

# J.P.Morgan

**J.P. MORGAN CHASE BANK BERHAD**

(Company number: 199401030666 (316347-D))

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

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

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2022

ASSETS	<u>Note</u>	<u>31 Mar 2022</u> RM'000	<u>31 Dec 2021</u> RM'000
Cash and short-term funds	a	5,199,892	4,624,936
Securities purchased under resale agreement		3,792,822	2,442,786
Financial assets held at fair value through profit and loss	b	618,314	611,164
Derivative financial instruments		890,936	821,733
Financial assets held at fair value through other comprehensive income	c	379,803	377,948
Loans and advances	d	567,859	461,288
Amount due from related parties		1,021,751	566,929
Statutory deposits with Bank Negara Malaysia		2	2
Other assets	e	753,388	374,982
Tax recoverable		35,823	34,475
Deferred tax assets		2,530	5,834
Fixed assets		7,438	8,909
Right-of-use assets		14,606	15,898
<b>TOTAL ASSETS</b>		<b><u>13,285,164</u></b>	<b><u>10,346,884</u></b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
Deposits from customers	f	4,192,460	4,173,237
Deposits and placements of banks and other financial institutions	g	909,930	586,965
Obligations on securities sold under repurchase agreements		489,767	343,738
Derivative financial instruments		750,061	731,034
Amount due to related parties		4,269,393	2,218,618
Other liabilities	h	853,955	496,788
<b>Total liabilities</b>		<b><u>11,465,566</u></b>	<b><u>8,550,380</u></b>
Share capital		437,500	437,500
Retained earnings		1,361,815	1,340,841
Reserves		20,283	18,163
<b>Shareholders' equity</b>		<b><u>1,819,598</u></b>	<b><u>1,796,504</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b><u>13,285,164</u></b>	<b><u>10,346,884</u></b>
<b>COMMITMENTS AND CONTINGENCIES</b>	p	<b><u>113,949,188</u></b>	<b><u>119,148,257</u></b>

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	<u>Note</u>	<u>31 Mar 2022</u> (Quarter 1 2022) RM'000	<u>31 Mar 2021</u> (Quarter 1 2021) RM'000
Interest income	i	35,441	24,267
Interest expense	j	(10,707)	(7,002)
		<hr/>	<hr/>
Net interest income		24,734	17,265
Other operating income	k	51,749	49,745
		<hr/>	<hr/>
Net income		76,483	67,010
Other operating expenses	l	(43,865)	(42,022)
		<hr/>	<hr/>
Operating profit before allowances		32,618	24,988
Expected credit losses (made)/written-back on loans and advances	m	(1,899)	3,647
		<hr/>	<hr/>
Profit before taxation		30,719	28,635
Taxation		(7,607)	(7,641)
		<hr/>	<hr/>
Net profit for the financial period		<u>23,112</u>	<u>20,994</u>

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	Share capital RM'000	Fair value reserves of OCI RM'000	Option reserve RM'000	Regulatory reserve RM'000	Distributable Retained earnings RM'000	Total RM'000
At 1 January 2022	437,500	317	11,953	5,893	1,340,841	1,796,504
Net profit for the financial period	-	-	-	-	23,112	23,112
Other comprehensive income (net of tax)	-	(18)	-	-	-	(18)
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	-	(24)	-	-	-	(24)
Income tax relating to component of other comprehensive income	-	6	-	-	-	6
Total comprehensive income for the financial period	-	(18)	-	-	23,112	23,094
Transfer to regulatory reserve	-	-	-	2,138	(2,138)	-
At 31 March 2022	<u>437,500</u>	<u>299</u>	<u>11,953</u>	<u>8,031</u>	<u>1,361,815</u>	<u>1,819,598</u>
At 1 January 2021	437,500	1,010	11,953	973	1,286,237	1,737,673
Net profit for the financial year	-	-	-	-	59,524	59,524
Other comprehensive income (net of tax)	-	(693)	-	-	-	(693)
Net unrealised loss on revaluation of financial assets at fair value through other comprehensive income	-	(911)	-	-	-	(911)
Income tax relating to component of other comprehensive income	-	218	-	-	-	218
Total comprehensive income for the financial year	-	(693)	-	-	59,524	58,831
Transfer to regulatory reserve	-	-	-	4,920	(4,920)	-
At 31 December 2021	<u>437,500</u>	<u>317</u>	<u>11,953</u>	<u>5,893</u>	<u>1,340,841</u>	<u>1,796,504</u>

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

(Incorporated in Malaysia)

UNAUDITED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	<u>31 Mar 2022</u> RM'000	<u>31 Mar 2021</u> RM'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Profit before taxation	30,719	28,635
Adjustments for items not involving the movement of cash and cash equivalents:		
Depreciation of fixed assets	1,560	1,677
Amortisation of lease	1,293	1,204
Loss on disposal of fixed assets	-	198
Expected credit losses on loans and advances	1,899	(3,647)
Net unrealised (gain)/loss on revaluation of financial assets held at fair value through profit and loss	(7,219)	4,017
Net loss/(gain) on derivatives	3,766	(14,782)
Net unrealised (gain)/loss in revaluation on derivatives	(21,309)	6,760
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<u>10,709</u>	<u>24,062</u>
(Increase)/decrease in securities purchased under resale agreement	(1,350,036)	1,105,946
Increase in amount due from related parties	(448,148)	(522,935)
Decrease/(increase) in financial assets held at fair value through profit and loss	69	(96,799)
Increase in derivative financial instruments	(32,633)	(109,903)
Increase in financial assets held at fair value through other comprehensive income	(1,873)	(1,248)
Increase in loans and advances	(108,470)	(64,010)
Increase in other assets	(377,102)	(766,321)
Increase/(decrease) in deposits from customers	19,223	(382,399)
Increase in deposits and placements of banks and other financial institutions	322,965	192,882
Increase in other liabilities	357,167	591,965
Increase in securities sold under repurchase agreements	146,029	598,461
Increase in amount due to related parties	2,050,775	118,590
<b>Cash generated in operating activities</b>	<u>588,675</u>	<u>688,291</u>
Income taxes paid	(5,646)	(15,939)
<b>Net cash generated in operating activities</b>	<u>583,029</u>	<u>672,352</u>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(89)	(1,061)
<b>Net cash used in investing activities</b>	<u>(89)</u>	<u>(1,061)</u>

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

UNAUDITED CASH FLOW STATEMENT  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022 (CONTINUED)

	<u>31 Mar 2022</u> RM'000	<u>31 Mar 2021</u> RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rental payment	(1,310)	(1,204)
Net cash flow used in financing activities	<u>(1,310)</u>	<u>(1,204)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	581,630	670,087
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD		
	4,806,275	3,250,353
CASH AND CASH EQUIVALENT AT END OF FINANCIAL PERIOD	<u>5,387,905</u>	<u>3,920,440</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and short term funds	5,199,892	3,155,780
Amount due from related parties	188,013	764,660
	<u>5,387,905</u>	<u>3,920,440</u>

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

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

A Basis of preparation

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

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2021. The explanatory notes attached in the unaudited interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Bank since the financial year ended 31 December 2021.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2021.

B Auditor's Report on preceding Annual Financial Statements

The auditor's report on the financial statements for the financial year ended 31 December 2021 was not subject to any qualification.

C Seasonality or Cyclical factors

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

D Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Bank for the financial period ended 31 March 2022.

E Change in estimates

There were no changes in estimates of amounts reported in prior financial years that have material effect on the financial results and position of the Bank for the financial period ended 31 March 2022.

F Issuance and repayment of Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period ended 31 March 2022.

G Dividend

No dividend was paid during the financial period ended 31 March 2022.

H Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

I Review of Bank's Performance

The Bank's profit before taxation for the financial period to March 2022 amounted to RM30.7 million. Net interest income for the period was RM24.7 million. Major contributor for interest income include inter-bank lending (RM31.6 million), interest income from loans and advances (RM1.9 million) and interest earned from financial assets held at fair value through other comprehensive income for the period amounted to RM1.9 million. As for interest expense, amount incurred on inter-bank borrowings was RM6.9 million and interest incurred on customer deposits was RM3.8 million.

Income generated from the Bank's treasury activities comprises net gain from financial assets held at fair value through profit and loss of RM11.2 million and net gain on derivatives of RM17.5 million. Inter-company charges, commission and fees earned by the Bank amounted to RM24.4 million.

Total overhead expenditure incurred in the 3 months was RM43.9 million. Staff cost and benefits came up to RM17.6 million while establishment expenses amounted to RM3.0 million. Inter-company management fees and attribution fees incurred during the period was RM20.7 million while administration and general expenses amounted to RM2.5 million. Expected credit losses provided for loans and advances for the period was RM1.9 million, as compared to credit losses written-back in the corresponding period in 2021 of RM3.6 mil, mainly contributed by higher exposures.

Performance for year-to-date March 2022 was higher than that of the corresponding period in 2021. In the current period, the profit before taxation was RM30.7 million (YTD March 2021: RM28.6 million). Net interest income for the current period was higher by RM7.5 million while other operating income in the first 3 months of 2022 was RM51.7 million, higher than the amount earned in the corresponding period in 2021 by RM2.0 million. The higher net interest income recorded was attributable to higher interest income from money at call and placements with financial institutions by RM10.4 million, offset by higher interest expense arising from deposits and placements of banks and other financial institutions by RM3.0 million. During the current period, there was higher net management and attribution income by RM5.1 million, offset by lower foreign exchange gain by RM15.3 million. Net income from financial assets held at fair value through profit and loss for the first 3 months of 2022 amounted to RM11.2 million while RM9.2 million was recorded in the corresponding period for 2021. As for derivatives trading, a net gain of RM17.5 million was recorded in the period against a net gain of RM8.0 million recorded in first 3 months of 2021. Other operating expenses increased to RM43.9 million as compared with RM42.0 million incurred during the corresponding period of 2021, reflecting an increase of RM1.8 million.

J Business outlook for 2022

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

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

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

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



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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

	<u>31 Mar 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
a) Cash and short-term funds		
Cash and balances with banks and other financial institutions	54,836	126,731
Money at call and deposit placements maturing within one month	5,145,056	4,498,205
	<u>5,199,892</u>	<u>4,624,936</u>
b) Financial assets held at fair value through profit or loss		
<u>Money market instruments</u>		
Malaysian Government Securities	446,172	442,108
Malaysian Treasury Bills	24,944	-
Malaysian Government Investment Issuance	116,721	138,485
Malaysian Government Guaranteed Bonds	24,127	24,016
<u>Unquoted securities</u>		
Unquoted shares	6,350	6,555
	<u>618,314</u>	<u>611,164</u>
c) Financial assets held at fair value through other comprehensive income		
<u>Money market instruments</u>		
Malaysian Government Investment Issuance	52,148	51,923
Malaysian Treasury Bills	327,655	326,025
	<u>379,803</u>	<u>377,948</u>
d) Loans and advances		
i) Loans and advances analysed by type of loan are as follows:		
Overdrafts	154,789	148,974
Housing loans	518	531
Staff loans	396	407
Revolving credits	149,502	232,316
Trade finance	271,404	85,945
	<u>576,609</u>	<u>468,173</u>
Less: Allowance for losses on loans and advances:		
- ECL not credit impaired	(8,703)	(6,839)
- ECL credit impaired	(47)	(46)
Total net loans and advances	<u>567,859</u>	<u>461,288</u>

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(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

	<u>31 Mar 2022</u>	<u>31 Dec 2021</u>
	RM '000	RM '000
d) Loans and advances (continued)		
ii) The maturity structure of loans and advances are as follows:		
Maturity within		
- one year	575,739	467,278
- one year to three years	316	332
- three years to five years	39	26
- over five years	515	537
	<u>576,609</u>	<u>468,173</u>
iii) Loans and advances analysed by type of customers are as follows:		
Domestic business enterprises		
- Others	542,263	461,848
Individuals	914	938
Foreign entities	33,432	5,387
	<u>576,609</u>	<u>468,173</u>
iv) Loans and advances analysed by interest sensitivity are as follows:		
Fixed rate		
- Housing loans	914	938
Variable rate		
- Cost-plus	575,695	467,235
	<u>576,609</u>	<u>468,173</u>
v) Loans and advances analysed by their economic purpose are as follows:		
Purchase of landed properties	914	938
Working capital	575,695	467,235
	<u>576,609</u>	<u>468,173</u>
vi) Loans and advances analysed by their geographical distribution are as follows:		
In Malaysia	543,177	462,786
Other countries	33,432	5,387
	<u>576,609</u>	<u>468,173</u>
vii) Loans and advances analysed by measurement basis are as follows:		
Amortised cost	<u>576,609</u>	<u>468,173</u>

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(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

	<u>31 Mar 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
d) Loans and advances (continued)		
viii) Impaired loans		
a) Movement in impaired loans and advances are as follows:		
At 1 January	198	90
Classified as impaired during the financial period/year	28	116
Reclassified as performing during the financial period/year	(4)	-
Amount recovered	(1)	(8)
At end of financial period/year	<u>221</u>	<u>198</u>
ECL credit impaired	(47)	(46)
Net impaired loans and advances	<u><u>174</u></u>	<u><u>152</u></u>
b) Impaired loans analysed by their economic purpose are as follows:		
Purchase of landed property	<u>221</u>	<u>198</u>
c) Impaired loans analysed by their geographical distribution are as follows:		
In Malaysia	<u>221</u>	<u>198</u>
d) Movement in allowance for impaired loans and advances are as follows:		
<u>ECL credit impaired</u>		
At 1 January	46	23
- Allowance made during the financial period/year	1	23
Balance at end of financial period/year	<u>47</u>	<u>46</u>
<u>ECL not credit impaired</u>		
At 1 January	6,839	8,164
- Allowance made/(written-back) during the financial period/year	1,864	(1,325)
Balance at end of financial period/year	<u>8,703</u>	<u>6,839</u>
e) Other assets		
Receivable from securities sold pending settlement	728,587	372,298
Other receivable, deposits and prepayments	<u>24,801</u>	<u>2,684</u>
	<u><u>753,388</u></u>	<u><u>374,982</u></u>

J.P. MORGAN CHASE BANK BERHAD (199401030666 (316347-D))  
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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

	<u>31 Mar 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
f) Deposits from customers		
i) Deposits from customers analysed by type of deposits are as follows:		
Demand deposits	4,110,254	4,091,831
Fixed deposits	82,206	81,406
	<u>4,192,460</u>	<u>4,173,237</u>
Maturity structure of fixed deposits are as follows:		
Due within six months	<u>82,206</u>	<u>81,406</u>
ii) Deposits from customers analysed by type of customers are as follows:		
Business enterprises	4,191,303	4,172,135
Others	1,157	1,102
	<u>4,192,460</u>	<u>4,173,237</u>
g) Deposits and placements of banks and other financial institutions		
Licensed banks	627,763	452,916
Other financial institutions	282,167	134,049
	<u>909,930</u>	<u>586,965</u>
h) Other liabilities		
Other payables	831,986	459,742
Accruals and charges	5,591	19,444
Lease liabilities	14,899	16,157
Expected credit loss - off-balance sheet lending commitment	1,479	1,445
	<u>853,955</u>	<u>496,788</u>

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NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

	<u>31 Mar 2022</u> (Quarter 1 2022) RM '000	<u>31 Mar 2021</u> (Quarter 1 2021) RM '000
i) Interest income		
Loans and advances		
- Interest income other than recoveries from impaired loans	1,883	1,602
- Recoveries from impaired loans	-	1
Money at call and placements with financial institutions	31,615	21,254
Financial assets held at fair value through other comprehensive income	1,878	1,360
Other interest income	65	50
	<u>35,441</u>	<u>24,267</u>
j) Interest expense		
Deposits from customers	3,803	3,107
Deposits and placements of banks and other financial institutions	6,904	3,895
	<u>10,707</u>	<u>7,002</u>
k) Other operating income		
Fee income:		
Service charges and fees	1,491	1,142
Guarantee fees	572	362
	<u>2,063</u>	<u>1,504</u>
Net income from securities:		
Net (loss)/gain from sale of financial assets fair value through profit or loss	(2,245)	6,946
Unrealised gain/(loss) from revaluation of financial assets fair value through profit or loss	7,219	(4,017)
Interest income from assets held at fair value through profit and loss	6,275	6,237
Derivatives:		
Net (loss)/gain from trading of derivatives	(3,766)	14,782
Unrealised gain/(loss) from revaluation of derivatives	21,309	(6,760)
Other income:		
Foreign exchange (loss)/gain	(1,417)	13,849
Management and attribution income	22,311	17,204
	<u>51,749</u>	<u>49,745</u>
l) Other operating expenses		
Personnel expenses	17,562	15,542
Establishment expenses	2,987	3,172
Marketing expenses	147	59
Management and attribution fees paid	20,656	20,003
General administrative expenses	2,513	3,246
	<u>43,865</u>	<u>42,022</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

	<u>31 Mar 2022</u> (Quarter 1 2022) RM '000	<u>31 Mar 2021</u> (Quarter 1 2021) RM '000
m) Expected credit losses (made)/written-back for losses on loans and advances:		
ECL - off-balance sheet lending commitment	(34)	763
ECL - loans and advances	(1,865)	2,882
Loans and advances recovered	-	2
	<u>(1,899)</u>	<u>3,647</u>

	<u>31 Mar 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
n) Credit exposures arising from transactions with connected parties		
Outstanding credit exposures with connected parties	<u>257,863</u>	<u>298,836</u>
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	<u>6.64%</u>	<u>7.56%</u>
Percentage of outstanding credit exposures to connected parties which is non-performing or in default	<u>0%</u>	<u>0%</u>

o) Capital adequacy

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

i) The capital adequacy ratios of the Bank are as follows:	<u>31 Mar 2022</u> RM '000	<u>31 Dec 2021</u> RM '000
<b>Tier-I capital</b>		
Share capital	437,500	437,500
Retained earnings	1,340,841	1,340,841
Fair value reserve through other comprehensive income	299	317
Option reserve	11,953	11,953
	<u>1,790,593</u>	<u>1,790,611</u>
Deferred tax assets	(2,530)	(5,834)
Financial assets at fair value through other comprehensive income	(164)	(174)
Total Tier I capital	<u>1,787,899</u>	<u>1,784,603</u>
<b>Tier-II capital</b>		
Regulatory reserve	8,031	5,893
ECL not credit impaired	8,703	6,839
Total Tier-II capital	<u>16,734</u>	<u>12,732</u>
<b>Total capital</b>	<u>1,804,633</u>	<u>1,797,335</u>
Common Equity Tier 1 capital ratio	23.332%	24.042%
Tier 1 capital ratio	23.332%	24.042%
Total capital ratio	23.551%	24.214%

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

o) Capital adequacy (continued)

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

Exposure class	31 March 2022				31 December 2021			
	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Capital requirements RM'000	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Capital requirements RM'000
<b>(a) Credit risk</b>								
On-balance sheet exposures								
Sovereigns/central banks	5,928,095	5,928,095	84,100	6,728	5,635,681	5,635,681	41,660	3,333
Public Sector Entities	-	-	-	-	19,946	19,946	3,989	319
Banks, development financial institutions Insurance companies, securities firms and fund managers	4,066,586	4,066,586	813,317	65,065	2,331,968	2,331,968	466,394	37,311
Corporates	1,338,152	1,338,152	389,095	31,127	540,995	540,995	156,689	12,535
Regulatory retail	588,366	588,366	588,366	47,069	467,253	467,253	467,253	37,380
Residential mortgages	396	396	396	32	407	407	407	33
Higher risk assets	293	293	103	8	334	334	122	10
Other assets	4	4	6	1	-	-	-	-
Defaulted exposures	40,216	40,216	34,767	2,781	93,400	93,400	766,087	61,287
	174	174	100	8	159	159	145	12
<b>Total on-balance sheet exposures</b>	<b>11,962,282</b>	<b>11,962,282</b>	<b>1,910,250</b>	<b>152,819</b>	<b>9,090,143</b>	<b>9,090,143</b>	<b>1,902,746</b>	<b>152,220</b>
Off-balance sheet exposures over-the-counter ('OTC') derivatives	2,987,746	2,987,746	1,192,804	95,426	3,197,678	3,197,678	1,295,165	103,613
Off-balance sheet exposures other than OTC derivatives	320,916	320,916	315,017	25,201	288,428	288,428	281,115	22,489
<b>Total off-balance sheet exposures</b>	<b>3,308,662</b>	<b>3,308,662</b>	<b>1,507,821</b>	<b>120,627</b>	<b>3,486,106</b>	<b>3,486,106</b>	<b>1,576,280</b>	<b>126,102</b>
<b>Total on and off-balance sheet exposures</b>	<b>15,270,944</b>	<b>15,270,944</b>	<b>3,418,071</b>	<b>273,446</b>	<b>12,576,249</b>	<b>12,576,249</b>	<b>3,479,026</b>	<b>278,322</b>
<b>(b) Market risk</b>								
	<u>Long position</u>	<u>Short position</u>			<u>Long position</u>	<u>Short position</u>		
Interest rate risk	112,192,380	110,965,522	3,427,629	274,210	119,338,039	118,012,168	3,159,354	252,748
Foreign currency risk	2,431	30,504	30,504	2,440	1,279	24,730	24,730	1,978
Option risk			146,804	11,744			109,775	8,782
<b>(c) Operational risk</b>								
			639,722	51,178			649,901	51,992
<b>Total risk weighted assets and capital requirements</b>			<b>7,662,730</b>	<b>613,018</b>			<b>7,422,786</b>	<b>593,822</b>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2022

p) Commitments and contingencies

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

	31 March 2022			31 December 2021		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount RM'000	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount RM'000
Direct credit substitutes	271,228	271,228	266,870	263,690	263,690	259,553
Transaction-related contingent items	19,526	9,763	8,259	26,062	13,031	9,855
Short-term self-liquidating trade related contingencies	9,646	1,929	1,892	308	62	62
Foreign exchange related contracts:						
- less than one year	48,103,301	843,181	389,824	47,588,914	949,229	462,954
- one year to less than five years	1,597,091	142,795	67,432	2,531,462	231,757	86,204
Interest rate related contracts:						
- less than one year	19,223,146	94,536	34,175	23,555,312	122,893	47,427
- one year to less than five years	38,921,254	1,308,156	461,588	38,398,314	1,182,563	407,879
- more than five years	2,208,736	235,523	106,043	3,121,393	396,997	173,807
Credit derivatives contracts						
- less than one year	113,535	15,185	7,593	70,822	9,766	4,883
- one year to less than five years	249,974	45,586	15,598	291,545	50,708	18,969
- more than five years	5,500	1,000	200	-	-	-
Equity related contracts						
- less than one year	1,603,021	292,875	105,896	1,633,094	243,303	88,054
- one year to less than five years	50,937	8,909	4,455	72,223	10,462	4,988
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	75,992	37,996	37,996	23,290	11,645	11,645
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in borrower's creditworthiness	1,496,301	-	-	1,571,828	-	-
	<u>113,949,188</u>	<u>3,308,662</u>	<u>1,507,821</u>	<u>119,148,257</u>	<u>3,486,106</u>	<u>1,576,280</u>

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