CONDENSED FINANCIAL STATEMENTS UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

Group	Note	30 September 2023 RM'000	31 December 2022 RM'000
ASSETS			
Cash and short-term funds	14	832,076	1,098,279
Deposits and placements with a financial institution	15	746,570	434,806
Financial investments portfolio	16	1,334,876	1,482,735
Loans and advances	17	112,287	111,329
Derivative financial assets	21 (i)	162,470	153,273
Other assets	18	624,065	605,853
Tax recoverable		39,933	24,550
Property, plant and equipment		5,101	2,998
Right-of-use assets		10,091	5,715
Intangible assets		13,106	10,131
Deferred tax assets		9,624	16,622
TOTAL ASSETS		3,890,199	3,946,291
LIABILITIES			
Deposits and placements from a financial institution	19	1,347,024	1,494,146
Derivative financial liabilities	21 (i)	408,822	410,637
Other liabilities	20	1,499,228	1,394,427
Provision for zakat		300	693
Subordinated obligation		35,331	35,055
TOTAL LIABILITIES		3,290,705	3,334,958
SHAREHOLDER'S EQUITY			
Share capital		222,785	222,785
Reserves		376,709	388,548
TOTAL EQUITY		599,494	611,333
			,
		2 000 400	2.040.004
SHAREHOLDER'S EQUITY		3,890,199	3,946,291
COMMITMENTS AND CONTINGENCIES	29	2,591,167	2,386,502

CONDENSED FINANCIAL STATEMENTS UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

Bank	Note	30 September 2023 RM'000	31 December 2022 RM'000
ASSETS			
Cash and short-term funds	14	799,023	1,065,971
Deposits and placements with a financial institution	15	746,549	434,786
Financial investments portfolio	16	1,334,876	1,482,735
Loans and advances	17	112,287	111,329
Derivative financial assets	21 (i)	162,470	153,273
Other assets	18	623,901	605,721
Tax recoverable		39,998	24,566
Investment in subsidiaries		197,267	197,267
Property, plant and equipment		5,101	2,998
Right-of-use assets		10,091	5,715
Intangible assets		13,106	10,131
Deferred tax assets		9,624	16,622
TOTAL ASSETS		4,054,293	4,111,114
LIABILITIES			
Deposits and placements from a financial institution	19	1,347,024	1,494,146
Derivative financial liabilities	21 (i)	408,822	410,637
Other liabilities	20	1,669,907	1,565,253
Provision for zakat		300	693
Subordinated obligation		35,331	35,055
TOTAL LIABILITIES		3,461,384	3,505,784
SHAREHOLDER'S EQUITY			
Share capital		222,785	222,785
Reserves		370,124	382,545
TOTAL EQUITY		592,909	605,330
TOTAL LIABILITIES AND			
SHAREHOLDER'S EQUITY		4,054,293	4,111,114
COMMITMENTS AND CONTINGENCIES	29	2,591,167	2,386,502

CONDENSED FINANCIAL STATEMENTS UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

		Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months End		
		•	30 September	•	30 September	
0	NI-1	2023	2022	2023	2022	
Group	Notes	RM'000	RM'000	RM'000	RM'000	
Interest income	22	16,660	7,279	36,129	17,447	
Interest expense	23	(16,988)	(11,221)	(44,629)	(26,407)	
Net interest expense		(328)	(3,942)	(8,500)	(8,960)	
Income from Islamic Banking Scheme operations	31	7,546	8,655	36,662	33,931	
Non-interest income	24	72,050	76,545	251,160	285,456	
Direct costs	25	(10,150)	(8,087)	(24,016)	(26,390)	
Net income		69,118	73,171	255,306	284,037	
Overhead expenses	26	(68,974)	(68,155)	(214,910)	(225,999)	
Operating profit		144	5,016	40,396	58,038	
Writeback of/(allowance for) impairment on						
loans and advances and other assets, net	27	616	(729)	1,062	(674)	
Profit before taxation and zakat		760	4,287	41,458	57,364	
Taxation and zakat		4,098	(639)	(7,608)	(14,048)	
Profit for the period, attributable to equity						
holder of the Bank		4,858	3,648	33,850	43,316	
Basic and diluted earnings per share (sen),						
attributable to equity holder of the Bank		10	7	68	86	
Other comprehensive (loss)/income: Item that will not be reclassified subsequently to profit or loss:						
Net gain on revaluation of financial asset at fair value through other comprehensive income <i>Item that may be reclassified subsequently to</i>		-	69	88	69	
profit or loss:						
Net (loss)/gain on foreign exchange translation		(104)	(76)	222	(177)	
Other comprehensive (loss)/income for the period, net of tax		(104)	(7)	310	(108)	
Total comprehensive income for the period,		(104)	(7)	310	(100)	
attributable to equity holder of the Bank		4,754	3,641	34,160	43,208	

CONDENSED FINANCIAL STATEMENTS UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

		Unaudited		Unaudited		
		Third Qua	rter Ended	Cumulative 9	Months Ended	
	N <i>i</i>	2023	30 September 2022	2023	30 September 2022	
<u>Bank</u>	Notes	RM'000	RM'000	RM'000	RM'000	
Interest income	22	16,460	7,145	35,553	17,089	
Interest expense	23	(16,988)	(11,221)	(44,629)	(26,407)	
Net interest expense		(528)	(4,076)	(9,076)	(9,318)	
Income from Islamic Banking Scheme operations	31	7,546	8,655	36,662	33,931	
Non-interest income	24	72,050	76,545	251,160	285,456	
Direct costs	25	(10,150)	(8,087)	(24,016)	(26,390)	
Net income		68,918	73,037	254,730	283,679	
Overhead expenses	26	(68,945)	(68,126)	(214,822)	(225,910)	
Operating (loss)/profit		(27)	4,911	39,908	57,769	
Writeback of/(allowance for) impairment on						
loans and advances and other assets, net	27	616	(729)	1,062	(674)	
Profit before taxation and zakat		589	4,182	40,970	57,095	
Taxation and zakat		4,143	(610)	(7,480)	(13,972)	
Profit for the period, attributable to equity						
holder of the Bank		4,732	3,572	33,490	43,123	
Other comprehensive income:						
Item that will not be reclassified subsequently to profit or loss:						
Net gain on revaluation of financial asset at fair			69	88	<u></u>	
value through other comprehensive income			69	88	69	
Other comprehensive income for the			69	88	60	
period, net of tax			69	88	69	
Total comprehensive income for the period, attributable to equity holder of the Bank		4,732	3,641	33,578	43,192	
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CONDENSED FINANCIAL STATEMENTS UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

	<	Non-dist Regulatory	ributable Fair value through other comprehensive income	Exchange	Distributable Retained	
Group	capital RM'000	reserve RM'000	reserve RM'000	reserve RM'000	earnings RM'000	Total RM'000
At 1 January 2023	222,785	11,372	1,053	(407)	376,530	611,333
Profit for the period	-	-	-	-	33,850	33,850
Other comprehensive income	-	-	88	222	-	310
Total comprehensive income for the period	-	-	88	222	33,850	34,160
Transfer to regulatory reserve	-	4,659	-	-	(4,659)	-
Dividend	-	-	-	-	(45,999)	(45,999)
At 30 September 2023	222,785	16,031	1,141	(185)	359,722	599,494
At 1 January 2022	222,785	14,046	984	(241)	509,375	746,949
Profit for the period	-	-	-	-	43,316	43,316
Other comprehensive income/(loss)	-	-	69	(177)	-	(108)
Total comprehensive income/(loss) for the period	-	-	69	(177)	43,316	43,208
Transfer to regulatory reserve	-	(1,965)	-	-	1,965	-
Dividend		-	-	-	(192,607)	(192,607)
At 30 September 2022	222,785	12,081	1,053	(418)	362,049	597,550

CONDENSED FINANCIAL STATEMENTS UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

	<>			Distributable	
			Fair value through other comprehensive		
	Share	Regulatory	income	Retained	
	capital	reserve	reserve	earnings	Total
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	222,785	11,372	1,053	370,120	605,330
Profit for the period	-	-	-	33,490	33,490
Other comprehensive income	-	-	88	-	88
Total comprehensive income for the period	-	-	88	33,490	33,578
Transfer to regulatory reserve	-	4,659	-	(4,659)	-
Dividend	-	-	-	(45,999)	(45,999)
At 30 September 2023	222,785	16,031	1,141	352,952	592,909
At 1 January 2022	222,785	14,046	984	503,261	741,076
Profit for the period	-	-	-	43,123	43,123
Other comprehensive income	-	-	69	-	69
Total comprehensive income for the period	-	-	69	43,123	43,192
Transfer to regulatory reserve	-	(1,965)	-	1,965	-
Dividend	-	-	-	(192,607)	(192,607)
At 30 September 2022	222,785	12,081	1,053	355,742	591,661

MAYBANK INVESTMENT BANK BERHAD (Co. Reg. No.: 197301002412)

(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS UNAUDITED STATEMENTS OF CASH FLOWS FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023

30 September 30 September 30 September 20 Septem			Group		Bank		
Cash flows from operating activities Profit before taxation and zakat 41,458 57,364 40,970 57,095 Adjustments for: Depreciation of property, plant and equipment 26 6,288 6,261 1,431 1,046 1,431 Depreciation of property, plant and equipment 26 6,288 6,261 6,288 6,261 Amortisation of computer software 26 1,536 1,921 1,536 1,921 Finance cost on lease liabilities 27 (949) 1,081 (949) 1,081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Realised (gain)/loss from sale of financial assets 24 (13,779) 113,969 (13,779) 113,969 Unrealised pais no revaluation of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Operating toss before working capital changes (26,564) (300,656) (165,864) (300,656) (312,490) 21,595 (312,490) 21,595 (312,490) 21,595 (312,490) 21,595			2023	2022	2023	2022	
Profit before taxation and zakat 41,458 57,364 40,970 57,095 Adjustments for: Depreciation of property, plant and equipment 26 1,046 1,431 1,046 1,431 Depreciation of property, plant and equipment 26 6,288 6,221 6,288 6,221 Amottisation of computer software 26 1,536 1,921 1,536 1,921 Finance cost on lease liabilities 26 276 235 276 235 (Writeback of)/allowance for impairment on loans and advances and other assets, net 27 (949) 1,081 (949) 1,081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Unrealised loss from sale of financial assets at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loais nor revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (185,964) (300,656) (312,490) 21,595 (312,490) 21,595 Change in deposits		Note	RM'000	RM'000	RM'000	RM'000	
Profit before taxation and zakat 41,458 57,364 40,970 57,095 Adjustments for: Depreciation of property, plant and equipment 26 1,046 1,431 1,046 1,431 Depreciation of property, plant and equipment 26 6,288 6,221 6,288 6,221 1,536 1,921 Finance cost on lease liabilities 26 276 235 276 235 (Writeback of)/allowance for impairment on loans and advances and other assets, net 27 (949) 1,081 (949) 1,081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Unrealised loss on revaluation of financial assets at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loais nor revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (165,864) (300,656) (16,86,47) (28,470)<	Cash flows from operating activities						
Adjustments for: Depreciation of property, plant and equipment 26 1,046 1,431 1,046 1,431 Depreciation of right-O-use assets 26 6,288 6,281 6,288 6,281 6,283 6,261 6,283 6,261 6,303 6,313 6,313 6,313 6,314 6,353 5,640 1,365 1,459 Uradised ios for sale of financial assets 72,512 93,222 72,512 93,222 72,512 93,222 72,512 93,222 72,512 93,222 72,512 93,222 72,512 93,222 72,512 93,222 7			41,458	57.364	40.970	57 095	
Depreciation of property, plant and equipment 26 1,046 1,431 1,046 1,431 Depreciation of right-of-use assets 26 6,288 6,261 6,283 6,261 6,283 6,261 6,283 6,261 6,283 6,261 6,283 6,261 6,283 6,261 6,283 6,261 6,293 235			,	01,001	,	01,000	
Depreciation of night-of-use assets 26 6,288 6,261 6,288 6,261 Amortisation of computer software 26 1,536 1,921 1,536 1,921 Finance cost on lease liabilities 26 276 235 276 235 (Writeback of/allowance for impairment on loans and advances and other assets, net 27 (949) 1,081 (949) 1,081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Realised loss from sale of financial assets at fair value through profit or loss, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Operating loss before working capital changes (25,972) (38,278) (26,460) (38,477) Change in cash and short-term funds with original maturity more than three months (312,490) 21,595 (312,490) 21,595 Change in obens and advances (957) 907 (957) 907 Change in obens and advances (957)	Depreciation of property, plant and equipment	26	1,046	1,431	1,046	1,431	
Finance cost on lease liabilities 26 276 235 276 235 (Writeback of/allowance for impairment on loans and advances and other assets, net 27 (949) 1.081 (949) 1.081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Realised loss on revaluation of financial assets at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loss on revaluation of financial assets at fair value through profit or loss, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (25,972) (38,278) (26,460) (38,547) Change in deposits and placements with original maturity more than three months 8,642 7,801 8,642 7,801 8,642 7,801 Change in obera assets (27,928) (4,540) (27,896) (4,710) Change in other assets (27,928) (147,122) 357,470		26	6,288	6,261	6,288	6,261	
(Writeback of)/allowance for impairment on loans and advances and other assets, net 27 (949) 1,081 (949) 1,081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Realised (gain)/loss from sale of financial assets at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loss on revaluation of financial assets at fair value through profit or loss, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Operating loss before working capital changes (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (185,864) (300,656) (26,400) (28,577) Change in deposits and placements with original maturity more than three months 8,642 7,801 8,642 7,801 Change in loans and advances (957) 907 (957) 907 (25,792) (4,540) (27,896) (4,710) Change in loans and advances (957) 907 (957,99) 419,533 (16,386) (11,14	Amortisation of computer software	26	1,536	1,921	1,536	1,921	
and advances and other assets, net 27 (949) 1,081 (949) 1,081 Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Realised (gin)/loss from sale of financial assets assets at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loss from sale of derivative financial instruments, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Operating loss before working capital changes (105,864) (300,656) (105,864) (300,656) Change in cash and short-term funds with original maturity more than three months (312,490) 21,595 (312,490) 21,595 Change in loans and advances (957) 907 (957) 907 (957) 907 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (27,928) (4,540) (27,896) (4,710) <	Finance cost on lease liabilities	26	276	235	276	235	
Gross dividends 24 (23,540) (31,459) (23,540) (31,459) Realised (gain)/loss from sale of financial assets at fair value through profit or loss, net mancial instruments, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loss on revaluation of financial assets at fair value through profit or loss, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Operating loss before working capital changes (165,864) (300,656) (165,864) (300,656) Change in cash and short-term funds with original maturity more than three months 8,642 7,801 8,642 7,801 Change in deposits and placements with original maturity more than three months (312,490) 21,595 (312,490) 21,595 Change in oleans and advances (957) 907 (957) 907 Change in other isabilities (147,122) 357,470 (147,122) 357,470 Change in other isabilities (11,6386) (13,142) (16,307) (13,079)	(Writeback of)/allowance for impairment on loans						
Realised (gain)/loss from sale of financial assets at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loss on revaluation of financial assets at fair value through profit or loss, net 24 72,512 93,222 72,512 93,222 Realised loss on revaluation of financial instruments, net 24 72,512 93,222 72,512 93,222 Operating loss before working capital changes (165,864) (300,656) (165,864) (300,656) Change in cash and short-term funds with original maturity more than three months 8,642 7,801 8,642 7,801 Change in financial investments portfolio and derivative financial investments (312,490) 21,595 (312,490) 21,595 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (25,156) (147,122) 357,470 (147,122) 357,470 Change in other assets (25,156) (221,542) 406,989 (222,066) 406,454 Cash (used in)/generated from operations (205,156) (13,149) (725) (3,149) (725) Purchase of property, plant and equipment Purchase of property,	and advances and other assets, net	27	(949)	1,081	(949)	1,081	
at fair value through profit or loss, net 24 (13,779) 113,969 (13,779) 113,969 Unrealised loss on revaluation of financial assets at fair value through profit or loss, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Unrealised gain on revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (25,972) (38,278) (26,460) (38,547) Change in deposits and placements with original maturity more than three months 8,642 7,801 8,642 7,801 Change in deposits and placements portfolio and derivative financial instruments (312,490) 21,595 (312,490) 21,595 Change in olans and advances (957) 907 (957) 907 Change in olans and placements from a financial institution (147,122) 357,470 (147,122) 357,470 Change in oher liabilities (146,366) (13,142) (16,307) (13,079)	Gross dividends	24	(23,540)	(31,459)	(23,540)	(31,459)	
Unrealised loss on revaluation of financial assets at fair value through profit or loss, net Realised loss from sale of derivative financial instruments, net 24 72,512 93,222 72,512 93,222 Realised loss on revaluation of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Unrealised gain on revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (165,864) (300,656) (26,460) (38,547) Change in cash and short-term funds with original maturity more than three months 8,642 7,801 8,642 7,801 Change in financial instruments (312,490) 21,595 (312,490) 21,595 Change in loans and advances (957) 907 (957) 907 Change in deposits and placements from a financial institution (147,122) 357,470 (147,122) 357,470 Change in deposits and placements from a financial institution (147,122) 357,470 (147,122) 357,470 Change in deposits and placements from a financial institution (147,122) 357,470	Realised (gain)/loss from sale of financial assets						
assets at fair value through profit or loss, net Realised loss from sale of derivative financial instruments, net 24 72,512 93,222 72,512 93,222 Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Operating loss before working capital changes 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (25,972) (38,278) (26,460) (38,577) Change in deposits and placements with original maturity more than three months (312,490) 21,595 (312,490) 21,595 Change in indencial instruments 188,022 67,626 189,022 67,626 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (27,928) (4,540) (27,896) (111,602 7,391 Cash (used in)/generated from operations (16,386) (13,142) (16,307) (13,079) (13,079) Cash flows from investing activities (221,542) 406,989 (222,066) 406,454 (254) (725) <	at fair value through profit or loss, net	24	(13,779)	113,969	(13,779)	113,969	
Realised loss from sale of derivative financial instruments, net 24 55,044 18,353 55,044 18,353 Unrealised gain on revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (25,972) (38,278) (26,460) (38,547) Change in cash and short-term funds with original maturity more than three months 8,642 7,801 8,642 7,801 Change in financial investments portfolio and derivative financial instruments (312,490) 21,595 (312,490) 21,595 Change in financial instruments (957) 907 (957) 907 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (27,928) (145,082) 27,391 Cash (used in)/generated from operations (205,156) 420,131 (205,759) 419,533 Taxation and zakat paid, net (16,386) (13,142) (16,307) (13,079) Net cash (used in)/generated from operating activities (22,154) 406,989 (222,066) 406,454 Cash flows from investing activities (3,149)	Unrealised loss on revaluation of financial						
financial instruments, net 24 55,044 18,353 55,044 18,353 Unrealised gain on revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (25,972) (38,278) (26,460) (38,547) Change in cash and short-term funds with original maturity more than three months 8,642 7,801 8,642 7,801 Change in deposits and placements with original investments portfolio and derivative financial instruments (312,490) 21,595 (312,490) 21,595 Change in loans and advances (957) 907 (957) 907 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (147,122) 357,470 (147,122) 357,470 Change in other assets (205,156) 420,131 (205,759) 419,533 Taxation and zakat paid, net (16,386) (13,142) (16,307) (13,079) Net cash (used in)/generated from operating activities (21,171) (4,511) (2,117) (4,511) (2,117) Purchase of property, plant and equipment	assets at fair value through profit or loss, net	24	72,512	93,222	72,512	93,222	
Unrealised gain on revaluation of derivative financial instruments, net 24 (165,864) (300,656) (165,864) (300,656) Operating loss before working capital changes (25,972) (38,278) (26,460) (38,547) Change in cash and short-term funds with original maturity more than three months 8,642 7,801 8,642 7,801 Change in deposits and placements with original maturity more than three months (312,490) 21,595 (312,490) 21,595 Change in financial instruments 189,022 67,626 189,022 67,626 Change in loans and advances (957) 907 (957) 907 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (205,756) 111,502 7,391 Cash (used in)/generated from operations 111,649 7,550 111,502 7,391 Cash flows from investing activities (21,542) 406,989 (222,066) 406,454 Cash flows from investing activities (3,149) (725) (3,149) (725) Purchase of property, plant and equipment (4,511) (2,117) (4,511) (2,117)	Realised loss from sale of derivative						
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Change in deposits and placements with (312,490) 21,595 (312,490) 21,595 Change in financial investments portfolio and derivative financial instruments 189,022 67,626 189,022 67,626 Change in loans and advances (957) 907 (957) 907 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in deposits and placements from a financial institution (147,122) 357,470 (147,122) 357,470 Change in other liabilities 111,649 7,550 111,502 7,391 Cash (used in)/generated from operations (205,156) 420,131 (205,759) 419,533 Taxation and zakat paid, net (16,386) (13,142) (16,307) (13,079) Net cash (used in)/generated from operating activities (221,542) 406,989 (222,066) 406,454 Cash flows from investing activities 23,540 31,459 (31,45) (725) (3,149) (725) Purchase of property, plant and equipment (3,149) (725) (3,149) (725) (3,149) (725) Purchase of computer software (4,511) <td< td=""><td>Change in cash and short-term funds with</td><td></td><td></td><td></td><td></td><td></td></td<>	Change in cash and short-term funds with						
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Change in financial investments portfolio and derivative financial instruments 189,022 67,626 189,022 67,626 Change in loans and advances (957) 907 (957) 907 Change in loans and advances (27,928) (4,540) (27,896) (4,710) Change in other assets (27,928) (4,540) (27,896) (4,710) Change in other assets (147,122) 357,470 (147,122) 357,470 Change in other liabilities 111,649 7,550 111,502 7,391 Cash (used in)/generated from operations (205,156) 420,131 (205,759) 419,533 Taxation and zakat paid, net (16,386) (13,142) (16,307) (13,079) Net cash (used in)/generated from operating activities (221,542) 406,989 (222,066) 406,454 Cash flows from investing activities (3,149) (725) (3,149) (725) Purchase of property, plant and equipment (3,149) (725) (3,149) (725) Purchase of computer software (4,511) (2,117) (4,511) (2,117) Net cash generated from investing activities 15,8	Change in deposits and placements with						
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Change in loans and advances (957) 907 (957) 907 Change in other assets (27,928) (4,540) (27,896) (4,710) Change in deposits and placements from a financial institution (147,122) 357,470 (147,122) 357,470 Change in other liabilities 111,649 7,550 111,502 7,391 Cash (used in)/generated from operations (205,156) 420,131 (205,759) 419,533 Taxation and zakat paid, net (16,386) (13,142) (16,307) (13,079) Net cash (used in)/generated from operating activities (221,542) 406,989 (222,066) 406,454 Cash flows from investing activities (3,149) (725) (3,149) (725) Purchase of property, plant and equipment (3,149) (725) (3,149) (725) Purchase of computer software (4,511) (2,117) (4,511) (2,117) Net dividends received 23,540 31,459 23,540 31,459 Net cash generated from investing activities 15,880 28,617 15,880 28,617 Cash flows from financing activities (554) <td< td=""><td>Change in financial investments portfolio and</td><td></td><td></td><td></td><td></td><td></td></td<>	Change in financial investments portfolio and						
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Change in other liabilities 111,649 7,550 111,502 7,391 Cash (used in)/generated from operations (205,156) 420,131 (205,759) 419,533 Taxation and zakat paid, net (16,386) (13,142) (16,307) (13,079) Net cash (used in)/generated from operating activities (221,542) 406,989 (222,066) 406,454 Cash flows from investing activities (3,149) (725) (3,149) (725) Purchase of property, plant and equipment (3,149) (725) (3,149) (725) Purchase of computer software (4,511) (2,117) (4,511) (2,117) Net dividends received 23,540 31,459 23,540 31,459 Net cash generated from investing activities 15,880 28,617 15,880 28,617 Cash flows from financing activities (554) (554) (554) (554) (554) Interest payment of subordinated obligation (45,999) (192,607) (45,999) (192,607) Dividend paid (6,294) (6,577) (6,294) (6,577) (6,577)							
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Interest payment of subordinated obligation (554) (554) (554) (554) Dividend paid (45,999) (192,607) (45,999) (192,607) Repayment of lease liabilities (6,294) (6,577) (6,294) (6,577)	Net cash generated non investing activities		15,000	20,017	15,000	20,017	
Dividend paid (45,999) (192,607) (45,999) (192,607) Repayment of lease liabilities (6,294) (6,577) (6,294) (6,577)	Cash flows from financing activities						
Repayment of lease liabilities (6,294) (6,577) (6,294) (6,577)	Interest payment of subordinated obligation		(554)	(/	(554)	(554)	
	•			(192,607)		(192,607)	
Net cash used in financing activities (52,847) (199,738) (52,847) (199,738)	Net cash used in financing activities		(52,847)	(199,738)	(52,847)	(199,738)	

CONDENSED FINANCIAL STATEMENTS UNAUDITED STATEMENTS OF CASH FLOWS

FOR THE THIRD QUARTER ENDED 30 SEPTEMBER 2023 (CONT'D.)

		Group		Bank		
		30 September 3 2023	0 September 2022	30 September 3 2023	30 September 2022	
	Note	RM'000	RM'000	RM'000	RM'000	
Net (decrease)/increase in cash and cash equivale	ents	(258,509)	235,868	(259,033)	235,333	
Cash and cash equivalents at the beginning of the	e period	1,069,073	963,686	1,036,745	931,355	
Effects of foreign exchange rate changes		222	(177)	-	-	
Cash and cash equivalents at the end of the period	od	810,786	1,199,377	777,712	1,166,688	
Cash and cash equivalents comprise:						
Cash and short-term funds	14	832,076	1,243,681	799,023	1,211,012	
Deposits and placements with a financial						
institution	15	746,570	539,895	746,549	539,875	
		1,578,646	1,783,576	1,545,572	1,750,887	
Less:						
Cash and short-term funds and deposits and placements with original maturity more than						
three months		(767,860)	(584,199)	(767,860)	(584,199)	
		810,786	1,199,377	777,712	1,166,688	

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting

1. Basis of Preparation

The unaudited condensed interim financial statements of the Group and of 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 profit or loss, financial investments at fair value through other comprehensive income and derivative financial instruments.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting and IAS 34 Interim Financial Reporting.

The unaudited condensed interim financial statements do not include all the information and disclosure required in the audited financial statements, and should be read in conjunction with the audited 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 year ended 31 December 2022.

The unaudited condensed interim financial statements include those activities relating to the Islamic banking business which have been undertaken by the Group. Islamic banking business refers generally to capital market and stockbroking activities under the principles of Shariah.

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

Description	Effective for annual periods beginning on or after
MFRS 17 Insurance Contracts Amendments to MFRS 101 - Presentation of Financial Statements	1 January 2023
- Disclosure of Accounting Policies	1 January 2023
Amendments to MFRS 101 - Classification of Liabilities as Current or Non-current Amendments to MFRS 108 - Accounting Policies, Changes in Accounting Estimates	1 January 2023
and Errors - Definition of Accounting Estimates Amendments to MFRS 112 Income taxes - Deferred Tax related to Assets and	1 January 2023
Liabilities arising from a Single Transaction	1 January 2023

Adoption of the above standards and annual improvements to standards, where applicable do not have any significant financial impact on the financial statements of the Group and of the Bank in the period of initial application.

2. Significant Accounting Policies

The audited financial statements of the Group and of the Bank for the financial year ended 31 December 2022 were prepared in accordance with MFRS, 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 financial statements for the financial year ended 31 December 2022 except for the adoption of the new MFRS, amendments to MFRS and annual improvements to MFRS which are effective for annual periods beginning on or after 1 January 2023 as disclosed in Note 1.

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting (Cont'd.)

3. 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 were applied to the audited financial statements for the financial year ended 31 December 2022.

4. Auditors' Report on Annual Financial Statements

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

5. 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 third quarter ended 30 September 2023.

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

During the third quarter ended 30 September 2023, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank.

7. Changes in Estimates

There were no material changes in estimates during the third quarter ended 30 September 2023.

8. Changes in Debt and Equity Securities

There were no issuances, cancellations, share buy-backs, resale of shares bought back and repayment of debt and equity securities by the Group and the Bank during the third quarter ended 30 September 2023.

9. Changes in the Composition of the Group

There were no changes in the composition of the Group during the third quarter ended 30 September 2023.

10. Dividend

(i) Dividend Paid

On 24 February 2023, the Board of Directors declared a single-tier second interim dividend in respect of the financial year ended 31 December 2022 of approximately RM0.34 on 50,116,000 ordinary shares, amounting to a net dividend of RM17,241,000. The dividend was paid on 31 March 2023.

On 7 August 2023, the Board of Directors declared a single-tier first interim dividend in respect of the financial year ending 31 December 2023 of approximately RM0.57 on 50,116,000 ordinary shares, amounting to a net dividend of RM28,758,000. The dividend was paid on 26 September 2023.

Explanatory Notes Pursuant to Malaysian Financial Reporting Standard 134 ("MFRS 134") Interim Financial Reporting (Cont'd.)

11. Significant and Subsequent Event

There were no significant and subsequent events after the third quarter ended 30 September 2023.

12. Performance Review

For the financial period ended 30 September 2023, the Group's operating profit dropped by 30.4% or RM17.6 million to RM40.4 million from RM58.0 million last period due to lower income.

Net income decreased by 10.1% from RM284.0 million to RM255.3 million during the period. Non-interest income decreased by RM34.3 million to RM251.2 million mainly contributed by the lower investment income during the period. Meanwhile, income from Islamic Banking Scheme operations increased by RM2.7 million to RM36.7 million due to higher Islamic fee income during the period.

Overhead expenses decreased by 4.9% or RM11.1 million from RM226.0 million to RM214.9 million. This was mainly contributed by the lower personnel expenses, establishment costs and administration and general expenses compared to the previous period.

The Group profit before taxation and zakat decreased by 27.7% or RM15.9 million from RM57.4 million to RM41.5 million. Profit for the period decreased by 21.9% or RM9.5 million to RM33.9 million.

13. Business Outlook

Global economic growth is forecast to moderate slightly in 2023 reflecting the impact of interest rate hikes by central banks globally and China's modest economic recovery amid a real estate downturn. Notwithstanding this, the ASEAN-6 economies are expected to grow in 2023 supported by growth in the services sector on the back of the recovery in tourism and robust foreign direct investments (FDI). Most ASEAN countries are poised for stronger growth in 2024 in anticipation of an electronics sector cycle upturn and interest rate cuts in the second half of 2024 by central banks as inflationary pressures ease.

Malaysia's economy is estimated to grow in 2023 driven by continuing recovery in the tourism sector, trade diversion and FDI relocation in response to US-China geopolitical risks. Growth is further supported by investment, the technology sector and policy support for the green energy transition sector and electric vehicle ecosystem. However, exports are anticipated to be negatively impacted by softer external demand.

For Malaysian equities outlook, core earnings are estimated to grow, albeit at a slower pace. While execution of macroeconomic frameworks are constructive, there are risks over the near term from slower demand and extended margin pressures due to higher labour and materials input costs. Improved market performance is anticipated on easing inflation concerns and more tangible corporate earnings uplift from recovery of inbound tourism.

Investment banking and advisory deal activity is anticipated to be positive as companies seek to capture growth and increase investments, particularly in infrastructure development. Expectations of elevated interest rates have caused some initial public offerings (IPOs) to be deferred, but there is increasing interest from issuers to tap into equity capital markets in Malaysia. While merger & acquisition volumes have decreased from market volatility, there is greater activity around disposal/acquisition of non-core assets. Debt capital market is expected to remain active, supported by favourable demand and supply dynamics, with more infrastructure projects and refinancing.

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14. Cash and short-term funds

	Gro	oup	Bank		
	30 September 2023 RM'000	31 December 2022 RM'000	30 September 2023 RM'000	31 December 2022 RM'000	
Cash and bank balances with financial institutions	290,687	368,087	284,664	362,810	
Deposit and placements maturing within one month	541,389	730,192	514,359	703,161	
Total cash and short-term funds	832,076	1,098,279	799,023	1,065,971	

The monies held-in-trust for clients by the Group and by the Bank as at the reporting date are approximately RM533,576,000 (2022: RM535,741,000). These amounts are excluded from the cash and short-term funds of the Group and of the Bank in accordance with Financial Reporting Standards Implementation Committee (FRSIC) Consensus 18 Monies Held-in-Trust by Participating Organisation at Bursa Malaysia Securities Berhad.

15. Deposits and placements with a financial institution

	Gro	Group		ink	
	30 September 2023 RM'000	31 December 2022 RM'000	30 September 2023 RM'000	31 December 2022 RM'000	
Licensed bank	746,570	434,806	746,549	434,786	
Financial investments portfolio					

16. Financial investments portfolio

		Group a	nd Bank
		30 September 2023 RM'000	31 December 2022 RM'000
Financial assets at fair value through profit or loss	(i)	1,333,535	1,481,482
Financial assets at fair value through other comprehensive income	(ii)	1,341	1,253
Total financial investments portfolio		1,334,876	1,482,735

(i) Financial assets at fair value through profit or loss

	Group and Bank	
At fair value	30 September 2023 RM'000	31 December 2022 RM'000
Quoted financial assets:		
Shares in Malaysia	716,645	936,567
Shares outside Malaysia	616,890	544,915
	1,333,535	1,481,482

(ii) Financial assets at fair value through other comprehensive income

	Group a	Group and Bank	
At fair value, or at cost for certain unquoted equity instruments, less accumulated impairment loss	30 September 2023 RM'000	31 December 2022 RM'000	
Unquoted financial assets:			
Shares in Malaysia	1,341	1,253	

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17. Loans and advances

	Group and Bank	
	30 September 2023 RM'000	31 December 2022 RM'000
Term loans:		
- Other term loan	56,468	51,128
Amount due from brokers and clients:		
- Margin accounts	8,803	13,246
Staff loans	47,198	47,138
Gross loans and advances at amortised cost	112,469	111,512
Less: Allowances for impaired loans and advances:		
- Stage 1 - 12 Months Expected Credit Loss ("ECL")	(10)	(11)
- Stage 3 - Lifetime ECL credit impaired	(172)	(172)
Net loans and advances	112,287	111,329

(i) Loans and advances analysed by type of customer are as follows:

	Group and Bank		
	30 September 2023 RM'000	31 December 2022 RM'000	
Domestic business enterprises:			
- Others	56,468	59,252	
Individuals	56,001	52,260	
Gross loans and advances	112,469	111,512	

(ii) Loans and advances analysed by interest rate sensitivity are as follows:

	Group a	Group and Bank		
	30 September 2023 RM'000	31 December 2022 RM'000		
Fixed rate:				
- Housing loans	35,495	35,757		
- Hire purchase receivables	11,683	11,356		
- Other fixed rate loans	20	25		
Variable rate:				
- Base lending rate (BLR) plus	8,803	13,246		
- Cost plus	56,468	51,128		
Gross loans and advances	112,469	111,512		

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17. Loans and advances (Cont'd.)

(iii) Loans and advances analysed by economic purpose are as follows:

	Group and Bank		
	30 September 2023 RM'000	31 December 2022 RM'000	
Purchase of securities	8,803	13,246	
Purchase of transport vehicles	11,683	11,356	
Purchase of residential landed property	35,495 35,757		
Personal use	20 25		
Others	56,468	51,128	
Gross loans and advances	112,469	111,512	

(iv) The maturity structure of loans and advances are as follows:

	Group and Bank		
	30 September 2023 RM'000	31 December 2022 RM'000	
Within one year	66,680	65,842	
More than one year to three years	4,220	5,868	
More than three years to five years	7,390	6,418	
More than five years	34,179	33,384	
Gross loans and advances	112,469	111,512	

(v) Movements in impaired loans and advances are as follows:

	Group a	Group and Bank	
	30 September 2023 RM'000	31 December 2022 RM'000	
At 1 January	955	673	
Impaired during the period	499	297	
Reclassified as non-impaired	(297)	-	
Amount recovered	(34)	(15)	
Gross impaired loans and advances	1,123	955	
Less: - Stage 3 - Lifetime ECL credit impaired	(172)	(172)	
Net impaired loans and advances	951	783	
Net impaired loans and advances as a percentage of gross loans			
and advances less Stage 3 - Lifetime ECL credit impaired	0.85%	0.70%	

(vi) Impaired loans and advances analysed by economic purpose are as follows:

	Group and Bank	
	30 September 2023 RM'000	31 December 2022 RM'000
Purchase of transport vehicles	172	172
Purchase of residential landed property	951	783
Gross impaired loans and advances	1,123	955

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17. Loans and advances (Cont'd.)

(vii) Movements in the allowance for impairment losses are as follows:

Group and Bank	Stage 1 12 Months ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total ECL RM'000
At 1 January 2023	11	-	172	183
Amount written-back, net (Note 27)	(1)	-	-	(1)
At 30 September 2023	10	-	172	182
At 1 January 2022	19	-	172	191
Amount written-back, net	(8)	-	-	(8)
At 31 December 2022	11	-	172	183

18. Other assets

	Group		Bank	
	30 September 2023 RM'000	31 December 2022 RM'000	30 September 2023 RM'000	31 December 2022 RM'000
Amount due from brokers and clients:				
- Non-margin accounts (a)	457,115	424,284	457,115	424,284
Amount due from holding company	9,270	3,083	9,270	3,083
Other debtors, deposits and prepayments	167,278	189,600	167,114	189,468
	633,663	616,967	633,499	616,835
Less: Allowance for impairment losses	(9,598)	(11,114)	(9,598)	(11,114)
	624,065	605,853	623,901	605,721

(a) Amount due from brokers and clients relates to outstanding purchase contracts entered into on behalf of clients, contra losses, other fees and charges.

19. Deposits and placements from a financial institution

	Group a	Group and Bank	
	30 September 2023 RM'000	31 December 2022 RM'000	
Licensed bank	1,347,024	1,494,146	

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20. Other liabilities

	Group		Bank	
	30 September 2023 RM'000	31 December 2022 RM'000	30 September 2023 RM'000	31 December 2022 RM'000
Provisions and accruals	43,161	71,813	43,159	71,805
Amount due to brokers and clients (a)	446,763	416,939	446,763	416,939
Deposits and other creditors	905,372	804,438	904,579	803,798
Lease liabilities	10,172	5,882	10,172	5,882
Amount due to:				
- Holding company	84,048	86,712	84,048	86,712
- Related companies	9,712	8,643	9,712	8,643
- Subsidiaries	-	-	171,474	171,474
	1,499,228	1,394,427	1,669,907	1,565,253

(a) Amount due to brokers and clients represents net amount payable to margin and non-margin clients, which include outstanding sales contracts entered into on behalf of clients, contra gains, other fees and charges.

21. Derivative financial instruments

(i) Derivative financial assets/liabilities

		Group and Bank September 202	
	Notional		
	amount RM'000	Assets RM'000	Liabilities RM'000
Hedging derivatives			
Equity-related derivatives:			
Equity options:			
- Less than one year	1,549,246	90,023	325,479
- One to three years	331,835	2,395	48,945
Equity swaps: - Less than one year	421,433	70,004	34,398
Commodity-related derivatives:			
Commodity swaps: - Less than one year	6,342	48	
- Less than one year	2,308,856	162,470	408.822
		Group and Bank 1 December 2022	
	Notional	Fair V	alue
	amount RM'000	Assets RM'000	Liabilities RM'000
Hedging derivatives			
Equity-related derivatives:			
Equity options:			
- Less than one year	1,422,521	134,264	245,259
- One to three years	131,276	2,355	83,340
Equity swaps: - Less than one year	553,041	16,654	82,038
	2,106,838	153,273	410,637

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21. Derivative financial instruments (cont'd.)

(ii) The Group and the Bank have recognised the fair value changes on the derivative financial instruments as follows (Note 24):

		Group	and Bank	
	Unau	dited	Unau	udited
	Third Qua	rter Ended	Cumulative 9	Months Ended
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Equity-related derivatives:				
Index futures	-	8	(16)	8
Equity options	19,327	24,631	59,871	255,434
Equity swaps	(45,098)	13,932	105,913	45,214
Commodity-related derivatives:				
Commodity futures	48	-	48	-
Commodity swaps	48	-	48	-
	(25,675)	38,571	165,864	300,656

22. Interest income

	Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months Ende	
Group	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Loans and advances	1,674	284	4,848	854
Money at call and deposits and placements				
with financial institutions	13,315	5,690	27,187	14,215
Others	1,671	1,305	4,094	2,378
Total interest income	16,660	7,279	36,129	17,447

	Unaudited		Unaudited	
	Third Qua	rter Ended	Cumulative 9	Months Ended
<u>Bank</u>	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Loans and advances	1,674	284	4,848	854
Money at call and deposits and placements				
with financial institutions	13,115	5,556	26,611	13,857
Others	1,671	1,305	4,094	2,378
Total interest income	16,460	7,145	35,553	17,089

Included in interest income was interest on impaired assets amounting to approximately RM180,000 (2022: RM240,000) for the Group and the Bank.

23. Interest expense

	Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months Ende	
Group and Bank	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Deposits and placements from a financial institution	12,242	7,363	31,694	15,821
Derivative financial instruments	4,466	3,578	12,105	9,756
Subordinated obligation	280	280	830	830
Total interest expense	16,988	11,221	44,629	26,407

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24. Non-interest income

		Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months Ended	
Group and Bank	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000	
Fee and commission income that are provided over time:					
Agency fees	579	1,738	915	3,887	
Corporate advisory fees	3,474 4,053	6,638 8,376	9,896 10,811	12,419 16,306	
Fee and commission income at a point in time:					
Arranger and upfront fees	3,184	9,121	11,085	19,461	
Brokerage income	28,306	21,283	87,325	91,184	
Placement and related fees	1,030	-	10,680	8,238	
Underwriting commission	-	1,304	18,791	2,893	
Others	434 32,954	<u>363</u> 32,071	10,654 138,535	7,238	
Investment income:	,	,		,	
Realised gain/(loss) from sale of financial assets					
at fair value through profit or loss, net Unrealised gain/(loss) on revaluation of financial	25,901	(45,214)	13,779	(113,969	
assets at fair value through profit or loss, net Realised gain/(loss) from sale of derivative	5,964	11,426	(72,512)	(93,222	
financial instruments, net Unrealised (loss)/gain on revaluation of derivative	3,314	12,762	(55,044)	(18,353	
financial instruments, net (Note 21 (ii)) Gross dividends from financial assets at fair value through profit or loss	(25,675)	38,571	165,864	300,656	
- Quoted in Malaysia	8,295	5,701	17,308	17,785	
- Quoted outside Malaysia	5,033	975	6,232	13,674	
	22,832	24,221	75,627	106,571	
Other income:					
Foreign exchange loss, net	(1,408)	(5,785)	(16,579)	(17,559	
Other operating income	12,697	16,345	37,880	47,257	
Others	922	1,317	4,886	3,867	
	12,211	11,877	26,187	33,565	
Total non-interest income	72,050	76,545	251,160	285,456	

25. Direct costs

	Unau	Unaudited Third Quarter Ended		dited
	Third Qua			Months Ended
Group and Bank	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Dealers' incentive	3,162	4,151	10,043	15,115
Trade-related charges	6,988	3,936	13,973	11,275
	10,150	8,087	24,016	26,390

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26. Overhead expenses

	2023	rter Ended 30 September 2022	30 September 2023	Months Ended 30 September 2022
Group	RM'000	RM'000	RM'000	RM'000
Personnel expenses				
- Salaries, allowances and bonuses	40,150	35,105	126,336	138,357
- Pension costs - defined contribution plan	5,689	5,458	16,740	16,620
- Employees' Share Scheme expenses	3,665	2,451	10,994	8,796
- Other staff-related expenses	2,881	3,858	9,626	10,301
	52,385	46,872	163,696	174,074
Establishment costs				
- Depreciation of property, plant and equipment	358	474	1,046	1,431
- Amortisation of computer software	625	594	1,536	1,921
- Rental	336	350	967	860
- Finance cost on lease liabilities	97	64	276	235
- Depreciation of right-of-use assets	2,096	2,086	6,288	6,261
- Repairs and maintenance of property,				
plant and equipment	3,887	3,793	11,291	11,545
- Information technology expenses	9,559	9,880	28,770	29,015
- Others (Note (i))	(5,761)	(3,126)	(14,510)	(13,764)
	11,197	14,115	35,664	37,504
Marketing costs				
- Advertisement and publicity	847	862	2,324	1,182
- Others	1,233	932	3,336	1,661
	2,080	1,794	5,660	2,843
Administration and general expenses				
- Fee and brokerage	1,331	2,266	3,619	4,387
- Administrative expenses	1,062	1,270	3,519	3,861
- General expenses	919	1,838	2,752	3,330
	3,312	5,374	9,890	11,578
Total overhead expenses	68,974	68,155	214,910	225,999

Note (i): Included in other establishment costs are service chargebacks amounting to approximately RM15,008,000 (2022: RM14,790,000).

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26. Overhead expenses (Cont'd.)

		dited rter Ended 30 September 2022	Unau Cumulative 9 30 September 2023	dited Months Ended 30 September 2022
<u>Bank</u>	RM'000	RM'000	RM'000	RM'000
Personnel expenses				
- Salaries, allowances and bonuses	40,150	35,105	126,336	138,357
- Pension costs - defined contribution plan	5,689	5,458	16,740	16,620
- Employees' Share Scheme expenses	3,665	2,451	10,994	8,796
- Other staff related expenses	2,881	3,858	9,626	10,301
	52,385	46,872	163,696	174,074
Establishment costs				
- Depreciation of property, plant and equipment	358	474	1,046	1,431
- Amortisation of computer software	625	594	1,536	1,921
- Rental	336	350	967	860
- Finance cost on lease liabilities	97	64	276	235
- Depreciation of right-of-use assets	2,096	2,086	6,288	6,261
- Repairs and maintenance of property,	,			
plant and equipment	3,887	3,793	11,291	11,545
- Information technology expenses	9,559	9,880	28,770	29,015
- Others (Note (i))	(5,761)	(3,126)	(14,510)	(13,764)
	11,197	14,115	35,664	37,504
Marketing costs				
- Advertisement and publicity	847	862	2,324	1,182
- Others	1,233	932	3,336	1,661
	2,080	1,794	5,660	2,843
Administration and general expenses				
- Fee and brokerage	1,317	2,250	3,573	4,339
- Administrative expenses	1,047	1,257	3,477	3,820
- General expenses	919	1,838	2,752	3,330
	3,283	5,345	9,802	11,489
Total overhead expenses	68,945	68,126	214,822	225,910

Note (i): Included in other establishment costs are service chargebacks amounting to approximately RM15,008,000 (2022: RM14,790,000).

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27. Writeback of/(allowance for) impairment on loans and advances and other assets, net

	Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months End	
Group and Bank	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Writeback of impairment on loans and advances: loans and advances:				
- Stage 1 - 12 months ECL (Note 17 (vii))	-	-	1	-
Bad debts recovered Writeback of/(allowance for) impairment	78	-	113	407
on other assets, net	538	(729)	948	(1,081)
Total	616	(729)	1,062	(674)

28. Capital adequacy

(I) Capital Adequacy Framework

The capital adequacy ratios of the Group consist of capital base and risk-weighted assets derived from consolidated balances of the Bank and its subsidiary companies. The capital adequacy ratios of the Bank consist of capital base and risk-weighted assets derived from the Bank.

The computation of capital adequacy ratios are based on Bank Negara Malaysia ("BNM") Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework (Basel II - Risk Weighted Assets) issued on 2 February 2020 and 3 May 2019 respectively.

The Group and the Bank adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk.

The minimum regulatory capital adequacy requirements for Common Equity Tier 1 ("CET1"), Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total risk-weighted assets respectively.

The capital adequacy ratios of the Group and of the Bank are as follows:

	Group %	Bank %
At 30 September 2023		
CET1 capital ratio	21.421	20.309
Tier 1 capital ratio	21.421	20.309
Total capital ratio	23.390	22.291
	Group	Bank
At 31 December 2022	%	%
CET1 capital ratio	27.260	25.990
Tier 1 capital ratio	27.260	25.990
Total capital ratio	29.468	28.219

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28. Capital adequacy (Cont'd.)

(I) Capital Adequacy Framework (Cont'd.)

The components of capital of the Group and of the Bank are as follows (Cont'd.):

Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income' Regulatory reserve Investment in subsidiaries and a joint venture' CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income' Regulatory reserve	222,785 371,851 594,636 (9,624) (13,106) (628) (16,031) - 555,247 35,000 16,041 51,041 606,288	222,785 365,393 588,178 (9,624) (13,106) (628) (16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank RM'000
CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income' Regulatory reserve Investment in subsidiaries and a joint venture¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	594,636 (9,624) (13,106) (628) (16,031) - - 555,247 35,000 16,041 51,041	588,178 (9,624) (13,106) (628) (16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank
Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income' Regulatory reserve Investment in subsidiaries and a joint venture ¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	(9,624) (13,106) (628) (16,031) - - - - - - - - - - - - - - - - - - -	(9,624) (13,106) (628) (16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank
Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income' Regulatory reserve Investment in subsidiaries and a joint venture ¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	(13,106) (628) (16,031) - - 555,247 35,000 16,041 51,041	(13,106) (628) (16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank
Gains on financial instruments classified as 'fair value through other comprehensive income' Regulatory reserve Investment in subsidiaries and a joint venture ¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	(628) (16,031) 	(628) (16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank
through other comprehensive income' Regulatory reserve Investment in subsidiaries and a joint venture ¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	(16,031) - - 555,247 35,000 16,041 51,041	(16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank
Regulatory reserve Investment in subsidiaries and a joint venture¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	(16,031) - - 555,247 35,000 16,041 51,041	(16,031) (25,793) 522,996 35,000 16,041 51,041 574,037 Bank
Investment in subsidiaries and a joint venture ¹ CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	555,247 35,000 16,041 51,041	(25,793) 522,996 35,000 16,041 51,041 574,037 Bank
CET1 capital/Tier 1 capital Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	35,000 16,041 51,041	522,996 35,000 16,041 51,041 574,037 Bank
Tier 2 capital Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	35,000 16,041 51,041	35,000 16,041 51,041 574,037 Bank
Subordinated obligation General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	16,041 51,041	16,041 51,041 574,037 Bank
General provisions Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	16,041 51,041	16,041 51,041 574,037 Bank
Tier 2 capital Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	51,041	51,041 574,037 Bank
Total capital At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'		574,037 Bank
At 31 December 2022 Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	606,288	Bank
Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'		
Paid-up share capital Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	Group	
Other reserves CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	RM'000	RIVITUUU
CET1 capital before regulatory adjustments Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	222,785	222,785
Less: Deferred tax assets Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	388,548	382,545
Intangible assets Gains on financial instruments classified as 'fair value through other comprehensive income'	611,333	605,330
Gains on financial instruments classified as 'fair value through other comprehensive income'	(16,622)	(16,622)
through other comprehensive income'	(10,131)	(10,131)
Regulatory reserve	(579)	(579)
	(11,372)	(11,372)
Investment in subsidiaries and a joint venture ¹	-	(25,793)
CET1 capital/Tier 1 capital	572,629	540,833
Tier 2 capital		
Subordinated obligation		
General provisions	35,000	35,000
Tier 2 capital	,	,
Total capital	35,000 11,383 46,383	35,000 11,383 46,383

¹ Excludes the cost of investment in a subsidiary, Maysec Sdn. Bhd. of RM171,474,000 as its business, assets and liabilities had been transferred to the Bank on 30 December 2006.

28. Capital adequacy (Cont'd.)

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

30 September 2023 Exposure Class exposures RM'000 exposures RM'000 assets RM'000 requiremen RM'000 (i) Credit Risk		Group	Gross	Net credit	Risk- weighted	Conital
Exposure Class RM'000 RM'000 <th< td=""><td></td><td>30 Sentember 2023</td><td></td><td></td><td>-</td><td>Capital</td></th<>		30 Sentember 2023			-	Capital
(i) Credit Risk On-balance sheet exposures: 362,308 362,308 Sovereigns/Central banks 362,308 362,308 Banks, Development Financial Institutions and Multilateral Development Banks 1,642,683 1,642,683 353,241 28,27 Corporates 310,410 214,382 214,382 17,1 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 20,102 1 Other assets 406,041 327,072 26,11 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,7 Off-balance sheet exposures: Credit-related off-balance sheet 282,311 895 1 Total on and off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 121,766 9,7 Foreign currency risk - - 2493 1 Options risk - - 351,174 28,0		•	•	•		RM'000
On-balance Sovereigns/Central banks 362,308 362,308 - Banks, Development Financial Institutions and Multilateral Development Banks 1,642,683 1,642,683 353,241 28,22 Corporates 310,410 214,382 214,382 17,11 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 11 Other assets 406,041 406,041 407,223 73,77 Off-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures 282,311 282,311 895 134 Total off-balance sheet exposures 282,311 282,311 895 134 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 2,433 1 Options risk - - 2,433 1 <						
Sovereigns/Central banks 362,308 362,308 - Banks, Development Financial Institutions and Multilateral Development Banks 1,642,683 1,642,683 353,241 28,27 Corporates 310,410 214,382 214,382 17,1 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 1 Other assets 406,041 406,041 327,076 26,17 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures 282,311 282,311 895 - Total off-balance sheet exposures 282,311 282,311 895 - Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 2,493 1 Options risk - - 2,493 1 Options risk	(i)	Credit Risk				
Banks, Development Financial Institutions and Multilateral Development Banks 1,642,683 1,642,683 353,241 28,22 Corporates 310,410 214,382 214,382 17,11 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 1 Other assets 406,041 406,041 327,076 26,11 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures: Credit-related off-balance sheet 282,311 282,311 895 1 Total off-balance sheet exposures 282,311 282,311 895 1 1 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 243,176 22,8 Commodity risk - - 2,493 1 Options risk - - -		On-balance sheet exposures:				
Institutions and Multilateral Development Banks 1,642,663 1,642,663 353,241 28,2 Corporates 310,410 214,382 214,382 17,1 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 1 Other assets 406,041 406,041 327,076 26,11 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures: 282,311 282,311 895 7 Total off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 121,766 9,7 Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 1 Options risk - - 351,174 28,04 <		Sovereigns/Central banks	362,308	362,308	-	-
Development Banks 1,642,683 1,642,683 353,241 28,2 Corporates 310,410 214,382 214,382 17,1 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 1 Other assets 406,041 406,041 327,076 26,11 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,77 (ii) Market Risk - - 16,130 1,21 Equity position risk - - 285,176 22,83 Commodity risk - - 24,93 1 Options risk - - 24,93 1 Options risk - - - <td></td> <td>Banks, Development Financial</td> <td></td> <td></td> <td></td> <td></td>		Banks, Development Financial				
Corporates 310,410 214,382 214,382 17,11 Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 11 Other assets 406,041 406,041 327,076 26,17 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,7 Off-balance sheet exposures: 2 282,311 282,311 895 1895 Total off-balance sheet exposures 282,311 282,311 895 17,12 Total off-balance sheet exposures 282,311 282,311 895 17,12 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,22 Equity position risk - - 121,766 9,7 Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 14 Options risk		Institutions and Multilateral				
Regulatory retail 28,276 24,776 24,612 1,9 Higher risk assets 1,341 1,341 2,012 1 Other assets 406,041 406,041 327,076 26,11 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures: Credit-related off-balance sheet 282,311 895 1 Total off-balance sheet exposures 282,311 282,311 895 1 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 245,176 22,8 Commodity risk - - 2,933,842 922,218 73,7 (iii) Market Risk - - 16,130 1,2 Equity position risk - - 2,493 1,4 Options risk - - 2,493 1,4 Options risk - - 351,174 28,0 Total - <td></td> <td></td> <td>, ,</td> <td>, ,</td> <td>,</td> <td>28,259</td>			, ,	, ,	,	28,259
Higher risk assets 1,341 1,341 2,012 10 Other assets 406,041 406,041 327,076 26,11 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures: Credit-related off-balance sheet 282,311 282,311 895 7 Total off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 121,766 9,7 Foreign currency risk - - 2,493 11 Options risk - - 2,493 11 (iii) Operational Risk - - 776,739 62,11						17,151
Other assets 406,041 406,041 327,076 26,14 Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,77 Off-balance sheet exposures: Credit-related off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 3,033,370 2,933,842 922,218 73,77 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 121,766 9,77 Foreign currency risk - - 285,176 22,830 Options risk - - 351,174 28,00 Total - - 776,739 62,11		5 ,				1,969
Total on-balance sheet exposures 2,751,059 2,651,531 921,323 73,71 Off-balance sheet exposures: Credit-related off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 282,311 282,311 895 7 Total off-balance sheet exposures 282,311 282,311 895 7 Total on and off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,22 Interest rate risk - - 16,130 1,22 Equity position risk - - 285,176 22,83 Commodity risk - - 2,493 11 Options risk - - 2,493 11 (iii) Operational Risk - - 776,739 62,11		0	-	-		161
Off-balance sheet exposures: Credit-related off-balance sheet exposures 282,311 282,311 895 Total off-balance sheet exposures 282,311 282,311 895 Total off-balance sheet exposures 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,22 Equity position risk - - 121,766 9,7 Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 11 Options risk - - 776,739 62,11 (iii) Operational Risk - - 893,168 71,4				,	, , , , , , , , , , , , , , , , , , , ,	26,166
Credit-related off-balance sheet exposures 282,311 282,311 895 Total off-balance sheet exposures 282,311 282,311 895 Total on and off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,2 Equity position risk - - 16,130 1,2 Foreign currency risk - - 121,766 9,7 Foreign currency risk - - 285,176 22,8 Options risk - - 351,174 28,00 Total - - 776,739 62,11		Total on-balance sheet exposures	2,751,059	2,651,531	921,323	73,706
Total on and off-balance sheet exposures 3,033,370 2,933,842 922,218 73,7 (ii) Market Risk - - 16,130 1,22 Equity position risk - - 16,130 1,22 Foreign currency risk - - 121,766 9,74 Foreign currency risk - - 285,176 22,83 Commodity risk - - 2,493 19 Options risk - - 351,174 28,00 Total - - 776,739 62,11 (iii) Operational Risk - - 893,168 71,44		exposures				72
(ii) Market Risk Interest rate risk - - 16,130 1,22 Equity position risk - - 121,766 9,74 Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 19 Options risk - - 351,174 28,00 Total - - 776,739 62,11 (iii) Operational Risk - - 893,168 71,44		Total off-balance sheet exposures	282,311	282,311	895	72
Interest rate risk - - 16,130 1,22 Equity position risk - - 121,766 9,74 Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 19 Options risk - - 351,174 28,00 Total - - 776,739 62,11		Total on and off-balance sheet exposures	3,033,370	2,933,842	922,218	73,778
Equity position risk - - 121,766 9,7 Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 11 Options risk - - 351,174 28,00 Total - - 776,739 62,11 (iii) Operational Risk - - 893,168 71,44	(ii)	Market Risk				
Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 19 Options risk - - 351,174 28,00 Total - - 776,739 62,13 (iii) Operational Risk - - 893,168 71,44		Interest rate risk	-	-	16,130	1,290
Foreign currency risk - - 285,176 22,8 Commodity risk - - 2,493 19 Options risk - - 351,174 28,00 Total - - 776,739 62,13 (iii) Operational Risk - - 893,168 71,44		Equity position risk	-	-	121,766	9,741
Commodity risk - - 2,493 11 Options risk - - 351,174 28,00 Total - - 776,739 62,11 (iii) Operational Risk - - 893,168 71,41			-	-	,	22.814
Options risk - - 351,174 28,00 Total - - 776,739 62,11 (iii) Operational Risk - - 893,168 71,41			-	-		199
Total - - 776,739 62,13 (iii) Operational Risk - - 893,168 71,43			-	-	,	28,094
(iii) <u>Operational Risk</u> 893,168 71,4		•		-	, , , , , , , , , , , , , , , , , , , ,	62,138
						02,700
Total RWA and capital requirements 3 033 370 2 033 842 2 502 125 207 3	(iii)	Operational Risk	-	-	893,168	71,453
10tai NTA and Capitai requirements 3,033,370 2,333,042 2,092,123 207,3		Total RWA and capital requirements	3,033,370	2,933,842	2,592,125	207,369

28. Capital adequacy (Cont'd.)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category are as follows: (Cont'd.) (II)

On-balance sheet exposures: Sovereigns/Central banks 592,658 592,658 - - Banks, Development Financial Institutions and Multilateral Development Banks 1,396,989 1,396,989 309,115 24,729 Corporates 1,785 44,711 44,711 3,877 Regulatory retail 86,491 71,979 70,199 5,616 Higher risk assets 1,253 1,280 150 Other assets 331,438 267,574 21,406 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures 279,664 279,664 1,288 103 Total on and off-balance sheet 279,664 279,664 1,288 103 Total on and off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 172,030 13,763 Options risk - - 199,813 <td< th=""><th></th><th><u>Group</u> 31 December 2022 Exposure Class</th><th>Gross credit exposures RM'000</th><th>Net credit exposures RM'000</th><th>Risk- weighted assets RM'000</th><th>Capital requirements RM'000</th></td<>		<u>Group</u> 31 December 2022 Exposure Class	Gross credit exposures RM'000	Net credit exposures RM'000	Risk- weighted assets RM'000	Capital requirements RM'000
Sovereigns/Central banks 592,658 592,658 592,658 - Banks, Development Financial Institutions and Multilateral Development Banks 1,396,989 309,115 24,729 Corporates 81,785 44,711 44,711 3,577 Regulatory retail 86,491 71,979 70,199 5,616 Higher risk assets 1,253 1,253 1,880 150 Other assets 331,439 331,439 267,574 21,406 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures 279,664 1,288 103 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 7,540 603 Foreign currency risk - - 122,030 13,763 Options risk - - 430,046 34,404	(i)	Credit Risk				
Banks, Development Financial Institutions and Multitateral Development Banks 1,396,989 1,396,989 309,115 24,729 Corporates 81,785 44,711 44,711 3,577 Regulatory retail 86,491 71,979 70,199 5,616 Higher risk assets 1,253 1,253 1,880 150 Other assets 331,438 267,574 21,400 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures 279,664 1,288 103 103 Total off-balance sheet exposures 279,664 1,288 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 199,813 15,985 Total on and off-balance sheet - - 199,813 15,985 (iii)		On-balance sheet exposures:				
Corporates 81,785 44,711 44,711 3,577 Regulatory retail 86,491 71,979 70,199 5,616 Higher risk assets 1,253 1,253 1,880 150 Other assets 331,438 267,574 21,406 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 7,540 603 Foreign currency risk - - 7,540 603 Options risk - - 172,030 13,763 Options risk - - 199,813 15,985 Total - - 430,046 34,404 </td <td></td> <th>Banks, Development Financial</th> <td>592,658</td> <td>592,658</td> <td>-</td> <td>-</td>		Banks, Development Financial	592,658	592,658	-	-
Regulatory retail 86,491 71,979 70,199 5,616 Higher risk assets 1,253 1,253 1,880 150 Other assets 331,438 331,438 267,574 21,406 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures: Credit-related off-balance sheet exposures 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total on and off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Development Banks	1,396,989	1,396,989	309,115	24,729
Higher risk assets 1,253 1,253 1,880 150 Other assets 331,438 331,438 267,574 21,406 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures: Credit-related off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Corporates	81,785	44,711	44,711	3,577
Other assets 331,438 331,438 267,574 21,406 Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures: Credit-related off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 75,403 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Regulatory retail	86,491	71,979	70,199	5,616
Total on-balance sheet exposures 2,490,614 2,439,028 693,479 55,478 Off-balance sheet exposures: Credit-related off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Higher risk assets	1,253	1,253	1,880	150
Off-balance sheet exposures: Credit-related off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Other assets	331,438	331,438	267,574	21,406
Credit-related off-balance sheet exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total on and off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 199,813 15,985 Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Total on-balance sheet exposures	2,490,614	2,439,028	693,479	55,478
exposures 279,664 279,664 1,288 103 Total off-balance sheet exposures 279,664 279,664 1,288 103 Total on and off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Off-balance sheet exposures:				
Total off-balance sheet exposures 279,664 279,664 1,288 103 Total on and off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 7,540 603 Foreign currency risk - - 50,663 4,053 Options risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Credit-related off-balance sheet				
Total off-balance sheet exposures 279,664 279,664 1,288 103 Total on and off-balance sheet exposures 2,770,278 2,718,692 694,767 55,581 (ii) Market Risk - - 7,540 603 Equity position risk - - 7,540 603 Foreign currency risk - - 50,663 4,053 Options risk - - 172,030 13,763 Options risk - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		exposures	279.664	279.664	1.288	103
(ii) Market Risk Interest rate risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 199,813 15,985 Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		•				
Interest rate risk - - 7,540 603 Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 199,813 15,985 Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Total on and off-balance sheet exposures	2,770,278	2,718,692	694,767	55,581
Equity position risk - - 50,663 4,053 Foreign currency risk - - 172,030 13,763 Options risk - - 199,813 15,985 Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064	(ii)	<u>Market Risk</u>				
Foreign currency risk - - 172,030 13,763 Options risk - - 199,813 15,985 Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Interest rate risk	-	-	,	
Options risk - - 199,813 15,985 Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Equity position risk	-	-	50,663	4,053
Total - - 430,046 34,404 (iii) Operational Risk - - 975,803 78,064		Foreign currency risk	-	-	172,030	13,763
(iii) <u>Operational Risk</u> 975,803 78,064		Options risk	-	-	199,813	15,985
		Total	-	-	430,046	34,404
Total RWA and capital requirements 2,770,278 2,718,692 2,100,616 168,049	(iii)	Operational Risk	-	-	975,803	78,064
		Total RWA and capital requirements	2,770,278	2,718,692	2,100,616	168,049

28. Capital adequacy (Cont'd.)

(II) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category are as follows: (Cont'd.)

30 September 2023 exposures RM'000 exposure RM'000 exposu		Bank	Gross credit	Net credit	Risk- weighted	Capital
(i) Credit Risk On-balance sheet exposures: 362,308 362,308 Sovereigns/Central banks 362,308 362,308 Banks, Development Financial Institutions and Multilateral Development Banks 1,609,642 1,609,642 346,633 27,731 Corporates 310,410 214,382 214,382 17,151 Regulatory retail 28,276 24,776 24,613 2,041 Higher risk assets 1,341 1,341 2,012 161 Other assets 1,658,845 405,845 326,231 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 282,311 285,5 72 Total on and off-balance sheet 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - 2,493 199 2493 <td></td> <td>30 September 2023</td> <td>exposures</td> <td>exposures</td> <td></td> <td>requirements</td>		30 September 2023	exposures	exposures		requirements
On-balance Sovereigns/Central banks 362,308 362,308 - - Banks, Development Financial Institutions and Multilateral Development Banks 1,609,642 1,609,642 346,633 27,731 Corporates 310,410 214,382 214,382 17,151 Regulatory retail 28,276 24,776 24,613 2,041 Higher risk assets 1,341 1,341 2,012 161 Other assets 405,845 405,845 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 2,433 199 Options risk - <td></td> <td>Exposure Class</td> <td>RM'000</td> <td>RM'000</td> <td>RM'000</td> <td>RM'000</td>		Exposure Class	RM'000	RM'000	RM'000	RM'000
Sovereigns/Central banks 362,308 362,308 362,308	(i)	Credit Risk				
Banks, Development Financial Institutions and Multilateral Development Banks 1,609,642 1,609,642 346,633 27,731 Corporates 310,410 214,382 214,382 17,151 Regulatory retail 28,276 24,776 24,613 2,041 Higher risk assets 1,341 1,341 2,012 161 Other assets 405,845 405,845 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 2,493 199 Options risk - - 2,493 199 Options risk - - 2,493 199 (i						
Development Banks 1,609,642 1,609,642 346,633 27,731 Corporates 310,410 214,382 214,382 17,151 Regulatory retail 28,276 24,776 24,613 2,041 Higher risk assets 1,341 1,341 2,012 161 Other assets 405,645 405,645 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 2,82,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 24,933 199 Options risk - - 2,433 199 Options risk - - - 2,433 199 Options risk - -		Banks, Development Financial	362,308	362,308	-	-
Corporates 310,410 214,382 214,382 17,151 Regulatory retail 28,276 24,776 24,613 2,041 Higher risk assets 1,341 1,341 2,012 161 Other assets 405,845 405,845 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 16,130 1,290 Equity position risk - - 2,493 199 Options risk - - 2,493 199 Options risk - - - 77,6740 62,139 (iii) Operational Risk - - - 76,740 62,139			1 600 642	4 600 642	246 622	07 704
Regulatory retail 28,276 24,776 24,613 2,041 Higher risk assets 1,341 1,341 2,012 161 Other assets 405,845 405,845 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 16,130 1,290 Equity position risk - - 2,493 199 Options risk - - 2,493 199 Options risk - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		•	, ,	, ,	,	,
Higher risk assets 1,341 1,341 2,012 161 Other assets 405,845 405,845 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures: 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures 2,82,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2493 199 Options risk - - 351,175 28,094 Total - - 76,740 62,139 (iii) Operational Risk - - 883,051 70,644 <td></td> <td></td> <td>,</td> <td>,</td> <td></td> <td></td>			,	,		
Other assets 405,845 405,845 326,882 26,151 Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures: Credit-related off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 285,176 22,814 Commodity risk - - 351,175 28,094 Options risk - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644			,	,	-	
Total on-balance sheet exposures 2,717,822 2,618,294 914,522 73,235 Off-balance sheet exposures: Credit-related off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 16,130 1,290 Equity position risk - - 285,176 22,814 Commodity risk - - 285,176 22,814 Commodity risk - - 351,175 28,094 Total - - 776,740 62,139		0		,	-	
Off-balance sheet exposures: Credit-related off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644						
Credit-related off-balance sheet exposures 282,311 282,311 895 72 Total off-balance sheet exposures 2,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Off helence chect eveneouses				
exposures 282,311 282,311 895 72 Total off-balance sheet exposures 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 2,493 199 Options risk - - 351,175 28,094 Total - - 776,740 62,139		Off-balance sneet exposures:				
Total off-balance sheet exposures 282,311 282,311 895 72 Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 16,130 1,290 Foreign currency risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644						
Total on and off-balance sheet exposures 3,000,133 2,900,605 915,417 73,307 (ii) Market Risk - - 16,130 1,290 Equity position risk - - 16,130 1,290 Foreign currency risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		•				
(ii) Market Risk Interest rate risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Total off-balance sheet exposures	282,311	282,311	895	72
Interest rate risk - - 16,130 1,290 Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Total on and off-balance sheet exposures	3,000,133	2,900,605	915,417	73,307
Equity position risk - - 121,766 9,741 Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644	(ii)	Market Risk				
Foreign currency risk - - 285,176 22,814 Commodity risk - - 2,493 199 Options risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Interest rate risk	-		16,130	1,290
Commodity risk - - 2,493 199 Options risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Equity position risk	-	-	121,766	9,741
Options risk - - 351,175 28,094 Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Foreign currency risk	-	-	285,176	22,814
Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Commodity risk	-	-	2,493	199
Total - - 776,740 62,139 (iii) Operational Risk - - 883,051 70,644		Options risk	-	-	351,175	28,094
		Total	-	-	776,740	62,139
			·			
Total RWA and capital requirements 3,000,133 2,900,605 2,575,208 206,089	(iii)	Operational Risk	-	-	883,051	70,644
		Total RWA and capital requirements	3,000,133	2,900,605	2,575,208	206,089

28. Capital adequacy (Cont'd.)

The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category are as follows: (Cont'd.) (II)

	Bank 31 December 2022 Exposure Class	Gross credit exposures RM'000	Net credit exposures RM'000	Risk- weighted assets RM'000	Capital requirements RM'000
(i)	Credit Risk				
	On-balance sheet exposures:				
	Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral	592,658	592,658	-	-
	Development Banks	1,364,693	1,364,693	302,656	24,212
	Corporates	81,785	44,711	44,711	3,577
	Regulatory retail	86,491	71,979	70,199	5,616
	Higher risk assets	1,253	1,253	1,880	150
	Other assets	331,274	331,274	267,413	21,393
	Total on-balance sheet exposures	2,458,154	2,406,568	686,859	54,948
	Off-balance sheet exposures:				
	Credit-related off-balance sheet	070.004	070.004	4 000	400
	exposures	279,664	279,664	1,288	103
	Total off-balance sheet exposures	279,664	279,664	1,288	103
	Total on and off-balance sheet exposures	2,737,818	2,686,232	688,147	55,051
(ii)	Market Risk				
	Interest rate risk	-	-	7,540	603
	Equity position risk	-	-	50,663	4,053
	Foreign currency risk	-	-	168,738	13,499
	Options risk	-	-	199,813	15,985
	Total	-	-	426,754	34,140
					- ,
(iii)	Operational Risk	-	-	966,038	77,283
	Total RWA and capital requirements	2,737,818	2,686,232	2,080,939	166,474

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29. Commitments and contingencies

	30 September 2023 31		31 December 2022			
Group and Bank	Notional amount RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Notional amount RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
Credit-related Revocable commitments to extend credit:						
 Maturity not exceeding one year 	280,522	-	-	277,089	-	-
 Maturity exceeding one year 	1,789	895	895	2,575	1,288	1,288
	282,311	895	895	279,664	1,288	1,288
Derivative financial instruments Equity-related contracts: - Less than one year - One year to less than five years	1,970,679 331,835	-	-	1,975,562 131,276	-	-
Commodity-related contracts:						
- Less than one year	6,342	-	-	-	-	-
	2,308,856	-	-	2,106,838	-	-
Total commitments and contingencies	2,591,167	895	895	2,386,502	1,288	1,288

* The credit equivalent amount and the risk-weighted amount are derived at using the credit evaluation conversion factors and risk weights respectively as specified by BNM for regulatory capital adequacy purposes.

30. Segment information

Segment information is presented in respect of the Group's business segments.

The business segments are prepared based on internal management reports, which are used by senior management for decision-making and performance management. The amounts for each business segment are shown after the allocation of certain centralised cost, funding income and the applicable transfer pricing where appropriate. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on consolidation. All inter-segment transactions are conducted at arm's length basis on normal commercial terms that are not more favourable than those generally available to the public.

Financial results and other information by business segments include items directly attributable to a segment, as well as those that can be allocated on a reasonable basis.

The Group's business segments are defined and categorised as follows:

(i) Pillar 1 - Investment banking and advisory

Investment banking and advisory focus 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 and debt restructuring advisory services.

(ii) Pillar 2 - Investment Management

Investment management primarily engage in the shares and futures broking services, derivative financial instruments, custodian and nominees services.

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30. Segment information (Cont'd.)

The following table provides analysis of the Group's financial results and other information by business segments:

<u>Group</u> 30 September 2023	Pillar 1 RM'000	Pillar 2 RM'000	Total RM'000
Net interest income/(expense)	121	(8,621)	(8,500)
Income from Islamic Banking Scheme	20.404	0.504	
operations	30,161	6,501	36,662
Non-interest income	64,533	186,627	251,160
Direct costs		(24,016)	(24,016)
Net income	94,815	160,491	255,306
Results			
Segment results	94,815	160,491	255,306
Overhead expenses	(70,773)	(144,137)	(214,910)
Writeback of impairment			
on loans and advances and			
other assets, net	925	137	1,062
Profit before taxation	24,967	16,491	41,458
Taxation and zakat			(7,608)
Profit for the period			33,850
Other segment information			
Depreciation of property, plant and			
equipment	214	832	1,046
Depreciation of right-of-use assets	2,311	3,977	6,288
Amortisation of computer software	_,	1,527	1,536
Group	Pillar 1	Pillar 2	Total
30 September 2022	RM'000	RM'000	RM'000
Net interest income/(expense)	635	(9,595)	(8,960)
Income from Islamic Banking Scheme			
operations	25,920	8,011	33,931
Non-interest income	49,227	236,229	285,456
Direct costs	-	(26,390)	(26,390)
Net income	75,782	208,255	284,037
Results			
Segment results	75,782	208,255	284,037
Overhead expenses	(65,352)	(160,647)	(225,999)
(Allowance for)/writeback of impairment		()	(-,,
on loans and advances and			
other assets, net	(1,003)	329	(674)
Profit before taxation	9,427	47,937	57,364
Taxation and zakat			(14,048)
Profit for the period			43,316
Other segment information			
Depreciation of property, plant and			
equipment	330	1,101	1,431
Depreciation of right-of-use assets	2,172	4,089	6,261
Amortisation of computer software	12	1,909	1,921

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31. The operations of Islamic Banking Scheme ("IBS")

Unaudited Statements of Financial Position as at 30 September 2023

		Group a	and Bank
	Notes	30 September 2023 RM'000	31 December 2022 RM'000
ASSETS			
Cash and short-term funds	(a)	17,934	6,304
Other assets	(b)	81,627	578,951
Total assets		99,561	585,255
LIABILITIES			
Other liabilities	(C)	35,580	321,852
Provision for taxation and zakat	(d)	13,185	12,574
Total liabilities		48,765	334,426
ISLAMIC BANKING CAPITAL FUND			
Islamic banking fund		5,000	5,000
Retained earnings		45,796	245,829
-		50,796	250,829
Total liabilities and Islamic banking capital fund		99,561	585,255

Unaudited Statements of Comprehensive Income For the Third Quarter Ended 30 September 2023

		Unaudited Third Quarter Ended			idited Months Ended
Group and Bank	Notes	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Income derived from investment of					
Islamic banking fund	(e)	7,546	8,655	36,662	33,931
Direct costs		(1,036)	(815)	(2,879)	(2,708)
Net income attributable to the Group					
and to the Bank		6,510	7,840	33,783	31,223
Overhead expenses	(f)	(8,221)	(7,372)	(30,155)	(25,267)
Operating (loss)/profit		(1,711)	468	3,628	5,956
Writeback of impairment on other assets, n	et	447	52	555	(315)
(Loss)/profit before taxation and zakat		(1,264)	520	4,183	5,641
Taxation		303	(125)	(1,004)	(1,354)
Zakat		70	(182)	(302)	(432)
(Loss)/profit for the period, representing comprehensive (loss)/income for the p attributable to equity holder of the Ban	eriod,	(891)	213	2,877	3,855

MAYBANK INVESTMENT BANK BERHAD (Co. Reg. No.: 197301002412)

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31. The operations of Islamic Banking Scheme ("IBS") (Cont'd.)

Unaudited Statements of Changes in Equity For The Third Quarter Ended 30 September 2023

Group and Bank	Note	Islamic banking capital fund RM'000	Distributable retained earnings RM'000	Total RM'000
At 1 January 2023		5,000	245,829	250,829
Profit for the period		-	2,877	2,877
Total comprehensive income for the period		•	2,877	2,877
Transfer to conventional reserve	(g)	-	(202,910)	(202,910)
At 30 September 2023		5,000	45,796	50,796
At 1 January 2022		5,000	241,200	246,200
Profit for the period		-	3,855	3,855
Total comprehensive income for the period		-	3,855	3,855
At 30 September 2022		5,000	245,055	250,055

Unaudited Statements of Cash Flows For The Third Quarter Ended 30 September 2023

30 September 202330 September 2022RM'000RM'000Cash flows from operating activitiesRM'000Profit before taxation and zakat, representing operating profit before working capital changes4,1835,641Decrease/(increase) in receivables497,324(24,315)(Decrease)/increase in payables(286,272)14,637Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activities(202,910)-Transfer to conventional reserve Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period11,630(5,095)Cash and cash equivalents at end of the period6,30420,198Cash and cash equivalents at end of the period11,93415,103		Group and Bank	
Cash flows from operating activitiesProfit before taxation and zakat, representing operating profit before working capital changes4,1835,641Decrease/(increase) in receivables497,324(24,315)(Decrease)/increase in payables(286,272)14,637Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activitiesTransfer to conventional reserve Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents Cash and cash equivalents at beginning of the period11,630(5,095)		2023	2022
Profit before taxation and zakat, representing operating profit before working capital changes4,1835,641Decrease/(increase) in receivables497,324(24,315)(Decrease)/increase in payables(286,272)14,637Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activitiesTransfer to conventional reserve(202,910)-Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Oral flame from an exting a fighting	RM'000	RM'000
operating profit before working capital changes4,1835,641Decrease/(increase) in receivables497,324(24,315)(Decrease)/increase in payables(286,272)14,637Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activitiesTransfer to conventional reserve(202,910)-Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Cash flows from operating activities		
Decrease/(increase) in receivables497,324(24,315)(Decrease)/increase in payables(286,272)14,637Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activitiesTransfer to conventional reserve(202,910)-Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Profit before taxation and zakat, representing		
(Decrease)/increase in payables(286,272)14,637Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activitiesTransfer to conventional reserve(202,910)-Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	operating profit before working capital changes	4,183	5,641
Taxation and zakat paid, net(695)(1,058)Net cash generated from/(used in) operating activities214,540(5,095)Cash flow from financing activities(5,095)-Transfer to conventional reserve(202,910)-Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Decrease/(increase) in receivables	497,324	(24,315)
Net cash generated from/(used in) operating activities 214,540 (5,095) Cash flow from financing activities 214,540 (5,095) Transfer to conventional reserve (202,910) - Net cash used in financing activities (202,910) - Net increase/(decrease) in cash and cash equivalents 11,630 (5,095) Cash and cash equivalents at beginning of the period 6,304 20,198	(Decrease)/increase in payables	(286,272)	14,637
Cash flow from financing activities Transfer to conventional reserve (202,910) Net cash used in financing activities (202,910) Net increase/(decrease) in cash and cash equivalents 11,630 (5,095) Cash and cash equivalents at beginning of the period 6,304 20,198	Taxation and zakat paid, net	(695)	(1,058)
Transfer to conventional reserve Net cash used in financing activities(202,910)-Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Net cash generated from/(used in) operating activities	214,540	(5,095)
Net cash used in financing activities(202,910)Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Cash flow from financing activities		
Net increase/(decrease) in cash and cash equivalents11,630(5,095)Cash and cash equivalents at beginning of the period6,30420,198	Transfer to conventional reserve	(202,910)	
Cash and cash equivalents at beginning of the period6,30420,198	Net cash used in financing activities	(202,910)	
	Net increase/(decrease) in cash and cash equivalents	11,630	(5,095)
Cash and cash equivalents at end of the period17,93415,103	Cash and cash equivalents at beginning of the period	6,304	20,198
	Cash and cash equivalents at end of the period	17,934	15,103

(Co. Reg. No.: 197301002412)

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31. The operations of Islamic Banking Scheme ("IBS") (Cont'd.)

(a) Cash and short-term funds

		Group and Bank	
		30 September 2023 RM'000	31 December 2022 RM'000
	Cash and bank balances with financial institutions	17,934	6,304
(b)	Other assets		
		Group and Bank	
		30 September 2023 RM'000	31 December 2022 RM'000

(c) Other liabilities

Debtors

	Group and Bank	
	30 September 2023 RM'000	31 December 2022 RM'000
Provisions and accruals*	35,580	321,852

81,627

578,951

* Include prohibited sources/means to charitable causes amounting to RM3,000 (2022: RM5,000).

(d) Provision for taxation and zakat

	Group a	Group and Bank		
	30 September 2023 RM'000	31 December 2022 RM'000		
Taxation	12,883	11,879		
Zakat	302	695		
	13,185	12,574		

(Co. Reg. No.: 197301002412) (Incorporated in Malaysia)

- 31. The operations of Islamic Banking Scheme ("IBS") (Cont'd.)
 - (e) Income derived from investment of Islamic banking fund

	Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months Ended	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
Group and Bank	RM'000	RM'000	RM'000	RM'000
Profit income from money at call and deposits				
and placements with financial institutions	420	73	988	310
Realised gain from sale of financial assets				
at fair value through profit or loss, net	687	1,353	3,008	2,586
Fee and commission income from:				
 Arranger and upfront fees 	65	2,728	18,131	15,680
- Brokerage income	2,004	2,171	6,501	7,025
- Corporate advisory fees	-	-	150	125
- Placement fees	897	25	1,947	325
- Underwriting commission	-	280	290	506
- Others	3,483	1,958	5,454	7,238
Foreign exchange (loss)/gain, net	(10)	67	193	136
Total	7,546	8,655	36,662	33,931

(f) Overhead expenses

	Unaudited Third Quarter Ended		Unaudited Cumulative 9 Months Ended	
Group and Bank	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Personnel expenses	6,031	4,710	20,824	17,864
Establishment costs	1,014	1,423	4,225	3,821
Marketing costs	203	184	679	292
Administration and general expenses	973	1,055	4,427	3,290
Total	8,221	7,372	30,155	25,267

Note (i): Included in establishment costs are service chargeback amounting to approximately RM1,799,000 (2022: RM1,518,000).

(g) Transfer to conventional reserve

The transfer is a reallocation of reserves from IBS to Conventional that includes current and previous periods' retained earnings.

(h) Capital adequacy

(I) The capital adequacy ratios of the Group and of the Bank are as follows:

Group and Bank	30 September 2023 %	31 December 2022 %
CET1 capital ratio	35.586	87.025
Tier 1 capital ratio	35.586	87.025
Total capital ratio	35.586	87.025

MAYBANK INVESTMENT BANK BERHAD (Co. Reg. No.: 197301002412)

(Incorporated in Malaysia)

- 31. The operations of Islamic Banking Scheme ("IBS") (Cont'd.)
 - (h) Capital adequacy (Cont'd.)
 - (II) The components of capital of the Group and of the Bank are as follows:

Group and Bank	30 September 2023 RM'000	31 December 2022 RM'000
Tier 1 capital		
Islamic banking fund	5,000	5,000
Retained earnings	45,796	245,829
CET1 capital/Tier 1 capital/Total capital	50,796	250,829

(III) The breakdown of RWA by exposures in each major risk category are as follows:

Creating creating creating creating constraints30 September 2023 Exposure ClassCapital exposuresCapital exposures(i)Credit RiskOn-balance sheet exposures:Sovereigns/Central banks1,2171,217-Banks, Development Financial Institutions and Multilateral Development Banks16,71716,7173,343267Other assets99,56299,56253,9094,312Total on and off-balance sheet exposures*99,56299,56253,9094,312(ii)Operational Risk-88,8327,107Total RWA and capital requirements99,56299,562142,74111,419Group and Bank Exposure ClassGrossNet RM'000Risk- require exposurescapital requirements0)Credit Risk On-balance sheet exposures:1,0421,042Sovereigns/Central banks and Multilateral Development Financial Institutions and Multilateral Development Banks1,0421,042-0)Credit Risk On-balance sheet exposures:5,2631,96384Other assets756,765192,79815,208Total on and off-balance sheet exposures *803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,070193,85115,50		Group and Bank	Gross	Net	Risk-	Conital
Exposure ClassRM'000RM'000RM'000RM'000(i)Credit RiskOn-balance sheet exposures:Sovereigns/Central banks1,2171,217-Banks, Development Financial Institutions and Multilateral Development Banks16,71716,7173,343267Other assets39,56299,56253,9094,312Total on-balance sheet exposures99,56299,56253,9094,312Total on and off-balance sheet exposures99,56299,562142,74111,419Group and BankGrossNet credit credit credit exposuresRisk- weighted assetsCapital assets31 December 2022 Exposure Class1,0421,042Banks, Development Financial Institutions and Multilateral Development Banks1,0421,042-On-balance sheet exposures:5,2635,2631,05384On-balance sheet exposures:803,070803,070193,85115,508Total on and off-balance sheet exposures803,070193,85115,508Total on-balance sheet exposures803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,07013,85115,508Total on and off-balance sheet exposures *803,070803,07013,85115,508Total on and off-balance sheet exposures *803,070803,07013,85115,508(ii)Market Risk Foreign currency risk1- <tr<< th=""><th></th><th>30 September 2023</th><th>credit</th><th>credit</th><th>weighted</th><th>Capital</th></tr<<>		30 September 2023	credit	credit	weighted	Capital
(i) Credit Risk On-balance sheet exposures: Sovereigns/Central banks 1,217 1,217 - Banks, Development Financial Institutions and Multilateral Development Banks 16,717 16,717 3,343 267 Other assets 81,628 81,628 50,566 4,045 Total on-balance sheet exposures 99,562 99,562 53,909 4,312 (ii) Operational Risk - 88,832 7,107 Total on and off-balance sheet exposures 99,562 99,562 142,741 11,419 (iii) Operational Risk - 88,832 7,107 Total RWA and capital requirements 99,562 99,562 142,741 11,419 Group and Bank Gross Net Risk- Capital 31 December 2022 RM'000 RM'000 RM'000 requirements Sovereigns/Central banks 1,042 1,042 - - Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets 796,765 796,765 192,798 15,508 <th></th> <th>•</th> <th></th> <th>•</th> <th></th> <th>•</th>		•		•		•
On-balance sheet exposures: Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks 0fther assets 16,717 10 and off-balance sheet exposures 99,562 11,412 Operational Risk - - 86,832 7,107 Total RWA and capital requirements 99,562 99,562 1141 11,419 Group and Bank Gross 31 December 2022 Exposures Exposure Class NW000 RM'000 RM'000 RM'000 RM'000						
Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks1,2171,2171,217Other assets16,71716,7173,343267Other assets99,56299,56250,9094,312Total on-balance sheet exposures99,56299,56253,9094,312(ii)Operational Risk-88,8327,107Total on and off-balance sheet exposures99,56299,562142,74111,419(iii)Operational Risk-88,8327,107Total RWA and capital requirements99,56299,562142,74111,419Group and Bank Exposure ClassGross exposuresNet creditRisk- weighted exposuresCapital assets RM'000(i)Credit Risk On-balance sheet exposures:1,0421,042Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks Development Banks Bowles and Multilateral Development Banks Bowles assets1,0421,042Total on-balance sheet exposures803,070803,070193,85115,508-Total on and off-balance sheet exposures803,070803,070193,85115,508Total on and off-balance sheet exposures803,070803,070193,85115,508(ii)Market Risk Foreign currency risk-1(iii)Operational Risk94,3737,550	(i)	<u>Credit Risk</u>				
Banks, Development Financial Institutions and Multilateral Development Banks16,71716,7173,343267Other assets81,62881,62850,5664,045Total on-balance sheet exposures99,56299,56253,9094,312Total on and off-balance sheet exposures *99,56299,56253,9094,312(ii) Operational Risk88,8327,107Total RWA and capital requirements99,56299,562142,74111,419Group and Bank 31 December 2022 Exposure ClassGross RM'000Net RM'000Risk- weighted assetsCapital requirements(i) Credit Risk On-balance sheet exposures: Sovereigns/Central banks and Multilateral Development Banks Other assets1,0421,042-Sovereigns/Central banks and Multilateral Development Banks Other assets5,2635,2631,05384Other assets Total on and off-balance sheet exposures *803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,070193,85115,508(ii) Market Risk Foreign currency risk-1(iii) Operational Risk1-		On-balance sheet exposures:				
and Multilateral Development Banks 16,717 16,717 3,343 267 Other assets 91,622 81,628 50,666 4,045 Total on-balance sheet exposures 99,562 99,562 53,909 4,312 Total on and off-balance sheet exposures * 99,562 99,562 53,909 4,312 (ii) Operational Risk - - 88,832 7,107 Total RWA and capital requirements 99,562 99,562 142,741 11,419 Group and Bank Gross RM* Risk- credit exposures Risk- meighted assets Capital requirements 31 December 2022 RM*000 RM*000 RM*000 RM*000 RM*000 (i) Credit Risk - - - - On-balance sheet exposures: Sovereigns/Central banks 1,042 1,042 - - Sovereigns/Central banks 1,042 1,042 - - - Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84		5	1,217	1,217	-	-
Other assets 81,628 81,628 50,566 4,045 Total on-balance sheet exposures 99,562 99,562 53,909 4,312 Total on and off-balance sheet exposures * 99,562 99,562 53,909 4,312 (ii) Operational Risk - - 88,832 7,107 Total RWA and capital requirements 99,562 99,562 142,741 11,419 Group and Bank Gross Credit exposures Risk- credit exposures Risk- Weighted assets Capital requirements RM'000 31 December 2022 Exposure Class RM'000 RM'000 RM'000 RM'000 (i) Credit Risk 0n-balance sheet exposures: Sovereigns/Central banks 1,042 1,042 - Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets 796,765 192,798 15,424 15,508 Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (ii) Market Risk - <td< th=""><th></th><th>•</th><th>16 717</th><th>16 717</th><th>3 3/3</th><th>267</th></td<>		•	16 717	16 717	3 3/3	267
Total on-balance sheet exposures99,56299,56253,9094,312Total on and off-balance sheet exposures *99,56299,56253,9094,312(ii)Operational Risk88,8327,107Total RWA and capital requirements99,56299,562142,74111,419Group and BankGrossNet credit exposuresRisk- weighted assetsCapital requirements31 December 2022 Exposure ClassGrossNet RM'000Risk- RM'000Capital requirements(ii)Credit Risk On-balance sheet exposures: Sovereigns/Central banks1,0421,042-Sovereigns/Central banks Danks, Development Financial Institutions and Mutiliateral Development Banks1,0421,042-Total on and off-balance sheet exposures803,070803,070193,85115,508Total on and off-balance sheet exposures *803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550		•		-	,	
Total on and off-balance sheet exposures * 99,562 99,562 53,909 4,312 (ii) Operational Risk - - 88,832 7,107 Total RWA and capital requirements 99,562 99,562 142,741 11,419 Group and Bank Gross Net Risk-weighted assets Capital requirements 31 December 2022 exposures RM'000 exposures RM'000 RM'000 RM'000 (i) Credit Risk 0n-balance sheet exposures: 1,042 1,042 - - Sovereigns/Central banks 1,042 1,042 - - - Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets 796,765 796,765 192,798 15,424 Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (ii) Market Risk - - 1 - (iii) Operational Risk - - 94,373 7,550			· · · · · · · · · · · · · · · · · · ·			· · · · · · · · · · · · · · · · · · ·
(ii)Operational Risk88,8327,107Total RWA and capital requirements99,56299,562142,74111,419Group and BankGross credit exposure ClassNet credit exposuresRisk- weighted assets RM'000Risk- weighted assets RM'000(i)Credit RiskGross credit RiskNet credit exposures RM'000Risk- weighted assets RM'000(ii)Credit Risk1,0421,042-On-balance sheet exposures: Banks, Development Financial Institutions and Multilateral Development Banks Other assets1,0421,042-Total on-balance sheet exposures5,2635,2631,05384Other assets796,765799,765192,79815,424Total on and off-balance sheet exposures *803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550		·····			,	.,
Total RWA and capital requirements99,56299,562142,74111,419Group and Bank 31 December 2022 Exposure ClassGross credit exposures RM'000Net credit exposures RM'000Risk- weighted assets RM'000(i)Credit Risk On-balance sheet exposures: Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks Other assets1,0421,042Sovereigns/Central banks Danks, Development Financial Institutions and Multilateral Development Banks1,0421,042Total on-balance sheet exposures5,2635,2631,05384Other assets Total on and off-balance sheet exposures*803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550		Total on and off-balance sheet exposures *	99,562	99,562	53,909	4,312
Group and Bank 31 December 2022 Exposure ClassGross credit exposures RM'000Net credit exposures RM'000Risk- weighted assets RM'000Capital requirements RM'000(i)Credit Risk On-balance sheet exposures: Sovereigns/Central banks and Multilateral Development Financial Institutions and Multilateral Development Banks Total on-balance sheet exposures1,0421,042Total on and off-balance sheet exposures*803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550	(ii)	Operational Risk	-	-	88,832	7,107
Group and Bank 31 December 2022 Exposure ClassGross credit exposures RM'000Net credit exposures RM'000Risk- weighted assets RM'000Capital requirements RM'000(i)Credit Risk On-balance sheet exposures: Sovereigns/Central banks and Multilateral Development Financial Institutions and Multilateral Development Banks Total on-balance sheet exposures1,0421,042Total on and off-balance sheet exposures*803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550		Total RWA and capital requirements	99.562	99.562	142.741	11.419
credit exposures Exposure Classcredit exposures exposures RM'000weighted assets RM'000Capital requirements RM'000(i)Credit RiskOn-balance sheet exposures:1,0421,042-Sovereigns/Central banks Banks, Development Financial Institutions and Multialteral Development Banks Other assets1,0421,042-Other assets Total on-balance sheet exposures5,2635,2631,05384Other assets Total on and off-balance sheet exposures*803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550			,			· · · ·
31 December 2022 Exposure Classexposures RM'000exposures RM'000assets RM'000requirements RM'000(i)Credit RiskOn-balance sheet exposures:1,0421,042Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks1,0421,042Banks, Development Financial Institutions and Multilateral Development Banks5,2635,2631,05384Other assets796,765796,765192,79815,424Total on-balance sheet exposures803,070803,070193,85115,508(ii)Market Risk Foreign currency risk1-(iii)Operational Risk94,3737,550		Group and Bank				
Exposure ClassRM'000RM'000RM'000RM'000(i)Credit RiskOn-balance sheet exposures:Sovereigns/Central banks1,0421,042-Banks, Development Financial Institutions and Multilateral Development Banks5,2635,2631,053Other assets796,765796,765192,79815,424Total on-balance sheet exposures803,070803,070193,85115,508(ii)Market Risk1-(iii)Operational Risk-94,3737,550					•	
 (i) Credit Risk On-balance sheet exposures: Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets Total on-balance sheet exposures 803,070 803,070 193,851 15,508 (ii) Market Risk Foreign currency risk - 1 - 94,373 7,550 			•	•		
On-balance sheet exposures: Sovereigns/Central banks 1,042 1,042 - - Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets 5,265 796,765 192,798 15,424 Total on-balance sheet exposures 803,070 803,070 193,851 15,508 Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (ii) Market Risk - - 1 - (iii) Operational Risk - - 94,373 7,550		Exposure class				
Sovereigns/Central banks Banks, Development Financial Institutions and Multilateral Development Banks Other assets1,0421,0425,2635,2631,05384796,765796,765192,79815,424Total on-balance sheet exposures803,070803,070193,85115,508Total on and off-balance sheet exposures*803,070803,070193,85115,508(ii)Market RiskForeign currency risk1-(iii)Operational Risk94,3737,550	(i)	Credit Risk				
Banks, Development Financial Institutions and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets 796,765 796,765 192,798 15,424 Total on-balance sheet exposures 803,070 803,070 193,851 15,508 Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (iii) Market Risk - - 1 - (iii) Operational Risk - - 94,373 7,550		On-balance sheet exposures:				
and Multilateral Development Banks 5,263 5,263 1,053 84 Other assets 796,765 796,765 192,798 15,424 Total on-balance sheet exposures 803,070 803,070 193,851 15,508 (ii) Market Risk 803,070 803,070 193,851 15,508 (iii) Market Risk - - 1 - (iii) Operational Risk - - 94,373 7,550			1,042	1,042	-	-
Other assets 796,765 796,765 192,798 15,424 Total on-balance sheet exposures 803,070 803,070 193,851 15,508 Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (ii) Market Risk - - 1 - (iii) Operational Risk - - 94,373 7,550						
Total on-balance sheet exposures 803,070 803,070 193,851 15,508 Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (ii) Market Risk - - 1 - (iii) Operational Risk - - 94,373 7,550			5 263		1 053	84
Total on and off-balance sheet exposures * 803,070 803,070 193,851 15,508 (ii) Market Risk Foreign currency risk - - 1 - (iii) Operational Risk - 94,373 7,550		and Multilateral Development Banks	,	5,263	,	
Market Risk Foreign currency risk - - 1 - (iii) Operational Risk - - 94,373 7,550		and Multilateral Development Banks Other assets	796,765	5,263 796,765	192,798	15,424
Foreign currency risk - - 1 - (iii) Operational Risk - - 94,373 7,550		and Multilateral Development Banks Other assets	796,765	5,263 796,765	192,798	15,424
(iii) <u>Operational Risk</u> 94,373 7,550		and Multilateral Development Banks Other assets Total on-balance sheet exposures	796,765 803,070	5,263 796,765 803,070	192,798 193,851	15,424 15,508
	(ii)	and Multilateral Development Banks Other assets Total on-balance sheet exposures Total on and off-balance sheet exposures *	796,765 803,070	5,263 796,765 803,070	192,798 193,851	15,424 15,508
Total RWA and capital requirements 803,070 803,070 288,225 23,058	(ii)	and Multilateral Development Banks Other assets Total on-balance sheet exposures Total on and off-balance sheet exposures * <u>Market Risk</u>	796,765 803,070	5,263 796,765 803,070	192,798 193,851 193,851	15,424 15,508
		and Multilateral Development Banks Other assets Total on-balance sheet exposures Total on and off-balance sheet exposures * <u>Market Risk</u> Foreign currency risk	796,765 803,070	5,263 796,765 803,070	<u>192,798</u> <u>193,851</u> <u>193,851</u> 1	15,424 15,508 15,508 -

* There are no off-balance sheet exposures in the current and previous financial periods.

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31. The operations of Islamic Banking Scheme ("IBS") (Cont'd.)

(i) Fair values of financial assets and liabilities

The estimated fair values of those on-balance sheet financial assets and financial liabilities as at the reporting date, which are considered short-term in maturity, approximate their carrying amounts as shown in the statements of financial position.

(j) Allocation of income

The policy of allocation of income to the various types of deposits and investments is subject to "The Framework of Rate of Return" issued by Bank Negara Malaysia in October 2001. The objective is to set the minimum standard and terms of reference for the Islamic banking institution in calculating and deriving the rate of return for the depositors.

(k) Shariah committee

The operation of IBS is governed by Section 28 and 29 of Islamic Financial Services Act, 2013 ("IFSA"), which stipulates that "a licensed institution shall at all times ensure that its aims and operations, business, affairs and activities are in compliance with Shariah and in accordance with the advice or ruling of the Shariah Advisory Council ("SAC"), specify standards on Shariah matters in respect of the carrying on of its business, affair or activity" and Section IV of BNM's "Guidelines on the Governance of Shariah Committee for The Islamic Financial Institutions" known as the Shariah Governance Framework ("SGF") (which supersedes the BNM/GPS 1), which stipulates that "every Islamic institution is required to establish a Shariah Committee".

Based on the above, the duties and responsibilities of the Group's and the Bank's Shariah Committee are to advise on the overall Islamic Banking Scheme operations of the Group's and the Bank's business in order to ensure compliance with the Shariah requirements.

The roles of the Shariah Committee in monitoring the Group's and the Bank's activities include:

- (i) To advise the Board on Shariah matters in its business operations;
- (ii) To endorse Shariah Compliance Manual;
- (iii) To endorse and validate relevant documentations;
- (iv) To assist related parties on Shariah matters for advice upon request;
- (v) To advise on matters to be referred to the SAC;
- (vi) To provide written Shariah opinion; and
- (vii) To assist the SAC on reference for advice.

The Group and the Bank presently have six Shariah members.

32. Fair value of financial instruments

Fair value hierarchy

The Group and the Bank classify its financial instruments measured at fair value according to the following hierarchy, reflecting the significance of the inputs in making the fair value measurements:

(a) Level 1: Quoted prices

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 bonds and illiquid equities.

(c) Level 3: Valuation techniques for which significant inputs are not based on observable market data

Refers to financial instruments where fair value is measured using significant unobservable market inputs. The valuation technique is consistent with the Level 2. The chosen valuation technique 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 advances priced primarily based on internal credit assessment.

The following table shows the Group's and the Bank's financial assets and liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 30 September 2023 and 31 December 2022.

Valuation techniques using

	Quoted	Observable	Unobservable	
	Market Price	Inputs	Inputs	
	(Level 1)	(Level 2)	(Level 3)	Total
Group and Bank	RM'000	RM'000	RM'000	RM'000
As at 30 September 2023				
Financial assets measured at fair values:				
Financial assets at fair value through				
profit or loss	1,333,535	-	-	1,333,535
Financial assets at fair value through			4.044	4.044
other comprehensive income Derivative financial assets	-	-	1,341	1,341
Derivative infancial assets	1,333,535	<u>162,470</u> 162,470	1,341	<u>162,470</u> 1,497,346
	1,555,555	102,470	1,041	1,437,340
Financial liabilities measured at fair values:				
Derivative financial liabilities	30,433	378,389	-	408,822
As at 31 December 2022				
Financial assets measured at fair values:				
Financial assets at fair value through profit or loss	1,481,482			1,481,482
Financial assets at fair value through	1,401,402	-	-	1,401,402
other comprehensive income	-	-	1,253	1,253
Derivative financial assets	-	153,273	-	153,273
	1,481,482	153,273	1,253	1,636,008
Financial liabilities measured at fair values:				
Derivative financial liabilities	24,678	385,959	-	410,637

32. Fair value of financial instruments (Cont'd.)

Valuation techniques

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

(a) Financial investments at fair value through profit or loss and, financial investments at fair value through other comprehensive income.

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

(b) Derivative financial instruments

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