221	38,553	(29,666)	1,990,303	37,844	(27,575)
- More than three years	3,756,648	1,672	(138,999)	2,735,886	1,666	(110,978)
	69,041,895	547,746	(658,124)	47,473,706	415,952	(500,042)
Currency swaps:						
- Less than one year	511,750,660	2,851,946	(3,087,852)	509,759,486	2,814,078	(3,041,175)
- One year to three years	520,598	3,682	(6,656)	520,261	3,680	(6,656)
- More than three years	11,268	461	-	-	-	-
	512,282,526	2,856,089	(3,094,508)	510,279,747	2,817,758	(3,047,831)
Currency spots:						
- Less than one year	5,462,616	22,450	(7,946)	5,082,192	20,422	(8,606)
Currency options:						
- Less than one year	4,115,451	23,017	(15,146)	4,076,028	21,818	(14,134)
- One year to three years	2,167,966	369	(369)	2,167,966	369	(369)
- More than three years	695,982	8,410	(19,479)	806,310	8,410	(13,909)
	6,979,399	31,796	(34,994)	7,050,304	30,597	(28,412)
Cross currency interest rate swaps <sup>1</sup> :						
- Less than one year	6,886,877	99,163	(235,431)	7,209,897	106,893	(244,532)
- One year to three years	17,443,701	312,518	(611,728)	16,660,021	312,940	(559,626)
- More than three years	11,509,219	196,597	(351,571)	11,946,805	233,949	(378,765)
	35,839,797	608,278	(1,198,730)	35,816,723	653,782	(1,182,923)
<u>Interest rate related contracts</u>						
Interest rate swaps <sup>2</sup> :						
- Less than one year	165,426,941	789,940	(842,644)	165,339,702	795,880	(839,855)
- One year to three years	171,016,449	2,022,692	(1,890,852)	171,131,204	2,043,478	(1,894,779)
- More than three years	267,969,683	12,724,252	(12,496,917)	269,604,683	12,759,267	(12,506,234)
	604,413,073	15,536,884	(15,230,413)	606,075,589	15,598,625	(15,240,868)
Interest rate futures:						
- Less than one year	6,585,278	66,510	(38,455)	5,482,058	60,111	(38,413)
- One year to three years	264,773	-	(255)	-	-	-
	6,850,051	66,510	(38,710)	5,482,058	60,111	(38,413)
Interest rate options:						
- Less than one year	79,527	1	-	79,527	1	-
- One year to three years	219,885	1,107	(1,734)	38,319	1,107	(1,734)
- More than three years	23,303,482	765,388	(2,109,951)	21,778,155	765,388	(2,109,951)
	23,602,894	766,496	(2,111,685)	21,896,001	766,496	(2,111,685)

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**A36. Derivative Financial Instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<----- Fair Value ----->		Principal Amount RM'000	<----- Fair Value ----->	
<u>At 31 March 2023 (cont'd.)</u>		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<b><u>Trading derivatives (cont'd.)</u></b>						
<u>Equity related contracts</u>						
Equity options:						
- Less than one year	1,766,287	101,181	(432,718)	5,573	190	-
Equity swaps:						
- Less than one year	1,667,749	45,868	(97,451)	-	-	-
<u>Commodity related contracts</u>						
Commodity options:						
- Less than one year	2,833,962	188,253	(188,253)	2,833,962	188,253	(188,253)
- One year to three years	3,011,784	278,906	(278,906)	3,011,784	278,906	(278,906)
	5,845,746	467,159	(467,159)	5,845,746	467,159	(467,159)
Commodity swaps:						
- Less than one year	47,722	4,558	(4,279)	47,722	4,558	(4,279)
- One year to three years	16,908	2,200	(1,894)	16,908	2,200	(1,894)
	64,630	6,758	(6,173)	64,630	6,758	(6,173)
<u>Credit related contracts</u>						
Credit default swaps						
- Less than one year	58,236	1,687	(1,001)	58,236	1,687	(1,001)
- One year to three years	7,786	441	(462)	7,786	441	(462)
	66,022	2,128	(1,463)	66,022	2,128	(1,463)
<b><u>Hedging derivatives</u></b>						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps <sup>1</sup> :						
- Less than one year	1,944,362	32,802	(7,966)	1,944,362	32,802	(7,966)
- One year to three years	4,509,264	51,340	(294,837)	4,509,264	51,340	(294,837)
- More than three years	2,313,332	131,947	(206,892)	2,313,332	131,947	(206,892)
	8,766,958	216,089	(509,695)	8,766,958	216,089	(509,695)
<u>Interest rate related contracts</u>						
Interest rate swaps <sup>2</sup> :						
- Less than one year	2,305,352	70,018	(2,979)	2,305,352	70,018	(2,979)
- One year to three years	1,721,070	74,020	-	1,721,070	74,020	-
- More than three years	6,328,242	408,276	(82,699)	6,328,242	408,276	(82,699)
	10,354,664	552,314	(85,678)	10,354,664	552,314	(85,678)
Interest rate futures:						
- Less than one year	15,004,200	712,321	(953,789)	15,004,200	712,321	(953,789)
Netting effects for reporting under MFRS 132						
	-	(1,656,148)	1,656,148	-	(1,635,918)	1,635,918
<b>Total</b>	<b>1,308,008,507</b>	<b>20,883,919</b>	<b>(23,273,088)</b>	<b>1,279,264,113</b>	<b>20,684,784</b>	<b>(22,546,819)</b>

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**A36. Derivative Financial Instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<----- Fair Value ----->		Principal Amount RM'000	<----- Fair Value ----->	
<u>At 31 December 2022</u>		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<b>Trading derivatives</b>						
<u>Foreign exchange related contracts</u>						
Currency forwards:						
- Less than one year	49,980,916	509,697	(964,375)	29,829,360	229,277	(636,207)
- One year to three years	2,225,823	35,551	(20,971)	2,035,571	35,551	(20,971)
- More than three years	3,847,853	1,306	(123,597)	2,823,007	1,306	(123,597)
	<u>56,054,592</u>	<u>546,554</u>	<u>(1,108,943)</u>	<u>34,687,938</u>	<u>266,134</u>	<u>(780,775)</u>
Currency swaps:						
- Less than one year	521,843,673	5,358,172	(5,790,980)	526,730,325	5,336,659	(5,990,264)
- One year to three years	1,491,825	14,020	(6,317)	1,491,825	14,020	(6,317)
- More than three years	11,134	476	-	-	-	-
	<u>523,346,632</u>	<u>5,372,668</u>	<u>(5,797,297)</u>	<u>528,222,150</u>	<u>5,350,679</u>	<u>(5,996,581)</u>
Currency spots:						
- Less than one year	1,594,048	13,252	(2,582)	1,471,812	9,155	(2,700)
Currency options:						
- Less than one year	7,012,686	148,340	(93,174)	9,303,546	148,301	(93,156)
- One year to three years	2,335,033	422	(422)	2,335,033	422	(422)
- More than three years	767,777	10,089	(21,871)	877,911	10,089	(15,887)
	<u>10,115,496</u>	<u>158,851</u>	<u>(115,467)</u>	<u>12,516,490</u>	<u>158,812</u>	<u>(109,465)</u>
Cross currency interest rate swaps <sup>1</sup> :						
- Less than one year	9,336,381	176,334	(300,029)	9,535,748	166,584	(297,263)
- One year to three years	10,016,063	272,904	(480,426)	9,153,038	266,765	(420,499)
- More than three years	12,138,354	214,753	(494,662)	12,566,320	232,385	(511,466)
	<u>31,490,798</u>	<u>663,991</u>	<u>(1,275,117)</u>	<u>31,255,106</u>	<u>665,734</u>	<u>(1,229,228)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps <sup>2</sup> :						
- Less than one year	145,654,122	537,746	(708,436)	145,520,957	536,233	(695,354)
- One year to three years	179,630,503	1,970,737	(1,799,648)	179,860,939	1,967,782	(1,778,273)
- More than three years	268,617,662	15,140,682	(14,749,734)	268,790,791	15,208,045	(14,732,397)
	<u>593,902,287</u>	<u>17,649,165</u>	<u>(17,257,818)</u>	<u>594,172,687</u>	<u>17,712,060</u>	<u>(17,206,024)</u>
Interest rate futures:						
- Less than one year	7,826,402	54,286	(14,638)	6,350,525	43,453	(14,638)
- One year to three years	2,885,608	-	(1,233)	2,643,300	-	(1,072)
	<u>10,712,010</u>	<u>54,286</u>	<u>(15,871)</u>	<u>8,993,825</u>	<u>43,453</u>	<u>(15,710)</u>
Interest rate options:						
- Less than one year	80,647	11	-	80,647	11	-
- One year to three years	179,416	1,575	(374)	179,415	1,201	-
- More than three years	22,126,744	672,898	(2,362,986)	22,126,743	673,271	(2,363,360)
	<u>22,386,807</u>	<u>674,484</u>	<u>(2,363,360)</u>	<u>22,386,805</u>	<u>674,483</u>	<u>(2,363,360)</u>

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**A36. Derivative Financial Instruments (cont'd.)**

	Group			Bank		
	Principal Amount RM'000	<----- Fair Value ----->		Principal Amount RM'000	<----- Fair Value ----->	
At 31 December 2022 (cont'd.)		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<b>Trading derivatives (cont'd.)</b>						
<u>Equity related contracts</u>						
Equity options:						
- Less than one year	1,695,322	137,271	(329,502)	3,608	201	-
Equity swaps:						
- Less than one year	1,673,376	54,526	(150,192)	-	-	-
<u>Commodity related contracts</u>						
Commodity options:						
- Less than one year	3,111,957	205,298	(205,298)	3,111,957	205,298	(205,298)
- One year to three years	2,229,888	234,881	(234,881)	2,229,888	234,881	(234,881)
	5,341,845	440,179	(440,179)	5,341,845	440,179	(440,179)
Commodity swaps:						
- Less than one year	70,471	8,287	(7,823)	70,471	8,287	(7,823)
- One year to three years	16,879	401	(155)	16,879	401	(155)
	87,350	8,688	(7,978)	87,350	8,688	(7,978)
<u>Credit-related contract</u>						
Credit default swaps						
- Less than one year	57,489	1,720	(1,702)	57,489	1,720	(1,702)
- One year to three years	9,384	94	(67)	9,384	94	(67)
	66,873	1,814	(1,769)	66,873	1,814	(1,769)
<b>Hedging derivatives</b>						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps <sup>1</sup> :						
- Less than one year	2,796,657	32,966	(248,559)	2,796,657	32,966	(248,559)
- One year to three years	4,382,034	49,678	(314,811)	4,382,034	49,678	(314,811)
- More than three years	1,979,419	130,654	(226,329)	1,979,419	130,654	(226,329)
	9,158,110	213,298	(789,699)	9,158,110	213,298	(789,699)
<u>Interest rate related contracts</u>						
Interest rate swaps <sup>2</sup> :						
- Less than one year	4,493,610	51,996	(3,880)	4,493,610	51,996	(3,880)
- One year to three years	3,931,469	170,162	-	3,931,469	170,162	-
- More than three years	7,235,487	437,034	(182,727)	8,870,487	460,017	(182,727)
	15,660,566	659,192	(186,607)	17,295,566	682,175	(186,607)
Interest rate futures:						
- Less than one year	14,976,057	254,587	(247,995)	14,976,057	254,587	(247,995)
Netting effects for reporting under MFRS 132	-	(2,216,051)	2,216,051	-	(2,187,620)	2,187,620
Total	1,298,262,169	24,686,755	(27,874,325)	1,280,636,222	24,293,832	(27,190,450)

<sup>1</sup> The contractual notional amount of cross currency interest rate swaps held for hedging which is based on interbank offered rates is RM7,447.4 million (31 December 2022: RM7,171.5 million) for the Group and the Bank.

<sup>2</sup> The contractual notional amount of interest rate swaps held for hedging which is based on interbank offered rates is RM807.6 million (31 December 2022: RM806.2 million) for the Group and the Bank.

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**A37. Fair Value Measurements of Financial Instruments**

**Valuation principles**

For disclosure purposes, the level in the hierarchy within which the instruments are classified in its entirety is based on the lowest level input that is significant to the position's fair value measurements:

- (a) Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities

Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.

- (b) Level 2: Valuation techniques for which all significant inputs are, or are based on, observable market data  
Refers to inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds, illiquid equities and consumer loans and financing with homogeneous or similar features in the market.

- (c) Level 3: Valuation techniques for which significant inputs are not based on observable market data  
Refers to instruments where fair value is measured using significant unobservable inputs. The valuation techniques used are consistent with Level 2 but incorporates the Group's and the Bank's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets, private equity investments and loans and financing priced primarily based on internal credit assessment.

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 March 2023 and 31 December 2022 is summarised in the table:

Group	<b><u>Valuation technique using</u></b>			Total
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
At 31 March 2023				RM'000

***Financial assets measured at fair value:***

**Financial assets designated upon  
initial recognition at fair value  
through profit or loss**

	19,115	12,761,740	-	12,780,855
Money market instruments	-	762,463	-	762,463
Quoted securities	19,115	-	-	19,115
Unquoted securities	-	11,999,277	-	11,999,277

**Financial investments at fair value  
through profit or loss**

	10,620,999	17,512,563	882,233	29,015,795
Money market instruments	-	12,666,698	-	12,666,698
Quoted securities	10,620,999	-	-	10,620,999
Unquoted securities	-	4,845,865	882,233	5,728,098

**Financial investments at fair value through  
other comprehensive income**

	6,816,320	120,256,644	528,380	127,601,344
Money market instruments	-	63,691,892	-	63,691,892
Quoted securities	6,816,320	-	-	6,816,320
Unquoted securities	-	56,564,752	528,380	57,093,132

**Loans, advances and financing at fair value  
through other comprehensive income**

	-	-	33,637,888	33,637,888
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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 March 2023 and 31 December 2022 is summarised in the table (cont'd.):

	Quoted Market Price (Level 1) RM'000	Valuation technique using		Total RM'000
		Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
<b>Group (cont'd.)</b>				
<b>At 31 March 2023</b>				
<b>Financial assets measured at fair value (cont'd.):</b>				
Derivative assets	-	20,416,759	467,160	20,883,919
Foreign exchange related contracts	-	4,282,448	-	4,282,448
Interest rate related contracts	-	17,634,525	-	17,634,525
Equity and commodity related contracts	-	153,806	467,160	620,966
Credit related contracts	-	2,128	-	2,128
Netting effects under MFRS 132 Amendments	-	(1,656,148)	-	(1,656,148)
	17,456,434	170,947,706	35,515,661	223,919,801
<b>Financial liabilities measured at fair value:</b>				
Financial liabilities at fair value through profit or loss	-	8,928,981	-	8,928,981
Structured deposits	-	203,811	-	203,811
Borrowings	-	8,725,170	-	8,725,170
Derivative liabilities	-	22,805,933	467,155	23,273,088
Foreign exchange related contracts	-	5,503,997	-	5,503,997
Interest rate related contracts	-	18,420,275	-	18,420,275
Equity and commodity related contracts	-	536,346	467,155	1,003,501
Credit related contracts	-	1,463	-	1,463
Netting effects under MFRS 132 Amendments	-	(1,656,148)	-	(1,656,148)
	-	31,734,914	467,155	32,202,069
<b>Group</b>				
<b>At 31 December 2022</b>				
<b>Restated</b>				
<b>Financial assets measured at fair value:</b>				
Financial assets designated upon initial recognition at fair value through profit or loss	22,722	12,800,078	-	12,822,800
Money market instruments	-	875,191	-	875,191
Quoted securities	22,722	-	-	22,722
Unquoted securities	-	11,924,887	-	11,924,887
Financial investments at fair value through profit or loss	10,062,412	14,198,574	882,222	25,143,208
Money market instruments	-	8,402,673	-	8,402,673
Quoted securities	10,062,412	-	-	10,062,412
Unquoted securities	-	5,795,901	882,222	6,678,123
Financial investments at fair value through other comprehensive income	7,193,539	113,767,318	406,133	121,366,990
Money market instruments	-	58,117,521	-	58,117,521
Quoted securities	7,193,539	-	-	7,193,539
Unquoted securities	-	55,649,797	406,133	56,055,930
Loans, advances and financing at fair value through profit or loss	-	-	1,668	1,668
Loans, advances and financing at fair value through other comprehensive income	-	-	30,016,341	30,016,341

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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 March 2023 and 31 December 2022 is summarised in the table (cont'd.):

	<u>Valuation technique using</u>			<b>Total</b>
	<b>Quoted Market Price (Level 1) RM'000</b>	<b>Observable Inputs (Level 2) RM'000</b>	<b>Unobservable Inputs (Level 3) RM'000</b>	
<b>Group (cont'd.)</b>				
<b>At 31 December 2022</b>				
<b>Restated</b>				
<b>Financial assets measured at fair value (cont'd.):</b>				
<b>Derivative assets</b>	-	24,246,576	440,179	24,686,755
Foreign exchange related contracts	-	6,968,614	-	6,968,614
Interest rate related contracts	-	19,291,714	-	19,291,714
Equity and commodity related contracts	-	200,485	440,179	640,664
Credit related contracts	-	1,814	-	1,814
Netting effects under MFRS 132 Amendments	-	(2,216,051)	-	(2,216,051)
	<u>17,278,673</u>	<u>165,012,546</u>	<u>31,746,543</u>	<u>214,037,762</u>
<b>Financial liabilities measured at fair value:</b>				
<b>Financial liabilities at fair value through profit or loss</b>	-	8,317,084	-	8,317,084
Structured deposits	-	209,827	-	209,827
Borrowings	-	8,107,257	-	8,107,257
<b>Derivative liabilities</b>	-	27,434,146	440,179	27,874,325
Foreign exchange related contracts	-	9,089,105	-	9,089,105
Interest rate related contracts	-	20,071,651	-	20,071,651
Equity and commodity related contracts	-	487,672	440,179	927,851
Credit related contracts	-	1,769	-	1,769
Netting effects under MFRS 132 Amendments	-	(2,216,051)	-	(2,216,051)
	<u>-</u>	<u>35,751,230</u>	<u>440,179</u>	<u>36,191,409</u>
<b>Bank</b>				
<b>At 31 March 2023</b>				
<b>Financial assets measured at fair value:</b>				
<b>Financial investments at fair value through profit or loss</b>	524,388	15,828,619	715,908	17,068,915
Money market instruments	-	11,934,030	-	11,934,030
Quoted securities	524,388	-	-	524,388
Unquoted securities	-	3,894,589	715,908	4,610,497
<b>Financial investments at fair value through other comprehensive income</b>	22,261	75,786,204	520,343	76,328,808
Money market instruments	-	33,244,653	-	33,244,653
Quoted securities	22,261	-	-	22,261
Unquoted securities	-	42,541,551	520,343	43,061,894
<b>Loans, advances and financing at fair value through other comprehensive income</b>	-	-	29,930,105	29,930,105
<b>Derivative assets</b>	-	20,217,624	467,160	20,684,784
Foreign exchange related contracts	-	4,154,600	-	4,154,600
Interest rate related contracts	-	17,689,867	-	17,689,867
Equity and commodity related contracts	-	6,947	467,160	474,107
Credit related contracts	-	2,128	-	2,128
Netting effects under MFRS 132 Amendments	-	(1,635,918)	-	(1,635,918)
	<u>546,649</u>	<u>111,832,447</u>	<u>31,633,516</u>	<u>144,012,612</u>



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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 March 2023 and 31 December 2022 is summarised in the table (cont'd.):

	<u>Valuation technique using</u>			
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	Total RM'000

**Financial liabilities measured at fair value:**

**Financial liabilities at fair value through profit or loss**

Structured deposits	-	8,928,981	-	8,928,981
Borrowings	-	203,811	-	203,811
	-	8,725,170	-	8,725,170

**Derivative liabilities**

Foreign exchange related contracts	-	22,079,664	467,155	22,546,819
Interest rate related contracts	-	5,277,509	-	5,277,509
Equity and commodity related contracts	-	18,430,433	-	18,430,433
Credit related contracts	-	6,177	467,155	473,332
Netting effects under MFRS 132 Amendments	-	1,463	-	1,463
	-	(1,635,918)	-	(1,635,918)
	-	31,008,645	467,155	31,475,800

	<u>Valuation technique using</u>			
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	Total RM'000

**Financial assets measured at fair value:**

**Financial investments at fair value through profit or loss**

Money market instruments	514,606	12,747,961	715,908	13,978,475
Quoted securities	-	8,182,642	-	8,182,642
Unquoted securities	514,606	-	-	514,606
	-	4,565,319	715,908	5,281,227

**Financial investments at fair value through other comprehensive income**

Money market instruments	18,029	73,135,323	398,128	73,551,480
Quoted securities	-	31,361,580	-	31,361,580
Unquoted securities	18,029	-	-	18,029
	-	41,773,743	398,128	42,171,871

**Loans, advances and financing at fair value through profit or loss**

	-	-	1,668	1,668
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**Loans, advances and financing at fair value through other comprehensive income**

	-	-	26,855,119	26,855,119
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**Derivative assets**

Foreign exchange related contracts	-	23,853,653	440,179	24,293,832
Interest rate related contracts	-	6,663,812	-	6,663,812
Equity and commodity related contracts	-	19,366,758	-	19,366,758
Credit related contracts	-	8,889	440,179	449,068
Netting effects under MFRS132 Amendments	-	1,814	-	1,814
	-	(2,187,620)	-	(2,187,620)
	532,635	109,736,937	28,411,002	138,680,574

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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 March 2023 and 31 December 2022 is summarised in the table (cont'd.):

	Quoted Market Price (Level 1) RM'000	Valuation technique using		Total RM'000
		Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
<b>Bank (cont'd.)</b>				
<b>At 31 December 2022</b>				
<b>Financial liabilities measured at fair value:</b>				
<b>Financial liabilities at fair value through profit or loss</b>	-	8,317,084	-	8,317,084
Structured deposits	-	209,827	-	209,827
Borrowings	-	8,107,257	-	8,107,257
<b>Derivative liabilities</b>	-	26,750,271	440,179	27,190,450
Foreign exchange related contracts	-	8,908,448	-	8,908,448
Interest rate related contracts	-	20,019,696	-	20,019,696
Equity and commodity related contracts	-	7,978	440,179	448,157
Credit related contracts	-	1,769	-	1,769
Netting effects under MFRS132 Amendments	-	(2,187,620)	-	(2,187,620)
	-	35,067,355	440,179	35,507,534

**Valuation techniques**

The valuation techniques used for the financial and non-financial assets and financial liabilities that are not determined by reference to quoted prices (Level 1) are described below:

***Derivatives***

The fair values of the Group's and the Bank's derivative instruments are derived using discounted cash flows analysis, option pricing and benchmarking models.

***Financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss and financial investments at fair value through other comprehensive income***

The fair values of these financial assets/financial investments are determined by reference to prices quoted by independent data providers and independent brokers. Fair values for unquoted equity securities held for socio economic reasons (classified as Level 3) are determined based on the net tangible assets of the companies.

***Loans, advances and financing at fair value through profit or loss and at fair value through other comprehensive income***

The fair values are estimated based on expected future cash flows of contractual instalment payments, discounted at applicable and prevailing rates at reporting date offered for similar facilities to new borrowers with similar credit profiles.

***Financial liabilities at fair value through profit or loss***

The fair values of financial liabilities designated at fair value through profit or loss are derived using discounted cash flows.

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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy:

<u>Group</u>	At 1 January 2023 RM'000	Other (losses)/gains recognised in income statements* RM'000	Unrealised (losses)/gains recognised in income statements# RM'000	Unrealised gains recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Sales RM'000	Settlements RM'000	Exchange differences RM'000	At 31 March 2023 RM'000
<b>As at 31 March 2023</b>									
<b>Financial investments at fair value through profit or loss</b>									
Unquoted securities	882,222	-	-	-	-	-	-	11	882,233
<b>Financial investments at fair value through other comprehensive income</b>									
Unquoted securities	406,133	(203)	-	122,418	-	-	-	32	528,380
<b>Loans, advances and financing at fair value through profit or loss</b>	1,668	-	-	-	-	-	(1,657)	(11)	-
<b>Loans, advances and financing at fair value through other comprehensive income</b>	30,016,341	-	-	75,861	5,260,720	-	(1,947,944)	232,910	33,637,888
<b>Derivative assets</b>									
Equity and commodity related contracts	440,179	83,007	(51,567)	-	118,597	(123,056)	-	-	467,160
<b>Total Level 3 financial assets</b>	<b>31,746,543</b>	<b>82,804</b>	<b>(51,567)</b>	<b>198,279</b>	<b>5,379,317</b>	<b>(123,056)</b>	<b>(1,949,601)</b>	<b>232,942</b>	<b>35,515,661</b>
<b>Derivative liabilities</b>									
Equity and commodity related contracts	(440,179)	(86,210)	51,567	-	(118,597)	126,264	-	-	(467,155)
<b>Total Level 3 financial liabilities</b>	<b>(440,179)</b>	<b>(86,210)</b>	<b>51,567</b>	<b>-</b>	<b>(118,597)</b>	<b>126,264</b>	<b>-</b>	<b>-</b>	<b>(467,155)</b>
<b>Total net Level 3 financial assets/(liabilities)</b>	<b>31,306,364</b>	<b>(3,406)</b>	<b>-</b>	<b>198,279</b>	<b>5,260,720</b>	<b>3,208</b>	<b>(1,949,601)</b>	<b>232,942</b>	<b>35,048,506</b>

\* Included within 'Other operating income', 'Writeback of/(allowances for) impairment losses on financial investments' and 'Income from Islamic Banking Scheme operations'.

# Included within 'Other operating income' and 'Income from Islamic Banking Scheme operations'.

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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy (cont'd.):

<b>Group</b>	<b>At 1 January 2022 RM'000</b>	<b>Other (losses)/gains recognised in income statements* RM'000</b>	<b>Unrealised gains/(losses) recognised in income statements# RM'000</b>	<b>Unrealised gains/(losses) recognised in other comprehensive income RM'000</b>	<b>Purchases/ Issuances/ Additions RM'000</b>	<b>Sales RM'000</b>	<b>Settlements RM'000</b>	<b>Exchange differences RM'000</b>	<b>At 31 December 2022 RM'000</b>
<b>As at 31 December 2022 Restated</b>									
<b>Financial investments at fair value through profit or loss</b>									
Unquoted securities	860,645	-	21,591	-	-	-	-	(14)	882,222
<b>Financial investments at fair value through other comprehensive income</b>									
Unquoted securities	426,217	(794)	-	6,747	-	-	(26,037)	-	406,133
<b>Loans, advances and financing at fair value through profit or loss</b>									
	15,491	-	-	-	1,668	-	(16,448)	957	1,668
<b>Loans, advances and financing at fair value through other comprehensive income</b>									
	21,763,013	-	-	(18,598)	15,373,296	-	(8,115,356)	1,013,986	30,016,341
<b>Derivative assets</b>									
Equity and commodity related contracts	420,650	314,551	(117,855)	-	427,949	(605,116)	-	-	440,179
<b>Total Level 3 financial assets</b>	<b>23,486,016</b>	<b>313,757</b>	<b>(96,264)</b>	<b>(11,851)</b>	<b>15,802,913</b>	<b>(605,116)</b>	<b>(8,157,841)</b>	<b>1,014,929</b>	<b>31,746,543</b>
<b>Derivative liabilities</b>									
Equity and commodity related contracts	(420,650)	(331,369)	117,830	-	(427,949)	621,959	-	-	(440,179)
<b>Total Level 3 financial liabilities</b>	<b>(420,650)</b>	<b>(331,369)</b>	<b>117,830</b>	<b>-</b>	<b>(427,949)</b>	<b>621,959</b>	<b>-</b>	<b>-</b>	<b>(440,179)</b>
<b>Total net Level 3 financial assets/(liabilities)</b>	<b>23,065,366</b>	<b>(17,612)</b>	<b>21,566</b>	<b>(11,851)</b>	<b>15,374,964</b>	<b>16,843</b>	<b>(8,157,841)</b>	<b>1,014,929</b>	<b>31,306,364</b>

\* Included within 'Other operating income', 'Writeback of/(allowances for) impairment losses on financial investments' and 'Income from Islamic Banking Scheme operations'.

# Included within 'Other operating income' and 'Income from Islamic Banking Scheme operations'.

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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy (cont'd.):

	At 1 January 2023 RM'000	Other (losses)/gains recognised in income statements* RM'000	Unrealised (losses)/gains recognised in income statements# RM'000	Unrealised gains recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Sales RM'000	Settlements RM'000	Exchange differences RM'000	At 31 March 2023 RM'000
<b>Bank</b>									
<b>As at 31 March 2023</b>									
<b>Financial investments at fair value through profit or loss</b>									
Unquoted securities	715,908	-	-	-	-	-	-	-	715,908
<b>Financial investments at fair value through other comprehensive income</b>									
Unquoted securities	398,128	(203)	-	122,418	-	-	-	-	520,343
<b>Loans, advances and financing at fair value through profit or loss</b>	1,668	-	-	-	-	-	(1,657)	(11)	-
<b>Loans, advances and financing at fair value through other comprehensive income</b>	26,855,119	-	-	77,082	4,698,813	-	(1,933,611)	232,702	29,930,105
<b>Derivative assets</b>									
Equity and commodity related contracts	440,179	83,007	(51,567)	-	118,597	(123,056)	-	-	467,160
<b>Total Level 3 financial assets</b>	<b>28,411,002</b>	<b>82,804</b>	<b>(51,567)</b>	<b>199,500</b>	<b>4,817,410</b>	<b>(123,056)</b>	<b>(1,935,268)</b>	<b>232,691</b>	<b>31,633,516</b>
<b>Derivative liabilities</b>									
Equity and commodity related contracts	(440,179)	(86,210)	51,567	-	(118,597)	126,264	-	-	(467,155)
<b>Total Level 3 financial liabilities</b>	<b>(440,179)</b>	<b>(86,210)</b>	<b>51,567</b>	<b>-</b>	<b>(118,597)</b>	<b>126,264</b>	<b>-</b>	<b>-</b>	<b>(467,155)</b>
<b>Total net Level 3 financial assets/(liabilities)</b>	<b>27,970,823</b>	<b>(3,406)</b>	<b>-</b>	<b>199,500</b>	<b>4,698,813</b>	<b>3,208</b>	<b>(1,935,268)</b>	<b>232,691</b>	<b>31,166,361</b>

\* Included within 'Other operating income' and 'Writeback of/(allowances for) impairment losses on financial investments'.

# Included within 'Other operating income'.

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**A37. Fair Value Measurements of Financial Instruments (cont'd.)**

Reconciliation of fair value measurements in Level 3 of the fair value hierarchy (cont'd.):

	At 1 January 2022 RM'000	Other gains recognised in income statements* RM'000	Unrealised gains/(losses) recognised in income statements# RM'000	Unrealised (losses)/gains recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Sales RM'000	Settlements RM'000	Exchange differences RM'000	At 31 December 2022 RM'000
<b>Bank</b>									
<b>As at 31 December 2022</b>									
<b>Financial investments at fair value through profit or loss</b>									
Unquoted securities	700,280	-	15,628	-	-	-	-	-	715,908
<b>Financial investments at fair value through other comprehensive income</b>									
Unquoted securities	392,339	(794)	-	6,583	-	-	-	-	398,128
<b>Loans, advances and financing at fair value through profit or loss</b>									
	15,491	-	-	-	1,668	-	(16,448)	957	1,668
<b>Loans, advances and financing at fair value through other comprehensive income</b>									
	19,301,237	-	-	(61,596)	14,384,460	-	(7,775,924)	1,006,942	26,855,119
<b>Derivative assets</b>									
Equity and commodity related contracts	420,650	314,551	(117,855)	-	427,949	(605,116)	-	-	440,179
<b>Total Level 3 financial assets</b>	<b>20,829,997</b>	<b>313,757</b>	<b>(102,227)</b>	<b>(55,013)</b>	<b>14,814,077</b>	<b>(605,116)</b>	<b>(7,792,372)</b>	<b>1,007,899</b>	<b>28,411,002</b>
<b>Derivative liabilities</b>									
Equity and commodity related contracts	(420,650)	(331,369)	117,830	-	(427,949)	621,959	-	-	(440,179)
<b>Total Level 3 financial liabilities</b>	<b>(420,650)</b>	<b>(331,369)</b>	<b>117,830</b>	<b>-</b>	<b>(427,949)</b>	<b>621,959</b>	<b>-</b>	<b>-</b>	<b>(440,179)</b>
<b>Total net Level 3 financial assets/(liabilities)</b>	<b>20,409,347</b>	<b>(17,612)</b>	<b>15,603</b>	<b>(55,013)</b>	<b>14,386,128</b>	<b>16,843</b>	<b>(7,792,372)</b>	<b>1,007,899</b>	<b>27,970,823</b>

\* Included within 'Other operating income' and 'Writeback of impairment losses on financial investments'.

# Included within 'Other operating income'.

The Group's accounting policy is to recognise transfers into and transfers out of fair value hierarchy levels as the end of the reporting period.

There were no transfers between Level 1 and Level 2 for the Group and the Bank during the 3 months financial period ended 31 March 2023.

**Movements in Level 3 financial instruments measured at fair value**

There were no transfers into or out of Level 3 for the Group and the Bank during the 3 months financial period ended 31 March 2023.

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**A38. Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business**

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 29 April 2022, the breakdown of Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business into Life Business, Family Takaful Business, General Takaful Business and General Business and others are disclosed as follows:

**(a) Unaudited Income Statements for the First Quarter Ended 31 March 2023**

Group Three-Month Ended	Life Business		Family Takaful Business		General Takaful Business		General Business and Others		Total	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022	31 March 2023	31 March 2022
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
		Restated		Restated		Restated		Restated		Restated
Interest income	188,939	145,424	160,066	145,751	45,648	37,833	35,739	34,172	430,392	363,180
Interest expense	(4,870)	(4,587)	-	-	-	-	(14,840)	(9,848)	(19,710)	(14,435)
Net interest income	184,069	140,837	160,066	145,751	45,648	37,833	20,899	24,324	410,682	348,745
Insurance/takaful service result	25,890	(165,751)	(147,842)	(20,409)	40,935	28,649	11,597	55,887	(69,420)	(101,624)
Other operating income/(loss)	140,447	(241,173)	158,324	(124,765)	5,725	2,096	24,160	33,838	328,656	(330,004)
Total operating income	350,406	(266,087)	170,548	577	92,308	68,578	56,656	114,049	669,918	(82,883)
Net insurance/takaful investment/finance result	(328,643)	247,985	(77,715)	12,449	(297)	8	-	(195)	(406,655)	260,247
Net operating income	21,763	(18,102)	92,833	13,026	92,011	68,586	56,656	113,854	263,263	177,364
Overhead expenses	(9,081)	(8,936)	(1,717)	(1,535)	(4,988)	(2,256)	(50,700)	(52,780)	(66,486)	(65,507)
Operating profit before impairment losses	12,682	(27,038)	91,116	11,491	87,023	66,330	5,956	61,074	196,777	111,857
(Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net	(886)	429	17	(22)	15	-	3,703	(535)	2,849	(128)
Writeback of/(allowances for) impairment losses on financial investments, net	41,050	(93,136)	39	(136)	39	(31)	736	42	41,864	(93,261)
Writeback of/(allowances for) impairment losses on other financial assets, net	257	639	133	(996)	105	170	(2,775)	(2,323)	(2,280)	(2,510)
<b>Profit before taxation and zakat</b>	<b>53,103</b>	<b>(119,106)</b>	<b>91,305</b>	<b>10,337</b>	<b>87,182</b>	<b>66,469</b>	<b>7,620</b>	<b>58,258</b>	<b>239,210</b>	<b>15,958</b>
Taxation and zakat	(16,701)	(14,414)	(24,206)	114,578	(13,957)	30,290	(7,177)	(19,009)	(62,041)	111,445
<b>Profit for the financial period</b>	<b>36,402</b>	<b>(133,520)</b>	<b>67,099</b>	<b>124,915</b>	<b>73,225</b>	<b>96,759</b>	<b>443</b>	<b>39,249</b>	<b>177,169</b>	<b>127,403</b>

The above unaudited income statements have been prepared in accordance with MFRS 17 *Insurance Contracts* and the comparative restated.

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**A38. Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business (cont'd.)**

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 29 April 2022, the breakdown of Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business into Life Business, Family Takaful Business, General Takaful Business and General Business and others are disclosed as follows (cont'd.):

**(b) Unaudited Statements of Financial Position as at 31 March 2023**

Group	Life Business		Family Takaful Business		General Takaful Business		General Business and Others*		Total	
	31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022	31 March 2023	31 December 2022
	RM'000	RM'000 Restated	RM'000	RM'000 Restated	RM'000	RM'000 Restated	RM'000	RM'000 Restated	RM'000	RM'000 Restated
<b>ASSETS</b>										
Cash and short-term funds	1,162,427	703,777	82,401	61,806	51,199	11,428	198,282	158,637	1,494,309	935,648
Deposits and placements with financial institutions	1,091,552	871,854	1,462,478	1,174,782	1,536,090	1,224,700	486,439	476,486	4,576,559	3,747,822
Financial assets designated upon initial recognition at fair value through profit or loss	6,564,096	6,486,343	6,091,490	6,196,994	18,847	18,895	35,854	35,436	12,710,287	12,737,668
Financial investments at fair value through profit or loss	6,157,085	4,956,731	641,963	620,073	134,675	143,632	562,687	499,151	7,496,410	6,219,587
Financial investments at fair value through other comprehensive income	8,225,230	9,174,065	6,860,545	6,758,073	2,904,824	3,013,680	1,622,048	1,648,359	19,612,647	20,594,177
Financial investments at amortised cost	-	-	-	-	-	-	53,113	39,624	53,113	39,624
Loans, advances and financing	22,655	34,572	10,906	11,181	291	422	64,449	57,060	98,301	103,235
Derivative assets	64,343	239,689	-	-	-	-	104	43	64,447	239,732
Insurance/reinsurance contract assets/takaful/retakaful certificate assets	245,208	241,527	(154,179)	471,227	296,449	321,545	3,105,887	3,527,352	3,493,365	4,561,651
Other assets	204,967	117,507	101,620	118,814	2,362	56,138	316,746	259,353	625,695	551,812
Investment properties	814,114	814,075	-	-	-	-	170,267	170,265	984,381	984,340
Statutory deposits with central banks	3,089	3,084	-	-	-	-	3,091	3,084	6,180	6,168
Interest in associates	-	-	-	-	-	-	-	152	-	152
Property, plant and equipment	93,003	92,049	188	200	81	82	63,575	63,418	156,847	155,749
Right-of-use assets	15,807	17,442	70	112	-	-	13,136	12,363	29,013	29,917
Intangible assets	59,429	61,251	8,567	7,969	1,707	1,803	82,620	83,887	152,323	154,910
Deferred tax assets	9,492	15,658	18,596	22,637	9,262	114,442	43,927	52,426	81,277	205,163
<b>TOTAL ASSETS</b>	<b>24,732,497</b>	<b>23,829,624</b>	<b>15,124,645</b>	<b>15,443,868</b>	<b>4,955,787</b>	<b>4,906,767</b>	<b>6,822,225</b>	<b>7,087,096</b>	<b>51,635,154</b>	<b>51,267,355</b>
<b>LIABILITIES</b>										
Derivative liabilities	45,142	20,821	-	-	-	-	27,015	21,288	72,157	42,109
Insurance contract liabilities/takaful certificate liabilities	20,701,261	20,029,540	12,104,799	11,715,508	2,981,924	2,834,265	4,503,419	4,784,716	40,291,403	39,364,029
Other liabilities #	1,203,259	1,128,231	340,416	1,045,220	279,564	440,938	445,101	458,509	2,268,340	3,072,898
Provision for taxation and zakat	16,207	24,353	24,080	40,813	32,705	50,568	(28,106)	(18,888)	44,886	96,846
Deferred tax liabilities	384,949	313,454	(68,450)	3,561	4,540	14,682	30,106	28,737	351,145	360,434
Subordinated obligations	-	-	-	-	-	-	315,103	312,051	315,103	312,051
<b>TOTAL LIABILITIES</b>	<b>22,350,818</b>	<b>21,516,399</b>	<b>12,400,845</b>	<b>12,805,102</b>	<b>3,298,733</b>	<b>3,340,453</b>	<b>5,292,638</b>	<b>5,586,413</b>	<b>43,343,034</b>	<b>43,248,367</b>
<b>EQUITY ATTRIBUTABLE TO EQUITYHOLDERS OF THE SUBSIDIARIES</b>										
Share capital	1,389,764	1,366,371	100,000	99,999	970,001	970,000	(1,798,898)	(1,775,505)	660,867	660,865
Other reserves	991,915	946,854	2,623,800	2,538,767	687,053	596,314	3,328,485	3,276,188	7,631,253	7,358,123
	<b>2,381,679</b>	<b>2,313,225</b>	<b>2,723,800</b>	<b>2,638,766</b>	<b>1,657,054</b>	<b>1,566,314</b>	<b>1,529,587</b>	<b>1,500,683</b>	<b>8,292,120</b>	<b>8,018,988</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>24,732,497</b>	<b>23,829,624</b>	<b>15,124,645</b>	<b>15,443,868</b>	<b>4,955,787</b>	<b>4,906,767</b>	<b>6,822,225</b>	<b>7,087,096</b>	<b>51,635,154</b>	<b>51,267,355</b>

\* Included inter-company transactions within insurance/takaful entities which are eliminated on consolidation at Group level.

# Included in other liabilities are the amounts due to/(from) life, general and investment-linked funds which are unsecured, not subject to any interest elements and are repayable on demand.

The above unaudited statements of financial position have been prepared in accordance with MFRS 17 *Insurance Contracts* and the comparative restated.



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**A39. The Operations of Islamic Banking Scheme**

**A39a. Unaudited Income Statements for the First Quarter Ended 31 March 2023**

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Income derived from investment of depositors' funds	2,834,360	2,006,050	2,834,360	2,006,050
Income derived from investment of investment account funds	273,603	260,719	273,603	260,719
Income derived from investment of Islamic Banking Funds	183,764	125,729	183,764	125,729
Allowances for impairment losses on financing and advances, net	(185,166)	(108,783)	(185,166)	(108,783)
Writeback of/(allowances for) impairment losses on financial investments, net	2,979	(2,226)	2,979	(2,226)
Writeback of impairment losses on other financial assets, net	95	1,239	95	1,239
<b>Total distributable income</b>	<b>3,109,635</b>	<b>2,282,728</b>	<b>3,109,635</b>	<b>2,282,728</b>
Profit share income from investment accounts	34,329	50,492	34,329	50,492
Profit distributed to depositors	(1,483,916)	(673,999)	(1,483,916)	(673,999)
Profit distributed to investment account holders	(103,279)	(73,838)	(103,279)	(73,838)
<b>Total net income</b>	<b>1,556,769</b>	<b>1,585,383</b>	<b>1,556,769</b>	<b>1,585,383</b>
Finance cost	(134,759)	(99,493)	(134,759)	(99,493)
Overhead expenses	(620,303)	(472,532)	(620,303)	(472,532)
<b>Profit before taxation and zakat</b>	<b>801,707</b>	<b>1,013,358</b>	<b>801,707</b>	<b>1,013,358</b>
Taxation	(178,042)	(387,715)	(178,042)	(387,715)
Zakat	(13,848)	(22,669)	(13,848)	(22,669)
<b>Profit for the financial period</b>	<b>609,817</b>	<b>602,974</b>	<b>609,817</b>	<b>602,974</b>

For consolidation and amalgamation with the conventional banking operations, income from Islamic Banking Scheme comprises the following items:

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Income derived from investment of depositors' funds	2,834,360	2,006,050	2,834,360	2,006,050
Income derived from investment of investment account funds	273,603	260,719	273,603	260,719
Income derived from investment of Islamic Banking Funds	183,764	125,729	183,764	125,729
Total income before allowances for impairment losses on financial assets and overhead expenses	3,291,727	2,392,498	3,291,727	2,392,498
Profit share income from investment accounts	34,329	50,492	34,329	50,492
Profit distributed to depositors	(1,483,916)	(673,999)	(1,483,916)	(673,999)
Profit distributed to investment account holders	(103,279)	(73,838)	(103,279)	(73,838)
	1,738,861	1,695,153	1,738,861	1,695,153
Finance cost	(134,759)	(99,493)	(134,759)	(99,493)
Net of intercompany income and expenses	221,123	125,267	221,123	125,267
Profit share income from investment accounts funded by the Bank	(34,066)	(50,463)	(34,066)	(50,463)
Income from Islamic Banking Scheme operations reported in the Income Statement of the Group	1,791,159	1,670,464	1,791,159	1,670,464

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39b. Unaudited Statements of Comprehensive Income for the First Quarter Ended 31 March 2023**

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
<b>Profit for the financial period</b>	<b>609,817</b>	<b>602,974</b>	<b>609,817</b>	<b>602,974</b>
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net loss on foreign exchange translation	(1,217)	(133)	(1,217)	(133)
Net gain/(loss) on financial investments at fair value through other comprehensive income	144,555	(112,452)	144,555	(112,452)
- Net gain/(loss) from change in fair value	185,372	(163,564)	185,372	(163,564)
- Changes in expected credit losses	3,672	5,582	3,672	5,582
- Income tax effect	(44,489)	45,530	(44,489)	45,530
	143,338	(112,585)	143,338	(112,585)
Other comprehensive income/(loss) for the financial period, net of tax	143,338	(112,585)	143,338	(112,585)
<b>Total comprehensive income for the financial period</b>	<b>753,155</b>	<b>490,389</b>	<b>753,155</b>	<b>490,389</b>

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39c. Unaudited Statement of Financial Position as at 31 March 2023**

<u>Group</u>	Note	31 March 2023 RM'000	31 December 2022 RM'000
<b>ASSETS</b>			
Cash and short-term funds		6,849,718	15,094,889
Deposits and placements with financial institutions		882,815	5,329,880
Financial assets purchased under resale agreements		2,197,160	2,121,695
Financial investments at fair value through profit or loss		400,128	309,504
Financial investments at fair value through other comprehensive income		16,851,318	15,645,983
Financial investments at amortised cost		27,320,236	27,461,699
Financing and advances	A39e	216,783,373	214,379,623
Derivative assets		171,399	263,763
Other assets		9,648,659	5,971,596
Statutory deposit with central banks		3,563,868	3,505,736
Property, plant and equipment		297	341
Right-of-use assets		6,718	7,279
Deferred tax assets		257,654	288,433
<b>Total Assets</b>		<b>284,933,343</b>	<b>290,380,421</b>
<b>LIABILITIES</b>			
Customers' funding:			
- Deposits from customers	A39f	205,239,807	209,783,463
- Investment accounts of customers <sup>1</sup>	A39g	27,374,617	25,637,702
Deposits and placements from financial institutions		19,822,346	23,593,505
Obligations on financial assets sold under repurchase agreements		1,818,694	461,081
Bills and acceptances payable		91,472	32,569
Derivative liabilities		222,586	384,674
Other liabilities		1,884,506	3,218,678
Provision for taxation and zakat		56,836	150,781
Term funding	A39h	10,927,627	9,421,202
Subordinated sukuk	A39i	2,025,521	2,021,893
Capital securities	A39j	1,014,084	1,002,347
<b>Total Liabilities</b>		<b>270,478,096</b>	<b>275,707,895</b>
<b>ISLAMIC BANKING CAPITAL FUNDS</b>			
Islamic Banking Funds		11,681,910	11,034,955
Retained profits		2,100,049	2,901,255
Other reserves		673,288	736,316
		<b>14,455,247</b>	<b>14,672,526</b>
<b>Total liabilities and Islamic Banking Capital Funds</b>		<b>284,933,343</b>	<b>290,380,421</b>
<b>Restricted investment accounts managed by the Group</b>	A39g	<b>29,811,054</b>	<b>30,552,966</b>
<b>TOTAL ISLAMIC BANKING ASSETS OWNED AND MANAGED BY THE GROUP</b>		<b>314,744,397</b>	<b>320,933,387</b>
<b>COMMITMENTS AND CONTINGENCIES</b>		<b>81,025,844</b>	<b>80,496,780</b>

<sup>1</sup> Investment accounts of customers are used to fund financing and advances as disclosed in Note A39e.

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39d. Unaudited Statements of Changes in Islamic Banking Capital Funds for the First Quarter Ended 31 March 2023**

<u>Group</u>	<-----Non-distributable----->						Total RM'000
	Islamic Banking Funds RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	Equity contribution from the holding Company <sup>1</sup> RM'000	Distributable Retained Profits RM'000	
<b>At 1 January 2023</b>	11,034,955	904,654	(169,847)	(188)	1,697	2,901,255	14,672,526
Profit for the financial period	-	-	-	-	-	609,817	609,817
Other comprehensive income/(loss)	-	-	144,555	(1,217)	-	-	143,338
Net loss on foreign exchange translation	-	-	-	(1,217)	-	-	(1,217)
Net gain on financial investments at fair value through other comprehensive income	-	-	144,555	-	-	-	144,555
<b>Total comprehensive income/(loss) for the financial period</b>	-	-	144,555	(1,217)	-	609,817	753,155
Issue of ordinary shares	646,955	-	-	-	-	-	646,955
Transfer from regulatory reserve	-	(206,366)	-	-	-	206,366	-
Dividends paid	-	-	-	-	-	(1,617,389)	(1,617,389)
<b>At 31 March 2023</b>	11,681,910	698,288	(25,292)	(1,405)	1,697	2,100,049	14,455,247

<sup>1</sup>This equity contribution reserve from the holding company is pertaining to waiver of intercompany balances between respective subsidiaries and its holding company.

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39d. Unaudited Statements of Changes in Islamic Banking Capital Funds for the First Quarter Ended 31 March 2023 (cont'd.)**

<u>Group</u>	<-----Non-distributable----->						<b>Total RM'000</b>
	<b>Islamic Banking Funds RM'000</b>	<b>Regulatory Reserve RM'000</b>	<b>Fair Value Through Other Comprehensive Income Reserve RM'000</b>	<b>Exchange Fluctuation Reserve RM'000</b>	<b>Equity contribution from the holding Company<sup>1</sup> RM'000</b>	<b>Distributable Retained Profits RM'000</b>	
<b>At 1 January 2022</b>	10,327,374	121,014	77,254	(48)	1,697	3,488,469	14,015,760
Profit for the financial period	-	-	-	-	-	602,974	602,974
Other comprehensive loss	-	-	(112,452)	(133)	-	-	(112,585)
Net loss on foreign exchange translation	-	-	-	(133)	-	-	(133)
Net loss on financial investments at fair value through other comprehensive income	-	-	(112,452)	-	-	-	(112,452)
<b>Total comprehensive (loss)/income for the financial period</b>	-	-	(112,452)	(133)	-	602,974	490,389
Transfer to regulatory reserve	-	152,170	-	-	-	(152,170)	-
Dividends paid	-	-	-	-	-	(1,425,964)	(1,425,964)
<b>At 31 March 2022</b>	10,327,374	273,184	(35,198)	(181)	1,697	2,513,309	13,080,185

<sup>1</sup> This equity contribution reserve from the holding company is pertaining to waiver of intercompany balances between respective subsidiaries and its holding company.

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39e. Financing and Advances**

<u><b>Group</b></u>	<b>31 March 2023 RM'000</b>	<b>31 December 2022 RM'000</b>
Financing and advances*:		
(A) Financing and advances at fair value through other comprehensive income	<b>3,708,406</b>	3,141,460
(B) Financing and advances at amortised cost	<b>281,967,586</b>	280,573,323
	<b>285,675,992</b>	283,714,783
Unearned income	<b>(65,733,817)</b>	(66,345,579)
Gross financing and advances	<b>219,942,175</b>	217,369,204
Allowances for impaired financing and advances:		
- Stage 1 - 12-month ECL	<b>(440,695)</b>	(442,735)
- Stage 2 - Lifetime ECL not credit impaired	<b>(1,415,545)</b>	(1,309,534)
- Stage 3 - Lifetime ECL credit impaired	<b>(1,302,562)</b>	(1,237,312)
Net financing and advances	<b>216,783,373</b>	214,379,623

\* As at 31 March 2023, the financing and advances funded by RPSIA amounting to RM25,171.7 million (31 December 2022: RM25,882.8 million) was recorded off-balance sheet under the operations of IBS.

The gross exposure of the financing funded by Investment Accounts of customers ("IA") as at 31 March 2023 was RM27,374.6 million (31 December 2022: RM25,637.7 million).

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39e. Financing and Advances (cont'd.)**

<u>Group</u>	Bai <sup>1</sup>	Murabahah	Musharakah	Al-Ijarah Thumma Al-Bai ("AITAB") <sup>2</sup>	Ijarah <sup>3</sup>	Others	Total Financing and Advances
<b>As at 31 March 2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cashline	-	6,683,130	-	-	-	-	6,683,130
Term financing							
- Housing financing	11,507,240	89,187,945	1,513,605	-	-	599	102,209,389
- Syndicated financing	-	7,698,110	-	-	-	-	7,698,110
- Hire purchase receivables	-	13,591,574	-	42,853,828	-	-	56,445,402
- Lease receivables	-	-	-	-	2,037,863	-	2,037,863
- Other term financing	5,733,480	86,472,684	460,794	-	-	144,021	92,810,979
Bills receivables	-	-	-	-	-	62	62
Trust receipts	-	172,563	-	-	-	-	172,563
Claims on customers under acceptance credits	-	6,230,481	-	-	-	-	6,230,481
Staff financing	269,028	2,587,103	6,332	138,984	-	41,574	3,043,021
Credit card receivables	-	-	-	-	-	1,821,027	1,821,027
Revolving credit	-	6,472,575	-	-	-	-	6,472,575
Share margin financing	-	46,206	-	-	-	-	46,206
Financing to:							
- Directors of the Bank	-	2,797	-	279	-	40	3,116
- Directors of subsidiaries	-	1,888	-	107	-	73	2,068
	<b>17,509,748</b>	<b>219,147,056</b>	<b>1,980,731</b>	<b>42,993,198</b>	<b>2,037,863</b>	<b>2,007,396</b>	<b>285,675,992</b>
Unearned income							<b>(65,733,817)</b>
Gross financing and advances <sup>4</sup>							<b>219,942,175</b>
Allowances for financing and advances:							
- Stage 1 - 12-month ECL							<b>(440,695)</b>
- Stage 2 - Lifetime ECL not credit impaired							<b>(1,415,545)</b>
- Stage 3 - Lifetime ECL credit impaired							<b>(1,302,562)</b>
Net financing and advances							<b>216,783,373</b>

<sup>1</sup> Bai' comprises of Bai' Bithaman Ajil, Bai' Al-Inah and Bai' Al-Dayn.

<sup>2</sup> The Group is the owner of the asset. The ownership of an asset will be transferred to the customer via sale at the end of the Ijarah financing.

<sup>3</sup> The Group is the owner of the asset. The ownership of an asset will be transferred to the customer at the end of the Ijarah financing subject to the customer's execution of the purchase option.

<sup>4</sup> Included in financing and advances are the underlying assets under the IA.

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39e. Financing and Advances (cont'd.)**

<b>Group</b>	<b>Bai<sup>1</sup></b>	<b>Murabahah</b>	<b>Musharakah</b>	<b>Al-Ijarah Thumma Al-Bai ("AITAB")<sup>2</sup></b>	<b>Ijarah<sup>3</sup></b>	<b>Others</b>	<b>Total Financing and Advances</b>
<b>As at 31 December 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cashline	-	6,837,168	-	-	-	-	6,837,168
Term financing							
- Housing financing	11,752,044	87,570,087	1,552,014	-	-	599	100,874,744
- Syndicated financing	-	7,229,950	-	-	-	-	7,229,950
- Hire purchase receivables	-	13,349,586	-	41,455,457	-	-	54,805,043
- Lease receivables	-	-	-	-	1,735,870	-	1,735,870
- Other term financing	6,507,592	87,128,112	483,889	-	-	150,491	94,270,084
Trust receipts	-	175,810	-	-	-	-	175,810
Claims on customers under acceptance credits	-	6,024,358	-	-	-	-	6,024,358
Staff financing	282,744	2,548,232	6,488	137,263	-	43,715	3,018,442
Credit card receivables	-	-	-	-	-	1,779,342	1,779,342
Revolving credit	-	6,909,108	-	-	-	-	6,909,108
Share margin financing	-	49,724	-	-	-	-	49,724
Financing to:							
- Directors of the Bank	-	3,293	-	-	-	38	3,331
- Directors of subsidiaries	-	1,638	-	137	-	34	1,809
	18,542,380	217,827,066	2,042,391	41,592,857	1,735,870	1,974,219	283,714,783
Unearned income							(66,345,579)
Gross financing and advances <sup>4</sup>							217,369,204
Allowances for financing and advances:							
- Stage 1 - 12-month ECL							(442,735)
- Stage 2 - Lifetime ECL not credit impaired							(1,309,534)
- Stage 3 - Lifetime ECL credit impaired							(1,237,312)
Net financing and advances							214,379,623

<sup>1</sup> Bai' comprises of Bai' Bithaman Ajil, Bai' Al-Inah and Bai' Al-Dayn.

<sup>2</sup> The Group is the owner of the asset. The ownership of an asset will be transferred to the customer via sale at the end of the Ijarah financing.

<sup>3</sup> The Group is the owner of the asset. The ownership of an asset will be transferred to the customer at the end of the Ijarah financing subject to the customer's execution of the purchase option.

<sup>4</sup> Included in financing and advances are the underlying assets under the IA.



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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39e. Financing and Advances (cont'd.)**

(i) Movements in the impaired financing and advances ("impaired financing") are as follows:

<b><u>Group</u></b>	<b>31 March 2023 RM'000</b>	<b>31 December 2022 RM'000</b>
At 1 January	2,061,080	1,492,756
Newly impaired	341,199	1,237,425
Reclassified as non-impaired	(36,088)	(65,139)
Amount recovered	(67,739)	(223,830)
Amount written-off	(45,677)	(380,132)
Gross impaired financing at 31 March 2023/31 December 2022	<u>2,252,775</u>	<u>2,061,080</u>
Less: Stage 3 - Lifetime ECL credit impaired	<u>(1,302,562)</u>	<u>(1,237,312)</u>
Net impaired financing at 31 March 2023/31 December 2022	<u>950,213</u>	<u>823,768</u>
 <u>Calculation of ratio of net impaired financing (excluding financing funded by IA):</u>		
Gross impaired financing at 31 March 2023/31 December 2022	2,173,030	2,001,463
Less: Stage 3 - Lifetime ECL credit impaired	<u>(1,302,562)</u>	<u>(1,237,312)</u>
Net impaired financing at 31 March 2023/31 December 2022	<u>870,468</u>	<u>764,151</u>
Gross financing and advances	192,567,558	191,731,502
Less: Allowances for impaired financing and advances at amortised cost and at fair value through other comprehensive income	<u>(3,169,899)</u>	<u>(2,996,850)</u>
Net financing and advances	<u>189,397,659</u>	<u>188,734,652</u>
Net impaired financing as a percentage of net financing and advances	<u>0.46%</u>	<u>0.40%</u>

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39e. Financing and Advances (cont'd.)**

(ii) Movements in the allowances for impairment losses on financing and advances are as follows:

**At fair value through other comprehensive income**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
<u>Group</u>	ECL	not credit	credit	Total
		impaired	impaired	
<b>As at 31 March 2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2023	7,269	-	-	7,269
Net remeasurement of allowances	(127)	-	-	(127)
New financial assets originated or purchased	4,284	-	-	4,284
Financial assets derecognised	(1)	-	-	(1)
Changes in models/risk parameters	(329)	-	-	(329)
Exchange differences	1	-	-	1
At 31 March 2023	11,097	-	-	11,097

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
<u>Group</u>	ECL	not credit	credit	Total
		impaired	impaired	
<b>As at 31 December 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2022	2,302	-	-	2,302
Net remeasurement of allowances	2,885	-	-	2,885
New financial assets originated or purchased	2,550	-	-	2,550
Financial assets derecognised	(494)	-	-	(494)
Exchange differences	26	-	-	26
At 31 December 2022	7,269	-	-	7,269

**At amortised cost**

	Stage 1	Stage 2	Stage 3	
	12-month	Lifetime ECL	Lifetime ECL	
<u>Group</u>	ECL	not credit	credit	Total
		impaired	impaired	
<b>As at 31 March 2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2023	442,735	1,309,534	1,237,312	2,989,581
Transferred to Stage 1	71,315	(69,110)	(2,205)	-
Transferred to Stage 2	(22,987)	35,887	(12,900)	-
Transferred to Stage 3	(1,037)	(3,707)	4,744	-
Net remeasurement of allowances	(13,983)	162,630	247,792	396,439
New financial assets originated or purchased	56,258	16,901	-	73,159
Financial assets derecognised	(37,036)	(20,633)	(127,198)	(184,867)
Changes in models/risk parameters	(54,609)	(15,964)	(319)	(70,892)
Amount written-off	-	-	(45,677)	(45,677)
Exchange differences	39	7	1,013	1,059
At 31 March 2023	440,695	1,415,545	1,302,562	3,158,802

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39e. Financing and Advances (cont'd.)**

(ii) Movements in the allowances for impairment losses on financing and advances are as follows (cont'd.):

**At amortised cost (cont'd.)**

<u>Group</u>	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
<b>As at 31 December 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2022	556,209	1,678,410	709,435	2,944,054
Transferred to Stage 1	167,116	(162,063)	(5,053)	-
Transferred to Stage 2	(32,756)	47,143	(14,387)	-
Transferred to Stage 3	(8,797)	(250,227)	259,024	-
Net remeasurement of allowances	(342,559)	1,080	684,326	342,847
New financial assets originated or purchased	140,955	64,426	-	205,381
Financial assets derecognised	(56,107)	(69,495)	(22,596)	(148,198)
Changes in models/risk parameters	(1,738)	(210)	(9,655)	(11,603)
Amount written-off	-	-	(380,132)	(380,132)
Exchange differences	20,412	470	16,350	37,232
At 31 December 2022	442,735	1,309,534	1,237,312	2,989,581

**A39f. Deposits from Customers**

<u>Group</u>	31 March 2023 RM'000	31 December 2022 RM'000
<b>Savings deposits</b>		
Murabahah	27,964,390	27,711,469
Qard	1,222,515	601,896
	<b>29,186,905</b>	<b>28,313,365</b>
<b>Demand deposits</b>		
Murabahah	32,875,099	37,422,903
Qard	5,153,243	1,381,375
	<b>38,028,342</b>	<b>38,804,278</b>
<b>Term deposits</b>		
Murabahah	136,597,124	142,073,732
Qard	1,427,436	592,088
	<b>138,024,560</b>	<b>142,665,820</b>
Total deposits from customers	<b>205,239,807</b>	<b>209,783,463</b>

**A39g. Investment Accounts**

<u>Group</u>	31 March 2023 RM'000	31 December 2022 RM'000
Investment accounts of customers		
- Unrestricted investment accounts <sup>1</sup>	27,374,617	25,637,702
Restricted investment accounts managed by the Group <sup>2</sup>	29,811,054	30,552,966

The unrestricted investment accounts (net of intercompany balances) as at 31 March 2023 was RM26,828.9 million (31 December 2022: RM24,501.0 million) as reported on the Group's statements of financial position.

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39g. Investment Accounts (cont'd.)**

(i) Investment accounts are sourced from the following type of customers:

<u>Group</u>	Unrestricted investment accounts <sup>1</sup> RM'000	Restricted investment accounts managed by the Group <sup>2</sup> RM'000
<b>As at 31 March 2023</b>		
Business enterprises	15,092,275	-
Individuals	10,354,467	-
Government and statutory bodies	330,006	-
Licensed banks	-	29,362,615
Others	1,597,869	448,439
	<b>27,374,617</b>	<b>29,811,054</b>
<b>As at 31 December 2022</b>		
Business enterprises	13,389,602	-
Individuals	10,342,032	-
Government and statutory bodies	246,938	-
Licensed banks	-	30,123,166
Others	1,659,130	429,800
	<b>25,637,702</b>	<b>30,552,966</b>

(ii) The maturity profile of investment accounts are as follows:

<u>Group</u>	Unrestricted investment accounts <sup>1</sup> RM'000	Restricted investment accounts managed by the Group <sup>2</sup> RM'000
<b>As at 31 March 2023</b>		
- without maturity	23,200,832	-
- with maturity		
Within six months	2,949,605	10,378,451
Six months to one year	1,210,269	30,442
One year to three years	9,166	3,749,369
Three years to five years	4,745	15,652,792
	<b>4,173,785</b>	<b>29,811,054</b>
Total investment accounts of customers	<b>27,374,617</b>	<b>29,811,054</b>
<b>As at 31 December 2022</b>		
- without maturity	21,160,119	-
- with maturity		
Within six months	3,055,394	10,280,098
Six months to one year	1,403,496	30,109
One year to three years	13,924	3,995,512
Three years to five years	4,769	16,247,247
	<b>4,477,583</b>	<b>30,552,966</b>
Total investment accounts of customers	<b>25,637,702</b>	<b>30,552,966</b>

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39g. Investment Accounts (cont'd.)**

(iii) The allocation of investment asset are as follows:

<u>Group</u>	Unrestricted investment accounts <sup>1</sup> RM'000	Restricted investment accounts managed by the Group <sup>2</sup> RM'000
<b>As at 31 March 2023</b>		
Retail financing	26,374,617	-
Non-retail financing	1,000,000	25,236,286
Corporate Sukuk	-	4,574,768
	<b>27,374,617</b>	<b>29,811,054</b>
<b>As at 31 December 2022</b>		
Retail financing	23,987,702	-
Non-retail financing	1,650,000	25,955,010
Corporate Sukuk	-	4,597,956
	<b>25,637,702</b>	<b>30,552,966</b>

(iv) Profit sharing ratio and rate of return are as follows:

<u>Group</u>	Investment account holder ("IAH") Average profit sharing ratio (%)	Average rate of return (%)
<b>As at 31 March 2023</b>		
Investment accounts of customers		
- Unrestricted investment accounts <sup>1</sup>	38.21	1.55
Restricted investment accounts managed by the Group <sup>2</sup>	<b>77.06</b>	<b>4.14</b>
<b>As at 31 December 2022</b>		
Investment accounts of customers		
- Unrestricted investment accounts <sup>1</sup>	32.04	2.58
Restricted investment accounts managed by the Group <sup>2</sup>	<b>76.29</b>	<b>4.60</b>

<sup>1</sup> The total funds invested in Multi-Asset Investment Account-i ("MAIA") product was RM122.2 million (31 December 2022: RM122.7 million) of which RM60.8 million (31 December 2022: RM59.6 million) are the funds managed by the Group and are recorded as on balance sheet. The remaining of the funds are invested in marketable securities with net asset value of RM61.4 million as at 31 March 2023 (31 December 2022: RM63.1 million) managed by a subsidiary of the Bank as part of its investment management activities and are recorded as off-balance sheet.

<sup>2</sup> Included in the restricted investment accounts managed by the Group is an arrangement between MIB with the Bank and with the third party where MIB acts as an investment agent to manage and administer the restricted investment accounts amounting to RM29,362.6 million and RM448.4 million (31 December 2022: RM30,123.2 million and RM429.8 million) respectively. The amount of restricted investment accounts managed by MIB are disclosed net of any impairment allowances required on the underlying financial assets funded by the restricted investment accounts.

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**A39. The Operations of Islamic Banking Scheme (cont'd.)**

**A39h. Term Funding**

	31 March 2023 RM'000	31 December 2022 RM'000
<b><u>Group</u></b>		
Unsecured term funding:		
(i) Commercial Papers		
- Less than one year	7,891,386	6,413,953
(ii) Medium Term Notes		
- More than one year	2,025,150	2,003,796
(iii) Term funding		
- More than one year (Note (a))	1,011,091	1,003,453
Total term funding	<u>10,927,627</u>	<u>9,421,202</u>

Note (a): Term funding relates to amounts received by the Group under government financing scheme as part of the government support measures in response to COVID-19 pandemic for the purpose of SME financing at a below market rate with a six-year maturity to be repaid on 17 June 2026. The financing under the government scheme is for financing at concession rates to SMEs and for COVID-19 related relief measures.

**A39i. Subordinated Sukuk**

	31 March 2023 RM'000	31 December 2022 RM'000
<b><u>Group</u></b>		
RM1.0 billion Islamic subordinated Sukuk Murabahah due in 2029	1,021,945	1,010,849
RM1.0 billion Islamic subordinated Sukuk Murabahah due in 2031	1,003,576	1,011,044
	<u>2,025,521</u>	<u>2,021,893</u>

**A39j. Capital Securities**

	31 March 2023 RM'000	31 December 2022 RM'000
<b><u>Group</u></b>		
RM1.0 billion 4.76% Additional Tier 1 Sukuk Wakalah	-	1,002,347
RM1.0 billion 4.95% Additional Tier 1 Sukuk Wakalah	<u>1,014,084</u>	<u>-</u>

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**A40. Financial Effects arising from Adoption of MFRS 17 Insurance Contracts**

- (i) The adoption of MFRS 17 resulted in the following financial effects to the income statements of the Group

**Income statements**

<b>Group</b>	<b>31 March 2022 RM'000</b>	<b>Effects of MFRS 17 adoption RM'000</b>	<b>31 March 2022 RM'000 Restated</b>
Interest income	4,543,828	-	4,543,828
Interest expense	(1,217,054)	-	(1,217,054)
Net interest income	3,326,774	-	3,326,774
Income from Islamic Banking Scheme operations	1,670,464	-	1,670,464
Insurance/takaful service result	-	(27,881)	(27,881)
Net earned insurance premiums	2,356,054	(2,356,054)	-
Other operating income	946,945	76,120	1,023,065
Total operating income	8,300,237	(2,307,815)	5,992,422
Net insurance/takaful investment/finance result	-	260,247	260,247
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	(1,830,917)	1,830,917	-
Net operating income	6,469,320	(216,651)	6,252,669
Overhead expenses	(2,949,460)	219,500	(2,729,960)
Operating profit before impairment losses	3,519,860	2,849	3,522,709
Allowances for impairment losses on loans, advances, financing and other debts, net	(443,412)	-	(443,412)
Allowances for impairment losses on financial investments, net	(127,591)	-	(127,591)
Allowances for impairment losses on other financial assets, net	(26,047)	-	(26,047)
Operating profit	2,922,810	2,849	2,925,659
Share of profits in associates and joint ventures	49,515	-	49,515
<b>Profit before taxation and zakat</b>	<b>2,972,325</b>	<b>2,849</b>	<b>2,975,174</b>
Taxation and zakat	(885,737)	-	(885,737)
<b>Profit for the financial period</b>	<b>2,086,588</b>	<b>2,849</b>	<b>2,089,437</b>
<b>Attributable to:</b>			
Equity holders of the Bank	2,044,893	1,967	2,046,860
Non-controlling interests	41,695	882	42,577
	2,086,588	2,849	2,089,437
<b>Earnings per share attributable to equity holders of the Bank</b>			
Basic/diluted	17.22 sen	0.01 sen	17.23 sen

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**A40. Financial Effects arising from Adoption of MFRS 17 Insurance Contracts (cont'd.)**

- (i) The adoption of MFRS 17 resulted in the following financial effects to the income statements of the Group (cont'd.)

<b>Group</b>	<b>31 March 2022 RM'000</b>	<b>Effects of MFRS 17 adoption RM'000</b>	<b>31 March 2022 RM'000 Restated</b>
<b>Profit for the financial period</b>	<u>2,086,588</u>	<u>2,849</u>	<u>2,089,437</u>
<b>Other comprehensive loss:</b>			
<b><i>Items that will not be reclassified subsequently to profit or loss:</i></b>			
Defined benefit plan actuarial loss	(4,953)	-	(4,953)
Net loss from change in fair value on equity instruments at fair value through other comprehensive income	<u>(342)</u>	<u>-</u>	<u>(342)</u>
	<u>(5,295)</u>	<u>-</u>	<u>(5,295)</u>
<b><i>Items that may be reclassified subsequently to profit or loss:</i></b>			
Net loss on debt instruments at fair value through other comprehensive income	(1,159,856)	(61,797)	(1,221,653)
- Net loss from change in fair value	(1,898,281)	(61,797)	(1,960,078)
- Changes in expected credit losses	234,191	-	234,191
- Income tax effect	504,234	-	504,234
Net gain on foreign exchange translation	123,045	(2,102)	120,943
Net loss on net investment hedge	-	-	-
Cost of hedging for fair value hedge	129	-	129
Net gain on capital reserve	33	-	33
Share of change in associates' reserve	(137,209)	-	(137,209)
Net insurance finance/investment result	-	(13,768)	(13,768)
	<u>(1,173,858)</u>	<u>(77,667)</u>	<u>(1,251,525)</u>
Other comprehensive loss for the financial period, net of tax	<u>(1,179,153)</u>	<u>(77,667)</u>	<u>(1,256,820)</u>
<b>Total comprehensive income/(loss) for the financial period</b>	<u>907,435</u>	<u>(74,818)</u>	<u>832,617</u>
<b>Other comprehensive loss for the financial period, attributable to:</b>			
Equity holders of the Bank	(1,152,622)	(53,629)	(1,206,251)
Non-controlling interests	<u>(26,531)</u>	<u>(24,038)</u>	<u>(50,569)</u>
	<u>(1,179,153)</u>	<u>(77,667)</u>	<u>(1,256,820)</u>
<b>Total comprehensive income/(loss) for the financial period, attributable to:</b>			
Equity holders of the Bank	892,271	(51,662)	840,609
Non-controlling interests	<u>15,164</u>	<u>(23,156)</u>	<u>(7,992)</u>
	<u>907,435</u>	<u>(74,818)</u>	<u>832,617</u>



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**A40. Financial Effects arising from Adoption of MFRS 17 Insurance Contracts (cont'd.)**

(ii) The adoption of MFRS 17 resulted in the following financial effects to the statements of financial position of the Group

**Statements of Financial Position**

<u>Group</u>	31 December 2021 RM'000	Effects of MFRS 17 adoption RM'000	1 January 2022 RM'000 Restated	31 December 2022 RM'000	Effects of MFRS 17 adoption RM'000	31 December 2022 RM'000 Restated
<b>ASSETS</b>						
Cash and short-term funds	41,483,926	-	41,483,926	37,573,869	-	37,573,869
Deposits and placements with financial institutions	16,037,048	-	16,037,048	16,095,978	-	16,095,978
Financial assets purchased under resale agreements	13,491,753	-	13,491,753	14,968,762	-	14,968,762
Financial assets designated upon initial recognition at fair value through profit or loss	13,181,866	-	13,181,866	12,822,800	-	12,822,800
Financial investments at fair value through profit or loss	27,775,493	(1,402,813)	26,372,680	25,804,000	(660,792)	25,143,208
Financial investments at fair value through other comprehensive income	122,393,954	1,402,813	123,796,767	120,706,198	660,792	121,366,990
Financial investments at amortised cost	60,532,190	-	60,532,190	71,756,942	-	71,756,942
Loans, advances and financing to financial institutions	1,048,566	-	1,048,566	1,361,712	-	1,361,712
Loans, advances and financing to customers	540,839,323	(255,787)	540,583,536	574,025,785	(260,123)	573,765,662
Derivative assets	12,757,475	-	12,757,475	24,686,755	-	24,686,755
Insurance/reinsurance contract assets/takaful/retakaful certificate assets	-	5,193,968	5,193,968	-	4,561,651	4,561,651
Reinsurance/retakaful assets and other insurance receivables	7,515,864	(7,515,864)	-	7,041,010	(7,041,010)	-
Other assets	8,644,931	(5,897)	8,639,034	11,466,678	(8,527)	11,458,151
Investment properties	975,048	-	975,048	988,895	-	988,895
Statutory deposits with central banks	7,514,129	-	7,514,129	13,777,324	-	13,777,324
Interest in associates and joint ventures	2,491,435	-	2,491,435	2,207,244	-	2,207,244
Property, plant and equipment	2,129,989	-	2,129,989	2,142,065	-	2,142,065
Right-of-use assets	1,170,564	-	1,170,564	1,176,776	-	1,176,776
Intangible assets	6,683,461	-	6,683,461	6,747,125	-	6,747,125
Deferred tax assets	1,505,378	(97,561)	1,407,817	2,462,917	(88,484)	2,374,433
<b>TOTAL ASSETS</b>	<b>888,172,393</b>	<b>(2,681,141)</b>	<b>885,491,252</b>	<b>947,812,835</b>	<b>(2,836,493)</b>	<b>944,976,342</b>

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**A40. Financial Effects arising from Adoption of MFRS 17 Insurance Contracts (cont'd.)**

(ii) The adoption of MFRS 17 resulted in the following financial effects to the statements of financial position of the Group

**Statements of Financial Position (cont'd.)**

<b>Group (cont'd.)</b>	<b>31 December 2021 RM'000</b>	<b>Effects of MFRS 17 adoption RM'000</b>	<b>1 January 2022 RM'000 Restated</b>	<b>31 December 2022 RM'000</b>	<b>Effects of MFRS 17 adoption RM'000</b>	<b>31 December 2022 RM'000 Restated</b>
<b>LIABILITIES</b>						
Customers' funding:						
- Deposits from customers	588,967,633	-	588,967,633	614,895,094	-	614,895,094
- Investment accounts of customers <sup>1</sup>	28,720,799	-	28,720,799	24,500,981	-	24,500,981
Deposits and placements from financial institutions	36,583,073	-	36,583,073	51,893,780	-	51,893,780
Obligations on financial assets sold under repurchase agreements	7,873,717	-	7,873,717	15,585,836	-	15,585,836
Derivative liabilities	12,638,175	-	12,638,175	27,874,325	-	27,874,325
Financial liabilities at fair value through profit or loss	10,696,966	-	10,696,966	8,317,084	-	8,317,084
Bills and acceptances payable	1,077,986	-	1,077,986	1,810,954	-	1,810,954
Insurance contract liabilities/takaful certificate liabilities	-	39,086,027	39,086,027	-	39,364,029	39,364,029
Insurance/takaful contract liabilities and other insurance payables	42,093,615	(42,093,615)	-	41,914,750	(41,914,750)	-
Other liabilities	21,502,096	(235,215)	21,266,881	26,527,065	(534,464)	25,992,601
Provision for taxation and zakat	311,385	-	311,385	372,176	-	372,176
Deferred tax liabilities	539,066	54,313	593,379	400,437	35,231	435,668
Borrowings	35,548,352	-	35,548,352	31,736,007	-	31,736,007
Subordinated obligations	10,239,277	-	10,239,277	10,238,389	-	10,238,389
Capital securities	2,827,832	-	2,827,832	2,828,817	-	2,828,817
<b>TOTAL LIABILITIES</b>	<b>799,619,972</b>	<b>(3,188,490)</b>	<b>796,431,482</b>	<b>858,895,695</b>	<b>(3,049,954)</b>	<b>855,845,741</b>
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK</b>						
Share capital	53,156,473	-	53,156,473	54,619,344	-	54,619,344
Shares held-in-trust	(1,274)	-	(1,274)	(198)	-	(198)
Retained profits	29,629,726	389,526	30,019,252	29,705,461	202,715	29,908,176
Reserves	3,026,497	(39,201)	2,987,296	1,632,427	(55,320)	1,577,107
	85,811,422	350,325	86,161,747	85,957,034	147,395	86,104,429
<b>Non-controlling interests</b>	<b>2,740,999</b>	<b>157,024</b>	<b>2,898,023</b>	<b>2,960,106</b>	<b>66,066</b>	<b>3,026,172</b>
	<b>88,552,421</b>	<b>507,349</b>	<b>89,059,770</b>	<b>88,917,140</b>	<b>213,461</b>	<b>89,130,601</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>888,172,393</b>	<b>(2,681,141)</b>	<b>885,491,252</b>	<b>947,812,835</b>	<b>(2,836,493)</b>	<b>944,976,342</b>

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**Part B: Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad**

**B1. Performance Review**

**(i) Current Period-to-Date vs Previous Corresponding Period-to-Date**

The Group posted profit after tax and zakat attributable to equity holders of RM2,265.4 million for the three-month financial period ended 31 March 2023, an increase of RM218.5 million or 10.7% as compared to the previous corresponding three-month financial period ended 31 March 2022.

The Group's net interest income and Islamic Banking income for the three-month financial period ended 31 March 2023 increased by RM22.3 million or 0.4% to RM5,019.6 million as compared to the previous corresponding three-month financial period ended 31 March 2022.

The Group's insurance/takaful service result improved by RM19.9 million or 71.3% to a net expense of RM8.0 million for the three-month financial period ended 31 March 2023 as compared to the previous corresponding three-month financial period ended 31 March 2022 of a net expense of RM27.9 million.

Other operating income of the Group for the three-month financial period ended 31 March 2023 was RM1,719.4 million, an increase of RM696.3 million or 68.1% from RM1,023.1 million in the previous corresponding three-month financial period ended 31 March 2022. The increase was mainly due to unrealised mark-to-market gain on revaluation of derivatives of RM107.4 million and financial assets designated upon initial recognition at FVTPL of RM291.5 million for the three-month financial period ended 31 March 2023 as compared to unrealised mark-to-market loss on revaluation of derivatives of RM741.7 million and financial assets designated upon initial recognition at FVTPL of RM294.0 million for the previous corresponding three-month financial period ended 31 March 2022, higher net gain on foreign exchange of RM475.0 million, realised gain on derivatives of RM204.5 million for the three-month financial period ended 31 March 2023 as compared to realised loss on derivatives of RM169.4 million for the previous corresponding three-month financial period ended 31 March 2022, unrealised mark-to-market gain on revaluation of financial investment at FVTPL of RM54.4 million for the three-month financial period ended 31 March 2023 as compared to unrealised mark-to-market loss on revaluation of financial investment at FVTPL of RM117.3 million for the previous corresponding three-month financial period ended 31 March 2022 and net investment income of RM77.1 million for the three-month financial period ended 31 March 2023 as compared to net investment loss of RM73.3 million for the previous corresponding three-month financial period ended 31 March 2022. The increases were, however, offset by unrealised mark-to-market loss on revaluation of financial liabilities at FVTPL of RM418.4 million for the three-month financial period ended 31 March 2023 as compared to unrealised mark-to-market gain on revaluation of financial liabilities at FVTPL of RM1,472.5 million for the previous corresponding three-month financial period ended 31 March 2022 and lower fee income of RM18.2 million.

The Group's overhead expenses for the three-month financial period ended 31 March 2023 recorded an increase of RM322.2 million or 11.8% to RM3,052.2 million as compared to the previous corresponding three-month financial period ended 31 March 2022. The increase in overhead expenses was mainly due to higher personnel expenses of RM159.9 million, higher establishment costs of RM72.7 million, higher administration and general expenses of RM54.9 million and higher marketing expenses of RM34.7 million.

The Group's allowances for impairment losses on loans, advances, financing and other debts decreased by RM83.3 million or 18.8% to RM360.1 million as compared to the previous corresponding three-month financial period ended 31 March 2022.

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**B1. Performance Review (cont'd.)**

**(i) Current Period-to-Date vs Previous Corresponding Period-to-Date (cont'd.)**

The Group's profit before taxation and zakat for the financial period ended 31 March 2023 compared to the previous corresponding financial period ended 31 March 2022 is further segmented based on the operating segments of the Group as follows:

**Group Community Financial Services ("Group CFS")**

Group CFS's profit before taxation and zakat decreased by RM236.7 million or 14.2% to RM1,426.1 million for the financial period ended 31 March 2023 from RM1,662.8 million for the previous corresponding financial period ended 31 March 2022. The decrease was mainly due to higher overhead expenses of RM314.6 million and higher net allowances for impairment losses on loans, advances, financing and other debts of RM246.6 million. The decreases were, however, mitigated by higher net interest income and income from IBS operations of RM288.0 million and higher other operating income of RM36.6 million.

**Group Global Banking**

**a) Group Corporate Banking & Global Markets**

Group Corporate Banking & Global Markets' profit before taxation and zakat decreased by RM24.0 million or 1.8% to RM1,312.5 million for the financial period ended 31 March 2023 from RM1,336.5 million for the previous corresponding financial period ended 31 March 2022. The decrease was mainly due to lower other operating income of RM229.2 million, lower net interest income and income from IBS operations of RM187.8 million and higher overhead expenses of RM51.2 million. The decreases were, however, mitigated by lower net allowances for impairment losses on loans, advances, financing and other debts of RM330.4 million, net writeback of impairment losses on financial investments and other financial asset of RM27.6 million from net allowance of RM56.5 million and higher share of profits in associates and joint ventures of RM29.7 million.

**b) Group Investment Banking**

Group Investment Banking's profit before taxation and zakat decreased by RM39.0 million or 41.9% to RM54.0 million for the financial period ended 31 March 2023 from RM93.0 million for the previous corresponding financial period ended 31 March 2022. The decrease was mainly due to lower other operating income of RM53.1 million, net allowance for impairment losses on loans, advances, financing and other debts of RM2.7 million from net writeback of RM0.7 million and share of loss in associates and joint ventures of RM0.2 million from share of profit of RM2.4 million. The decreases were, however, mitigated by lower overhead expenses of RM16.6 million, higher net interest income and income from IBS operations of RM2.2 million, higher net writeback for impairment losses on other financial assets of RM1.4 million.

**c) Group Asset Management**

Group Asset Management recorded profit before taxation and zakat of RM0.5 million for the financial period ended 31 March 2023 from loss before taxation and zakat of RM28.2 million for the previous corresponding financial period ended 31 March 2022. The profit was mainly due to lower overhead expenses of RM27.3 million, higher other operating income of RM0.8 million and higher net interest income and income from IBS operations of RM0.6 million.

**Group Insurance and Takaful**

Group Insurance and Takaful's profit before taxation and zakat increased by RM223.9 million to RM237.9 million for the financial period ended 31 March 2023 from RM14.0 million for the previous corresponding financial period ended 31 March 2022. The increase was mainly contributed by higher other operating income of RM658.7 million, net writeback of impairment losses on financial investments and other financial assets of RM39.6 million from net allowance of RM95.8 million, higher net interest income of RM61.9 million, lower insurance/takaful service result of RM32.2 million, net writeback of impairment losses on loans, advances, financing and other debts of RM2.8 million from net allowance of RM0.1 million and higher overhead expenses of RM0.4 million. The increases were, however, offset by net expense on insurance/takaful investment/finance result of RM406.7 million for the financial period ended 31 March 2023 as compared to net income of RM260.2 million for the previous corresponding financial period ended 31 March 2022.

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**B2. Variation of Current Quarter Results Against Preceding Quarter**

The Group's profit after tax and zakat attributable to equity holders for the quarter ended 31 March 2023 increased by RM98.1 million to RM2,265.4 million against the preceding quarter ended 31 December 2022 of RM2,167.3 million.

The Group's net interest income and income from Islamic Banking Scheme operations for the quarter ended 31 March 2023 decreased by RM481.6 million to RM5,019.6 million against the preceding quarter ended 31 December 2022 of RM5,501.2 million.

The Group's insurance/takaful service result for the quarter ended 31 March 2023 was reported at a net expense of RM8.0 million whereas the Group's net insurance/takaful investment/finance result was reported at RM406.7 million.

Other operating income of the Group for the quarter ended 31 March 2023 decreased by RM46.6 million to RM1,719.4 million compared to RM1,766.0 million in the preceding quarter ended 31 December 2022. The decrease was mainly due to unrealised mark-to-market loss on revaluation of financial liabilities at FVTPL of RM418.4 million for the quarter ended 31 March 2023 as compared to unrealised mark-to-market gain on revaluation of financial liabilities at FVTPL of RM96.5 million in the preceding quarter ended 31 December 2022, lower unrealised mark-to-market gain on revaluation of financial investments at FVTPL of RM488.6 million, lower realised gain on derivatives of RM145.8 million, lower fee income of RM27.7 million and lower gross dividend income from financial investments portfolio of RM13.9 million. The decreases were, however, mitigated by unrealised mark-to-market gain on revaluation of derivatives of RM107.4 million for the quarter ended 31 March 2023 as compared to unrealised mark-to-market loss on revaluation of derivatives of RM656.2 million in the preceding quarter ended 31 December 2022 and net investment income of RM77.1 million for the quarter ended 31 March 2023 as compared to net investment loss of RM305.5 million in the preceding quarter ended 31 December 2022.

The Group posted a decrease of RM355.0 million in overhead expenses to RM3,052.2 million for the quarter ended 31 March 2023 compared to RM3,407.2 million in the preceding quarter ended 31 December 2022. The decrease in overhead expenses was mainly due to lower personnel expenses of RM253.5 million, lower marketing expenses of RM114.0 million and lower establishment costs of RM2.3 million. The decreases were, however, offset by higher administration and general expenses of RM14.8 million.

The Group's allowance for impairment losses on loans, advances, financing and other debts increased by RM51.3 million to RM360.1 million for the quarter ended 31 March 2023 compared to RM308.8 million in the preceding quarter ended 31 December 2022.

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**B3. Prospects**

Global economic growth is expected to moderate at 2.0% in 2023 (2022: 3.4%) amid low growth in the major advanced economies arising from tightening global monetary and financial policies to curb inflationary pressures. However, global economic growth is supported by China's firmer growth following its economic reopening, which will be positive for ASEAN due to an anticipated pick-up in tourism, bilateral trade and foreign direct investment flows.

Malaysia's economy is estimated to grow at 4.5% in 2023 after a strong 8.7% rebound in 2022, taking into consideration the slower global growth on external demand and the effect the interest rate environment will have on domestic demand. Mitigating these headwinds will be the recovery in tourism and investment growth on capacity expansions, multi-year projects and continuation of large-scale infrastructure projects. Bank Negara Malaysia is expected to hold the Overnight Policy Rate at 3.00% for the rest of 2023 after the cumulative +125bps increase between May 2022 - May 2023.

Singapore's GDP is anticipated to record a lower growth of 0.8% in 2023 (2022: 3.6%) on the back of weakening external demand in the major advanced economies. The weakening external demand has also caused Singapore's external-oriented services and manufacturing sectors to contract. Recovering sectors such as the hospitality, consumer-related services and construction are expected to remain resilient following the return of inbound tourists and an improving labour market. Core inflation is likely to remain sticky on domestic price pressures, which includes the 1% GST hike and expansion of the Progressive Wage Model to larger sectors.

Indonesia's GDP growth is expected to remain stable at 5.0% in 2023 (2022: 5.3%) supported by steady domestic demand, which may receive a boost from election-related spending in the second half of the year, but offset by moderating external demand amid the global slowdown. Inflation is easing faster than expected as food prices moderate while Bank Indonesia continues to strengthen stabilisation measures to contain imported inflation. To further support domestic growth, Bank Indonesia will likely keep its policy rate unchanged for the rest of 2023.

Notwithstanding the challenges globally, Maybank Group will continue to focus on opportunities for growth across its consumer and business segments within its ASEAN franchise. The Group will maintain its solid liquidity position to support asset growth.

Asset quality management remains a priority and the Group will continue to monitor its loan portfolio and offer targeted support to customers, if needed. To date, the expiry of repayment assistance programmes have not led to any material effect on the Group's asset quality.

The Group will actively prioritise customer centricity through enhancing end-to-end customer journeys by providing financial solutions and services across various touchpoints. Strategic investments will be channelled to further integrate its digital and physical networks, enhance IT capabilities, and drive regional cross-selling synergies aligned to the M25+ corporate strategy.

In supporting its ambition of being a sustainability leader in ASEAN, the Group will focus on capacity-building and on engagement, advisory and client solutioning to support the responsible transition of the Group and its clients to a low carbon economy and decarbonisation. In addition, the Group will continue to deepen its Islamic wealth management capabilities by developing Centres of Excellence to lead the Group's aspiration of becoming a Global Islamic Finance leader.

Barring any unforeseen circumstances, the Group targets to achieve a Headline Key Performance Indicator (KPI) of return on equity of between 10.5% and 11% for FY2023.

**B4. Profit Forecast or Profit Guarantee**

Neither the Group nor the Bank has made any profit forecast or issued any profit guarantee for the first quarter ended 31 March 2023.

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**B5. Taxation and Zakat**

The analysis of the tax expense for the first quarter ended 31 March 2023 are as follows:

<b>Group</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2023 RM'000</b>	<b>31 March 2022 RM'000</b>	<b>31 March 2023 RM'000</b>	<b>31 March 2022 RM'000</b>
Malaysian income tax	458,176	882,551	458,176	882,551
Foreign income tax	214,616	151,915	214,616	151,915
Less: Double taxation relief	(90,942)	(63,742)	(90,942)	(63,742)
	<b>581,850</b>	<b>970,724</b>	<b>581,850</b>	<b>970,724</b>
Under/(over) provision in respect of prior period:				
Malaysian income tax	-	14,184	-	14,184
Foreign income tax	(241)	(334)	(241)	(334)
	<b>581,609</b>	<b>984,574</b>	<b>581,609</b>	<b>984,574</b>
Deferred tax				
- Relating to origination and reversal of temporary differences	121,344	(126,519)	121,344	(126,519)
	<b>121,344</b>	<b>(126,519)</b>	<b>121,344</b>	<b>(126,519)</b>
Tax expense for the financial period	<b>702,953</b>	<b>858,055</b>	<b>702,953</b>	<b>858,055</b>
Zakat	<b>20,300</b>	<b>27,682</b>	<b>20,300</b>	<b>27,682</b>
	<b>723,253</b>	<b>885,737</b>	<b>723,253</b>	<b>885,737</b>

The Group's effective tax rate for the financial period ended 31 March 2023 was lower than the statutory tax rate due to certain income not subject to tax.

<b>Bank</b>	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March 2023 RM'000</b>	<b>31 March 2022 RM'000</b>	<b>31 March 2023 RM'000</b>	<b>31 March 2022 RM'000</b>
Malaysian income tax	226,279	450,221	226,279	450,221
Foreign income tax	92,313	64,874	92,313	64,874
Less: Double taxation relief	(90,942)	(63,742)	(90,942)	(63,742)
	<b>227,650</b>	<b>451,353</b>	<b>227,650</b>	<b>451,353</b>
Deferred tax				
- Relating to origination and reversal of temporary differences	99,922	27,350	99,922	27,350
	<b>99,922</b>	<b>27,350</b>	<b>99,922</b>	<b>27,350</b>
Tax expense for the financial period	<b>327,572</b>	<b>478,703</b>	<b>327,572</b>	<b>478,703</b>

The Bank's effective tax rate for the financial period ended 31 March 2023 was lower than the statutory tax rate due to certain income not subject to tax.

Domestic income tax for the Bank is calculated at the Malaysian statutory tax rate of 24% of the estimated chargeable profit for the financial period. Taxation for foreign subsidiaries in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

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**B6. Status of Corporate Proposals Announced but Not Completed**

There are no corporate proposals announced but not completed during the first quarter ended 31 March 2023.

**B7. Status of Utilisation of Proceeds Raised from Corporate Proposal**

The proceeds raised from the borrowings, issuance of subordinated obligations and capital securities have been used for working capital, general banking and other corporate purposes, as intended.

**B8. Deposits from Customers, Investment Accounts of Customers, Deposits and Placements from Financial Institutions and Debt Securities**

Please refer to Note A14, A15, A16, A17 and A39g.

**B9. Derivative Financial Instruments**

Please refer to Note A36.

**B10. Changes in Material Litigation**

There is no material litigation during the first quarter ended 31 March 2023.

**B11. Dividend**

No interim dividend has been recommended during the first quarter ended 31 March 2023.

**B12. Earnings Per Share ("EPS")**

**Basic EPS**

The basic EPS of the Group is calculated by dividing the net profit for the financial period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the financial period.

	<b>First Quarter Ended</b>		<b>Cumulative 3 Months Ended</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
		<b>Restated</b>		<b>Restated</b>
Net profit for the financial period attributable to equity holders of the Bank (RM'000)	<b>2,265,405</b>	2,046,860	<b>2,265,405</b>	2,046,860
Weighted average number of ordinary shares in issue ('000)	<b>12,054,127</b>	11,878,513	<b>12,054,127</b>	11,878,513
Basic earnings per share	<b>18.79 sen</b>	17.23 sen	<b>18.79 sen</b>	17.23 sen

**Diluted EPS**

The Group has no dilution in its earnings per ordinary share in the current and the preceding financial period as there are no dilutive potential ordinary shares.

By Order of the Board

**Wan Marzimin Wan Muhammad**  
LS0009924  
Company Secretary  
24 May 2023