

**MAYBANK ISLAMIC BERHAD**  
**(Co. Reg. No.: 200701029411)**  
**(Incorporated in Malaysia)**

**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED INCOME STATEMENT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

	Note	Third Quarter Ended		Cumulative 9 Months Ended	
		30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Income derived from investment of depositors' funds	A23	2,541,280	2,044,000	6,716,509	6,557,325
Income derived from investment of investment account funds	A24	275,238	239,580	815,818	694,644
Income derived from investment of shareholder's funds	A25	137,381	159,959	364,761	383,048
Allowances for impairment losses on financing and advances, net (Allowances for)/writeback of impairment losses on financial investments, net	A26 A27	(148,803) (1,965)	(330,392) (1,039)	(339,907) (3,803)	(674,399) 241,775
Writeback of/(allowances for) impairment losses on other financial assets, net	A28	2,375	(2,170)	3,879	(2,902)
<b>Total distributable income</b>		<b>2,805,506</b>	2,109,938	<b>7,557,257</b>	7,199,491
Profit share income from investment accounts		37,418	37	142,998	62
Profit distributed to depositors	A29	(903,558)	(872,318)	(2,309,454)	(2,596,092)
Profit distributed to investment account holders		(94,333)	(72,723)	(248,439)	(216,604)
<b>Total net income</b>		<b>1,845,033</b>	1,164,934	<b>5,142,362</b>	4,386,857
Overhead expenses	A30	(551,530)	(396,025)	(1,484,392)	(1,177,706)
Finance costs	A31	(109,131)	(102,813)	(310,496)	(305,980)
<b>Profit before taxation and zakat</b>		<b>1,184,372</b>	666,096	<b>3,347,474</b>	2,903,171
Taxation	A32	(374,923)	(161,739)	(1,091,725)	(699,202)
Zakat	A32	(4,363)	(8,073)	(33,501)	(19,237)
<b>Profit for the period</b>		<b>805,086</b>	496,284	<b>2,222,248</b>	2,184,732
<b>Profit attributable to:</b>					
Equity holder of the Bank		<b>805,086</b>	496,284	<b>2,222,248</b>	2,184,732
<b>Earnings per share attributable to equity holder of the Bank</b>					
- basic/diluted (sen)		<b>185.80</b>	124.45	<b>513.76</b>	590.37

(These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these financial statements)

**MAYBANK ISLAMIC BERHAD**  
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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<b>Profit for the period</b>	<b>805,086</b>	496,284	<b>2,222,248</b>	2,184,732
<b>Other comprehensive income/(loss):</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Net loss on foreign exchange translation	(269)	(27)	(503)	(500)
Net loss on financial investments at fair value through other comprehensive income	(111,380)	(94,870)	(447,304)	(495,533)
- Net loss from change in fair value	(165,949)	(125,845)	(656,931)	(654,476)
- Changes in expected credit losses	(194)	772	1,286	1,869
- Income tax effect	54,763	30,203	208,341	157,074
Other comprehensive loss for the period, net of tax	(111,649)	(94,897)	(447,807)	(496,033)
<b>Total comprehensive income for the period, net of tax</b>	<b>693,437</b>	401,387	<b>1,774,441</b>	1,688,699
<b>Total comprehensive income attributable to:</b>				
Equity holder of the Bank	<b>693,437</b>	401,387	<b>1,774,441</b>	1,688,699

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022**

	Note	30 September 2022 RM'000	31 December 2021 RM'000
<b>ASSETS</b>			
Cash and short-term funds		10,680,607	12,123,992
Deposits and placements with banks and other financial institutions		231,280	3,000,157
Financial assets purchased under resale agreements		4,986,042	10,420,749
Financial investments at fair value through profit or loss	A11(i)	810,810	784,302
Financial investments at fair value through other comprehensive income	A11(ii)	16,264,238	15,082,779
Financial investments at amortised cost	A11(iii)	27,051,691	22,867,781
Financing and advances	A12	208,668,069	192,465,717
Derivative assets	A13	421,313	117,420
Other assets	A14	5,478,385	4,804,475
Statutory deposit with Bank Negara Malaysia		13,275	20,447
Property, plant and equipment		254	546
Right-of-use assets		8,725	6,126
Deferred tax assets		408,905	190,616
<b>TOTAL ASSETS</b>		<b>275,023,594</b>	<b>261,885,107</b>
<b>LIABILITIES</b>			
Customers' funding:			
- Deposits from customers	A15	203,099,497	179,514,918
- Investment accounts of customers <sup>1</sup>	A16	26,832,480	28,720,799
Deposits and placements of banks and other financial institutions	A17	15,975,603	24,186,628
Bills and acceptances payable		50,637	19,561
Derivative liabilities	A13	353,070	177,545
Other liabilities	A18	836,197	1,521,121
Provision for taxation and zakat		473,875	27,544
Term funding	A20	10,951,194	10,923,177
Subordinated sukuk	A21	2,025,803	2,021,814
Capital securities	A22	1,014,782	1,002,441
<b>TOTAL LIABILITIES</b>		<b>261,613,138</b>	<b>248,115,548</b>

<sup>1</sup> Investment accounts of customers are used to fund financing and advances as disclosed in Note A12.

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2022**

	Note	30 September 2022 RM'000	31 December 2021 RM'000
<b>EQUITY ATTRIBUTABLE TO EQUITY HOLDER OF THE BANK</b>			
Share capital		11,029,955	10,322,374
Retained profits		2,115,692	3,247,267
Other reserves		264,809	199,918
<b>TOTAL SHAREHOLDER'S EQUITY</b>		<b>13,410,456</b>	<b>13,769,559</b>
<b>TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY</b>			
		<b>275,023,594</b>	<b>261,885,107</b>
<b>Restricted investment accounts managed by the Bank</b>	A16	<b>29,022,022</b>	<b>30,147,795</b>
<b>TOTAL ISLAMIC BANKING ASSETS OWNED AND MANAGED BY THE BANK</b>			
		<b>304,045,616</b>	<b>292,032,902</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A34	<b>81,408,302</b>	<b>83,982,957</b>
<b><u>CAPITAL ADEQUACY</u></b>	A35		
The capital adequacy ratios of the Bank are as follows:			
CET1 capital ratio		12.631%	15.981%
Tier 1 capital ratio		13.727%	17.173%
Total capital ratio		<b>16.451%</b>	<b>20.077%</b>

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

	←=====Non-distributable=====→					Distributable	
	Share capital RM'000	Equity contribution from the holding company RM'000	Fair value through other comprehensive income reserve RM'000	Regulatory reserve RM'000	Exchange fluctuation reserve RM'000	Retained profits RM'000	Total equity RM'000
<b>At 1 January 2022</b>	10,322,374	1,697	77,255	121,014	(48)	3,247,267	13,769,559
Profit for the period	-	-	-	-	-	2,222,248	2,222,248
Other comprehensive loss	-	-	(447,304)	-	(503)	-	(447,807)
<b>Total comprehensive (loss)/income for the period</b>	-	-	(447,304)	-	(503)	2,222,248	1,774,441
Transfer to regulatory reserve	-	-	-	512,698	-	(512,698)	-
Issue of ordinary shares (Note A8(i)(a))	707,581	-	-	-	-	-	707,581
Dividend on ordinary shares (Note A9(a) & (b))	-	-	-	-	-	(2,841,125)	(2,841,125)
<b>Total transactions with shareholder/ other equity movements</b>	707,581	-	-	512,698	-	(3,353,823)	(2,133,544)
<b>At 30 September 2022</b>	11,029,955	1,697	(370,049)	633,712	(551)	2,115,692	13,410,456

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

	<=====Non-distributable=====>					Distributable		Total equity RM'000
	Share capital RM'000	Equity contribution from the holding company RM'000	Fair value through other comprehensive income reserve RM'000	Regulatory reserve RM'000	Exchange fluctuation reserve RM'000	Retained profits RM'000		
<b>At 1 January 2021</b>	7,929,444	1,697	645,023	594,474	403	2,756,457	11,927,498	
Profit for the period	-	-	-	-	-	2,184,732	2,184,732	
Other comprehensive loss	-	-	(495,533)	-	(500)	-	(496,033)	
<b>Total comprehensive (loss)/income for the period</b>	-	-	(495,533)	-	(500)	2,184,732	1,688,699	
Issue of ordinary shares	2,392,930	-	-	-	-	-	2,392,930	
Dividend on ordinary shares	-	-	-	-	-	(3,099,671)	(3,099,671)	
<b>Total transactions with shareholder/ other equity movements</b>	2,392,930	-	-	-	-	(3,099,671)	(706,741)	
<b>At 30 September 2021</b>	10,322,374	1,697	149,490	594,474	(97)	1,841,518	12,909,456	

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**CONDENSED FINANCIAL STATEMENTS**  
**UNAUDITED CASH FLOW STATEMENT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

	30 September 2022 RM'000	30 September 2021 RM'000
<b>Cash flows from operating activities</b>		
Profit before taxation and zakat	3,347,474	2,903,171
Adjustments for:		
Amortisation of premiums, net	59,894	41,368
Allowances for impairment losses on financing and advances, net	422,342	726,657
Allowances for/(writeback of) impairment losses on financial investments, net	3,803	(241,775)
(Writeback of)/allowances for impairment losses on other financial assets, net	(3,879)	2,902
Depreciation of property, plant and equipment	226	329
Depreciation of right-of-use assets	2,294	2,276
Finance cost on lease liabilities	177	259
Unrealised gains on revaluation of derivatives	(5,695)	(5,974)
Unrealised losses/(gains) on revaluation of financial investments at fair value through profit or loss	284	(217)
Gains on disposal of financial investments at fair value through other comprehensive income	(17,044)	(69,444)
Gains on redemption of financial investments at amortised cost	-	(889)
(Gains)/losses on disposal of financial investment at fair value through profit or loss	(1,041)	453
(Gains)/losses on foreign exchange translations	(19,570)	6,438
ESGP expenses	1,836	2,205
Finance costs	310,496	305,980
Operating profit before working capital changes	<u>4,101,597</u>	<u>3,673,739</u>
Change in deposits and placements with banks and other financial institutions	2,768,877	(500,529)
Change in financial assets purchased under resale agreements	5,438,585	(2,777,113)
Change in financial investments portfolio	(5,772,399)	(9,226,765)
Change in financing and advances	(16,108,765)	(5,521,100)
Change in derivative assets and liabilities	(122,673)	(290,091)
Change in other assets	(673,418)	(29,089)
Change in statutory deposit with Bank Negara Malaysia	7,172	(1,914)
Change in deposits from customers	23,584,579	11,438,095
Change in deposits and placements of banks and other financial institutions	(9,074,163)	12,143,626
Change in investment accounts of customers	(1,848,351)	1,568,170
Change in bills and acceptances payable	31,076	1,968
Change in other liabilities	(684,411)	661,674
Cash generated from operating activities	<u>1,647,706</u>	<u>11,140,671</u>
Taxes and zakat paid	(688,842)	(861,744)
<b>Net cash generated from operating activities</b>	<u><b>958,864</b></u>	<u><b>10,278,927</b></u>

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**UNAUDITED CASH FLOW STATEMENT**  
**FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2022**

	<b>30 September 2022 RM'000</b>	<b>30 September 2021 RM'000</b>
<b>Cash flows from investing activities</b>		
Purchase of property, plant and equipment	(27)	(15)
<b>Net cash used in investing activities</b>	(27)	(15)
<b>Cash flows from financing activities</b>		
Proceeds from issuance of shares	707,581	2,392,930
Dividend paid on ordinary shares	(2,841,125)	(3,099,671)
Dividend paid for capital securities	(24,682)	(24,682)
Dividend paid for subordinated sukuk	(51,359)	(60,085)
Dividend paid for term funding	(190,108)	(168,977)
Redemption of term funding	-	(2,270)
Repayment of lease liabilities	(2,529)	(1,881)
<b>Net cash used in financing activities</b>	(2,402,222)	(964,636)
<b>Net (decrease)/increase in cash and cash equivalents</b>	(1,443,385)	9,314,276
Cash and cash equivalents at beginning of period	12,123,992	9,890,517
<b>Cash and cash equivalents at end of period</b>	10,680,607	19,204,793
<b>Cash and cash equivalents comprise:</b>		
Cash and short term funds	10,680,607	19,204,793

(These unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the year ended 31 December 2021 and the accompanying explanatory notes attached to the 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 Maybank Islamic Berhad (“MIB” or “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 and derivative financial instruments.

The unaudited condensed interim financial statements have been prepared in accordance with the requirements of MFRS 134 *Interim Financial Reporting*, IAS 34 *Interim Financial Reporting* and the principles of Shariah.

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 2021. 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 Bank since the financial year ended 31 December 2021.

The significant accounting policies and methods of computation applied by the Bank are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2021 except for adoption of the following amendments to Malaysian Financial Reporting Standards (“MFRSs”), which are effective for annual periods beginning on or after 1 January 2022:

- Annual Improvements to MFRS Standards 2018 - 2020
- Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*
- Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets Onerous Contract - Cost of Fulfilling a Contract*

The adoption of the above amendments to MFRSs do not have any significant financial impact to the Bank's financial statements.

**Annual Improvements to MFRS Standards 2018 - 2020**

The amendments permit a subsidiary that elects to apply paragraph D13(a) of MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards* to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to MFRS. The amendments are also applied to an associate or joint venture that elects to apply paragraph D13(a) of MFRS 1. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The amendments do not have any impact on the Bank's financial statements.

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

***Amendments to MFRS 116 Property, Plant and Equipment - Proceeds before Intended Use***

The amendments prohibit entities deducting from the cost of an item of property, plant and equipment, any proceeds from selling items produced while bringing that asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Instead, an entity recognises the proceeds from selling such items, and the costs of producing those items, in profit or loss.

The amendments are effective for annual reporting periods beginning on or after 1 January 2022 and must be applied retrospectively to items of property, plant and equipment made available for use on or after the beginning of the earliest period presented when the entity first applies the amendment. The amendments do not have any significant impact on the Bank's financial statements.

***Amendments to MFRS 137 Provisions, Contingent Liabilities and Contingent Assets - Onerous Contract - Cost of Fulfilling a Contract***

The amendments clarify that the direct costs of fulfilling a contract include both the incremental costs of fulfilling the contract and an allocation of other costs directly related to fulfilling contracts. Before recognising a separate provision for an onerous contract, the entity recognises any impairment loss that has occurred on assets used in fulfilling the contract.

The amendments are to be applied prospectively in annual periods beginning on or after 1 January 2022, earlier application is permitted. The amendments do not have any impact on the Bank's financial statements.

**A2. Significant accounting policies**

The audited annual financial statements of the Bank for the financial year ended 31 December 2021 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 2021 except for the adoption of the amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2022 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 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 2021.

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**A4. Auditors' report on preceding audited annual financial statements**

The auditors' report on the audited financial statements for the financial year ended 31 December 2021 was not qualified.

**A5. Seasonal or cyclical factors**

The operations of the Bank were not materially affected by any seasonal or cyclical factors during the financial period ended 30 September 2022.

**A6. Unusual items due to their nature, size or incidence**

During the financial period ended 30 September 2022, save as disclosed in Note A8 below, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Bank.

**A7. Changes in estimates**

There were no material changes in estimates during the financial period ended 30 September 2022.

**A8. Changes in debt and equity securities**

(i) The following are the changes in debt and equity securities for the Bank during the financial period ended 30 September 2022:

(a) **Share capital**

The share capital of the Bank increased from RM10,322,374,000 as at 31 December 2021 to RM11,029,954,534 as at 30 September 2022 via the issuance of 24,006,125 new ordinary shares at RM29.475 per share to Maybank on the basis of one new share for every eighteen existing ordinary shares held.

(b) **Term funding**

**Issuance/redemption of term funding by the Bank**

The aggregate nominal value of the Islamic commercial papers issued by the Bank and outstanding as at 30 September 2022 are as follows:

<b>Currency</b>	<b>Description</b>	<b>Aggregate Nominal Value (in Million)</b>
RM	Zero Profit Islamic Commercial Paper ("ICP")	8,000.0

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**A9. Dividends paid/declared**

Dividends paid/declared during the financial period ended 30 September 2022 are as follows:

- (a) On 22 February 2022, the Board of Directors had declared a single-tier second interim dividend in respect of the financial year ended 31 December 2021 of RM3.30 per ordinary share on 432,110,250 ordinary shares, amounting to a dividend payable of RM1,425,963,825. The payment of dividend was completed on 13 April 2022.
- (b) On 18 August 2022, the Board of Directors had declared a single-tier first interim dividend in respect of the financial year ending 31 December 2022 of RM3.275 per share on 432,110,250 ordinary shares, amounting to RM1,415,161,069. The payment of dividend was completed on 26 September 2022.
- (c) No interim dividend has been recommended during the financial period ended 30 September 2022.

**A10. Related party transactions**

All related party transactions within Maybank Group had been entered into in the normal course of business and were carried out on normal commercial terms.

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**A11. Financial investments portfolio**

	Note	30 September 2022 RM'000	31 December 2021 RM'000
Financial investments at fair value through profit or loss	(i)	810,810	784,302
Financial investments at fair value through other comprehensive income	(ii)	16,264,238	15,082,779
Financial investments at amortised cost	(iii)	27,051,691	22,867,781
		<u>44,126,739</u>	<u>38,734,862</u>

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

	30 September 2022 RM'000	31 December 2021 RM'000
<b>At fair value</b>		
<b>Money market instruments:</b>		
Malaysian Government Investment Issues	131,956	-
Bank Negara Malaysia Monetary Notes	19,930	-
Malaysian Government Treasury Bills	658,924	659,118
	<u>810,810</u>	<u>659,118</u>
<b>Unquoted securities:</b>		
<b>Outside Malaysia:</b>		
Islamic Corporate Sukuk	-	125,184
	<u>-</u>	<u>125,184</u>
<b>Total financial investments at FVTPL</b>	<u>810,810</u>	<u>784,302</u>

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

	Note	30 September 2022 RM'000	31 December 2021 RM'000
<b>At fair value</b>			
<b>Money market instruments:</b>			
Malaysian Government Investment Issues		12,746,004	10,848,583
Khazanah Sukuk		-	29,614
		<u>12,746,004</u>	<u>10,878,197</u>

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**A11. Financial investments portfolio (cont'd.)**

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

	Note	30 September 2022 RM'000	31 December 2021 RM'000
<b>Unquoted securities:</b>			
<b>In Malaysia:</b>			
Corporate Sukuk	(a)	3,307,318	3,274,997
Equity		1,250	1,250
		<u>3,308,568</u>	<u>3,276,247</u>
<b>Outside Malaysia:</b>			
Islamic Corporate Sukuk		209,666	928,335
		<u>3,518,234</u>	<u>4,204,582</u>
<b>Total financial investments at FVOCI</b>		<u><b>16,264,238</b></u>	<u><b>15,082,779</b></u>

(a) As at 30 September 2022, the Corporate Sukuk funded by RPSIA amounting to RM625.0 million (31 December 2021: RM343.8 million) was recorded off-balance sheet, upon revision in the agreement between the Bank with the holding company and with the third party on the timing of cash flow remittance received from the financial investment to the investment account holders.

(b) Movements in the allowances for impairment losses on financial investments at FVOCI are as follows:

	Stage 1 12-month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
<b>As at 30 September 2022</b>				
At 1 January 2022	3,632	-	-	3,632
Transferred to Stage 2	(593)	593	-	-
Net remeasurement of allowances	(274)	857	-	583
New financial assets purchased	495	-	-	495
Financial assets derecognised	(2,369)	(14)	-	(2,383)
Changes in models/risk parameters	(32)	-	-	(32)
Exchange differences	258	-	-	258
At 30 September 2022	<u>1,117</u>	<u>1,436</u>	<u>-</u>	<u>2,553</u>

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**A11. Financial investments portfolio (cont'd.)**

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

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

<b>As at 31 December 2021</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>12-month ECL RM'000</b>	<b>Lifetime ECL not credit impaired RM'000</b>	<b>Lifetime ECL credit impaired RM'000</b>	
At 1 January 2021	2,812	551	-	3,363
Transferred to Stage 1	551	(551)	-	-
Net remeasurement of allowances	(114)	-	-	(114)
New financial assets purchased	2,923	-	-	2,923
Financial assets derecognised	(2,649)	-	-	(2,649)
Changes in models/risk parameters	31	-	-	31
Exchange differences	78	-	-	78
At 31 December 2021	<u>3,632</u>	<u>-</u>	<u>-</u>	<u>3,632</u>

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

	<b>Note</b>	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
<b>Money market instruments:</b>			
Malaysian Government Investment Issues		<b>15,317,289</b>	11,246,266
Khazanah Sukuk		<b>541,880</b>	826,400
		<u><b>15,859,169</b></u>	<u>12,072,666</u>
<b>Unquoted securities:</b>			
<b>In Malaysia:</b>			
Corporate Sukuk	(a)	<u><b>11,226,017</b></u>	<u>10,823,470</u>
Allowances for impairment losses	(b)	<u><b>(33,495)</b></u>	<u>(28,355)</u>
<b>Total financial investments at amortised cost</b>		<u><b>27,051,691</b></u>	<u>22,867,781</u>

(a) As at 30 September 2022, the Corporate Sukuk funded by RPSIA amounting to RM4,291.5 million (31 December 2021: RM4,984.0 million) was recorded off-balance sheet, upon revision in the agreement between the Bank with the holding company on the timing of cash flow remittance received from the financial investment to the investment account holders.

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**A11. Financial investments portfolio (cont'd.)**

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

(b) 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>Total</b>
	<b>12-month ECL</b>	<b>Lifetime ECL not credit impaired</b>	<b>Lifetime ECL credit impaired</b>	
<b>As at 30 September 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2022	28,355	-	-	28,355
Transferred to Stage 2	(1,251)	1,251	-	-
Net remeasurement of allowances	3,704	852	-	4,556
New financial assets purchased	1,014	-	-	1,014
Financial assets derecognised	(327)	-	-	(327)
Changes due to change in credit risk	(103)	-	-	(103)
At 30 September 2022	<b>31,392</b>	<b>2,103</b>	-	<b>33,495</b>

  

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>12-month ECL</b>	<b>Lifetime ECL not credit impaired</b>	<b>Lifetime ECL credit impaired</b>	
<b>As at 31 December 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2021	38,379	231,265	-	269,644
Transferred to Stage 1	346	(346)	-	-
Net remeasurement of allowances	(17,119)	-	-	(17,119)
New financial assets purchased	1,636	-	-	1,636
Financial assets derecognised	(1,249)	(230,919)	-	(232,168)
Changes in models/risk parameters	6,349	-	-	6,349
Exchange differences	13	-	-	13
At 31 December 2021	<b>28,355</b>	-	-	<b>28,355</b>



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**A12. Financing and advances**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Financing and advances*:		
(A) Financing and advances at FVOCI	<b>2,434,273</b>	2,175,615
(B) Financing and advances at amortised cost	<b>276,354,683</b>	262,214,501
	<b>278,788,956</b>	264,390,116
Unearned income	<b>(67,008,710)</b>	(68,980,345)
Gross financing and advances	<b>211,780,246</b>	195,409,771
Allowances for ECL and impairment losses:		
- Stage 1 - 12-month ECL	<b>(584,602)</b>	(556,209)
- Stage 2 - Lifetime ECL not credit impaired	<b>(1,376,245)</b>	(1,678,410)
- Stage 3 - Lifetime ECL credit impaired	<b>(1,151,330)</b>	(709,435)
Net financing and advances	<b>208,668,069</b>	192,465,717

\* As at 30 September 2022, the financing and advances funded by RPSIA amounting to RM24,320.5 million (31 December 2021: RM25,033.6 million) was recorded off-balance sheet, upon revision in the agreement between the Bank with the holding company and with the third party on the timing of cash flow remittance received from the financing and advances to the investment account holders.

The gross exposure of the financing funded by investment accounts of customers ("IA") as at 30 September 2022 was RM26,832.5 million (31 December 2021: RM28,720.8 million).

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**A12. Financing and advances (cont'd.)**

(i) Financing and advances analysed by type and Shariah concepts are as follows:

<b>As at 30 September 2022</b>	<b>Bai'<sup>1</sup></b> <b>RM'000</b>	<b>Murabahah</b> <b>RM'000</b>	<b>Musharakah</b> <b>RM'000</b>	<b>Al-Ijarah Thumma Al- Bai' ("AITAB")<sup>2</sup></b> <b>RM'000</b>	<b>Ijarah<sup>3</sup></b> <b>RM'000</b>	<b>Others</b> <b>RM'000</b>	<b>Total financing and advances</b> <b>RM'000</b>
Cashline	-	6,611,806	-	-	-	-	6,611,806
Term financing							
- House financing	12,043,140	85,674,672	1,589,367	-	-	599	99,307,778
- Syndicated financing	-	7,360,927	-	-	-	-	7,360,927
- Hire purchase receivables	-	13,121,840	-	39,810,148	-	-	52,931,988
- Lease receivables	-	-	-	-	1,292,277	-	1,292,277
- Other term financing	6,855,298	86,695,960	493,730	-	1,224	115,247	94,161,459
Trust receipts	-	190,410	-	-	-	-	190,410
Claims on customers under acceptance credits	-	5,444,464	-	-	-	-	5,444,464
Staff financing	291,708	2,493,951	6,606	138,703	-	40,291	2,971,259
Credit card receivables	-	-	-	-	-	1,584,638	1,584,638
Revolving credit	-	6,883,143	-	-	-	-	6,883,143
Share margin financing	-	44,020	-	-	-	-	44,020
Financing to:							
- Directors of the Bank	-	1,741	-	-	-	9	1,750
- Directors of related companies	-	2,812	-	167	-	58	3,037
	<b>19,190,146</b>	<b>214,525,746</b>	<b>2,089,703</b>	<b>39,949,018</b>	<b>1,293,501</b>	<b>1,740,842</b>	<b>278,788,956</b>
Unearned income							<b>(67,008,710)</b>
Gross financing and advances <sup>4</sup>							<b>211,780,246</b>
Allowances for ECL and impairment losses:							
- Stage 1 - 12-month ECL							<b>(584,602)</b>
- Stage 2 - Lifetime ECL not credit impaired							<b>(1,376,245)</b>
- Stage 3 - Lifetime ECL credit impaired							<b>(1,151,330)</b>
Net financing and advances							<b>208,668,069</b>

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

<sup>2</sup> The Bank 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 Bank 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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**A12. Financing and advances (cont'd.)**

(i) Financing and advances analysed by type and Shariah concepts are as follows (cont'd.):

<b>As at 31 December 2021</b>	<b>Bai<sup>1</sup> RM'000</b>	<b>Murabahah RM'000</b>	<b>Musharakah RM'000</b>	<b>Al-Ijarah Thumma Al- Bai' ("AITAB")<sup>2</sup> RM'000</b>	<b>Ijarah<sup>3</sup> RM'000</b>	<b>Others RM'000</b>	<b>Total financing and advances RM'000</b>
Cashline	-	6,287,366	-	-	-	-	6,287,366
Term financing							
- House financing	12,828,267	81,673,329	1,719,726	-	-	602	96,221,924
- Syndicated financing	-	5,955,729	-	-	-	-	5,955,729
- Hire purchase receivables	-	11,676,586	-	36,500,533	-	-	48,177,119
- Lease receivables	-	-	-	-	815,909	-	815,909
- Other term financing	8,317,772	82,612,398	536,521	-	-	30,604	91,497,295
Trust receipts	-	132,385	-	-	-	-	132,385
Claims on customers under acceptance credits	-	5,227,288	-	-	-	-	5,227,288
Staff financing	340,773	2,357,766	7,330	156,719	-	36,492	2,899,080
Credit card receivables	-	-	-	-	-	1,355,004	1,355,004
Revolving credit	-	5,760,355	-	-	-	-	5,760,355
Share margin financing	-	55,212	-	-	-	-	55,212
Financing to:							
- Directors of the Bank	-	1,451	-	-	-	4	1,455
- Directors of related companies	-	3,570	-	300	-	125	3,995
	<u>21,486,812</u>	<u>201,743,435</u>	<u>2,263,577</u>	<u>36,657,552</u>	<u>815,909</u>	<u>1,422,831</u>	<u>264,390,116</u>
Unearned income							<u>(68,980,345)</u>
Gross financing and advances <sup>4</sup>							195,409,771
Allowances for ECL and impairment losses:							
- Stage 1 - 12-month ECL							(556,209)
- Stage 2 - Lifetime ECL not credit impaired							(1,678,410)
- Stage 3 - Lifetime ECL credit impaired							<u>(709,435)</u>
Net financing and advances							<u>192,465,717</u>

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

<sup>2</sup> The Bank 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 Bank 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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**A12. Financing and advances (cont'd.)**

(ii) Financing and advances analysed by type of customers are as follows:

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Domestic non-banking financial institutions	4,984,217	4,102,492
Domestic business enterprises:		
- Small and medium enterprises	36,878,842	30,636,404
- Others	18,582,312	19,993,497
Government and statutory bodies	3,032,444	2,315,399
Individuals	146,100,391	136,439,893
Other domestic entities	85,222	75,855
Foreign entities	2,116,818	1,846,231
Gross financing and advances	<u>211,780,246</u>	<u>195,409,771</u>

(iii) Financing and advances analysed by profit rate sensitivity are as follows:

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Fixed rate:		
- House financing	1,661,714	1,618,632
- Hire purchase receivables	35,746,732	32,783,987
- Other financing	15,529,671	13,899,657
Floating rate:		
- House financing	64,518,173	59,652,877
- Other financing	94,323,956	87,454,618
Gross financing and advances	<u>211,780,246</u>	<u>195,409,771</u>

(iv) Financing and advances analysed by their economic purposes are as follows:

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Purchase of securities	26,429,200	25,278,402
Purchase of transport vehicles	48,006,280	43,898,276
Purchase of landed properties:		
- Residential	66,998,647	61,572,937
- Non-residential	17,390,396	16,204,503
Purchase of fixed assets (excluding landed properties)	263,409	177,947
Personal use	3,162,731	3,252,580
Purchase of consumer durables	418	520
Constructions	2,469,360	2,037,500
Mergers and acquisitions	460,000	500,000
Working capital	44,968,690	41,086,366
Credit cards	1,631,115	1,400,740
Gross financing and advances	<u>211,780,246</u>	<u>195,409,771</u>

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**A12. Financing and advances (cont'd.)**

(v) The maturity profile of financing and advances are as follows:

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Within one year	<b>25,021,786</b>	23,468,423
One year to three years	<b>7,151,322</b>	7,961,295
Three years to five years	<b>18,763,880</b>	16,372,043
After five years	<b>160,843,258</b>	147,608,010
Gross financing and advances	<b>211,780,246</b>	195,409,771

(vi) Movements in the credit impaired financing and advances are as follows:

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Gross impaired financing and advances at 1 January	<b>1,492,756</b>	2,452,406
Impaired during the financial period	<b>1,170,669</b>	238,626
Reclassified as non-impaired	<b>(55,256)</b>	(36,215)
Amount recovered	<b>(203,750)</b>	(339,776)
Amount written off	<b>(256,409)</b>	(233,810)
Amount related to Restricted Investment Account	<b>-</b>	(588,475)
Gross impaired financing and advances at 30 September 2022/ 31 December 2021	<b>2,148,010</b>	1,492,756
Less: Stage 3 - Lifetime ECL credit impaired	<b>(1,151,330)</b>	(709,435)
Net impaired financing and advances at 30 September 2022/ 31 December 2021	<b>996,680</b>	783,321

Calculation of ratio of net impaired financing and advances (excluding financing funded by IA):

Gross impaired financing and advances	<b>2,073,935</b>	1,429,024
Less: Stage 3 - Lifetime ECL credit impaired	<b>(1,151,330)</b>	(709,435)
Net impaired financing and advances	<b>922,605</b>	719,589
Gross financing and advances	<b>184,947,766</b>	166,688,972
Less: Allowances for financing and advances at amortised cost and at fair value through other comprehensive income	<b>(3,116,844)</b>	(2,946,356)
Net financing and advances	<b>181,830,922</b>	163,742,616
Ratio of net impaired financing and advances	<b>0.51%</b>	0.44%

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**A12. Financing and advances (cont'd.)**

(vii) Credit impaired financing and advances analysed by their economic purposes are as follows:

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Purchase of securities	12,016	11,569
Purchase of transport vehicles	133,653	126,187
Purchase of landed properties:		
- Residential	280,105	291,858
- Non-residential	202,406	146,632
Purchase of fixed assets (excluding landed properties)	3,223	920
Personal use	37,638	39,409
Purchase of consumer durables	2	2
Constructions	207,551	25,099
Working capital	1,263,879	844,904
Credit cards	7,537	6,176
Gross credit impaired financing and advances	<b>2,148,010</b>	<b>1,492,756</b>

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

**At fair value through other comprehensive income**

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>12-month ECL RM'000</b>	<b>Lifetime ECL not credit impaired RM'000</b>	<b>Lifetime ECL credit impaired RM'000</b>	
<b>As at 30 September 2022</b>				
At 1 January 2022	2,302	-	-	2,302
Net remeasurement of allowances	2,490	-	-	2,490
Financial assets derecognised	(51)	-	-	(51)
Changes in models/risk parameters	(125)	-	-	(125)
Exchange differences	51	-	-	51
At 30 September 2022	<b>4,667</b>	<b>-</b>	<b>-</b>	<b>4,667</b>

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**A12. Financing and advances (cont'd.)**

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

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

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>As at 31 December 2021</b>				<b>RM'000</b>
At 1 January 2021	1,662	2,494	-	4,156
Net remeasurement of allowances	133	-	-	133
New financial assets originated or purchased	47	-	-	47
Financial assets derecognised	(636)	(2,494)	-	(3,130)
Changes in models/risk parameters	1,085	-	-	1,085
Exchange differences	11	-	-	11
At 31 December 2021	<u>2,302</u>	<u>-</u>	<u>-</u>	<u>2,302</u>

**At amortised cost**

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>As at 30 September 2022</b>				<b>RM'000</b>
At 1 January 2022	556,209	1,678,410	709,435	2,944,054
Transferred to Stage 1	149,723	(144,257)	(5,466)	-
Transferred to Stage 2	(27,331)	41,005	(13,674)	-
Transferred to Stage 3	(6,521)	(134,934)	141,455	-
Net remeasurement of allowances	(248,890)	(55,075)	630,185	326,220
New financial assets originated or purchased	183,245	51,920	-	235,165
Financial assets derecognised	(52,948)	(61,667)	(85,845)	(200,460)
Changes in models/risk parameters	(731)	(77)	-	(808)
Amount written off	-	-	(256,409)	(256,409)
Exchange differences	31,846	920	31,649	64,415
At 30 September 2022	<u>584,602</u>	<u>1,376,245</u>	<u>1,151,330</u>	<u>3,112,177</u>

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**A12. Financing and advances (cont'd.)**

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

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

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>12-month ECL RM'000</b>	<b>Lifetime ECL not credit impaired RM'000</b>	<b>Lifetime ECL credit impaired RM'000</b>	
<b>As at 31 December 2021</b>				
At 1 January 2021	574,213	1,209,931	1,254,822	3,038,966
Transferred to Stage 1	241,131	(229,027)	(12,104)	-
Transferred to Stage 2	(17,310)	45,043	(27,733)	-
Transferred to Stage 3	(5,392)	(27,532)	32,924	-
Net remeasurement of allowances	(245,822)	741,141	117,932	613,251
New financial assets originated or purchased	115,763	51,554	-	167,317
Financial assets derecognised	(42,288)	(75,656)	(24,227)	(142,171)
Changes in models/risk parameters	(44,063)	(20,640)	-	(64,703)
Amount related to Restricted Investment Accounts	(20,279)	(17,223)	(409,064)	(446,566)
Amount written off	-	-	(233,810)	(233,810)
Exchange differences	256	819	10,695	11,770
<b>At 31 December 2021</b>	<b>556,209</b>	<b>1,678,410</b>	<b>709,435</b>	<b>2,944,054</b>



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**A13. Derivative financial instruments**

The table below shows the fair values of derivative financial instruments, recorded as assets or liabilities, together with their notional amounts. The notional amount, recorded gross, is the amount of derivative's underlying asset, reference rate or index and is the basis upon which change in the value of derivatives are measured. The notional amounts indicate the volume of transactions outstanding at the reporting date and are indicative of neither the market risks nor the credit risk.

The Bank enters into derivative financial instruments at the request and on behalf of its customers as well as to hedge the Bank's own exposures and not for speculative purpose.

	30 September 2022			31 December 2021		
	Principal Amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000	Principal Amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000
<b><u>Trading derivatives</u></b>						
<b><u>Foreign exchange related contracts</u></b>						
Currency forwards:						
- Less than one year	8,677,231	256,772	(50,008)	8,617,698	26,173	(35,464)
- One year to three years	750,437	17,086	(17,086)	574,349	2,475	(2,475)
- More than three years	2,600,390	26,784	(26,784)	2,704,174	6,242	(6,242)
	<b>12,028,058</b>	<b>300,642</b>	<b>(93,878)</b>	11,896,221	34,890	(44,181)
Currency swaps:						
- Less than one year	10,386,191	82,995	(208,540)	15,398,762	19,239	(65,804)
Currency spots:						
- Less than one year	315,029	567	(10,695)	400,910	65	(1,283)
Currency options:						
- Less than one year	75,486	156	(156)	7,157	38	(38)

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**A13. Derivative financial instruments (cont'd.)**

	30 September 2022			31 December 2021		
	Principal Amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000	Principal Amount RM'000	Fair value Assets RM'000	Fair value Liabilities RM'000
<b><u>Trading derivatives (cont'd.)</u></b>						
<b><u>Foreign exchange related contracts (cont'd.)</u></b>						
Cross currency profit rate swaps:						
- Less than one year	6,926	449	(449)	2,114,560	7,548	(7,548)
- One year to three years	8,893	533	(533)	24,137	112	(112)
- More than three years	427,175	13,489	(13,489)	405,012	7,759	(7,759)
	<b>442,994</b>	<b>14,471</b>	<b>(14,471)</b>	<b>2,543,709</b>	<b>15,419</b>	<b>(15,419)</b>
<b><u>Profit rate related contracts</u></b>						
Profit rate swaps:						
- Less than one year	490,000	692	(692)	490,000	4,185	(4,185)
- One year to three years	3,004,751	17,093	(20,031)	4,622,648	37,370	(36,085)
- More than three years	220,000	4,697	(4,607)	392,321	6,214	(10,550)
	<b>3,714,751</b>	<b>22,482</b>	<b>(25,330)</b>	<b>5,504,969</b>	<b>47,769</b>	<b>(50,820)</b>
<b>Total</b>	<b>26,962,509</b>	<b>421,313</b>	<b>(353,070)</b>	<b>35,751,728</b>	<b>117,420</b>	<b>(177,545)</b>

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**A14. Other assets**

	30 September 2022 RM'000	31 December 2021 RM'000
Amount due from holding company	4,150,252	3,880,724
Handling fees	211,278	190,877
Prepayments and deposits	22,253	16,079
Tax recoverable	-	171,447
Margin account with holding company	177,620	114,110
Other debtors	916,982	431,238
	<b>5,478,385</b>	<b>4,804,475</b>

**A15. Deposits from customers**

(i) By type of deposits

	30 September 2022 RM'000	31 December 2021 RM'000
<b>Savings deposits</b>		
Murabahah	28,148,182	26,302,000
Qard	1,224,194	3,496,477
	<b>29,372,376</b>	<b>29,798,477</b>
<b>Demand deposits</b>		
Murabahah	40,445,581	32,042,239
Qard	1,841,636	1,362,014
	<b>42,287,217</b>	<b>33,404,253</b>
<b>Term deposits</b>		
Murabahah	130,324,626	115,751,729
Qard	1,115,278	560,459
	<b>131,439,904</b>	<b>116,312,188</b>
	<b>203,099,497</b>	<b>179,514,918</b>

(ii) By type of customers

	30 September 2022 RM'000	31 December 2021 RM'000
Business enterprises	69,612,975	54,833,259
Individuals	56,762,733	51,692,158
Government and statutory bodies	44,242,899	36,389,382
Others	32,480,890	36,600,119
	<b>203,099,497</b>	<b>179,514,918</b>

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**A16. Investment accounts**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Investment accounts of customers		
- Unrestricted investment accounts <sup>1</sup>	<b>26,832,480</b>	28,720,799
Restricted investment accounts managed by the Bank <sup>2</sup>	<b>29,022,022</b>	30,147,795

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

	<b>Unrestricted investment accounts<sup>1</sup> RM'000</b>	<b>Restricted investment accounts managed by the Bank<sup>2</sup> RM'000</b>
<b>As at 30 September 2022</b>		
Business enterprises	14,403,082	-
Individuals	10,530,149	-
Government and statutory bodies	218,764	-
Licensed banks	-	28,346,216
Others	1,680,485	675,806
	<b>26,832,480</b>	<b>29,022,022</b>

	<b>Unrestricted investment accounts<sup>1</sup> RM'000</b>	<b>Restricted investment accounts managed by the Bank<sup>2</sup> RM'000</b>
<b>As at 31 December 2021</b>		
Business enterprises	16,564,421	-
Individuals	10,159,957	-
Government and statutory bodies	205,058	-
Licensed banks	-	29,511,958
Others	1,791,363	635,837
	<b>28,720,799</b>	<b>30,147,795</b>

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**A16. Investment accounts (cont'd.)**

(ii) Maturity profile of investment accounts are as follows:

<b>As at 30 September 2022</b>	<b>Unrestricted investment accounts<sup>1</sup> RM'000</b>	<b>Restricted investment accounts managed by the Bank<sup>2</sup> RM'000</b>
- without maturity	22,045,430	-
- with maturity	4,787,050	29,022,022
Within six months	3,918,052	8,336,034
Six months to one year	854,385	323,537
One year to three years	9,269	3,671,382
Three years to five years	5,344	16,691,069
	<b>26,832,480</b>	<b>29,022,022</b>
<b>As at 31 December 2021</b>	<b>Unrestricted investment accounts<sup>1</sup> RM'000</b>	<b>Restricted investment accounts managed by the Bank<sup>2</sup> RM'000</b>
- without maturity	23,666,368	-
- with maturity	5,054,431	30,147,795
Within six months	3,560,977	8,099,298
Six months to one year	1,483,337	54,362
One year to three years	4,741	3,715,037
Three years to five years	5,376	18,279,098
	<b>28,720,799</b>	<b>30,147,795</b>

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**A16. Investment accounts (cont'd.)**

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

	<b>Unrestricted investment accounts<sup>1</sup> RM'000</b>	<b>Restricted investment accounts managed by the Bank<sup>2</sup> RM'000</b>
<b>As at 30 September 2022</b>		
Retail financing	25,182,480	-
Non-retail financing	1,650,000	24,321,622
Corporate Sukuk	-	4,700,400
	<b>26,832,480</b>	<b>29,022,022</b>
	<b>Unrestricted investment accounts<sup>1</sup> RM'000</b>	<b>Restricted investment accounts managed by the Bank<sup>2</sup> RM'000</b>
<b>As at 31 December 2021</b>		
Retail financing	26,965,529	-
Non-retail financing	1,755,270	24,819,965
Corporate Sukuk	-	5,327,830
	<b>28,720,799</b>	<b>30,147,795</b>

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

	<b>Investment account holder ("IAH")</b>	
	<b>Average profit sharing ratio (%)</b>	<b>Average rate of return (%)</b>
<b>As at 30 September 2022</b>		
Investment accounts of customers	<b>30.10</b>	<b>1.81</b>
- Unrestricted investment accounts <sup>1</sup>		
Restricted investment accounts managed by the Bank <sup>2</sup>	<b>76.14</b>	<b>3.34</b>

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**A16. Investment accounts (cont'd.)**

(iv) Profit sharing ratio and rate of return are as follows (cont'd.):

	Investment account holder ("IAH")	
	Average profit sharing ratio (%)	Average rate of return (%)
<b>As at 31 December 2021</b>		
Investment accounts of customers		
- Unrestricted investment accounts <sup>1</sup>	29.55	1.18
Restricted investment accounts managed by the Bank <sup>2</sup>	78.41	3.20

<sup>1</sup> The total funds invested in Multi-Asset Investment Account-i ("MAIA") product was RM148.8 million (31 December 2021: RM515.4 million) of which RM89.0 million (31 December 2021: RM254.1 million) are the funds managed by the Bank. The remaining are managed by a related entity, Maybank Islamic Asset Management Sdn Bhd ("MIAM") where the funds are invested in marketable securities with net asset value of RM59.8 million as at 30 September 2022 (31 December 2021: RM261.3 million). The funds managed by MIAM are excluded from the asset and liability of the Bank.

<sup>2</sup> Included in the restricted investment accounts managed by the Bank is an arrangement between the Bank with the holding company and with the third party where the Bank acts as an investment agent to manage and administer the restricted investment accounts amounting to RM28,346.2 million and RM675.8 million (31 December 2021: RM29,512.0 million and RM635.8 million) respectively. The amount of restricted investment accounts managed by the Bank are disclosed net of any impairment allowances required on the underlying financial assets funded by the restricted investment accounts.

**A17. Deposits and placements of banks and other financial institutions**

	30 September 2022 RM'000	31 December 2021 RM'000
<u>Non-Mudharabah Fund</u>		
Licensed banks	13,734,230	21,378,327
Licensed Islamic banks	598,399	948,712
Licensed investment banks	263,577	267,265
Other financial institutions	1,379,397	1,592,324
	<b>15,975,603</b>	<b>24,186,628</b>

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**A18. Other liabilities**

	Note	30 September 2022 RM'000	31 December 2021 RM'000
Sundry creditors		532,332	1,285,618
Deposit on trade financing		59,805	125,593
Provisions and accruals		64,582	44,371
Allowances for impairment losses on financing commitments and financial guarantee contracts	(i)	100,513	50,720
Lease liabilities		7,598	5,957
Structured deposits		60,935	3,592
Amount due to related company		10,432	5,270
		<b>836,197</b>	<b>1,521,121</b>

(i) Movements in the allowances for impairment losses on financing 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>As at 30 September 2022</b>				
At 1 January 2022	31,665	17,433	1,622	50,720
Transferred to Stage 1	803	(800)	(3)	-
Transferred to Stage 2	(1,318)	1,318	-	-
Transferred to Stage 3	(2)	(6,652)	6,654	-
Net remeasurement of allowances	1,565	467	44,548	46,580
New credit exposures originated or purchased	23,074	9,991	-	33,065
Credit exposures derecognised	(20,191)	(8,707)	(1,249)	(30,147)
Changes in models/risk parameters	(45)	-	-	(45)
Exchange differences	235	105	-	340
At 30 September 2022	<b>35,786</b>	<b>13,155</b>	<b>51,572</b>	<b>100,513</b>
<b>As at 31 December 2021</b>				
At 1 January 2021	26,366	9,592	383	36,341
Transferred to Stage 1	76	(76)	-	-
Transferred to Stage 2	(18)	18	-	-
Transferred to Stage 3	(98)	-	98	-
Net remeasurement of allowances	(22,761)	563	1,422	(20,776)
New credit exposures originated or purchased	31,073	9,653	-	40,726
Credit exposures derecognised	(3,190)	(2,294)	(281)	(5,765)
Changes in models/risk parameters	1	(39)	-	(38)
Exchange differences	216	16	-	232
At 31 December 2021	<b>31,665</b>	<b>17,433</b>	<b>1,622</b>	<b>50,720</b>



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**A19. Sources and uses of charity funds**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
<b>Sources of charity funds</b>		
Shariah non-compliant/prohibited income	<u>272</u>	-
<b>Total sources of charity funds during the period/year</b>	<u><b>272</b></u>	<u>-</u>
<b>Uses of charity funds</b>		
Contribution to non-profit organisation	-	- <sup>1</sup>
<b>Total uses of charity funds during the period/year</b>	<u>-</u>	<u>-</u>
<b>Undistributed charity funds at 30 September 2022 31 December 2021</b>	<u><b>272</b></u>	<u>-</u>

<sup>1</sup> Does not include fund refunded to customers of RM61.84 made during the year.

**A20. Term Funding**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Unsecured term funding:		
(a) Commercial Paper - Less than one year	<b>7,931,676</b>	7,947,135
(b) Medium Term Notes - Less than one year	<b>2,023,704</b>	2,002,762
(c) Term funding - More than one year (note(a))	<u><b>995,814</b></u>	973,280
<b>Total term funding</b>	<u><b>10,951,194</b></u>	<u>10,923,177</u>

Note(a): Term funding relates to amounts received by the Bank 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.

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**A21. Subordinated Sukuk**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
RM1,000 million subordinated sukuk due in 2029	1,022,069	1,010,849
RM1,000 million subordinated sukuk due in 2031	1,003,734	1,010,965
	<b><u>2,025,803</u></b>	<b><u>2,021,814</u></b>

**A22. Capital Securities**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
RM1,000 million 4.95% Additional Tier 1 Sukuk Wakalah	<b><u>1,014,782</u></b>	<b><u>1,002,441</u></b>

**A23. Income derived from investment of depositors' funds**

	<b>Third Quarter Ended</b>		<b>Cumulative 9 Months Ended</b>	
	<b>30 September 2022 RM'000</b>	<b>30 September 2021 RM'000</b>	<b>30 September 2022 RM'000</b>	<b>30 September 2021 RM'000</b>
Income derived from investment of:				
i) General investment deposits	1,793,522	1,315,742	4,346,724	4,177,782
ii) Other deposits	747,758	728,258	2,369,785	2,379,543
	<b><u>2,541,280</u></b>	<b><u>2,044,000</u></b>	<b><u>6,716,509</u></b>	<b><u>6,557,325</u></b>

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**A23. Income derived from investment of depositors' funds (cont'd.)**

**i) Income derived from investment of general investment deposits**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<b>Finance income and hibah</b>				
Financing and advances	1,334,889	969,000	3,231,267	3,155,787
Money at call and deposits with financial institutions	34,926	49,252	85,876	126,032
Financial assets purchased under resale agreements	26,777	11,467	72,058	30,387
Financial investments at fair value through other comprehensive income	109,623	92,593	278,814	290,767
Financial investments at amortised cost	182,123	141,593	468,299	371,708
Financial investments at fair value through profit or loss	789	679	1,318	2,981
	<u>1,689,127</u>	<u>1,264,584</u>	<u>4,137,632</u>	<u>3,977,662</u>
Amortisation of premiums, net	<u>(13,669)</u>	<u>(7,512)</u>	<u>(36,765)</u>	<u>(24,903)</u>
<b>Total finance income and hibah</b>	<b>1,675,458</b>	<b>1,257,072</b>	<b>4,100,867</b>	<b>3,952,759</b>
<b>Other operating income :</b>				
Fee income:				
- Processing fees	6,151	5,100	20,589	21,579
- Commissions	37,579	26,398	102,473	88,191
- Service charges and other fees	35,431	25,258	94,270	79,343
Gains on disposal of financial investments at fair value through other comprehensive income	5,809	9,422	10,462	41,804
(Losses)/gains on redemption of financial investments at amortised cost	-	(5)	-	305
Gains on disposal of financial investments at fair value through profit or loss	126	1,590	639	273
Unrealised gains/(losses) on revaluation of:				
- Financial investments at fair value through profit or loss	497	45	(174)	131
- Derivatives	939	1,565	3,496	(3,596)
Gains/(losses) on foreign exchange:				
- Realised	135,861	61,500	422,545	73,852
- Unrealised	(104,963)	(72,578)	(410,532)	(77,727)
Realised gains on derivatives	37	129	678	404
Others	597	246	1,411	464
<b>Total other operating income</b>	<b>118,064</b>	<b>58,670</b>	<b>245,857</b>	<b>225,023</b>
<b>Total</b>	<b>1,793,522</b>	<b>1,315,742</b>	<b>4,346,724</b>	<b>4,177,782</b>

Included in finance income are income on impaired assets amounting to RM28.3 million (30 September 2021: RM23.9 million).

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**A23. Income derived from investment of depositors' funds (cont'd.)**

**ii) Income derived from investment of other deposits**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<b>Finance income and hibah</b>				
Financing and advances	556,897	535,758	1,761,651	1,797,175
Money at call and deposits with financial institutions	14,450	27,485	46,818	71,774
Financial assets purchased under resale agreements	10,518	6,391	39,285	17,305
Financial investments at fair value through other comprehensive income	44,520	51,273	152,006	165,587
Financial investments at amortised cost	73,507	78,943	255,312	211,682
Financial investments at fair value through profit or loss	383	370	719	1,698
	<u>700,275</u>	<u>700,220</u>	<u>2,255,791</u>	<u>2,265,221</u>
Amortisation of premiums, net	(5,371)	(4,150)	(20,044)	(14,182)
<b>Total finance income and hibah</b>	<b>694,904</b>	<b>696,070</b>	<b>2,235,747</b>	<b>2,251,039</b>
<b>Other operating income :</b>				
Fee income:				
- Processing fees	2,053	2,784	11,225	12,289
- Commissions	14,641	14,579	55,867	50,223
- Service charges and other fees	14,015	13,986	51,395	45,184
Gains on disposal of financial investments at fair value through other comprehensive income	2,748	5,128	5,704	23,807
(Losses)/gains on redemption of financial investments at amortised cost	-	(2)	-	535
Gains on disposal of financial investments at fair value through profit or loss	22	915	348	155
Unrealised gains/(losses) on revaluation of:				
- Financial investments at fair value through profit or loss	331	24	(95)	74
- Derivatives	282	929	1,906	(2,048)
Gains/(losses) on foreign exchange:				
- Realised	48,239	34,932	230,367	42,057
- Unrealised	(29,692)	(41,295)	(223,818)	(44,265)
Realised (losses)/gains on derivatives	(37)	71	370	230
Others	252	137	769	263
<b>Total other operating income</b>	<b>52,854</b>	<b>32,188</b>	<b>134,038</b>	<b>128,504</b>
<b>Total</b>	<b>747,758</b>	<b>728,258</b>	<b>2,369,785</b>	<b>2,379,543</b>

Included in finance income are income on impaired assets amounting to RM15.4 million (30 September 2021: RM13.6 million).

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**A24. Income derived from investment of investment account funds**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Financing and advances	274,548	239,509	814,041	694,452
<b>Total finance income and hibah</b>	<b>274,548</b>	239,509	<b>814,041</b>	694,452
<b>Other operating income :</b>				
Fee income:				
- Commissions	594	65	1,521	170
- Service charges and other fees	96	6	256	22
<b>Total other operating income</b>	<b>690</b>	71	<b>1,777</b>	192
<b>Total</b>	<b>275,238</b>	239,580	<b>815,818</b>	694,644

**A25. Income derived from investment of shareholder's funds**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<b>Finance income and hibah</b>				
Financing and advances	102,271	118,887	271,156	289,329
Money at call and deposits with financial institutions	2,669	5,571	7,206	11,555
Financial assets purchased under resale agreements	2,014	1,311	6,047	2,786
Financial investments at fair value through other comprehensive income	8,329	11,212	23,397	26,658
Financial investments at amortised cost	13,812	16,143	39,298	34,079
Financial investments at fair value through profit or loss	64	94	111	273
	<b>129,159</b>	153,218	<b>347,215</b>	364,680
Amortisation of premiums, net	<b>(1,028)</b>	(927)	<b>(3,085)</b>	(2,283)
<b>Total finance income and hibah</b>	<b>128,131</b>	152,291	<b>344,130</b>	362,397

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**A25. Income derived from investment of shareholder's funds (cont'd.)**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
<b>Other operating income :</b>				
Fee income:				
- Processing fees	442	694	1,728	1,978
- Commissions	2,820	3,270	8,599	8,086
- Service charges and other fees	2,671	3,059	7,911	7,274
Gains on disposal of financial investments at fair value through other comprehensive income	464	1,309	878	3,833
Gains on redemption of financial investments at amortised cost	-	7	-	49
Gains on disposal of financial investments at fair value through profit or loss	8	128	54	25
Unrealised gains/(losses) on revaluation of:				
- Financial investments at fair value through profit or loss	45	5	(15)	12
- Derivatives	65	72	293	(330)
Gains/(losses) on foreign exchange:				
- Realised	9,927	5,808	35,458	6,771
- Unrealised	(7,237)	(6,725)	(34,450)	(7,126)
Realised gains on derivatives	-	16	57	37
Others	45	25	118	42
<b>Total other operating income</b>	<b>9,250</b>	<b>7,668</b>	<b>20,631</b>	<b>20,651</b>
<b>Total</b>	<b>137,381</b>	<b>159,959</b>	<b>364,761</b>	<b>383,048</b>

Included in finance income are income on impaired assets amounting to RM2.4 million (30 September 2021: RM2.2 million).

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**A26. Allowances for impairment losses on financing and advances, net**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Allowances for/(writeback of) impairment losses on financing and advances:				
- Stage 1 - 12-month ECL, net	14,499	(25,054)	(112,607)	(117,270)
- Stage 2 - Lifetime ECL not credit impaired, net	2,423	341,317	(63,148)	735,309
- Stage 3 - Lifetime ECL credit impaired, net	159,588	27,255	587,639	99,556
Impaired financing and advances written off	3,729	3,093	10,579	8,877
Impaired financing and advances recovered	(31,489)	(16,157)	(82,435)	(52,258)
Allowances for/(writeback of) impairment losses on other debts	53	(62)	(121)	185
	<u>148,803</u>	<u>330,392</u>	<u>339,907</u>	<u>674,399</u>

**A27. Allowances for/(writeback of) impairment losses on financial investments, net**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	(2,195)	8	(2,180)	(831)
- Stage 2 - Lifetime ECL not credit impaired, net	(272)	-	843	-
	<u>(2,467)</u>	<u>8</u>	<u>(1,337)</u>	<u>(831)</u>
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	4,242	1,031	4,288	(10,025)
- Stage 2 - Lifetime ECL not credit impaired, net	190	-	852	(230,919)
	<u>4,432</u>	<u>1,031</u>	<u>5,140</u>	<u>(240,944)</u>
	<u>1,965</u>	<u>1,039</u>	<u>3,803</u>	<u>(241,775)</u>

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**A28. (Writeback of)/allowances for impairment losses on other financial assets, net**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	<b>(2,375)</b>	2,170	<b>(3,879)</b>	2,902
	<b>(2,375)</b>	2,170	<b>(3,879)</b>	2,902

**A29. Profit distributed to depositors**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Deposits from customers				
- Non-mudharabah fund	<b>784,095</b>	561,486	<b>1,997,125</b>	1,711,573
Deposits and placements of banks and other financial institutions				
- Mudharabah fund	-	240,851	-	718,046
- Non-mudharabah fund	<b>119,307</b>	69,965	<b>311,911</b>	166,444
	<b>119,307</b>	310,816	<b>311,911</b>	884,490
Structured deposits				
- Non-mudharabah fund	<b>156</b>	16	<b>418</b>	29
	<b>903,558</b>	872,318	<b>2,309,454</b>	2,596,092



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**A30. Overhead expenses**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Personnel expenses	15,568	12,530	45,613	38,069
- Salaries, allowances and bonuses	11,441	9,120	34,124	28,932
- Retirement cost	1,696	1,385	5,242	4,347
- ESGP expenses	514	742	1,836	2,205
- Other staff related expenses	1,917	1,283	4,411	2,585
Establishment costs	2,100	2,116	4,675	5,387
- Depreciation of right-of-use assets	820	763	2,294	2,276
- Depreciation of property, plant and equipment	67	113	226	329
- Repairs, servicing and maintenance	32	24	(448)	93
- Information technology expenses	1,134	1,133	2,426	2,430
- Finance cost on lease liabilities	47	83	177	259
Marketing costs	2,030	2,645	4,471	6,814
- Advertisement and publicity	1,302	1,573	2,314	3,177
- Others	728	1,072	2,157	3,637
Administration and general expenses	531,832	378,734	1,429,633	1,127,436
- Fees and brokerage	24,996	11,810	59,598	47,992
- Administrative expenses	4,732	2,928	13,834	9,719
- General expenses	6,942	5,482	18,639	(32,410)
- Shared service cost paid/payable to Maybank and related company	495,162	358,514	1,337,562	1,102,135
<b>Total</b>	<b>551,530</b>	<b>396,025</b>	<b>1,484,392</b>	<b>1,177,706</b>

**A31. Finance costs**

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Subordinated sukuk	18,652	18,653	55,348	57,506
Capital securities	12,476	12,476	37,023	37,023
Term funding	78,003	71,684	218,125	211,451
	<b>109,131</b>	<b>102,813</b>	<b>310,496</b>	<b>305,980</b>

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**A32. Taxation and zakat**

The analysis of the taxation and zakat expense are as follows:

	Third Quarter Ended		Cumulative 9 Months Ended	
	30 September 2022 RM'000	30 September 2021 RM'000	30 September 2022 RM'000	30 September 2021 RM'000
Malaysian income tax	402,350	(133,334)	1,103,911	760,447
(Over)/under provision in prior period: Malaysian income tax	(16,424)	428,546	(2,239)	428,546
Deferred tax				
- Relating to origination and reversal of temporary differences	<u>(11,003)</u>	<u>(133,473)</u>	<u>(9,947)</u>	<u>(489,791)</u>
Tax expense for the financial period	<b>374,923</b>	161,739	<b>1,091,725</b>	699,202
Zakat	<b>4,363</b>	8,073	<b>33,501</b>	19,237
	<b><u>379,286</u></b>	<b><u>169,812</u></b>	<b><u>1,125,226</u></b>	<b><u>718,439</u></b>

**A33. Subsequent events to the balance sheet**

There were no material events subsequent to the balance sheet date that require disclosure or adjustment to the unaudited condensed interim financial statements.

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**A34. Commitments and contingencies**

In the normal course of business, the Bank makes various commitments and incurs 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 Bank as at the reporting dates are as follows:

	30 September 2022			31 December 2021		
	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	2,914,113	2,679,513	2,258,131	2,845,299	2,236,690	1,589,255
Certain transaction-related contingent items	3,291,836	1,612,031	969,802	3,316,724	1,623,110	1,120,828
Short-term self-liquidating trade-related contingencies	978,368	197,193	83,777	500,796	102,269	39,713
	<b>7,184,317</b>	<b>4,488,737</b>	<b>3,311,710</b>	<b>6,662,819</b>	<b>3,962,069</b>	<b>2,749,796</b>
<b><u>Commitments</u></b>						
Irrevocable commitments to extend credit:						
- maturity within one year	36,476,030	1,820,656	342,604	31,073,338	1,493,386	262,960
- maturity exceeding one year	10,686,027	21,804,471	8,052,215	10,411,607	20,641,624	8,367,924
	<b>47,162,057</b>	<b>23,625,127</b>	<b>8,394,819</b>	<b>41,484,945</b>	<b>22,135,010</b>	<b>8,630,884</b>
Miscellaneous commitments and contingencies	99,419	-	-	83,465	-	-
Total credit-related commitments and contingencies	<b>54,445,793</b>	<b>28,113,864</b>	<b>11,706,529</b>	<b>48,231,229</b>	<b>26,097,079</b>	<b>11,380,680</b>

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

In the normal course of business, the Bank makes various commitments and incurs certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions. (cont'd.)

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

	30 September 2022			31 December 2021		
	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>Derivative financial instruments</u></b>						
Foreign exchange related contracts:						
- less than one year	19,460,863	387,780	136,509	26,539,087	173,490	54,161
- one year to less than five years	2,542,191	173,336	58,975	1,577,464	87,013	34,567
- more than five years	1,244,704	133,838	82,893	2,130,208	176,384	82,878
Profit rate related contracts:						
- less than one year	490,000	1,035	604	490,000	5,042	3,028
- one year to less than five years	3,004,751	21,539	12,602	4,714,969	82,015	61,906
- more than five years	220,000	13,860	5,269	300,000	22,879	8,803
Total treasury-related commitments and contingencies	<b>26,962,509</b>	<b>731,388</b>	<b>296,852</b>	<b>35,751,728</b>	<b>546,823</b>	<b>245,343</b>
<b>Total commitments and contingencies</b>	<b>81,408,302</b>	<b>28,845,252</b>	<b>12,003,381</b>	<b>83,982,957</b>	<b>26,643,902</b>	<b>11,626,023</b>

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

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**A35. Capital Adequacy**

**(a) Capital Adequacy Framework**

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

<b>Common Equity Tier I ("CET1") 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 Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued by BNM on 3 May 2019 for Islamic Banks.

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 ratio of the Bank are computed in accordance with BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) both issued on 9 December 2020 and 3 May 2019 respectively. The total RWA are computed based on the following approaches:

- (i) Credit risk under Internal Ratings-Based Approach and Standardised Approach;
- (ii) Market risk under Standardised Approach; and
- (iii) 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 current financial year ending 31 December 2022 (2021: 4.5%, 6.0% and 8.0% of total RWA).

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

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

The capital adequacy ratios of the Bank are as follows:

	<b>30 September 2022</b>	<b>31 December 2021</b>
<b>Capital ratios</b>		
CET1 capital ratio	12.631%	15.981%
Tier 1 capital ratio	13.727%	17.173%
Total capital ratio	<b>16.451%</b>	<b>20.077%</b>

**(d) Components of Tier 1 and Tier 2 capital:**

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
<b>CET1 capital</b>		
Share capital	11,029,955	10,322,374
Retained profits	1,310,606	3,247,267
Other reserves	257,589	193,984
<b>CET1 capital before regulatory adjustments</b>	<b>12,598,150</b>	<b>13,763,625</b>
Less: Regulatory adjustment applied in CET1 capital	<b>(1,067,459)</b>	<b>(359,160)</b>
Deferred tax assets	<b>(408,905)</b>	<b>(190,616)</b>
Gain of financial instruments classified as 'fair value through other comprehensive income'	<b>(24,842)</b>	<b>(47,530)</b>
Regulatory reserve	<b>(633,712)</b>	<b>(121,014)</b>
<b>Total CET1 Capital</b>	<b>11,530,691</b>	<b>13,404,465</b>
<b>Additional Tier 1 Capital</b>		
Capital securities	<b>1,000,000</b>	1,000,000
<b>Total Tier 1 capital</b>	<b>12,530,691</b>	<b>14,404,465</b>
<b>Tier 2 capital</b>		
Subordinated sukuk	<b>2,000,000</b>	2,000,000
General provision <sup>1</sup>	<b>25,880</b>	10,735
Surplus of eligible provision over expected loss	<b>460,936</b>	425,171
<b>Total Tier 2 capital</b>	<b>2,486,816</b>	<b>2,435,906</b>
<b>Total Capital</b>	<b>15,017,507</b>	<b>16,840,371</b>

<sup>1</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.

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

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

	<b>30 September 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
Standardised Approach exposure	<b>3,314,515</b>	2,192,197
Internal Ratings-Based Approach exposure after scaling factor	<b>87,382,155</b>	83,621,226
Total RWA for credit risk	<b>90,696,670</b>	85,813,423
Total RWA for credit risk absorbed by the holding company and Investment Account Holders ("IAH") <sup>^</sup>	<b>(10,559,545)</b>	(12,759,358)
Total RWA for market risk	<b>533,064</b>	1,316,769
Total RWA for operational risk	<b>10,615,970</b>	9,507,656
<b>Total RWA</b>	<b>91,286,159</b>	83,878,490

<sup>^</sup> 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. Fair value measurements of financial instruments**

**(a) 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 those 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 sukuk and less illiquid equities and consumer financing and advances 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 market inputs. The valuation techniques used are consistent with the Level 2 but incorporate the Bank's own assumptions and data. Examples of Level 3 instruments include corporate sukuk in illiquid markets, private equity investments and financing and advances priced primarily based on internal credit assessment.

**(b) Valuation techniques**

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

*Derivatives*

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

*Financial investments at fair value through profit or loss and financial investments at fair value through other comprehensive income*

The fair values of financial investments are determined by reference to prices quoted by independent data providers and independent brokers.

*Financing and advances 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 customers with similar credit profiles.



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**A36. Fair value of financial instruments (cont'd.)**

The classification in the fair value hierarchy of the Bank's financial assets and financial liabilities measured at fair value as at 30 September 2022 and 31 December 2021 is summarised in the table:

As at 30 September 2022	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	

Financial assets measured at fair value:

<b>Financial investments at fair value through profit and loss</b>	-	810,810	-	810,810
<i>Money market instruments</i>	-	810,810	-	810,810
<b>Financial investments at fair value through other comprehensive income</b>	-	16,262,988	1,250	16,264,238
<i>Money market instruments</i>	-	12,746,004	-	12,746,004
<i>Unquoted securities</i>	-	3,516,984	1,250	3,518,234
<b>Financing and advances at fair value through other comprehensive income</b>	-	-	2,434,273	2,434,273
<b>Derivative assets</b>	-	421,313	-	421,313
<i>Foreign exchange related contracts</i>	-	398,831	-	398,831
<i>Profit rate related contracts</i>	-	22,482	-	22,482
	-	17,495,111	2,435,523	19,930,634

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	-	353,070	-	353,070
<i>Foreign exchange related contracts</i>	-	327,740	-	327,740
<i>Profit rate related contracts</i>	-	25,330	-	25,330
	-	353,070	-	353,070

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**A36. Fair value of financial instruments (cont'd.)**

The classification in the fair value hierarchy of the Bank's financial assets and financial liabilities measured at fair value as at 30 September 2022 and 31 December 2021 is summarised in the table

As at 31 December 2021	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value:				
<b>Financial investments at fair value through profit and loss</b>	-	784,302	-	784,302
<i>Money market instruments</i>	-	659,118	-	659,118
<i>Unquoted securities</i>	-	125,184	-	125,184
<b>Financial investments at fair value through other comprehensive income</b>	-	15,081,529	1,250	15,082,779
<i>Money market instruments</i>	-	10,878,197	-	10,878,197
<i>Unquoted securities</i>	-	4,203,332	1,250	4,204,582
<b>Financing and advances at fair value through other comprehensive income</b>	-	-	2,175,615	2,175,615
<b>Derivative assets</b>	-	117,420	-	117,420
<i>Foreign exchange related contracts</i>	-	69,651	-	69,651
<i>Profit rate related contracts</i>	-	47,769	-	47,769
	-	15,983,251	2,176,865	18,160,116

Financial liabilities measured at fair value:

<b>Derivative liabilities</b>	-	177,545	-	177,545
<i>Foreign exchange related contracts</i>	-	126,725	-	126,725
<i>Profit rate related contracts</i>	-	50,820	-	50,820
	-	177,545	-	177,545

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**A36. Fair value of financial instruments (cont'd.)**

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

	At 1 January 2022 RM'000	Unrealised gain recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Settlements RM'000	Exchange differences RM'000	At 30 September 2022 RM'000
<b>As at 30 September 2022</b>						
<b>Financial investments at fair value through other comprehensive income</b>						
<i>Unquoted securities</i>	1,250	-	-	-	-	1,250
<b>Financing and advances at fair value through other comprehensive income</b>	2,175,615	33,408	349,593	(137,945)	13,602	2,434,273
<b>Total Level 3 financial assets</b>	<b>2,176,865</b>	<b>33,408</b>	<b>349,593</b>	<b>(137,945)</b>	<b>13,602</b>	<b>2,435,523</b>

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**A36. Fair value of financial instruments (cont'd.)**

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

	At 1 January 2021 RM'000	Unrealised losses recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Settlements/ amount related to RPSIA RM'000	Exchange differences RM'000	At 31 December 2021 RM'000
<b>As at 31 December 2021</b>						
<b>Financial investments at fair value through other comprehensive income</b>						
<i>Unquoted securities</i>	1,250	-	-	-	-	1,250
<b>Financing and advances at fair value through other comprehensive income</b>	2,741,267	(2)	133,394	(703,231)	4,187	2,175,615
<b>Total Level 3 financial assets</b>	<u>2,742,517</u>	<u>(2)</u>	<u>133,394</u>	<u>(703,231)</u>	<u>4,187</u>	<u>2,176,865</u>

The Bank'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 Bank during the 9 months financial period ended 30 September 2022.

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

There were no transfers into or out of Level 3 for the Bank during the 9 months financial period ended 30 September 2022.

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**Part B: Review of Performance & Current Year Prospects**

**B1. Performance Review**

The Bank recorded a profit before taxation and zakat of RM3,347.5 million for the third quarter ended 30 September 2022, an increase of 15.3% or RM444.3 million compared to the previous corresponding period.

Allowance for impairment of assets for the Bank decreased by RM95.7 million from an impairment charge of RM435.5 million in last year corresponding period to an impairment charge of RM339.8 million for the third quarter ended 30 September 2022.

Total income increased by RM262.1 million or 3.4% from RM7,635.0 million in previous corresponding period to RM7,897.1 million. Total income represents income derived from investment of depositors' funds, income derived from investment account funds and income derived from investment of shareholder's funds of RM6,716.5 million, RM815.8 million and RM364.8 million respectively.

As at 30 September 2022, the Bank's gross financing and advances for the period grew by 8.4% to RM211.8 billion as compared to RM195.4 billion recorded as at 31 December 2021. Total Islamic banking assets owned and managed by the Bank increased by 4.1% to RM304.0 billion as compared to RM292.0 billion recorded as at last financial year.

Total customer funding increased by 10.4% to RM229.9 billion, contributed by growth in customer deposits of 13.1% at RM203.1 billion against RM179.5 billion as at 31 December 2021. Investment account of customers decreased by 6.6% to RM26.8 billion from RM28.7 billion in the last financial year.

The Bank's capital position continued to be strong and well above regulatory requirements as reflected by its Common Equity Tier I, Tier I Capital Ratio and Total Capital Ratio of 12.631%, 13.727% and 16.451% respectively.

**B2. Prospects**

The Malaysian economy continues to build on the momentum of economic recovery and is expected to grow at +8% in 2022 (2021: +3.1%), fuelled by domestic and external demand from full economic reopening and a rebound in export activities. The strong pace of growth seen in the nine months of 2022 of 9.3% is expected to moderate in the final quarter of 2022 and for the full year of 2023 considering the global economic slowdown and the dampening effect of rising inflation and tightening monetary policies. Possible upside movement to the Overnight Policy Rate (OPR) remains, after the OPR was raised by +100bps to 2.75% in 2022. Nonetheless, Malaysia's near-term growth outlook remains resilient with sound macroeconomic fundamentals, stable financial conditions as well as a broad-based and diversified economic structure.

**MAYBANK ISLAMIC BERHAD**  
**(Co. Reg. No.: 200701029411)**  
**(Incorporated in Malaysia)**

**Part B: Review of Performance & Current Year Prospects (cont'd.)**

**B2. Prospects (cont'd.)**

The Bank will continue to pursue its long term strategy under the refined M25+ strategy, which focuses on building its global Islamic banking leadership, particularly via the Global Islamic Wealth Management strategic programme. Additionally, the Bank is focused on driving its financing growth in key business segments whilst defending its low-cost funding base. Taking cognisance of an uncertain economic environment, the Bank together with Maybank Group will remain committed to support the needs of its stakeholders through proactive engagements on a targeted basis to extend additional support for those in need and as part of its robust asset quality management process.

The Bank is optimistic of an improved performance in 2022 on the back of anticipated regional economic recovery and remains committed to support the domestic economies of its home markets. Together with its Group counterparts, the Bank remains committed towards promoting greater financial inclusion, sustainable solutions, as well as supporting the transition to a low-carbon economy, with digitalisation to be featured prominently in the execution.