

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

CONDENSED FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

<u>Group</u>	Note	First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Interest income	A21	5,550,568	6,034,471	5,550,568	6,034,471
Interest expense	A22	(2,639,407)	(3,080,931)	(2,639,407)	(3,080,931)
Net interest income		2,911,161	2,953,540	2,911,161	2,953,540
Income from Islamic Banking Scheme operations	A40a	1,620,770	1,496,618	1,620,770	1,496,618
Net earned insurance premiums	A23	1,944,938	1,626,546	1,944,938	1,626,546
Other operating income	A25	1,333,105	1,677,864	1,333,105	1,677,864
Total operating income		7,809,974	7,754,568	7,809,974	7,754,568
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	A26	(1,085,804)	(1,894,525)	(1,085,804)	(1,894,525)
Net operating income		6,724,170	5,860,043	6,724,170	5,860,043
Overhead expenses	A27	(2,942,007)	(2,807,574)	(2,942,007)	(2,807,574)
Operating profit before impairment losses		3,782,163	3,052,469	3,782,163	3,052,469
Allowances for impairment losses on loans, advances, financing and other debts, net	A28	(961,667)	(603,994)	(961,667)	(603,994)
Allowances for impairment losses on financial investments, net	A29	(34,766)	(24,609)	(34,766)	(24,609)
Allowances for impairment losses on other financial assets, net	A30	(27,843)	(8,720)	(27,843)	(8,720)
Operating profit		2,757,887	2,415,146	2,757,887	2,415,146
Share of profits in associates and joint ventures		39,867	35,285	39,867	35,285
Profit before taxation and zakat		2,797,754	2,450,431	2,797,754	2,450,431
Taxation and zakat	B5	(755,862)	(575,614)	(755,862)	(575,614)
Profit for the financial period		2,041,892	1,874,817	2,041,892	1,874,817
Attributable to:					
Equity holders of the Bank		2,049,650	1,809,264	2,049,650	1,809,264
Non-controlling interests		(7,758)	65,553	(7,758)	65,553
		2,041,892	1,874,817	2,041,892	1,874,817
Earnings per share attributable to equity holders of the Bank					
Basic/diluted	B12	18.23 sen	16.37 sen	18.23 sen	16.37 sen

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MALAYAN BANKING BERHAD
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CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Profit for the financial period	2,041,892	1,874,817	2,041,892	1,874,817
Other comprehensive (loss)/income:				
Items that will not be reclassified subsequently to profit or loss:				
Defined benefit plan actuarial loss	(165)	(352)	(165)	(352)
Income tax effect	-	144	-	144
Net gain from change in fair value on equity instruments at fair value through other comprehensive income	60,962	1,964	60,962	1,964
	60,797	1,756	60,797	1,756
Items that may be reclassified subsequently to profit or loss:				
Net (loss)/gain on debt instruments at fair value through other comprehensive income	(330,646)	1,272,831	(330,646)	1,272,831
- Net (loss)/gain from change in fair value	(527,990)	1,363,748	(527,990)	1,363,748
- Changes in expected credit losses	41,447	232,159	41,447	232,159
- Income tax effect	155,897	(323,076)	155,897	(323,076)
Net loss on foreign exchange translation	(1,063,649)	(132,169)	(1,063,649)	(132,169)
Net (loss)/gain on cash flow hedge	(54)	260	(54)	260
Net (loss)/gain on net investment hedge	(8,102)	1,841	(8,102)	1,841
Net gain on fair value hedge	15,461	-	15,461	-
Net loss on capital reserve	(220)	-	(220)	-
Share of change in associates' reserve	23,360	(78,510)	23,360	(78,510)
	(1,363,850)	1,064,253	(1,363,850)	1,064,253
Other comprehensive (loss)/income for the financial period, net of tax	(1,303,053)	1,066,009	(1,303,053)	1,066,009
Total comprehensive income for the financial period	738,839	2,940,826	738,839	2,940,826
Other comprehensive (loss)/income for the financial period, attributable to:				
Equity holders of the Bank	(1,265,116)	1,053,851	(1,265,116)	1,053,851
Non-controlling interests	(37,937)	12,158	(37,937)	12,158
	(1,303,053)	1,066,009	(1,303,053)	1,066,009
Total comprehensive income for the financial period, attributable to:				
Equity holders of the Bank	784,534	2,863,115	784,534	2,863,115
Non-controlling interests	(45,695)	77,711	(45,695)	77,711
	738,839	2,940,826	738,839	2,940,826

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UNAUDITED INCOME STATEMENTS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

<u>Bank</u>	Note	First Quarter Ended		Cumulative 3 Months Ended	
		31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Interest income	A21	3,755,935	4,089,063	3,755,935	4,089,063
Interest expense	A22	(1,806,991)	(2,196,778)	(1,806,991)	(2,196,778)
Net interest income		1,948,944	1,892,285	1,948,944	1,892,285
Dividends from subsidiaries	A24	475,291	-	475,291	-
Other operating income	A25	1,755,817	753,428	1,755,817	753,428
		2,231,108	753,428	2,231,108	753,428
Net operating income		4,180,052	2,645,713	4,180,052	2,645,713
Overhead expenses	A27	(1,131,399)	(1,114,796)	(1,131,399)	(1,114,796)
Operating profit before impairment losses		3,048,653	1,530,917	3,048,653	1,530,917
Allowances for impairment losses on loans, advances, financing and other debts, net	A28	(779,652)	(546,819)	(779,652)	(546,819)
Allowances for impairment losses on financial investments, net (Allowances for)/writeback of impairment losses on other financial assets, net	A29 A30	(25,783) (9,863)	(32,816) 12,345	(25,783) (9,863)	(32,816) 12,345
Profit before taxation and zakat		2,233,355	963,627	2,233,355	963,627
Taxation and zakat	B5	(453,241)	(235,710)	(453,241)	(235,710)
Profit for the financial period		1,780,114	727,917	1,780,114	727,917

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CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

<u>Bank</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Profit for the financial period	1,780,114	727,917	1,780,114	727,917
Other comprehensive (loss)/income:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Net gain from change in fair value on equity instruments at fair value through other comprehensive income	68,586	676	68,586	676
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net (loss)/gain on debt instruments at fair value through other comprehensive income	(293,421)	1,071,750	(293,421)	1,071,750
- Net (loss)/gain from change in fair value	(435,907)	1,093,842	(435,907)	1,093,842
- Changes in expected credit losses	36,912	240,853	36,912	240,853
- Income tax effect	105,574	(262,945)	105,574	(262,945)
Net gain/(loss) on foreign exchange translation	150,614	(68,352)	150,614	(68,352)
Net gain on fair value hedge	15,461	-	15,461	-
	(127,346)	1,003,398	(127,346)	1,003,398
Other comprehensive (loss)/income for the financial period, net of tax	(58,760)	1,004,074	(58,760)	1,004,074
Total comprehensive income for the financial period	1,721,354	1,731,991	1,721,354	1,731,991

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MALAYAN BANKING BERHAD
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CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	Group		Bank	
		31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
ASSETS					
Cash and short-term funds		47,624,259	46,469,074	22,127,940	19,040,534
Deposits and placements with financial institutions		19,878,968	14,093,218	21,932,421	28,287,338
Financial assets purchased under resale agreements		13,408,795	13,639,082	10,139,286	11,297,036
Financial assets designated upon initial recognition at fair value through profit or loss	A10(i)	12,907,399	14,323,303	-	-
Financial investments at fair value through profit or loss	A10(ii)	20,543,977	20,370,865	15,071,876	12,912,823
Financial investments at fair value through other comprehensive income	A10(iii)	119,164,788	123,351,533	80,808,380	80,798,700
Financial investments at amortised cost	A10(iv)	36,879,794	34,784,476	35,476,593	32,574,918
Loans, advances and financing to financial institutions	A11(i)	963,212	1,128,618	29,551,907	19,400,239
Loans, advances and financing to customers	A11(ii)	506,674,345	512,291,092	204,884,033	207,188,981
Derivative assets	A37	25,810,007	10,335,629	25,043,556	10,002,003
Reinsurance/retakaful assets and other insurance receivables	A12	4,701,907	4,232,089	-	-
Other assets	A13	12,181,690	9,479,084	6,270,868	4,943,190
Investment properties		921,873	921,471	-	-
Statutory deposits with central banks		10,522,867	15,052,752	2,489,006	4,100,932
Investment in subsidiaries		-	-	31,559,989	31,559,247
Interest in associates and joint ventures		2,531,491	2,490,548	440,730	440,730
Property, plant and equipment		2,249,902	2,335,798	993,414	1,014,286
Right-of-use assets		1,548,836	1,548,208	463,152	438,254
Intangible assets		6,306,435	6,836,463	355,817	361,135
Deferred tax assets		701,635	729,712	-	-
TOTAL ASSETS		845,522,180	834,413,015	487,608,968	464,360,346
LIABILITIES					
Customers' funding:					
- Deposits from customers	A14	519,266,718	544,530,912	232,165,311	242,757,617
- Investment accounts of customers ¹	A40g	24,500,027	20,737,670	-	-
Deposits and placements from financial institutions	A15	51,962,946	43,557,209	57,669,377	51,354,535
Obligations on financial assets sold under repurchase agreements		18,172,202	13,978,744	32,515,974	28,293,032
Derivative liabilities	A37	23,919,053	11,182,307	23,123,118	10,588,278
Financial liabilities at fair value through profit or loss	A16	9,122,575	6,530,753	9,122,575	6,530,753
Bills and acceptances payable		1,745,830	1,291,814	564,728	479,662
Insurance/takaful contract liabilities and other insurance payables	A18	30,983,985	30,885,630	-	-
Other liabilities	A19	25,835,468	21,569,527	15,744,112	7,952,408
Recourse obligation on loans and financing sold to Cagamas		1,523,927	1,526,225	1,523,927	1,526,225
Provision for taxation and zakat		513,409	187,061	172,683	-
Deferred tax liabilities		634,360	878,276	83,978	185,495
Borrowings	A17(i)	43,168,744	41,339,415	35,427,842	32,645,025
Subordinated obligations	A17(ii)	10,942,207	9,321,125	9,282,181	9,156,816
Capital securities	A17(iii)	2,798,614	2,827,123	2,798,614	2,827,123
TOTAL LIABILITIES		765,090,065	750,343,791	420,194,420	394,296,969

¹ Investment accounts of customers are used to fund financing and advances as disclosed in Note A40e(ii).

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UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	Group		Bank	
		31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK					
Share capital		48,280,355	48,280,355	48,280,355	48,280,355
Retained profits		25,460,007	27,162,899	13,018,426	15,223,022
Reserves		4,244,927	6,127,684	6,115,767	6,560,000
		77,985,289	81,570,938	67,414,548	70,063,377
Non-controlling interests		2,446,826	2,498,286	-	-
		80,432,115	84,069,224	67,414,548	70,063,377
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		845,522,180	834,413,015	487,608,968	464,360,346
COMMITMENTS AND CONTINGENCIES	A35	1,285,590,912	1,208,622,674	1,200,284,950	1,125,439,598
<u>CAPITAL ADEQUACY</u>	A36				
The capital adequacy ratios of the Group and of the Bank are as follows:					
CET1 Capital Ratio		14.792%	15.729%	13.766%	15.314%
Tier 1 Capital Ratio		15.557%	16.486%	14.583%	16.120%
Total Capital Ratio		18.498%	19.387%	17.958%	19.387%
Net assets per share attributable to equity holders of the Bank		RM6.94	RM7.26	RM6.00	RM6.23

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MALAYAN BANKING BERHAD
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CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

<u>Group</u>	Fair Value							Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
	Share Capital RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Other ¹ Reserves RM'000				
At 1 January 2020	48,280,355	279,355	2,771,806	2,973,151	399,826	37,195	(333,649)	27,162,899	81,570,938	2,498,286	84,069,224
Profit for the financial period	-	-	-	-	-	-	-	2,049,650	2,049,650	(7,758)	2,041,892
Other comprehensive (loss)/income	-	-	-	(217,456)	(1,054,622)	-	6,962	-	(1,265,116)	(37,937)	(1,303,053)
Defined benefit plan actuarial loss	-	-	-	-	-	-	(165)	-	(165)	-	(165)
Share of associates' reserve	-	-	-	28,199	(4,839)	-	-	-	23,360	-	23,360
Net loss on foreign exchange translation	-	-	-	-	(1,049,783)	-	-	-	(1,049,783)	(13,866)	(1,063,649)
Net loss on financial investments at fair value through other comprehensive income	-	-	-	(245,655)	-	-	-	-	(245,655)	(24,029)	(269,684)
Net loss on net investment hedge	-	-	-	-	-	-	(8,102)	-	(8,102)	-	(8,102)
Net loss on cash flow hedge	-	-	-	-	-	-	(54)	-	(54)	-	(54)
Net gain on fair value hedge	-	-	-	-	-	-	15,461	-	15,461	-	15,461
Net loss on capital reserve	-	-	-	-	-	-	(178)	-	(178)	(42)	(220)
Total comprehensive (loss)/income for the financial period	-	-	-	(217,456)	(1,054,622)	-	6,962	2,049,650	784,534	(45,695)	738,839
Carried forward	48,280,355	279,355	2,771,806	2,755,695	(654,796)	37,195	(326,687)	29,212,549	82,355,472	2,452,591	84,808,063

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FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

<u>Group (cont'd.)</u>	Share Capital RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Other Reserves ¹ RM'000	Retained Profits ² RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Brought forward	48,280,355	279,355	2,771,806	2,755,695	(654,796)	37,195	(326,687)	29,212,549	82,355,472	2,452,591	84,808,063
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	-	(2,918)	-	-	-	2,918	-	-	-
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	13,948	-	-	13,948	-	13,948
Effect of changes in corporate structure within the Group	-	-	-	-	-	-	-	-	-	(3,539)	(3,539)
Transfer to statutory reserve	-	24,624	-	-	-	-	-	(24,624)	-	-	-
Transfer from regulatory reserve	-	-	(653,295)	-	-	-	-	653,295	-	-	-
Dividends paid (Note A9(b))	-	-	-	-	-	-	-	-	-	(2,226)	(2,226)
Dividends payable (Note A9(a))	-	-	-	-	-	-	-	(4,384,131)	(4,384,131)	-	(4,384,131)
Total transactions with shareholders/ other equity movements	-	24,624	(653,295)	(2,918)	-	13,948	-	(3,752,542)	(4,370,183)	(5,765)	(4,375,948)
At 31 March 2020	48,280,355	303,979	2,118,511	2,752,777	(654,796)	51,143	(326,687)	25,460,007	77,985,289	2,446,826	80,432,115

¹ The further breakdown and movement of other reserves are disclosed in Note A20.

² The retained profits of the Group include the non-distributable non-par surplus from an insurance subsidiary amounted to RM470.3 million (net of tax). This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

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FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

<u>Group</u>	Share Capital RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Other Reserves ¹ RM'000	Retained Profits ² RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
At 1 January 2019	46,747,442	239,009	2,127,290	457,045	113,510	-	(339,752)	25,985,583	75,330,127	2,407,133	77,737,260
Profit for the financial period	-	-	-	-	-	-	-	1,809,264	1,809,264	65,553	1,874,817
Other comprehensive income/(loss)	-	-	-	1,251,267	(199,309)	-	1,893	-	1,053,851	12,158	1,066,009
Defined benefit plan actuarial loss	-	-	-	-	-	-	(208)	-	(208)	-	(208)
Share of associates' reserve	-	-	-	(13,226)	(65,284)	-	-	-	(78,510)	-	(78,510)
Net (loss)/gain on foreign exchange translation	-	-	-	-	(134,025)	-	-	-	(134,025)	1,856	(132,169)
Net gain on financial investments at fair value through other comprehensive income	-	-	-	1,264,493	-	-	-	-	1,264,493	10,302	1,274,795
Net gain on net investment hedge	-	-	-	-	-	-	1,841	-	1,841	-	1,841
Net gain on cash flow hedge	-	-	-	-	-	-	260	-	260	-	260
Total comprehensive income for the financial period	-	-	-	1,251,267	(199,309)	-	1,893	1,809,264	2,863,115	77,711	2,940,826
Carried forward	46,747,442	239,009	2,127,290	1,708,312	(85,799)	-	(337,859)	27,794,847	78,193,242	2,484,844	80,678,086

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FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

<u>Group (cont'd.)</u>	Share Capital RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Other Reserves ¹ RM'000	Retained Profits ² RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Brought forward	46,747,442	239,009	2,127,290	1,708,312	(85,799)	-	(337,859)	27,794,847	78,193,242	2,484,844	80,678,086
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	7,698	-	-	7,698	-	7,698
Effect of changes in corporate structure within the Group	-	-	-	-	-	-	-	-	-	3,840	3,840
Transfer to statutory reserve	-	31,779	-	-	-	-	-	(31,779)	-	-	-
Transfer to regulatory reserve	-	-	248,118	-	-	-	-	(248,118)	-	-	-
Total transactions with shareholders/ other equity movements	-	31,779	248,118	-	-	7,698	-	(279,897)	7,698	3,840	11,538
At 31 March 2019	46,747,442	270,788	2,375,408	1,708,312	(85,799)	7,698	(337,859)	27,514,950	78,200,940	2,488,684	80,689,624

¹ The further breakdown and movement of other reserves are disclosed in Note A20.

² The retained profits of the Group include the non-distributable non-par surplus from an insurance subsidiary amounted to RM680.1 million (net of tax). This non-distributable non-par surplus is only available for distribution to shareholder on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these financial statements)

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CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

	Share Capital RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Fair Value Hedge Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
Bank									
At 1 January 2020	48,280,355	59,502	1,894,921	2,260,271	2,308,456	37,195	(345)	15,223,022	70,063,377
Profit for the financial period	-	-	-	-	-	-	-	1,780,114	1,780,114
Other comprehensive (loss)/income	-	-	-	(224,835)	150,614	-	15,461	-	(58,760)
Net gain on foreign exchange translation	-	-	-	-	150,614	-	-	-	150,614
Net loss on financial investments at fair value through other comprehensive income	-	-	-	(224,835)	-	-	-	-	(224,835)
Net gain on fair value hedge	-	-	-	-	-	-	15,461	-	15,461
Total comprehensive (loss)/income for the financial period	-	-	-	(224,835)	150,614	-	15,461	1,780,114	1,721,354
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	13,948	-	-	13,948
Transfer from regulatory reserve	-	-	(399,421)	-	-	-	-	399,421	-
Dividends payable (Note A9(a))	-	-	-	-	-	-	-	(4,384,131)	(4,384,131)
Total transactions with shareholders/ other equity movements	-	-	(399,421)	-	-	13,948	-	(3,984,710)	(4,370,183)
At 31 March 2020	48,280,355	59,502	1,495,500	2,035,436	2,459,070	51,143	15,116	13,018,426	67,414,548

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these financial statements)

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FOR THE FIRST QUARTER ENDED 31 MARCH 2020

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

<u>Bank</u>	Share Capital RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Fair Value Hedge Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
At 1 January 2019	46,747,442	53,032	1,778,997	279,332	2,328,702	-	-	14,401,762	65,589,267
Profit for the financial period	-	-	-	-	-	-	-	727,917	727,917
Other comprehensive income/(loss)	-	-	-	1,072,426	(68,352)	-	-	-	1,004,074
Net loss on foreign exchange translation	-	-	-	-	(68,352)	-	-	-	(68,352)
Net gain on financial investments at fair value through other comprehensive income	-	-	-	1,072,426	-	-	-	-	1,072,426
Total comprehensive income/(loss) for the financial period	-	-	-	1,072,426	(68,352)	-	-	727,917	1,731,991
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	7,698	-	-	7,698
Transfer to statutory reserve	-	14	-	-	-	-	-	(14)	-
Transfer to regulatory reserve	-	-	66,543	-	-	-	-	(66,543)	-
Total transactions with shareholders/ other equity movements	-	14	66,543	-	-	7,698	-	(66,557)	7,698
At 31 March 2019	46,747,442	53,046	1,845,540	1,351,758	2,260,350	7,698	-	15,063,122	67,328,956

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these financial statements)

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CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FIRST QUARTER ENDED 31 MARCH 2020

	Group		Bank	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Cash flows from operating activities				
Profit before taxation and zakat	2,797,754	2,450,431	2,233,355	963,627
Adjustments for:				
Share of profits in associates and joint ventures	(39,867)	(35,285)	-	-
Depreciation of property, plant and equipment	76,619	75,566	25,950	31,860
Depreciation of right-of-use assets	108,432	88,498	28,225	27,483
Amortisation of intangible assets	68,665	56,606	13,734	11,396
Gain on disposal of property, plant and equipment	(11,426)	(2,484)	(11,170)	(395)
Net gain on dilution/liquidation of interest in associates	-	(1,836)	-	(1,696)
Net loss/(gain) on disposal of financial assets at fair value through profit or loss	315,276	(38,539)	(111,958)	(60,940)
Net gain on disposal of financial investments at fair value through other comprehensive income	(1,116,767)	(171,548)	(774,458)	(138,451)
Unrealised gain on revaluation of financial assets at fair value through profit or loss and derivatives	(143,262)	(729,709)	(998,687)	(192,966)
Unrealised loss on revaluation of financial liabilities at fair value through profit or loss	437,204	456,164	437,204	455,252
Unrealised loss on revaluation of loans, advances and financing at fair value through profit or loss	774	1,876	774	1,876
Allowances for impairment losses on loans, advances and financing, net	1,034,060	708,319	816,681	581,438
Allowances for/(writeback of) impairment losses on other debts	686	2,240	(430)	13,068
Allowances for impairment losses on financial investments, net	34,766	24,609	25,783	32,816
Allowances for/(writeback of) impairment losses on other financial assets, net	27,843	8,720	9,863	(12,345)
Dividend income	(25,531)	(17,764)	(475,291)	-
ESGP expenses	16,286	9,288	9,300	5,390
Other adjustments for non-operating and non-cash items	(7,285)	(53,373)	(94,176)	(102,619)
Operating profit before working capital changes	3,574,227	2,831,779	1,134,699	1,614,794
Change in deposits and placements with financial institutions with original maturity of more than three months	(11,940,691)	(699,534)	4,203,736	4,406,064
Change in cash and short-term funds with original maturity of more than three months	(5,959,361)	(780,008)	(5,507,916)	(1,204,461)
Change in financial investments portfolio	2,245,316	(6,297,425)	(4,732,521)	(3,134,907)
Change in loans, advances and financing	2,902,320	(1,511,651)	(7,129,439)	3,282,586
Change in statutory deposits with central banks	4,527,439	(684,013)	1,611,926	(564,667)
Change in deposits from customers	(25,103,760)	3,293,159	(11,876,316)	(2,317,411)
Change in investment accounts of customers	3,762,357	(764,755)	-	-
Change in deposits and placements from financial institutions	8,405,736	(464,574)	6,314,842	(502,768)
Change in financial liabilities at fair value through profit or loss	-	(1,035,365)	-	(798,352)
Change in reinsurance/retakaful assets and other insurance receivables	(475,851)	(27,791)	-	-
Change in insurance/takaful contract liabilities and other insurance payables	98,355	945,912	-	-
Change in other operating activities	961,727	(7,497,776)	6,382,530	(3,787,145)
Cash used in operations	(17,002,186)	(12,692,042)	(9,598,459)	(3,006,267)
Taxes and zakat paid	(404,575)	(734,692)	(239,178)	(415,204)
Net cash used in operating activities	(17,406,761)	(13,426,734)	(9,837,637)	(3,421,471)

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	Group		Bank	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Cash flows from investing activities				
Dividends received from:				
- financial investments portfolio	25,531	17,764	-	-
- subsidiaries	-	-	475,291	-
Purchase of property, plant and equipment	(24,160)	(42,027)	(6,741)	(6,409)
Purchase of intangible assets	(54,299)	(36,426)	(8,065)	(7,941)
Purchase of investment properties	(143)	(1,416)	-	-
Purchase of additional ordinary shares in existing subsidiaries	-	-	-	(194,070)
Proceeds from disposal of property, plant and equipment	483,648	12,157	11,947	395
Net effect arising from transaction with non-controlling interests	(3,539)	3,840	-	-
Net effect arising from acquisition of subsidiary	-	-	(742)	-
Net effect arising from acquisition of associate	-	(194,070)	-	-
Net cash generated from/(used in) investing activities	427,038	(240,178)	471,690	(208,025)
Cash flows from financing activities				
Drawdown of borrowings, net	2,480,938	2,113,083	2,846,639	1,812,041
Issuance of subordinated obligations	1,618,843	3,700,000	-	3,700,000
Redemption of subordinated obligations	-	(2,426,002)	-	(1,600,000)
Drawdown of financial liabilities at fair value through profit or loss	1,809,150	-	1,809,150	-
Redemption of financial liabilities at fair value through profit or loss	(60,000)	-	(60,328)	-
Repayment of lease liabilities	(63,936)	(90,674)	(17,672)	(33,409)
Recourse obligations on loans and financing sold to Cagamas, net	(2,298)	(3,772)	(2,298)	(3,772)
Dividends paid to non-controlling interests	(2,226)	-	-	-
Net cash generated from financing activities	5,780,471	3,292,635	4,575,491	3,874,860
Net (decrease)/increase in cash and cash equivalents	(11,199,252)	(10,374,277)	(4,790,456)	245,364
Cash and cash equivalents at beginning of period	47,306,745	57,058,138	21,934,867	40,660,229
Effects of foreign exchange rate changes	259,869	(208,392)	228,425	(164,430)
Cash and cash equivalents at end of period	36,367,362	46,475,469	17,372,836	40,741,163
Cash and cash equivalents comprise:				
Cash and short-term funds	47,643,338	49,322,122	22,141,345	23,165,110
Deposits and placements with financial institutions	19,933,685	9,112,132	21,964,522	24,078,000
	67,577,023	58,434,254	44,105,867	47,243,110
Less:				
Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(31,209,661)	(11,958,785)	(26,733,031)	(6,501,947)
Cash and cash equivalents at end of period	36,367,362	46,475,469	17,372,836	40,741,163

(These unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2019 and the accompanying explanatory notes attached to these financial statements)

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

A1. Basis of Preparation

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

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

The unaudited condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2019. These explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2019.

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

The significant accounting policies and methods of computation applied by the Group and the Bank are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2019 except for adoption of the following amendments to Malaysian Financial Reporting Standards (“MFRSs”), which are effective for annual periods beginning on or after 1 January 2020:

- Revised Conceptual Framework for Financial Reporting
- Amendments to MFRS 3 - Definition of a Business
- Amendments to MFRS 101 and MFRS 108 - Definition of Material
- Amendments to MFRS 7, MFRS 9 and MFRS 139 - *Interest Rate Benchmark Reform*

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

Amendments to MFRS 7, MFRS 9 and MFRS 139 - *Interest Rate Benchmark Reform*

The amendments apply to all leasing relationship directly affected by interest rate benchmark reform. The amendments clarify that a hedging relationship is directly affected by interest rate benchmark reform only if the reform give rise to uncertainties on:

- the interest rate benchmark (contractually or non-contractually specified) designated as a hedged risk; and/or
- the timing or the amount of interest rate benchmark-based cash flows of the hedged item or of the hedging instruments.

Interest rate benchmark reform refers to the market-wide reform of an interest rate benchmark, including the replacement of an interest rate benchmark with an alternative benchmark rate such as that resulting from the recommendations set out in the Financial Stability Board's July 2014 report "Reforming Major Interest Rate Benchmarks".

The Group and the Bank shall disclose:

- the significant interest rate benchmarks to which the Group and the Bank's hedging relationship are exposed;
- the extent of the risk exposure the Group and the Bank manage that are directly affected by the interest rate benchmark reform;
- how the Group and the Bank are managing the process to transition to alternative benchmark rates;
- a description of significant assumptions or judgements the entity made in applying these paragraphs (for example, assumptions or judgements about when the uncertainty arising from interest rate benchmark reform is no longer present with respect to the timing and the amount of the interest rate benchmark-based cash flows); and

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A1. Basis of Preparation (cont'd.)

Amendments to MFRS 7, MFRS 9 and MFRS 139 - Interest Rate Benchmark Reform (cont'd.)

The Group and the Bank shall disclose (cont'd.):

- the nominal amount of the hedging instruments in those hedging relationships.

This amendments includes a number of relief, which apply to all hedging relationship that are directly affected by interest of benchmark reform. This amendments are to be applied retrospectively in annual periods beginning on or after 1 January 2020 only to hedging relationship and the amount of accumulated in the cash flow hedge reserve that existed at the beginning of the reporting period in which the Group and the Bank first applies the amendments. This amendments do not have any significant impact to the financial statements of the Group and of the Bank.

On April 2020, International Accounting Standards Board ("IASB") had issued the Exposure Draft Interest Rate Benchmark Reform Phase 2 that proposes the amendments to be applied for annual reporting period beginning on or after 1 January 2021. The Group and the Bank have established a project team to evaluate the potential impact of adopting this amendments on the required effective date.

Domestic Systemically Important Banks ("D-SIB") Framework issued by Bank Negara Malaysia ("BNM")

On 5 February 2020, BNM issued a Policy document on Domestic Systemically Important Banks ("D-SIB") Framework and identified Maybank as one of the banks categorised as a D-SIB. Maybank is categorised under Bucket 2 of the Higher Loss Absorbency ("HLA") requirements which will come into effect on 31 January 2021. This policy document supersedes the Domestic Systemically Important Banks Framework Survey issued on 10 October 2016.

Revised Policy Documents on Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) issued by BNM

On 5 February 2020, BNM issued revised Policy documents on Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) which came into effect immediately and shall be applied prospectively. The revised Policy documents apply to financial institutions in Malaysia which covers licensed banks, licensed Islamic banks, licensed investment banks, licensed banks carrying on Islamic banking business and financial holding companies. The revised Policy documents superseded Policy documents issued by BNM previously, namely Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) dated 2 February 2018.

The revised Policy documents were updated to include additional capital buffer requirements on the HLA requirements for financial institution that is designated as a D-SIB.

The application of the revised Policy documents do not have any significant impact to the financial statements of the Group and of the Bank.

Measures to Assist Individuals, SMEs and Corporates Affected by COVID-19 announced by BNM

On 25 March 2020, BNM had announced that banking institutions will offer an automatic deferment of all loans/financing repayment for six months to all individual and small-medium enterprise ("SME"). Banks will also facilitate requests by corporations to defer or restructure their loans/financing repayments to support viable corporations to preserve jobs and resume economic activities when conditions improve.

The automatic moratorium applies to ringgit-denominated loans or financing that are not in arrears exceeding 90 days as of 1 April 2020. However, the moratorium does not apply to credit card balances. For outstanding credit card balances, customers will be offered the option to convert the outstanding balances into term-loan of not more than three years.

To further support lending/financing activities, banking institutions are allowed to draw down on the capital conservation buffer of 2.5%, to operate below the minimum liquidity coverage ratio of 100% and to reduce the regulatory reserves held against expected losses to 0%.

The implementation of the Net Stable Funding Ratio ("NSFR") will continue to be effective on 1 July 2020, but with a lower ratio of 80%. Banks is expected to restore their buffer to the minimum regulatory requirements and comply with a 100% NSFR ratio from 30 September 2021.

The moratorium should not automatically result in stage transfer under MFRS 9 in the absence of other factors relevant to the assessment. The Group and the Bank are in the midst of assessing the financial implication of the moratorium.

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A2. Significant Accounting Policies

The audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2019 were prepared in accordance with MFRS and International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia. The significant accounting policies adopted in preparing these unaudited condensed interim financial statements are consistent with those of the audited annual financial statements for the financial year ended 31 December 2019 except for the adoption of the amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2020 and new requirements of BNM's Policy documents as disclosed in Note A1.

A3. Significant Accounting Estimates and Judgements

The preparation of unaudited interim condensed 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 interim condensed financial statements, the significant judgements made by management in applying the Group's and the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 31 December 2019.

A4. Auditors' Report on Preceding Audited Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 December 2019 was not qualified.

A5. Seasonal or Cyclical Factors

The operations of the Group and of the Bank were not materially affected by any seasonal or cyclical factors during the first quarter ended 31 March 2020.

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

During the first quarter ended 31 March 2020, save as disclosed in Note A8 below, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank.

A7. Changes in Estimates

There were no material changes in estimates during the first quarter ended 31 March 2020.

A8. Changes in Debt and Equity Securities

(i) Save as disclosed below, there were no new shares issuance, cancellations, share buy-backs, resale of shares bought back by the Group and by the Bank during the first quarter ended 31 March 2020.

(a) **Borrowings**

Issuance/redemption of medium term notes by the Bank

Currency	Description	Aggregate Nominal Value (in Million)
Issuance of medium term notes		
USD	Zero Coupon Notes*	420.0
USD	Fixed Rate Notes	20.0
USD	Floating Rate Notes	50.0
CNY	Fixed Rate Notes	200.0
JPY	Fixed Rate Notes (Samurai Bonds)	60,900.0
RM	Fixed Rate Notes	50.0
Redemption of medium term notes		
USD	Floating Rate Notes	60.0
USD	Fixed Rate Notes	25.0
HKD	Fixed Rate Notes	700.0
CNY	Fixed Rate Notes	410.0
RM	Fixed Rate Notes (Sukuk Murabahah)	60.0

* Borrowings designated at fair value through profit or loss ("FVTPL")

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

- (i) Save as disclosed below, there were no new shares issuance, cancellations, share buy-backs, resale of shares bought back by the Group and by the Bank during the first quarter ended 31 March 2020 (cont'd.).

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

Issuance of commercial papers by the Bank

The aggregate nominal value of the commercial papers issued by the Bank and outstanding as at 31 March 2020 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
RM	Zero Coupon Notes	1,436.1
USD	Zero Coupon Notes	899.0
AUD	Zero Coupon Notes	250.0

Redemption of bonds by PT Bank Maybank Indonesia Tbk and its subsidiaries

Currency	Description	Aggregate Nominal Value (in Million)
Redemption of bonds		
IDR	Fixed Rate Notes	1,394,800.0

Issuance of Islamic commercial papers by Maybank Islamic Berhad

The aggregate nominal value of the Islamic commercial papers ("ICP") issued by Maybank Islamic Berhad and outstanding as at 31 March 2020 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
RM	Zero Profit ICP	8,000.0

(b) **Subordinated Obligations**

Issuance of Tier 2 Subordinated Notes by Maybank Singapore Limited

Issuance	Issue Date	Maturity Date	Nominal Value	Description	Tenor
Issuance	26 March 2020	26 March 2030	SGD500.0 million	Tier 2 Subordinated Notes (10 non-call 5)	10 years

- (ii) The following are the changes in debt securities for the Group and the Bank subsequent to the first quarter ended 31 March 2020 and have not been reflected in the financial statements for the first quarter ended 31 March 2020:

(a) **Borrowings**

Redemption of medium term notes by the Bank

Currency	Description	Aggregate Nominal Value (in million)
USD	Floating Rate Notes	70.0
HKD	Fixed Rate Notes	1,965.0
JPY	Fixed Rate Notes (Samurai Bonds)	12,800.0

A9. Dividends Payable/Paid

Dividends payable/paid during the first quarter ended 31 March 2020 are as follows:

- (a) On 26 March 2020, the Board of Directors declared a single-tier second interim cash dividend in respect of the financial year ended 31 December 2019 of 39 sen per ordinary share.

The single-tier second interim dividend of 39 sen to be paid amounting to RM4,384,131,136 and the payment date was fixed on 6 May 2020.

- (b) Dividends paid by Maybank's subsidiaries to non-controlling interests amounted to RM2,226,000 during the first quarter ended 31 March 2020.

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A10. Financial Investments Portfolio

	Note	Group		Bank	
		31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Financial assets designated upon initial recognition at fair value through profit or loss	(i)	12,907,399	14,323,303	-	-
Financial investments at fair value through profit or loss	(ii)	20,543,977	20,370,865	15,071,876	12,912,823
Financial investments at fair value through other comprehensive income	(iii)	119,164,788	123,351,533	80,808,380	80,798,700
Financial investments at amortised cost	(iv)	36,879,794	34,784,476	35,476,593	32,574,918
		189,495,958	192,830,177	131,356,849	126,286,441

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	261,563	161,713	-	-
Malaysian Government Investment Issues	149,889	312,635	-	-
	411,452	474,348	-	-
Quoted securities:				
In Malaysia:				
Shares, warrants and loan stocks	76,846	109,715	-	-
Unit trusts	3,932	3,932	-	-
	80,778	113,647	-	-
Unquoted securities:				
In Malaysia:				
Corporate Bonds and Sukuk	12,274,802	13,627,322	-	-
Outside Malaysia:				
Corporate Bonds and Sukuk	140,367	107,986	-	-
	12,415,169	13,735,308	-	-
Total financial assets designated upon initial recognition at fair value through profit or loss	12,907,399	14,323,303	-	-

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A10. Financial Investments Portfolio (cont'd.)

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	2,444,811	771,484	2,331,601	750,077
Malaysian Government Investment Issues	468,333	614,546	416,314	216,467
Cagamas Bonds	5,122	-	5,122	-
Negotiable instruments of deposits	149,824	142,811	149,824	142,811
Foreign Government Securities	2,916,917	3,483,519	2,799,264	3,001,984
Malaysian Government Treasury Bills	59,612	-	59,612	-
Bank Negara Malaysia Bills and Notes	938,984	596,545	938,984	596,545
Foreign Government Treasury Bills	2,245,971	2,199,436	2,245,971	2,199,436
Khazanah Bonds	3,771	-	3,771	-
	9,233,345	7,808,341	8,950,463	6,907,320
Quoted securities:				
In Malaysia:				
Shares, warrants and loan stocks	2,741,409	4,187,256	71,672	78,146
Unit trusts	198,308	159,380	28,094	29,775
Outside Malaysia:				
Shares, warrants, mutual funds and loan stocks	230,641	565,518	145	233
Unit trusts	359,307	385,869	193,017	210,138
Corporate Bonds and Sukuk	1,185,955	1,136,926	-	-
Government Bonds	419,500	104,193	-	-
Government Treasury Bills	-	51,310	-	-
	5,135,120	6,590,452	292,928	318,292
Unquoted securities:				
In Malaysia:				
Shares	816,596	816,618	622,176	622,176
Unit trusts	246	268	-	-
Corporate Bonds and Sukuk	450,259	564,653	9,713	97,197
Government Bonds	29,787	-	29,787	-
Structured deposits	71,897	175,602	-	-
Outside Malaysia:				
Shares	1,057	1,006	-	-
Mutual funds	10,034	2,279	-	-
Corporate Bonds and Sukuk	2,146,261	1,689,631	2,517,434	2,245,823
Government Bonds	2,649,375	2,722,015	2,649,375	2,722,015
	6,175,512	5,972,072	5,828,485	5,687,211
Total financial investments at fair value through profit or loss	20,543,977	20,370,865	15,071,876	12,912,823

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A10. Financial Investments Portfolio (cont'd.)

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	11,030,784	11,006,987	10,937,528	10,794,195
Malaysian Government Investment Issues	23,200,345	24,211,583	11,126,766	11,653,233
Negotiable instruments of deposits	1,041,186	1,682,836	392,811	484,703
Foreign Government Securities	9,137,771	7,872,991	4,940,778	3,830,465
Foreign Government Treasury Bills	14,697,150	16,891,126	4,040,157	3,942,737
Khazanah Bonds	1,238,472	1,761,446	1,238,472	1,761,446
Cagamas Bonds	571,775	723,459	571,775	723,459
Bankers' acceptances and Islamic accepted bills	-	139,392	-	139,392
	60,917,483	64,289,820	33,248,287	33,329,630
Quoted securities:				
In Malaysia:				
Shares, warrants and loan stocks	2,331	7,869	14,450	18,435
Outside Malaysia:				
Shares, warrants and loan stocks	33	1,298	-	-
Corporate Bonds and Sukuk	1,345,288	1,286,663	-	-
Government Bonds	418,255	349,126	-	-
	1,765,907	1,644,956	14,450	18,435
Unquoted securities:				
In Malaysia:				
Shares and loan stocks	322,964	275,668	310,826	259,949
Government Bonds	183,877	109,143	138,790	65,769
Corporate Bonds and Sukuk	23,841,216	27,279,593	18,012,573	19,477,370
Outside Malaysia:				
Shares	3,847	3,735	-	-
Government Bonds	17,163,948	15,999,809	17,078,165	15,899,116
Corporate Bonds and Sukuk	14,965,546	13,748,809	12,005,289	11,748,431
	56,481,398	57,416,757	47,545,643	47,450,635
Total financial investments at fair value through other comprehensive income	119,164,788	123,351,533	80,808,380	80,798,700

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A10. Financial Investments Portfolio (cont'd.)

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

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	23,070	540	118,727	142,337
Transferred to Stage 2	(279)	279	-	-
Net remeasurement of allowances	23,264	685	(323)	23,626
New financial assets originated or purchased	10,385	-	-	10,385
Financial assets derecognised	(4,919)	(32)	(3,267)	(8,218)
Changes in models/risk parameters	(281)	(21)	-	(302)
Exchange differences	(19,689)	223	(513)	(19,979)
As at 31 March 2020	31,551	1,674	114,624	147,849

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	28,066	1,579	183,330	212,975
Transferred to Stage 1	549	(549)	-	-
Net remeasurement of allowances	(2,319)	(77)	14,523	12,127
New financial assets originated or purchased	13,516	78	-	13,594
Financial assets derecognised	(13,248)	(702)	(57,344)	(71,294)
Changes in models/risk parameters	(2,439)	(330)	-	(2,769)
Amount written-off	-	-	(21,958)	(21,958)
Exchange differences	(1,055)	541	176	(338)
As at 31 December 2019	23,070	540	118,727	142,337

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A10. Financial Investments Portfolio (cont'd.)

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

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

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Bank				
As at 31 March 2020				RM'000
At 1 January 2020	13,472	400	81,877	95,749
Net remeasurement of allowances	19,748	1	(265)	19,484
New financial assets originated or purchased	5,956	-	-	5,956
Financial assets derecognised	(1,578)	-	(3,267)	(4,845)
Changes in models/risk parameters	(115)	(21)	-	(136)
Exchange differences	(19,368)	-	34	(19,334)
As at 31 March 2020	<u>18,115</u>	<u>380</u>	<u>78,379</u>	<u>96,874</u>

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	<u>Total</u>
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Bank				
As at 31 December 2019				RM'000
At 1 January 2019	21,652	1,828	125,518	148,998
Transferred to Stage 1	505	(505)	-	-
Net remeasurement of allowances	(490)	-	4,094	3,604
New financial assets originated or purchased	7,979	-	-	7,979
Financial assets derecognised	(11,642)	(593)	(33,084)	(45,319)
Changes in models/risk parameters	(4,043)	(330)	-	(4,373)
Amount written-off	-	-	(14,650)	(14,650)
Exchange differences	(489)	-	(1)	(490)
As at 31 December 2019	<u>13,472</u>	<u>400</u>	<u>81,877</u>	<u>95,749</u>

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A10. Financial Investments Portfolio (cont'd.)

(iv) Financial investments at amortised cost

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Money market instruments:				
Malaysian Government Securities	6,946,368	6,594,595	6,946,265	6,594,491
Malaysian Government Investment Issues	7,178,582	6,695,792	5,211,722	4,852,735
Foreign Government Securities	747,205	1,199,287	-	-
Khazanah Bonds	136,796	135,277	136,796	135,277
Cagamas Bonds	50,795	50,259	50,795	50,259
	15,059,746	14,675,210	12,345,578	11,632,762
Unquoted securities:				
In Malaysia:				
Corporate Bonds and Sukuk	16,565,623	15,913,839	19,109,892	18,552,529
Outside Malaysia:				
Corporate Bonds and Sukuk	4,374,295	2,745,710	4,100,723	2,478,746
Government Bonds	1,034,325	1,594,357	51,205	36,304
	21,974,243	20,253,906	23,261,820	21,067,579
Accumulated impairment losses	(154,195)	(144,640)	(130,805)	(125,423)
Total financial investments at amortised cost	36,879,794	34,784,476	35,476,593	32,574,918

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
As at 31 March 2020				RM'000
At 1 January 2020	29,061	23,961	91,618	144,640
Transferred to Stage 2	(3,885)	3,885	-	-
Net remeasurement of allowances	371	7,634	(1,790)	6,215
New financial assets originated or purchased	3,504	-	-	3,504
Financial assets derecognised	(1,594)	-	-	(1,594)
Changes in models/risk parameters	489	661	-	1,150
Exchange differences	401	(121)	-	280
As at 31 March 2020	28,347	36,020	89,828	154,195

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A10. Financial Investments Portfolio (cont'd.)

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

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	19,469	42,189	55,240	116,898
Transferred to Stage 1	13,475	(13,475)	-	-
Net remeasurement of allowances	(16,147)	27	36,378	20,258
New financial assets originated or purchased	20,691	-	-	20,691
Financial assets derecognised	(4,322)	(64)	-	(4,386)
Changes in models/risk parameters	(3,900)	(4,721)	-	(8,621)
Exchange differences	(205)	5	-	(200)
As at 31 December 2019	29,061	23,961	91,618	144,640

Bank	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	9,978	23,827	91,618	125,423
Transferred to Stage 2	(2,006)	2,006	-	-
Net remeasurement of allowances	140	3,707	(1,790)	2,057
New financial assets originated or purchased	3,310	-	-	3,310
Financial assets derecognised	(1,159)	-	-	(1,159)
Changes in models/risk parameters	455	661	-	1,116
Exchange differences	186	(128)	-	58
As at 31 March 2020	10,904	30,073	89,828	130,805

Bank	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	11,316	32,734	55,240	99,290
Transferred to Stage 1	4,122	(4,122)	-	-
Net remeasurement of allowances	(3,986)	-	36,378	32,392
New financial assets originated or purchased	4,433	-	-	4,433
Financial assets derecognised	(2,480)	(64)	-	(2,544)
Changes in models/risk parameters	(3,448)	(4,721)	-	(8,169)
Exchange differences	21	-	-	21
As at 31 December 2019	9,978	23,827	91,618	125,423

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A11. Loans, Advances and Financing

	Note	Group		Bank	
		31 March 2020	31 December 2019	31 March 2020	31 December 2019
		RM'000	RM'000	RM'000	RM'000
Loans, advances and financing to financial institutions	(i)	963,212	1,128,618	29,551,907	19,400,239
Loans, advances and financing to customers	(ii)	506,674,345	512,291,092	204,884,033	207,188,981
		507,637,557	513,419,710	234,435,940	226,589,220
(i) Loans, advances and financing to financial institutions[^]:					
Gross loans, advances and financing to financial institutions at amortised cost		968,973	1,140,538	29,892,803	19,665,356
Allowances for loans, advances and financing:					
- Stage 1 - 12-month ECL		(5,761)	(11,920)	(18,941)	(18,657)
- Stage 2 - Lifetime ECL not credit impaired		-	-	(6,046)	(5,530)
- Stage 3 - Lifetime ECL credit impaired		-	-	(315,909)	(240,930)
Net loans, advances and financing to financial institutions		963,212	1,128,618	29,551,907	19,400,239
(ii) Loans, advances and financing to customers:					
(A) Loans, advances and financing to customers at fair value through profit or loss		147,977	401,703	147,977	401,703
(B) Loans, advances and financing to customers at fair value through other comprehensive income		10,892,830	11,821,285	10,453,575	11,380,901
(C) Loans, advances and financing to customers at amortised cost		594,973,645	601,389,303	202,240,092	202,771,305
		606,014,452	613,612,291	212,841,644	214,553,909
Unearned interest and income		(88,560,507)	(91,265,351)	(1,432,825)	(1,559,752)
Gross loans, advances and financing to customers		517,453,945	522,346,940	211,408,819	212,994,157
Allowances for loans, advances and financing:					
- Stage 1 - 12-month ECL		(1,463,843)	(1,423,097)	(718,346)	(507,155)
- Stage 2 - Lifetime ECL not credit impaired		(2,255,606)	(1,865,171)	(1,180,015)	(869,858)
- Stage 3 - Lifetime ECL credit impaired		(7,060,151)	(6,767,580)	(4,626,425)	(4,428,163)
Net loans, advances and financing to customers		506,674,345	512,291,092	204,884,033	207,188,981
Net loans, advances and financing	(i) & (ii)	507,637,557	513,419,710	234,435,940	226,589,220

[^] Included in the Bank's loans/financing to financial institutions is financing granted to Maybank Islamic Berhad ("MIB"), a subsidiary of the Bank, under Restricted Profit-Sharing Investment Account ("RPSIA") amounting to RM29,454.1 million net of expected credit losses (31 December 2019: RM19,307.9 million). The RPSIA is a contract based on the Mudharabah principle between two parties to finance a financing where the Bank acts as the investor who solely provides capital to MIB whereas the business venture is managed solely by MIB as an entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratios. Losses, if any, are borne by the Bank.

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
(iii) Loans, advances and financing to financial institutions and customers				
Loans/financing to financial institutions	968,973	1,140,538	29,892,803	19,665,356
Overdrafts/cashline	20,467,358	21,524,681	7,886,341	8,068,447
Term loans:				
- Housing loans/financing	165,995,895	165,058,688	40,645,752	39,773,201
- Syndicated loans/financing	50,792,876	52,154,119	41,473,735	41,710,800
- Hire purchase receivables	75,675,652	77,170,795	14,102,425	14,770,104
- Lease receivables	439,453	445,288	-	-
- Other loans/financing	204,359,867	206,219,952	63,074,749	63,244,663
Credit card receivables	8,904,136	9,703,036	5,858,983	6,338,893
Bills receivables	3,199,864	3,312,082	2,225,872	2,470,458
Trust receipts	4,016,681	4,527,077	3,081,187	3,477,743
Claims on customers under acceptance credits	10,518,914	11,086,391	4,891,488	5,294,619
Revolving credits	53,395,338	52,824,052	27,465,422	26,897,897
Share margin financing	4,556,598	5,919,340	1,596,047	1,981,958
Staff loans	3,539,383	3,516,628	538,174	523,526
Loans to:				
- Directors of the Bank	6,130	6,299	1,283	1,399
- Directors of subsidiaries	5,214	5,650	133	170
Others	141,093	138,213	53	31
	606,983,425	614,752,829	242,734,447	234,219,265
Unearned interest and income	(88,560,507)	(91,265,351)	(1,432,825)	(1,559,752)
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513
Allowances for loans, advances and financing:				
- Stage 1 - 12-month ECL	(1,469,604)	(1,435,017)	(737,287)	(525,812)
- Stage 2 - Lifetime ECL not credit impaired	(2,255,606)	(1,865,171)	(1,186,061)	(875,388)
- Stage 3 - Lifetime ECL credit impaired	(7,060,151)	(6,767,580)	(4,942,334)	(4,669,093)
Net loans, advances and financing	507,637,557	513,419,710	234,435,940	226,589,220
(iv) Loans, advances and financing analysed by type of customer are as follows:				
	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Domestic banking institutions	963,986	1,139,626	29,893,118	19,669,557
Domestic non-banking financial institutions	21,910,128	21,893,187	14,259,063	14,657,649
Domestic business enterprises:				
- Small and medium enterprises	54,196,730	54,841,634	25,081,860	24,496,469
- Others	130,463,684	133,017,413	71,565,443	73,796,567
Government and statutory bodies	14,262,541	14,381,320	116,445	128,131
Individuals	248,350,824	250,614,985	63,403,911	64,254,229
Other domestic entities	11,910,914	12,719,297	3,053,964	3,125,275
Foreign entities	36,364,111	34,880,016	33,927,818	32,531,636
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513

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

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Malaysia	316,656,603	316,953,176	151,922,620	143,871,310
Singapore	122,738,051	125,228,021	55,098,016	56,076,155
Indonesia	34,014,102	37,688,031	-	-
Labuan Offshore	14,833,032	14,842,983	14,833,032	14,842,983
Hong Kong SAR	11,217,083	10,027,775	11,023,652	9,767,276
United States of America	1,616,049	1,291,202	1,615,443	1,290,625
People's Republic of China	4,060,703	4,055,036	4,060,703	4,055,036
Vietnam	1,131,442	1,218,454	830,556	908,484
United Kingdom	1,018,557	940,422	1,018,528	940,376
Brunei	555,561	583,433	555,561	583,433
Cambodia	3,070,157	2,826,629	-	-
Philippines	5,957,397	5,903,119	-	-
Thailand	1,210,670	1,605,362	-	-
Laos	78,327	82,097	78,327	82,097
Myanmar	265,184	241,738	265,184	241,738
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Fixed rate:				
- Housing loans/financing	18,475,611	17,282,242	421,798	404,442
- Hire purchase receivables	66,854,210	67,528,995	12,595,242	13,146,631
- Other fixed rate loans/financing	59,076,500	62,192,300	51,379,023	43,602,330
Variable rate:				
- Base lending/financing rate/ base rate plus	208,781,426	207,219,598	76,824,098	77,368,532
- Cost plus	60,647,260	61,639,026	45,986,022	46,888,315
- Other variable rates	104,587,911	107,625,317	54,095,439	51,249,263
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Purchase of securities	33,650,571	35,999,387	6,748,273	7,572,559
Purchase of transport vehicles	67,256,831	68,239,626	11,345,330	11,861,216
Purchase of landed properties:				
- Residential	124,407,653	122,875,200	39,545,972	38,615,665
- Non-residential	41,300,158	40,553,322	19,001,204	18,604,350
Purchase of fixed assets (excluding landed properties)	4,181,984	4,163,699	3,523,560	3,524,042
Personal use	10,910,377	10,889,877	4,412,465	4,453,122
Credit card	8,941,994	9,745,404	5,861,546	6,339,202
Purchase of consumer durables	9,761	9,893	9,512	9,667
Constructions	16,682,418	17,381,155	9,887,552	10,356,794
Mergers and acquisitions	1,541,708	1,676,999	1,527,936	1,650,184
Working capital	166,140,651	168,019,588	105,895,680	95,481,470
Others	43,398,812	43,933,328	33,542,592	34,191,242
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513

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

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Within one year	125,776,564	128,277,526	72,174,100	69,137,959
One year to three years	60,681,268	62,079,218	45,780,542	46,877,075
Three years to five years	54,325,811	55,292,098	29,413,662	29,273,506
After five years	277,639,275	277,838,636	93,933,318	87,370,973
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
At 1 January	13,857,936	12,486,421	8,825,195	8,054,989
Impaired during the financial year	1,236,758	5,994,345	547,837	3,386,932
Reclassified as non-impaired	(371,479)	(1,113,466)	(245,686)	(616,982)
Amount recovered	(551,341)	(2,090,434)	(177,149)	(1,529,147)
Amount written-off	(225,261)	(1,917,090)	(93,672)	(848,945)
Exchange differences	123,872	498,160	289,594	378,348
Gross impaired loans at 31 March 2020/ 31 December 2019	14,070,485	13,857,936	9,146,119	8,825,195
Less: Stage 3 - Lifetime ECL credit impaired	(7,511,240)	(7,184,821)	(5,393,423)	(5,086,334)
Net impaired loans at 31 March 2020/ 31 December 2019	6,559,245	6,673,115	3,752,696	3,738,861

Calculation of ratio of net impaired loans:

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Gross impaired loans at 31 March 2020/ 31 December 2019 (excluding financing funded by Investment Account*)	13,934,790	13,733,600	9,146,119	8,825,195
Less: Stage 3 - Lifetime ECL credit impaired	(7,511,240)	(7,184,821)	(5,393,423)	(5,086,334)
Net impaired loans	6,423,550	6,548,779	3,752,696	3,738,861
Gross loans, advances and financing	518,422,918	523,487,478	241,301,622	232,659,513
Less: Funded by Investment Account*	(24,500,027)	(20,737,670)	-	-
Less: Allowances for impaired loans, advances and financing at fair value through other comprehensive income and at amortised cost	(11,467,674)	(10,714,146)	(7,544,946)	(6,713,770)
Net loans, advances and financing	482,455,217	492,035,662	233,756,676	225,945,743
Ratio of net impaired loans	1.33%	1.33%	1.61%	1.65%

*In the books of Maybank Islamic Berhad, a wholly-owned subsidiary of the Bank.

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

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Purchase of securities	175,892	171,743	106,664	112,956
Purchase of transport vehicles	470,504	435,278	114,575	95,373
Purchase of landed properties:				
- Residential	1,048,021	998,683	349,159	328,128
- Non-residential	571,559	555,679	246,242	235,716
Purchase of fixed assets (excluding landed properties)	1,805,413	1,766,064	1,789,915	1,708,703
Personal use	248,516	235,194	153,025	148,998
Credit card	78,047	73,700	35,492	33,377
Purchase of consumer durables	6,436	6,444	6,433	6,441
Constructions	1,640,912	1,789,711	1,388,039	1,486,400
Working capital	6,095,771	5,968,016	3,304,306	3,046,550
Others	1,929,414	1,857,424	1,652,269	1,622,553
Gross impaired loans, advances and financing	14,070,485	13,857,936	9,146,119	8,825,195

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Malaysia	6,262,478	6,242,161	3,861,858	3,713,462
Singapore	4,923,910	4,802,502	4,384,251	4,246,554
Indonesia	1,667,789	1,678,934	-	-
Labuan Offshore	202,324	201,848	202,324	201,848
Hong Kong SAR	70,566	69,016	61,860	60,782
United States of America	228,422	217,606	227,816	217,030
People's Republic of China	272,151	257,080	272,151	257,080
Vietnam	68,572	57,195	58,989	56,016
Brunei	73,735	70,067	73,735	70,067
Cambodia	65,830	59,753	-	-
Philippines	197,707	163,996	-	-
Thailand	33,866	35,422	-	-
Laos	3,135	2,356	3,135	2,356
Gross impaired loans, advances and financing	14,070,485	13,857,936	9,146,119	8,825,195

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

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

At fair value through other comprehensive income

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Group				
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	29,184	199,953	417,241	646,378
Net remeasurement of allowances	12,338	(14,333)	18,699	16,704
New financial assets originated or purchased	3,473	-	-	3,473
Financial assets derecognised	(575)	(45)	-	(620)
Changes in models/risk parameters	(11,479)	13,433	17,207	19,161
Exchange differences	300	(1,025)	(2,058)	(2,783)
As at 31 March 2020	33,241	197,983	451,089	682,313
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Group				
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	27,160	4,650	153,284	185,094
Net remeasurement of allowances	(4,375)	194,243	263,339	453,207
New financial assets originated or purchased	17,637	3,130	-	20,767
Financial assets derecognised	(10,068)	(849)	-	(10,917)
Changes in models/risk parameters	(1,230)	(1,422)	-	(2,652)
Exchange differences	60	201	618	879
At 31 December 2019	29,184	199,953	417,241	646,378
	Stage 1	Stage 2	Stage 3	
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	Total
Bank				
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	28,662	197,574	417,241	643,477
Net remeasurement of allowances	12,338	(14,333)	18,699	16,704
New financial assets originated or purchased	3,473	-	-	3,473
Financial assets derecognised	(575)	(45)	-	(620)
Changes in models/risk parameters	(11,501)	13,307	17,207	19,013
Exchange differences	300	(1,025)	(2,058)	(2,783)
As at 31 March 2020	32,697	195,478	451,089	679,264

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

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

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

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Bank				
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	25,761	849	153,284	179,894
Net remeasurement of allowances	(4,375)	194,243	263,339	453,207
New financial assets originated or purchased	17,637	3,130	-	20,767
Financial assets derecognised	(10,068)	(849)	-	(10,917)
Changes in models/risk parameters	(353)	-	-	(353)
Exchange differences	60	201	618	879
At 31 December 2019	<u>28,662</u>	<u>197,574</u>	<u>417,241</u>	<u>643,477</u>

At amortised cost

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Group				
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	1,435,017	1,865,171	6,767,580	10,067,768
Transferred to Stage 1	267,775	(259,487)	(8,288)	-
Transferred to Stage 2	(64,691)	119,929	(55,238)	-
Transferred to Stage 3	(3,288)	(61,288)	64,576	-
Net remeasurement of allowances	(133,994)	740,661	827,785	1,434,452
New financial assets originated or purchased	273,674	95,294	-	368,968
Financial assets derecognised	(211,751)	(165,147)	(248,657)	(625,555)
Changes in models/risk parameters	(61,107)	(69,113)	(60)	(130,280)
Amount related to RPSIA	-	-	(48,360)	(48,360)
Amount written-off	-	-	(225,261)	(225,261)
Exchange differences	(32,031)	(10,414)	(13,926)	(56,371)
As at 31 March 2020	<u>1,469,604</u>	<u>2,255,606</u>	<u>7,060,151</u>	<u>10,785,361</u>

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

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

At amortised cost (cont'd.)

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	1,654,941	2,518,274	6,076,703	10,249,918
Transferred to Stage 1	640,451	(568,533)	(71,918)	-
Transferred to Stage 2	(190,386)	522,673	(332,287)	-
Transferred to Stage 3	(13,606)	(196,682)	210,288	-
Net remeasurement of allowances	(619,476)	(113,180)	4,015,889	3,283,233
New financial assets originated or purchased	623,306	395,129	-	1,018,435
Financial assets derecognised	(460,591)	(452,640)	(976,661)	(1,889,892)
Changes in models/risk parameters	(319,628)	(334,471)	1,683	(652,416)
Amount related to RPSIA	-	-	(2,129)	(2,129)
Amount written-off	-	-	(1,917,089)	(1,917,089)
Exchange differences	120,006	94,601	(236,899)	(22,292)
As at 31 December 2019	1,435,017	1,865,171	6,767,580	10,067,768

Bank	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	525,812	875,388	4,669,093	6,070,293
Transferred to Stage 1	105,503	(102,938)	(2,565)	-
Transferred to Stage 2	(31,744)	61,938	(30,194)	-
Transferred to Stage 3	(1,149)	(21,368)	22,517	-
Net remeasurement of allowances	134,373	510,171	444,858	1,089,402
New financial assets originated or purchased	147,484	37,185	-	184,669
Financial assets derecognised	(134,182)	(79,851)	(89,891)	(303,924)
Changes in models/risk parameters	(11,955)	(98,206)	-	(110,161)
Amount written-off	-	-	(93,672)	(93,672)
Exchange differences	3,145	3,742	22,188	29,075
As at 31 March 2020	737,287	1,186,061	4,942,334	6,865,682

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

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

At amortised cost (cont'd.)

Bank As at 31 December 2019	Stage 1	Stage 2	Stage 3	Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
At 1 January 2019	657,197	1,225,026	3,920,974	5,803,197
Transferred to Stage 1	325,172	(273,884)	(51,288)	-
Transferred to Stage 2	(140,785)	296,831	(156,046)	-
Transferred to Stage 3	(4,258)	(98,622)	102,880	-
Net remeasurement of allowances	(192,899)	(108,484)	2,426,750	2,125,367
New financial assets originated or purchased	284,253	191,883	-	476,136
Financial assets derecognised	(271,910)	(169,186)	(702,745)	(1,143,841)
Changes in models/risk parameters	(128,617)	(185,213)	-	(313,830)
Amount written-off	-	-	(848,945)	(848,945)
Exchange differences	(2,341)	(2,963)	(22,487)	(27,791)
At 31 December 2019	525,812	875,388	4,669,093	6,070,293

A12. Reinsurance/Retakaful Assets and Other Insurance Receivables

	Note	Group	
		31 March 2020 RM'000	31 December 2019 RM'000
Reinsurance/retakaful assets	(i)	3,640,897	3,550,665
Other insurance receivables	(ii)	1,061,010	681,424
		4,701,907	4,232,089

(i) Reinsurance/retakaful assets	Group	
	31 March 2020 RM'000	31 December 2019 RM'000
Reinsurers' share of:	3,287,463	3,187,733
Life insurance contract liabilities	84,121	74,534
General insurance contract liabilities	3,203,342	3,113,199
Retakaful operators' share of:	376,255	374,767
Family takaful certificate liabilities	108,618	135,692
General takaful certificate liabilities	267,637	239,075
Allowances for impairment losses	(22,821)	(11,835)
	3,640,897	3,550,665

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A12. Reinsurance/Retakaful Assets and Other Insurance Receivables (cont'd.)

	Group	
	31 March 2020 RM'000	31 December 2019 RM'000
(ii) Other insurance receivables		
Due premium including agents/brokers and co-insurers balances	925,434	421,774
Due from reinsurers and cedants/retakaful operators	161,324	290,566
	<u>1,086,758</u>	<u>712,340</u>
Allowances for impairment losses	(iii) (25,748)	(30,916)
	<u>1,061,010</u>	<u>681,424</u>

(iii) Movements in the allowances for impairment losses on reinsurance/retakaful assets and other insurance receivables:

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Group As at 31 March 2020				RM'000
At 1 January 2020	42,751	-	-	42,751
Net remeasurement of allowances	5,556	-	-	5,556
Exchange differences	262	-	-	262
As at 31 March 2020	<u>48,569</u>	<u>-</u>	<u>-</u>	<u>48,569</u>

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Group As at 31 December 2019				RM'000
At 1 January 2019	20,442	-	-	20,442
Net remeasurement of allowances	31,377	-	-	31,377
Exchange differences	(9,068)	-	-	(9,068)
At 31 December 2019	<u>42,751</u>	<u>-</u>	<u>-</u>	<u>42,751</u>

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A13. Other Assets

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Other debtors, net of allowances for impairment losses	7,359,211	5,614,028	5,986,698	4,641,193
Amount due from brokers and clients	2,837,748	2,010,123	-	-
Prepayments and deposits	1,551,295	1,401,622	254,763	259,144
Tax recoverable	147,966	161,322	-	13,441
Foreclosed properties	285,470	291,989	29,407	29,412
	12,181,690	9,479,084	6,270,868	4,943,190

A14. Deposits from Customers

(i) By type of deposit

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Fixed deposits and negotiable instruments of deposits				
- One year or less	308,634,981	328,019,102	119,470,520	122,285,418
- More than one year	8,007,197	8,242,826	487,690	2,159,609
	316,642,178	336,261,928	119,958,210	124,445,027
Money market deposits	11,757,941	20,769,412	11,757,941	20,769,412
Savings deposits	80,757,334	78,030,371	29,669,333	28,119,100
Demand deposits	110,109,265	109,469,201	70,779,827	69,424,078
	519,266,718	544,530,912	232,165,311	242,757,617

(ii) By type of customer

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Business enterprises	224,154,269	230,436,071	129,021,544	136,645,520
Individuals	221,175,094	221,452,568	78,478,742	76,658,858
Government and statutory bodies	37,127,450	44,022,847	11,805,727	13,425,698
Others	36,809,905	48,619,426	12,859,298	16,027,541
	519,266,718	544,530,912	232,165,311	242,757,617

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Within six months	247,929,886	265,335,800	98,239,350	102,260,693
Six months to one year	60,705,095	62,683,302	21,231,170	20,024,725
One year to three years	7,462,631	7,729,734	432,799	2,105,839
Three years to five years	544,566	513,092	54,891	53,770
	316,642,178	336,261,928	119,958,210	124,445,027

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A15. Deposits and Placements from Financial Institutions

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Licensed banks	47,052,023	38,758,617	54,761,235	48,975,323
Licensed finance companies	213,293	142,861	213,293	142,861
Licensed investment banks	947,947	482,606	947,947	482,606
Other financial institutions	3,749,683	4,173,125	1,746,902	1,753,745
	51,962,946	43,557,209	57,669,377	51,354,535

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
One year or less	49,698,329	41,112,765	56,928,509	50,593,909
More than one year	2,264,617	2,444,444	740,868	760,626
	51,962,946	43,557,209	57,669,377	51,354,535

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

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Structured deposits	22,775	22,772	22,775	22,772
Borrowings				
Unsecured				
Medium Term Notes				
- More than one year				
Denominated in:				
- USD	9,099,800	6,447,653	9,099,800	6,447,653
- RM	-	60,328	-	60,328
	9,099,800	6,507,981	9,099,800	6,507,981
Total financial liabilities at fair value through profit or loss	9,122,575	6,530,753	9,122,575	6,530,753

The carrying amounts of both structured deposits and borrowings designated at FVTPL of the Group and of the Bank as at 31 March 2020 were RM8,880,749,000 (31 December 2019: RM6,726,131,000). The fair value changes of the financial liabilities at FVTPL that are attributable to the changes in own credit risk are not significant.

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A17. Borrowings, Subordinated Obligations and Capital Securities

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
(i) Borrowings				
Secured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- SGD	236,553	237,799	-	-
- IDR	856,848	1,253,572	-	-
- VND	-	3,530	-	-
	<u>1,093,401</u>	<u>1,494,901</u>	<u>-</u>	<u>-</u>
- More than one year				
Denominated in:				
- IDR	1,892,770	1,996,482	-	-
	<u>1,892,770</u>	<u>1,996,482</u>	<u>-</u>	<u>-</u>
Total secured borrowings	<u>2,986,171</u>	<u>3,491,383</u>	<u>-</u>	<u>-</u>
Unsecured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- USD	4,474,632	5,453,711	4,292,295	5,383,508
- SGD	1,163,576	1,427,935	-	-
- THB	1,101,585	1,324,965	-	-
- HKD	155,340	210,108	-	105,159
- IDR	776,085	867,424	-	-
- VND	21	50	-	-
- PHP	4,226	-	-	-
- AUD	664,055	-	664,055	-
- RM	1,475,023	1,638,130	1,475,023	1,638,130
	<u>9,814,543</u>	<u>10,922,323</u>	<u>6,431,373</u>	<u>7,126,797</u>
- More than one year				
Denominated in:				
- USD	5,080,982	4,625,605	4,328,509	3,909,789
- IDR	617,750	690,235	-	-
- JPY	1,338	1,430	-	-
- RM	50,000	-	50,000	-
	<u>5,750,070</u>	<u>5,317,270</u>	<u>4,378,509</u>	<u>3,909,789</u>

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

	Group		Bank	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
(i) Borrowings (cont'd.)				
Unsecured (cont'd.)				
(b) Medium Term Notes				
- Less than one year				
Denominated in:				
- USD	485,205	806,826	485,205	806,826
- HKD	1,435,033	1,565,984	1,435,033	1,565,984
- SGD	686	686	686	686
- JPY	1,302,068	1,232,594	1,302,068	1,232,594
- CNH	326,140	547,362	326,140	547,362
- CHF	39	39	39	39
- CNY	1,261,382	1,201,217	1,261,382	1,201,217
- RM	42,407	42,320	42,407	42,320
	4,852,960	5,397,028	4,852,960	5,397,028
- More than one year				
Denominated in:				
- USD	9,141,169	8,375,338	9,141,169	8,375,338
- HKD	2,551,413	2,543,543	2,551,413	2,543,543
- JPY	5,955,493	3,344,937	5,955,493	3,344,937
- AUD	355,724	390,326	355,724	390,326
- CNH	708,225	547,975	708,225	547,975
- CHF	445,756	422,386	445,756	422,386
- CNY	607,220	586,906	607,220	586,906
	19,765,000	16,211,411	19,765,000	16,211,411
Total unsecured borrowings	40,182,573	37,848,032	35,427,842	32,645,025
Total borrowings	43,168,744	41,339,415	35,427,842	32,645,025
	Group	Bank	Group	Bank
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000
(ii) Subordinated Obligations				
Unsecured				
- More than one year				
Denominated in:				
- RM	7,094,275	7,097,715	7,094,275	7,097,715
- USD	2,187,906	2,059,101	2,187,906	2,059,101
- SGD	1,513,013	-	-	-
- IDR	147,013	164,309	-	-
	10,942,207	9,321,125	9,282,181	9,156,816

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

	Group		Bank	
	31 March	31 December	31 March	31 December
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(iii) Capital Securities				
Unsecured				
- More than one year				
Denominated in:				
- RM	2,798,614	2,827,123	2,798,614	2,827,123
	<u>2,798,614</u>	<u>2,827,123</u>	<u>2,798,614</u>	<u>2,827,123</u>

A18. Insurance/Takaful Contract Liabilities and Other Insurance Payables

Group	Note	31 March	31 December
		2020	2019
		RM'000	RM'000
Insurance/takaful contract liabilities	(i)	30,193,597	30,218,443
Other insurance payables	(ii)	790,388	667,187
		<u>30,983,985</u>	<u>30,885,630</u>

(i) Insurance/takaful contract liabilities

	Gross contract liabilities	Reinsurance/retakaful assets	Net contract liabilities
	RM'000	RM'000	RM'000
At 31 March 2020			
Life insurance/family takaful	24,062,684	(192,739)	23,869,945
General insurance/general takaful	6,130,913	(3,448,158)	2,682,755
	<u>30,193,597</u>	<u>(3,640,897)</u>	<u>26,552,700</u>
At 31 December 2019			
Life insurance/family takaful	24,258,416	(210,226)	24,048,190
General insurance/general takaful	5,960,027	(3,340,439)	2,619,588
	<u>30,218,443</u>	<u>(3,550,665)</u>	<u>26,667,778</u>

(ii) Other insurance payables

	31 March	31 December
	2020	2019
	RM'000	RM'000
Due to agents and intermediaries	258,765	174,645
Due to reinsurers and cedants	501,584	447,301
Due to retakaful operators	30,039	45,241
	<u>790,388</u>	<u>667,187</u>

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A19. Other Liabilities

	Note	Group		Bank	
		31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
Amount due to brokers and clients		4,093,968	4,231,486	-	-
Deposits, other creditors and accruals		14,564,577	8,642,439	14,438,597	6,601,312
Defined benefit pension plans		476,622	521,985	-	-
Provisions for commitments and contingencies		27,880	27,880	27,880	27,880
Allowances for impairment losses on loan commitments and financial guarantee contracts	(i)	611,896	678,232	522,662	618,048
Lease liabilities		1,525,434	1,461,498	438,006	410,156
Structured deposits		4,535,091	6,006,007	316,967	295,012
		25,835,468	21,569,527	15,744,112	7,952,408

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
As at 31 March 2020				RM'000
At 1 January 2020	92,086	108,132	478,014	678,232
Transferred to Stage 1	10,180	(10,050)	(130)	-
Transferred to Stage 2	(7,433)	7,921	(488)	-
Transferred to Stage 3	(8)	(408)	416	-
Net remeasurement of allowances	13,275	18,554	(24,638)	7,191
New financial assets originated or purchased	9,756	4,203	-	13,959
Financial assets derecognised	(13,420)	(5,409)	(2,497)	(21,326)
Modifications to contractual cash flows of financial assets	-	-	3,508	3,508
Changes in models/risk parameters	(13,120)	(68,488)	7,053	(74,555)
Exchange differences	2,567	3,489	(1,169)	4,887
As at 31 March 2020	93,883	57,944	460,069	611,896
Group	Stage 1	Stage 2	Stage 3	Total
As at 31 December 2019	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
At 1 January 2019	84,477	52,676	150,283	287,436
Transferred to Stage 1	2,620	(2,620)	-	-
Transferred to Stage 2	(4,613)	6,014	(1,401)	-
Transferred to Stage 3	(13)	(61)	74	-
Net remeasurement of allowances	13,488	55,709	333,589	402,786
New financial assets originated or purchased	23,893	12,047	-	35,940
Financial assets derecognised	(28,218)	(17,679)	(3,224)	(49,121)
Changes in models/risk parameters	(277)	974	-	697
Exchange differences	729	1,072	(1,307)	494
At 31 December 2019	92,086	108,132	478,014	678,232

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A19. Other Liabilities (cont'd.)

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

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Bank				
As at 31 March 2020				RM'000
At 1 January 2020	48,324	99,999	469,725	618,048
Transferred to Stage 1	569	(478)	(91)	-
Transferred to Stage 2	(395)	766	(371)	-
Transferred to Stage 3	(2)	(34)	36	-
Net remeasurement of allowances	(4,471)	635	(28,806)	(32,642)
New financial assets originated or purchased	4,977	2,457	-	7,434
Financial assets derecognised	(6,788)	(3,610)	(121)	(10,519)
Changes in models/risk parameters	(288)	(69,194)	10,915	(58,567)
Exchange differences	440	191	(1,723)	(1,092)
As at 31 March 2020	42,366	30,732	449,564	522,662
	Stage 1	Stage 2	Stage 3	
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	Total RM'000
Bank				
As at 31 December 2019				RM'000
At 1 January 2019	40,038	43,868	145,197	229,103
Transferred to Stage 1	2,228	(2,228)	-	-
Transferred to Stage 2	(4,284)	4,284	-	-
Transferred to Stage 3	(14)	(54)	68	-
Net remeasurement of allowances	12,282	57,728	327,100	397,110
New financial assets originated or purchased	18,303	8,622	-	26,925
Financial assets derecognised	(19,571)	(12,646)	(2,950)	(35,167)
Changes in models/risk parameters	(242)	519	-	277
Exchange differences	(416)	(94)	310	(200)
At 31 December 2019	48,324	99,999	469,725	618,048

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A20. Other Reserves

The breakdown and movement of other reserves are as follows:

<u>Group</u>	<===== Non-Distributable =====>				
	Capital Reserve RM'000	Revaluation Reserve RM'000	Defined Benefit Reserve RM'000	Hedge Reserve RM'000	Total Other Reserves RM'000
At 1 January 2020	14,244	(2,712)	21,141	(366,322)	(333,649)
Other comprehensive (loss)/ income	(178)	-	(165)	7,305	6,962
Defined benefit plan actuarial loss	-	-	(165)	-	(165)
Net loss on net investment hedge	-	-	-	(8,102)	(8,102)
Net loss on cash flow hedge	-	-	-	(54)	(54)
Net gain on fair value hedge	-	-	-	15,461	15,461
Net loss on capital reserve	(178)	-	-	-	(178)
Total comprehensive (loss)/income for the financial period	(178)	-	(165)	7,305	6,962
At 31 March 2020	14,066	(2,712)	20,976	(359,017)	(326,687)

<u>Group</u>	<===== Non-Distributable =====>				
	Capital Reserve RM'000	Revaluation Reserve RM'000	Defined Benefit Reserve RM'000	Hedge Reserve RM'000	Total Other Reserves RM'000
At 1 January 2019	13,557	(2,712)	16,503	(367,100)	(339,752)
Other comprehensive (loss)/income	-	-	(208)	2,101	1,893
Defined benefit plan actuarial loss	-	-	(208)	-	(208)
Net gain on net investment hedge	-	-	-	1,841	1,841
Net gain on cash flow hedge	-	-	-	260	260
Total comprehensive (loss)/income for the financial period	-	-	(208)	2,101	1,893
At 31 March 2019	13,557	(2,712)	16,295	(364,999)	(337,859)

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A21. Interest Income

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Loans, advances and financing	3,980,107	4,392,975	3,980,107	4,392,975
Money at call and deposits and placements with financial institutions	159,027	197,210	159,027	197,210
Financial assets purchased under resale agreements	96,860	42,608	96,860	42,608
Financial assets at FVTPL	291,587	270,971	291,587	270,971
Financial investments at fair value through other comprehensive income	745,831	854,853	745,831	854,853
Financial investments at amortised cost	258,659	225,038	258,659	225,038
	5,532,071	5,983,655	5,532,071	5,983,655
Accretion of discounts, net	18,497	50,816	18,497	50,816
	5,550,568	6,034,471	5,550,568	6,034,471

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Loans, advances and financing	2,439,605	2,673,508	2,439,605	2,673,508
Money at call and deposits and placements with financial institutions	211,424	327,351	211,424	327,351
Financial assets purchased under resale agreements	47,510	21,348	47,510	21,348
Financial assets at FVTPL	109,207	63,583	109,207	63,583
Financial investments at fair value through other comprehensive income	580,085	690,501	580,085	690,501
Financial investments at amortised cost	269,721	222,972	269,721	222,972
	3,657,552	3,999,263	3,657,552	3,999,263
Accretion of discounts, net	98,383	89,800	98,383	89,800
	3,755,935	4,089,063	3,755,935	4,089,063

Included in interest income for the three-month financial period ended 31 March 2020 was interest on impaired assets amounting to approximately RM108,577,000 (31 March 2019: RM110,818,000) for the Group and RM73,331,000 (31 March 2019: RM79,346,000) for the Bank.

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A22. Interest Expense

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Deposits and placements from financial institutions	238,216	305,149	238,216	305,149
Deposits from customers	1,756,517	2,051,123	1,756,517	2,051,123
Loans sold to Cagamas	16,143	15,966	16,143	15,966
Obligations on financial assets sold under repurchase agreements	69,809	87,976	69,809	87,976
Borrowings	329,689	304,504	329,689	304,504
Subordinated notes	123,508	141,258	123,508	141,258
Subordinated bonds	-	3,344	-	3,344
Capital securities	28,844	54,623	28,844	54,623
Structured deposits	26,728	35,713	26,728	35,713
Financial liabilities at fair value through profit or loss	49,953	81,275	49,953	81,275
	2,639,407	3,080,931	2,639,407	3,080,931

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Deposits and placements from financial institutions	274,282	356,504	274,282	356,504
Deposits from customers	1,016,609	1,284,603	1,016,609	1,284,603
Loans sold to Cagamas	16,143	15,966	16,143	15,966
Obligations on financial assets sold under repurchase agreements	111,964	114,504	111,964	114,504
Borrowings	203,032	170,669	203,032	170,669
Subordinated notes	104,326	116,798	104,326	116,798
Capital securities	28,844	54,623	28,844	54,623
Structured deposits	1,838	1,836	1,838	1,836
Financial liabilities at fair value through profit or loss	49,953	81,275	49,953	81,275
	1,806,991	2,196,778	1,806,991	2,196,778

A23. Net Earned Insurance Premiums

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums	2,366,825	1,885,556	2,366,825	1,885,556
Premiums ceded to reinsurers	(421,887)	(259,010)	(421,887)	(259,010)
	1,944,938	1,626,546	1,944,938	1,626,546

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A24. Dividends from Subsidiaries

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Bank				
Gross dividend income from: Subsidiaries	475,291	-	475,291	-
	<u>475,291</u>	<u>-</u>	<u>475,291</u>	<u>-</u>

A25. Other Operating Income

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
(a) Fee income:				
Commission	347,063	301,014	347,063	301,014
Service charges and fees	311,577	332,366	311,577	332,366
Underwriting fees	4,498	20,113	4,498	20,113
Brokerage income	112,980	81,085	112,980	81,085
Fees on loans, advances and financing	43,891	38,725	43,891	38,725
	<u>820,009</u>	<u>773,303</u>	<u>820,009</u>	<u>773,303</u>
(b) Investment income:				
Net (loss)/gain on disposal of financial assets at FVTPL	(323,845)	37,716	(323,845)	37,716
Net gain on disposal of financial investments at fair value through other comprehensive income	1,067,281	149,052	1,067,281	149,052
Net gain on dilution of interest in associates	-	1,836	-	1,836
	<u>743,436</u>	<u>188,604</u>	<u>743,436</u>	<u>188,604</u>
(c) Gross dividend income from: Financial investments portfolio	25,531	17,764	25,531	17,764
(d) Unrealised (loss)/gain on revaluation of: Financial assets designated upon initial recognition at FVTPL	(480,256)	438,977	(480,256)	438,977
Financial investments at FVTPL	(870,790)	127,776	(870,790)	127,776
Financial liabilities at FVTPL	(437,204)	(455,252)	(437,204)	(455,252)
Derivatives	1,506,496	161,019	1,506,496	161,019
Loans, advances and financing at FVTPL	(774)	(1,876)	(774)	(1,876)
	<u>(282,528)</u>	<u>270,644</u>	<u>(282,528)</u>	<u>270,644</u>
(e) Other income:				
Foreign exchange (loss)/gain, net	(51,519)	211,413	(51,519)	211,413
Realised (loss)/gain on derivatives	(6,140)	137,804	(6,140)	137,804
Rental income	10,142	9,176	10,142	9,176
Gain on disposal of property, plant and equipment	11,426	2,484	11,426	2,484
Gain on disposal of foreclosed properties	144	2,143	144	2,143
Fair value adjustments on investments properties	(36)	(34)	(36)	(34)
Others	62,640	64,563	62,640	64,563
	<u>26,657</u>	<u>427,549</u>	<u>26,657</u>	<u>427,549</u>
Total other operating income	<u>1,333,105</u>	<u>1,677,864</u>	<u>1,333,105</u>	<u>1,677,864</u>

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A25. Other Operating Income (cont'd.)

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Bank				
(a) Fee income:				
Commission	223,187	214,407	223,187	214,407
Service charges and fees	200,165	215,596	200,165	215,596
Underwriting fees	3,369	2,368	3,369	2,368
Fees on loans, advances and financing	16,620	14,761	16,620	14,761
	443,341	447,132	443,341	447,132
(b) Investment income:				
Net gain on disposal of financial assets at FVTPL	111,958	60,940	111,958	60,940
Net gain on disposal of financial investments at fair value through other comprehensive income	774,458	138,451	774,458	138,451
Net gain on dilution of interest in associates	-	1,696	-	1,696
	886,416	201,087	886,416	201,087
(c) Unrealised (loss)/gain on revaluation of:				
Financial investments at FVTPL	(185,987)	1,801	(185,987)	1,801
Financial liabilities at FVTPL	(437,204)	(455,252)	(437,204)	(455,252)
Derivatives	1,184,674	191,165	1,184,674	191,165
Loans, advances and financing at FVTPL	(774)	(1,876)	(774)	(1,876)
	560,709	(264,162)	560,709	(264,162)
(d) Other income:				
Foreign exchange (loss)/gain, net	(67,929)	227,820	(67,929)	227,820
Realised (loss)/gain on derivatives	(98,613)	120,311	(98,613)	120,311
Rental income	7,730	7,263	7,730	7,263
Gain on disposal of property, plant and equipment	11,170	395	11,170	395
Others	12,993	13,582	12,993	13,582
	(134,649)	369,371	(134,649)	369,371
Total other operating income	1,755,817	753,428	1,755,817	753,428

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A26. Net Insurance Benefits and Claims Incurred, Net Fee and Commission Expenses, Change in Expense Liabilities and Taxation of Life and Takaful Fund

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
Gross benefits and claims paid	1,057,572	984,661	1,057,572	984,661
Claims ceded to reinsurers	(107,929)	(121,461)	(107,929)	(121,461)
Gross change to contract liabilities	210,447	920,234	210,447	920,234
Change in contract liabilities ceded to reinsurers	(135,372)	34,219	(135,372)	34,219
Net insurance benefits and claims incurred	1,024,718	1,817,653	1,024,718	1,817,653
Net fee and commission expenses	93,503	64,963	93,503	64,963
Change in expense liabilities	28,497	(26,476)	28,497	(26,476)
Taxation of life and takaful fund	(60,914)	38,385	(60,914)	38,385
Net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	61,086	76,872	61,086	76,872
Total net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	1,085,804	1,894,525	1,085,804	1,894,525

A27. Overhead Expenses

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March	31 March	31 March	31 March
	2020	2019	2020	2019
	RM'000	RM'000	RM'000	RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	1,305,254	1,297,853	1,305,254	1,297,853
Social security cost	11,354	10,971	11,354	10,971
Pension costs - defined contribution plan	154,455	150,724	154,455	150,724
ESGP expenses	16,286	9,288	16,286	9,288
Other staff related expenses	239,614	218,101	239,614	218,101
	1,726,963	1,686,937	1,726,963	1,686,937
(b) Establishment costs				
Depreciation of property, plant and equipment	76,619	75,566	76,619	75,566
Depreciation of right-of-use assets	108,432	88,498	108,432	88,498
Amortisation of intangible assets	68,665	56,606	68,665	56,606
Rental of leasehold land and premises	17,270	20,664	17,270	20,664
Repairs and maintenance of property, plant and equipment	41,295	44,160	41,295	44,160
Information technology expenses	121,892	128,747	121,892	128,747
Finance cost on lease liabilities	16,535	15,997	16,535	15,997
Others	7,328	11,087	7,328	11,087
	458,036	441,325	458,036	441,325
(c) Marketing expenses				
Advertisement and publicity	36,167	58,551	36,167	58,551
Others	72,522	82,194	72,522	82,194
	108,689	140,745	108,689	140,745

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A27. Overhead Expenses (cont'd.)

Group (cont'd.)	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
(d) Administration and general expenses				
Fees and brokerage	277,963	239,908	277,963	239,908
Administrative expenses	132,250	141,708	132,250	141,708
General expenses	234,756	154,338	234,756	154,338
Others	3,350	2,613	3,350	2,613
	648,319	538,567	648,319	538,567
Total overhead expenses	2,942,007	2,807,574	2,942,007	2,807,574
Cost to income ratio ("CIR")¹	43.7%	47.9%	43.7%	47.9%

¹ Cost to income ratio ("CIR") is computed using the total cost over the net operating income. Total cost of the Group is the total overhead expenses, excluding amortisation of intangible assets for Maybank Kim Eng Holdings Limited. Income refers to net operating income amount as disclosed on the face of income statements.

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	648,892	657,548	648,892	657,548
Social security cost	5,782	5,968	5,782	5,968
Pension costs - defined contribution plan	98,106	98,593	98,106	98,593
ESGP expenses	9,300	5,390	9,300	5,390
Other staff related expenses	112,280	103,616	112,280	103,616
	874,360	871,115	874,360	871,115
(b) Establishment costs				
Depreciation of property, plant and equipment	25,950	31,860	25,950	31,860
Depreciation of right-of-use assets	28,225	27,483	28,225	27,483
Amortisation of intangible assets	13,734	11,396	13,734	11,396
Rental of leasehold land and premises	2,025	2,861	2,025	2,861
Repairs and maintenance of property, plant and equipment	20,177	25,065	20,177	25,065
Information technology expenses	191,570	186,472	191,570	186,472
Finance cost on lease liabilities	4,136	3,835	4,136	3,835
Others	536	863	536	863
	286,353	289,835	286,353	289,835
(c) Marketing expenses				
Advertisement and publicity	12,634	29,928	12,634	29,928
Others	36,843	46,882	36,843	46,882
	49,477	76,810	49,477	76,810
(d) Administration and general expenses				
Fees and brokerage	167,496	138,522	167,496	138,522
Administrative expenses	47,282	51,545	47,282	51,545
General expenses	60,988	49,892	60,988	49,892
Others	951	368	951	368
	276,717	240,327	276,717	240,327
(e) Overhead expenses allocated (to)/from subsidiaries, net	(355,508)	(363,291)	(355,508)	(363,291)
Total overhead expenses	1,131,399	1,114,796	1,131,399	1,114,796
Cost to income ratio ("CIR")²	27.1%	42.1%	27.1%	42.1%

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

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A28. Allowances for Impairment Losses on Loans, Advances, Financing and Other Debts, net

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
(Writeback of)/allowances for impairment losses on loans, advances and financing:				
- Stage 1 - 12-month ECL, net	(132,930)	(639,135)	(132,930)	(639,135)
- Stage 2 - Lifetime ECL not credit impaired, net	549,610	(32,460)	549,610	(32,460)
- Stage 3 - Lifetime ECL credit impaired, net	598,400	1,338,753	598,400	1,338,753
Bad debts and financing written-off	18,980	41,161	18,980	41,161
Bad debts and financing recovered	(73,079)	(106,565)	(73,079)	(106,565)
Allowances for impairment losses on other debts	686	2,240	686	2,240
	961,667	603,994	961,667	603,994

Bank	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
(Writeback of)/allowances for impairment losses on loans, advances and financing:				
- Stage 1 - 12-month ECL, net	132,885	(296,717)	132,885	(296,717)
- Stage 2 - Lifetime ECL not credit impaired, net	298,516	23,216	298,516	23,216
- Stage 3 - Lifetime ECL credit impaired, net	372,861	835,171	372,861	835,171
Bad debts and financing written-off	12,419	19,768	12,419	19,768
Bad debts and financing recovered	(36,599)	(47,687)	(36,599)	(47,687)
(Writeback of)/allowances for impairment losses on other debts	(430)	13,068	(430)	13,068
	779,652	546,819	779,652	546,819

A29. Allowances for Impairment Losses on Financial Investments, net

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	28,449	(877)	28,449	(877)
- Stage 2 - Lifetime ECL not credit impaired, net	632	(118)	632	(118)
- Stage 3 - Lifetime ECL credit impaired, net	(3,590)	(7,804)	(3,590)	(7,804)
Net	25,491	(8,799)	25,491	(8,799)
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	2,770	85	2,770	85
- Stage 2 - Lifetime ECL not credit impaired, net	8,295	(7,101)	8,295	(7,101)
- Stage 3 - Lifetime ECL credit impaired, net	(1,790)	40,424	(1,790)	40,424
Net	9,275	33,408	9,275	33,408
	34,766	24,609	34,766	24,609

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A29. Allowances for Impairment Losses on Financial Investments, net (cont'd.)

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Bank				
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	24,011	(1,622)	24,011	(1,622)
- Stage 2 - Lifetime ECL not credit impaired, net	(20)	(266)	(20)	(266)
- Stage 3 - Lifetime ECL credit impaired, net	(3,532)	(590)	(3,532)	(590)
Net	<u>20,459</u>	<u>(2,478)</u>	<u>20,459</u>	<u>(2,478)</u>
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	2,746	(71)	2,746	(71)
- Stage 2 - Lifetime ECL not credit impaired, net	4,368	(5,059)	4,368	(5,059)
- Stage 3 - Lifetime ECL credit impaired, net	(1,790)	40,424	(1,790)	40,424
Net	<u>5,324</u>	<u>35,294</u>	<u>5,324</u>	<u>35,294</u>
	<u>25,783</u>	<u>32,816</u>	<u>25,783</u>	<u>32,816</u>

A30. Allowances for/(writeback of) Impairment Losses on Other Financial Assets, net

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Group				
Cash and short-term funds				
- Stage 1 - 12-month ECL, net	4,045	6,650	4,045	6,650
Net	<u>4,045</u>	<u>6,650</u>	<u>4,045</u>	<u>6,650</u>
Deposits and placements with financial institutions				
- Stage 1 - 12-month ECL, net	12,867	434	12,867	434
Net	<u>12,867</u>	<u>434</u>	<u>12,867</u>	<u>434</u>
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	923	567	923	567
Net	<u>923</u>	<u>567</u>	<u>923</u>	<u>567</u>
Reinsurance/retakaful assets and other insurance receivables				
- Stage 1 - 12-month ECL, net	5,556	1,671	5,556	1,671
Net	<u>5,556</u>	<u>1,671</u>	<u>5,556</u>	<u>1,671</u>
Other assets				
- Stage 1 - 12-month ECL, net	3,113	(1,076)	3,113	(1,076)
- Stage 2 - Lifetime ECL not credit impaired	17	(82)	17	(82)
- Stage 3 - Lifetime ECL credit impaired	(1,125)	556	(1,125)	556
Net	<u>2,005</u>	<u>(602)</u>	<u>2,005</u>	<u>(602)</u>
Statutory deposit with central banks				
- Stage 1 - 12-month ECL, net	2,447	-	2,447	-
Net	<u>2,447</u>	<u>-</u>	<u>2,447</u>	<u>-</u>
	<u>27,843</u>	<u>8,720</u>	<u>27,843</u>	<u>8,720</u>

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A30. Allowances for/(writeback of) Impairment Losses on Other Financial Assets, net (cont'd.)

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Bank				
Cash and short-term funds				
- Stage 1 - 12-month ECL, net	1,945	(10,823)	1,945	(10,823)
Net	<u>1,945</u>	<u>(10,823)</u>	<u>1,945</u>	<u>(10,823)</u>
Deposits and placements with financial institutions				
- Stage 1 - 12-month ECL, net	5,602	31	5,602	31
Net	<u>5,602</u>	<u>31</u>	<u>5,602</u>	<u>31</u>
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	159	367	159	367
Net	<u>159</u>	<u>367</u>	<u>159</u>	<u>367</u>
Other assets				
- Stage 3 - Lifetime ECL credit impaired	2,157	(1,920)	2,157	(1,920)
Net	<u>2,157</u>	<u>(1,920)</u>	<u>2,157</u>	<u>(1,920)</u>
	<u>9,863</u>	<u>(12,345)</u>	<u>9,863</u>	<u>(12,345)</u>

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A31. Segment Information

By business segments

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

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

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

(i) Consumer Banking

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

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

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

(iii) Business Banking

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

(b) Group Global Banking ("GB")

(i) Group Corporate Banking and Global Markets

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

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

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

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

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

(ii) Group Investment Banking (Maybank IB and Maybank Kim Eng)

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

(iii) Group Asset Management

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

(c) Group Insurance and Takaful

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

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

	<===== Business Segments =====>							
	<===== Group Global Banking =====>						Head Office and Others RM'000	Total RM'000
	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000	Group Insurance and Takaful RM'000		
Three Months Ended 31 March 2020								
Net interest income:								
- External	1,812,425	1,039,290	59,974	(1,457)	295,444	(294,515)	2,911,161	
- Inter-segment	-	-	(246)	664	20,055	(20,473)	-	
	<u>1,812,425</u>	<u>1,039,290</u>	<u>59,728</u>	<u>(793)</u>	<u>315,499</u>	<u>(314,988)</u>	<u>2,911,161</u>	
Net interest income	1,812,425	1,039,290	59,728	(793)	315,499	(314,988)	2,911,161	
Income from IBS operations	890,470	402,632	9,735	-	-	317,933	1,620,770	
Net earned insurance premiums	-	-	-	-	1,944,938	-	1,944,938	
Other operating income	743,702	958,631	228,498	29,311	(792,048)	165,011	1,333,105	
Total operating income	<u>3,446,597</u>	<u>2,400,553</u>	<u>297,961</u>	<u>28,518</u>	<u>1,468,389</u>	<u>167,956</u>	<u>7,809,974</u>	
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	-	-	-	-	(1,168,040)	82,236	(1,085,804)	
Net operating income	<u>3,446,597</u>	<u>2,400,553</u>	<u>297,961</u>	<u>28,518</u>	<u>300,349</u>	<u>250,192</u>	<u>6,724,170</u>	
Overhead expenses	(1,933,431)	(469,186)	(265,480)	(34,207)	(239,703)	-	(2,942,007)	
Operating profit/(loss) before impairment losses	<u>1,513,166</u>	<u>1,931,367</u>	<u>32,481</u>	<u>(5,689)</u>	<u>60,646</u>	<u>250,192</u>	<u>3,782,163</u>	
Allowances for impairment losses on loans, advances, financing and other debts, net	(304,679)	(653,292)	(3,600)	-	(96)	-	(961,667)	
(Allowance for)/writeback of impairment losses on financial investments, net	(11)	(35,250)	39	-	456	-	(34,766)	
Allowances for impairment losses on other financial assets, net	(41)	(13,820)	(3,371)	(3)	(7,161)	(3,447)	(27,843)	
Operating profit/(loss)	<u>1,208,435</u>	<u>1,229,005</u>	<u>25,549</u>	<u>(5,692)</u>	<u>53,845</u>	<u>246,745</u>	<u>2,757,887</u>	
Share of profits in associates and joint ventures	-	39,474	393	-	-	-	39,867	
Profit/(loss) before taxation and zakat	<u>1,208,435</u>	<u>1,268,479</u>	<u>25,942</u>	<u>(5,692)</u>	<u>53,845</u>	<u>246,745</u>	<u>2,797,754</u>	
Taxation and zakat							(755,862)	
Profit after taxation and zakat							<u>2,041,892</u>	
Non-controlling interests							7,758	
Profit for the financial period attributable to equity holders of the Bank							<u>2,049,650</u>	

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

	<===== Business Segments =====>						Total RM'000
	<===== Group Global Banking =====>						
	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000	Head Office and Others RM'000	
Three Months Ended 31 March 2020 (cont'd.)							
Included in other operating income are:							
Fee income:							
Commission	330,996	28,080	9,920	14,421	-	(36,354)	347,063
Service charges and fees	212,114	71,621	51,451	16,247	2,371	(42,227)	311,577
Underwriting fees	-	3,369	1,129	-	-	-	4,498
Brokerage income	-	-	112,980	-	-	-	112,980
Fees on loans, advances and financing	21,748	21,951	-	-	-	192	43,891
Fee income from IBS operations	73,670	22,923	4,843	-	-	(13,192)	88,244
Included in overhead expenses are:							
Depreciation of property, plant and equipment	(48,230)	(12,611)	(9,538)	(1,981)	(4,259)	-	(76,619)
Depreciation of right-of-use assets	(69,926)	(18,546)	(13,556)	(1,471)	(4,933)	-	(108,432)
Amortisation of intangible assets	(46,390)	(12,554)	(3,236)	(65)	(6,420)	-	(68,665)

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

	<===== Business Segments =====>						
	<===== Group Global Banking =====>						
Three Months Ended 31 March 2019	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000	Head Office and Others RM'000	Total RM'000
Net interest income:							
- External	1,889,610	1,035,954	69,007	788	302,322	(344,141)	2,953,540
- Inter-segment	-	-	(3,834)	733	9,991	(6,890)	-
	<u>1,889,610</u>	<u>1,035,954</u>	<u>65,173</u>	<u>1,521</u>	<u>312,313</u>	<u>(351,031)</u>	<u>2,953,540</u>
Net interest income	1,889,610	1,035,954	65,173	1,521	312,313	(351,031)	2,953,540
Income from IBS operations	766,036	336,138	13,795	-	-	380,649	1,496,618
Net earned insurance premiums	-	-	-	-	1,626,546	-	1,626,546
Other operating income	715,912	578,504	183,136	43,054	505,155	(347,897)	1,677,864
Total operating income	<u>3,371,558</u>	<u>1,950,596</u>	<u>262,104</u>	<u>44,575</u>	<u>2,444,014</u>	<u>(318,279)</u>	<u>7,754,568</u>
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	-	-	-	-	(1,965,693)	71,168	(1,894,525)
Net operating income	<u>3,371,558</u>	<u>1,950,596</u>	<u>262,104</u>	<u>44,575</u>	<u>478,321</u>	<u>(247,111)</u>	<u>5,860,043</u>
Overhead expenses	(1,826,851)	(444,140)	(265,354)	(48,229)	(223,000)	-	(2,807,574)
Operating profit/(loss) before impairment losses (Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net	<u>1,544,707</u>	<u>1,506,456</u>	<u>(3,250)</u>	<u>(3,654)</u>	<u>255,321</u>	<u>(247,111)</u>	<u>3,052,469</u>
Writeback of/(allowances for) impairment losses on financial investments, net	(3,492)	(596,433)	2,855	2	(6,926)	-	(603,994)
Allowances for impairment losses on other financial assets, net	238	(24,022)	(72)	-	(753)	-	(24,609)
Operating profit/(loss)	<u>(120)</u>	<u>11,241</u>	<u>(1,381)</u>	<u>(2)</u>	<u>(1,790)</u>	<u>(16,668)</u>	<u>(8,720)</u>
Share of profits in associates and joint ventures	1,541,333	897,242	(1,848)	(3,654)	245,852	(263,779)	2,415,146
Profit/(loss) before taxation and zakat	<u>-</u>	<u>35,058</u>	<u>227</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>35,285</u>
Taxation and zakat	1,541,333	932,300	(1,621)	(3,654)	245,852	(263,779)	2,450,431
Profit after taxation and zakat							<u>(575,614)</u>
Non-controlling interests							1,874,817
Profit for the financial period attributable to equity holders of the Bank							<u>(65,553)</u>
							<u>1,809,264</u>

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

	<===== Business Segments =====>							Total RM'000
	<===== Group Global Banking =====>						Head Office and Others RM'000	
	Group Community Financial Services RM'000	Group Corporate Banking & Global Markets RM'000	Group Investment Banking RM'000	Group Asset Management RM'000	Group Insurance and Takaful RM'000	Group RM'000		
Three Months Ended 31 March 2019 (cont'd.)								
Included in other operating income are:								
Fee income:								
Commission	282,999	38,179	8,715	795	-	(29,674)		301,014
Service charges and fees	210,959	99,882	46,874	24,987	244	(50,580)		332,366
Underwriting fees	887	2,562	17,745	-	-	(1,081)		20,113
Brokerage income	-	-	81,085	-	-	-		81,085
Fees on loans, advances and financing	18,618	21,369	148	-	370	(1,780)		38,725
Fee income from IBS operations	62,409	45,258	4,872	-	-	(13,581)		98,958
Included in overhead expenses are:								
Depreciation of property, plant and equipment	(46,394)	(11,335)	(13,406)	(324)	(4,107)	-		(75,566)
Depreciation of right-of-use assets	(60,100)	(13,987)	(10,293)	(540)	(3,578)	-		(88,498)
Amortisation of intangible assets	(32,465)	(9,027)	(6,807)	(162)	(8,145)	-		(56,606)

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A32. Carrying Amount of Revalued Assets

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any. There was no change in the valuation of property and equipment that were brought forward from the previous audited annual financial statements for the financial year ended 31 December 2019.

A33. Subsequent Events

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

A34. Changes in the Composition of the Group

There were no significant changes to the composition of the Group during the first quarter ended 31 March 2020.

A35. Commitments and Contingencies

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

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

Group	As at 31 March 2020			As at 31 December 2019		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<u>Contingent liabilities</u>						
Direct credit substitutes	11,525,944	10,549,756	6,563,761	11,651,981	10,549,467	6,180,568
Certain transaction-related contingent items	15,913,212	7,393,175	4,612,621	17,933,219	8,010,772	4,956,866
Short-term self-liquidating trade-related contingencies	2,390,359	530,377	337,034	2,963,469	614,984	378,984
	29,829,515	18,473,308	11,513,416	32,548,669	19,175,223	11,516,418
<u>Commitments</u>						
Irrevocable commitments to extend credit:						
- Maturity within one year	126,271,768	19,094,212	7,439,960	120,543,741	12,568,585	5,201,397
- Maturity exceeding one year	38,580,249	43,068,856	18,916,123	43,154,904	43,431,330	19,424,913
	164,852,017	62,163,068	26,356,083	163,698,645	55,999,915	24,626,310
Miscellaneous commitments and contingencies	10,509,729	873,239	82,455	8,965,841	836,389	88,766
Total credit-related commitments and contingencies	205,191,261	81,509,615	37,951,954	205,213,155	76,011,527	36,231,494
<u>Derivative financial instruments</u>						
Foreign exchange related contracts:						
- Less than one year	561,036,317	6,397,791	1,189,998	538,237,679	5,300,386	897,466
- One year to less than five years	32,394,723	2,267,559	1,026,254	31,495,367	1,856,999	930,782
- Five years and above	6,192,332	1,355,583	625,731	5,314,451	749,621	314,812
	599,623,372	10,020,933	2,841,983	575,047,497	7,907,006	2,143,060
Interest rate related contracts:						
- Less than one year	73,623,071	768,806	277,941	78,438,765	263,545	76,054
- One year to less than five years	294,006,754	2,732,857	1,889,086	256,963,893	1,737,197	1,026,458
- Five years and above	107,782,651	1,661,080	1,056,612	87,560,165	1,861,518	1,238,571
	475,412,476	5,162,743	3,223,639	422,962,823	3,862,260	2,341,083

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A35. Commitments and Contingencies (cont'd.)

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

	As at 31 March 2020			As at 31 December 2019		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
Group (cont'd.)						
<u>Derivative financial instruments</u>						
<u>(cont'd.)</u>						
Equity and commodity related contracts:						
- Less than one year	4,688,582	397,024	272,350	4,075,338	257,581	150,897
- One year to less than five years	652,471	187,907	158,358	1,260,171	101,036	72,194
	5,341,053	584,931	430,708	5,335,509	358,617	223,091
Credit related contracts:						
- Less than one year	22,750	-	-	63,690	-	-
Total treasury-related commitments and contingencies	1,080,399,651	15,768,607	6,496,330	1,003,409,519	12,127,883	4,707,234
Total commitments and contingencies	1,285,590,912	97,278,222	44,448,284	1,208,622,674	88,139,410	40,938,728
Bank						
<u>Contingent liabilities</u>						
Direct credit substitutes	8,923,791	7,971,725	4,564,948	8,851,551	7,795,307	4,096,596
Certain transaction-related contingent items	13,022,050	5,991,014	3,761,043	14,052,638	6,099,774	3,644,076
Short-term self-liquidating trade-related contingencies	1,758,152	337,008	189,044	2,224,986	415,279	231,897
	23,703,993	14,299,747	8,515,035	25,129,175	14,310,360	7,972,569
<u>Commitments</u>						
Irrevocable commitments to extend credit:						
- Maturity within one year	85,104,186	11,503,944	4,381,414	74,635,545	5,851,189	2,420,816
- Maturity exceeding one year	19,233,906	25,651,191	12,407,432	30,025,147	26,990,403	13,104,508
	104,338,092	37,155,135	16,788,846	104,660,692	32,841,592	15,525,324
Miscellaneous commitments and contingencies	6,285,317	1,028,925	353,582	4,580,758	1,206,450	158,688
Total credit-related commitments and contingencies	134,327,402	52,483,807	25,657,463	134,370,625	48,358,402	23,656,581
<u>Derivative financial instruments</u>						
Foreign exchange related contracts:						
- Less than one year	552,709,339	6,449,952	1,180,677	530,308,700	5,198,743	798,031
- One year to less than five years	31,118,122	2,335,326	1,031,249	30,708,880	1,920,409	948,238
- Five years and above	5,058,597	1,512,500	950,759	4,403,125	584,069	223,548
	588,886,058	10,297,778	3,162,685	565,420,705	7,703,221	1,969,817

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A35. Commitments and Contingencies (cont'd.)

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

	As at 31 March 2020			As at 31 December 2019		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
Bank (cont'd.)						
<u>Derivative financial instruments</u>						
<u>(cont'd.)</u>						
Interest rate related contracts:						
- Less than one year	72,573,418	34,868	(13,620)	77,500,667	37,384	9,174
- One year to less than five years	294,135,655	1,408,157	701,754	257,295,512	1,284,684	593,440
- Five years and above	107,782,653	1,658,661	1,054,192	87,620,165	1,859,086	1,236,139
	474,491,726	3,101,686	1,742,326	422,416,344	3,181,154	1,838,753
Equity and commodity related contracts:						
- Less than one year	1,904,543	350,885	262,037	1,908,063	178,382	111,125
- One year to less than five years	652,471	187,907	158,358	1,260,171	101,036	72,194
	2,557,014	538,792	420,395	3,168,234	279,418	183,319
Credit related contracts:						
- Less than one year	22,750	-	-	63,690	-	-
Total treasury-related commitments and contingencies						
	1,065,957,548	13,938,256	5,325,406	991,068,973	11,163,793	3,991,889
Total commitments and contingencies						
	1,200,284,950	66,422,063	30,982,869	1,125,439,598	59,522,195	27,648,470

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

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

Market Risk

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

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Bank and certain subsidiaries have a gain position. As at 31 March 2020, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM25,810.0 million (31 December 2019: RM10,335.6 million). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

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

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A35. Commitments and Contingencies (cont'd.)

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

A36. Capital Adequacy

(a) Capital Adequacy Framework

- (i) Bank Negara Malaysia ("BNM") had on 5 February 2020 issued the Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) on the computation of capital and capital adequacy ratios for Conventional banks and Islamic banks respectively. All financial institutions shall hold and maintain at all times, the following minimum capital adequacy ratios:

Common Equity Tier 1 (CET1) Capital Ratio	Tier 1 Capital Ratio	Total Capital Ratio
4.5%*	6.0%	8.0%

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

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

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

(b) Compliance and application of capital adequacy ratios

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components) issued on 5 February 2020 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

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

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

- (i) For Maybank Islamic Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 5 February 2020 and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ending 31 December 2020 (2019: 4.5%, 6.0% and 8.0% of total RWA).

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A36. Capital Adequacy (cont'd.)

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

(ii) For Maybank Investment Bank Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework (Capital Components) issued on 5 February 2020 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ending 31 December 2020 (2019: 4.5%, 6.0% and 8.0% of total RWA).

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

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

The minimum regulatory capital adequacy requirement for PT Bank Maybank Indonesia Tbk is 9% up to less than 10% (2019: 9% up to less than 10%) of total RWA.

(iv) For Maybank Singapore Limited, the computation of capital adequacy ratios are based on MAS Notice 637 dated 14 September 2012 (last revised on 31 March 2020) issued by the Monetary Authority of Singapore ("MAS"). The total RWA are computed based on the following approaches:

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 6.5%, 8.0% and 10.0% of total RWA for the financial year ending 31 December 2020 (2019: 6.5%, 8.0% and 10.0% of total RWA).

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

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

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

In respect of the financial year ended 31 December 2019, the Board of Directors declared a single-tier second interim cash dividend of 39 sen per ordinary share.

In arriving the capital adequacy ratios for the financial period ended 31 March 2020, the single-tier second interim cash dividend has been deducted from the calculation of CET1 Capital.

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

	Group		Bank	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019
CET1 Capital Ratio	14.792%	15.729%	13.766%	15.314%
Tier 1 Capital Ratio	15.557%	16.486%	14.583%	16.120%
Total Capital Ratio	18.498%	19.387%	17.958%	19.387%

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A36. Capital Adequacy (cont'd.)

(d) Components of capital:

	Group		Bank	
	31 March 2020 RM'000	31 December 2019 RM'000	31 March 2020 RM'000	31 December 2019 RM'000
CET1 Capital				
Paid-up share capital	48,280,355	48,280,355	48,280,355	48,280,355
Retained profits ¹	16,853,470	20,606,011	11,247,740	15,231,992
Other reserves ¹	3,315,957	5,189,258	5,339,625	5,820,765
Qualifying non-controlling interests	132,584	134,080	-	-
CET1 Capital before regulatory adjustments	68,582,366	74,209,704	64,867,720	69,333,112
Less: Regulatory adjustments applied on CET1 Capital:				
Deferred tax assets	(662,368)	(678,978)	-	-
Goodwill	(5,205,645)	(5,709,503)	(81,015)	(81,015)
Other intangibles	(921,027)	(952,424)	(274,802)	(280,120)
Gains on financial instruments classified as 'fair value through other comprehensive income'	(1,047,259)	(1,186,797)	(711,514)	(884,294)
Regulatory reserve	(2,118,511)	(2,771,806)	(1,495,500)	(1,894,921)
Investment in ordinary shares of unconsolidated financial and insurance/takaful entities ²	(3,116,102)	(3,075,159)	(31,971,379)	(31,970,637)
Total CET1 Capital	55,511,454	59,835,037	30,333,510	34,222,125
Additional Tier 1 Capital				
Capital securities	2,800,000	2,800,000	2,800,000	2,800,000
Qualifying CET1 and Additional Tier 1 capital instruments held by third parties	71,128	79,175	-	-
Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	-	(1,000,000)	(1,000,000)
Total Tier 1 Capital	58,382,582	62,714,212	32,133,510	36,022,125
Tier 2 Capital				
Subordinated obligations	9,152,395	9,045,420	9,152,395	9,045,420
Qualifying CET1, Additional Tier 1 and Tier 2 capital instruments held by third parties	40,267	41,287	-	-
General provisions ³	304,101	399,044	100,733	97,242
Surplus of total eligible provision over total expected loss	1,540,265	1,550,042	944,863	959,033
Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	-	(2,761,321)	(2,801,145)
Total Tier 2 Capital	11,037,028	11,035,793	7,436,670	7,300,550
Total Capital	69,419,610	73,750,005	39,570,180	43,322,675

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

² For the Bank, the regulatory adjustment includes cost of investment in subsidiaries and associates, except for: (i) Myfin Berhad of RM18,994,000 as its business, assets and liabilities have been transferred to the Bank; (ii) Maybank International (L) Ltd. of RM10,289,000 and (iii) Maybank Agro Fund Sdn. Bhd. of RM57,000, as its assets are included in the Bank's RWA. For the Group, the regulatory adjustment includes carrying amount of associates and investment in insurance and takaful entities.

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

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

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A36. Capital Adequacy (cont'd.)

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

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

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

	Maybank Islamic Berhad	Maybank Investment Bank Berhad	PT Bank Maybank Indonesia Tbk	Maybank Singapore Limited
<u>At 31 March 2020</u>				
CET1 Capital Ratio	14.615%	25.604%	-	14.606%
Tier 1 Capital Ratio	16.039%	25.604%	-	14.606%
Total Capital Ratio	<u>19.402%</u>	<u>26.904%</u>	<u>20.637%</u>	<u>18.548%</u>
<u>At 31 December 2019</u>				
CET1 Capital Ratio	14.101%	24.507%	-	18.195%
Tier 1 Capital Ratio	15.508%	24.507%	-	18.195%
Total Capital Ratio	<u>18.845%</u>	<u>25.807%</u>	<u>21.376%</u>	<u>18.497%</u>

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A36. Capital Adequacy (cont'd.)

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

At 31 March 2020

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Maybank Indonesia Tbk RM'000	Maybank Singapore Limited RM'000
Standardised Approach exposure	51,535,730	19,848,290	3,057,371	1,096,047	27,733,952	16,521,371
Internal Ratings-Based Approach exposure after scaling factor	256,710,774	157,477,168	68,946,526	-	-	21,089,130
Credit valuation adjustment	-	-	-	-	-	67,817
Total RWA for credit risk	308,246,504	177,325,458	72,003,897	1,096,047	27,733,952	37,678,318
Total RWA for credit risk absorbed by Maybank and Investment Account Holders*	-	-	(10,930,307)	-	-	-
Total RWA for market risk	23,466,320	19,510,910	1,006,404	394,352	612,526	17,931
Total RWA for operational risk	43,570,176	23,508,298	8,158,539	716,585	5,239,634	3,776,453
Total RWA	375,283,000	220,344,666	70,238,533	2,206,984	33,586,112	41,472,702

At 31 December 2019

	Group RM'000	Bank RM'000	Maybank Islamic Berhad RM'000	Maybank Investment Bank Berhad RM'000	PT Bank Maybank Indonesia Tbk RM'000	Maybank Singapore Limited RM'000
Standardised Approach exposure	51,929,068	19,004,852	3,069,539	1,207,422	30,637,949	17,079,171
Internal Ratings-Based Approach exposure after scaling factor	258,340,386	159,838,753	69,483,314	-	-	21,058,209
Credit valuation adjustment	-	-	-	-	-	72,446
Total RWA for credit risk	310,269,454	178,843,605	72,552,853	1,207,422	30,637,949	38,209,826
Total RWA for credit risk absorbed by Maybank and Investment Account Holders*	-	-	(10,472,880)	-	-	-
Total RWA for market risk	27,288,688	21,513,467	963,780	402,336	720,844	14,583
Total RWA for operational risk	42,853,735	23,106,901	8,029,045	743,034	5,612,761	3,835,988
Total RWA	380,411,877	223,463,973	71,072,798	2,352,792	36,971,554	42,060,397

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

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A37. Derivative Financial Instruments

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

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

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
At 31 March 2020		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives						
<u>Foreign exchange related contracts</u>						
Currency forwards:						
- Less than one year	56,688,910	1,824,105	(1,035,631)	46,263,160	1,809,424	(1,044,231)
- One year to three years	1,192,958	40,812	(85,938)	1,164,174	34,379	(85,938)
- More than three years	3,889,598	119,409	(19,479)	2,705,643	119,409	(19,479)
	<u>61,771,466</u>	<u>1,984,326</u>	<u>(1,141,048)</u>	<u>50,132,977</u>	<u>1,963,212</u>	<u>(1,149,648)</u>
Currency swaps:						
- Less than one year	470,951,765	4,677,137	(4,682,650)	473,351,806	4,349,228	(4,450,584)
- One year to three years	572,040	3,607	(1,202)	655,797	3,423	(1,202)
	<u>471,523,805</u>	<u>4,680,744</u>	<u>(4,683,852)</u>	<u>474,007,603</u>	<u>4,352,651</u>	<u>(4,451,786)</u>
Currency spots:						
- Less than one year	3,439,775	7,509	(12,698)	3,268,855	7,456	(10,260)
Currency options:						
- Less than one year	16,853,234	167,645	(128,913)	16,938,198	167,173	(121,858)
- One year to three years	816,052	134,205	(168,092)	1,376,031	133,629	(161,169)
- More than three years	43,075	-	(4,008)	43,075	-	(4,008)
	<u>17,712,361</u>	<u>301,850</u>	<u>(301,013)</u>	<u>18,357,304</u>	<u>300,802</u>	<u>(287,035)</u>
Cross currency interest rate swaps:						
- Less than one year	8,180,913	178,863	(366,418)	7,965,600	149,699	(303,029)
- One year to three years	14,428,203	482,470	(373,661)	13,030,355	439,524	(221,970)
- More than three years	11,924,671	483,238	(331,639)	11,481,186	482,974	(284,040)
	<u>34,533,787</u>	<u>1,144,571</u>	<u>(1,071,718)</u>	<u>32,477,141</u>	<u>1,072,197</u>	<u>(809,039)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	68,184,324	329,873	(172,637)	68,275,127	324,663	(170,258)
- One year to three years	178,732,182	2,495,931	(2,717,837)	179,011,849	2,457,134	(2,708,946)
- More than three years	204,474,490	13,436,598	(10,675,772)	204,582,174	13,409,343	(10,669,421)
	<u>451,390,996</u>	<u>16,262,402</u>	<u>(13,566,246)</u>	<u>451,869,150</u>	<u>16,191,140</u>	<u>(13,548,625)</u>
Interest rate futures:						
- Less than one year	4,372,106	1,613,249	(1,590,590)	3,467,537	1,613,249	(1,588,951)
- One year to three years	258,448	-	(218)	-	-	-
	<u>4,630,554</u>	<u>1,613,249</u>	<u>(1,590,808)</u>	<u>3,467,537</u>	<u>1,613,249</u>	<u>(1,588,951)</u>
Interest rate options:						
- Less than one year	830,754	47	-	830,754	47	-
- One year to three years	4,251,400	17,556	(9,697)	4,251,400	17,556	(9,697)
- More than three years	13,017,547	1,812,531	(3,657,163)	13,017,547	1,812,531	(3,657,163)
	<u>18,099,701</u>	<u>1,830,134</u>	<u>(3,666,860)</u>	<u>18,099,701</u>	<u>1,830,134</u>	<u>(3,666,860)</u>

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A37. Derivative Financial Instruments (cont'd.)

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
At 31 March 2020 (cont'd.)		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives (cont'd.)						
<u>Equity related contracts</u>						
Equity options:						
- Less than one year	2,174,375	210,055	(213,899)	-	-	-
Equity swaps:						
- Less than one year	694,420	96,444	(79,612)	84,756	14,313	-
<u>Commodity related contracts</u>						
Commodity options:						
- Less than one year	916,646	79,613	(79,613)	916,646	79,613	(79,613)
Commodity swaps:						
- Less than one year	903,141	202,606	(201,617)	903,141	202,606	(201,617)
- One year to three years	652,471	133,044	(131,439)	652,471	133,044	(131,439)
	<u>1,555,612</u>	<u>335,650</u>	<u>(333,056)</u>	<u>1,555,612</u>	<u>335,650</u>	<u>(333,056)</u>
<u>Credit related contracts</u>						
Credit default swaps						
- Less than one year	22,750	123	(123)	22,750	123	(123)
Hedging derivatives						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps:						
- Less than one year	4,921,720	95,353	(62,106)	4,921,720	95,353	(62,106)
- One year to three years	4,514,242	80,566	(95,667)	4,514,242	80,566	(95,667)
- More than three years	1,206,216	37,253	(21,149)	1,206,216	37,253	(21,149)
	<u>10,642,178</u>	<u>213,172</u>	<u>(178,922)</u>	<u>10,642,178</u>	<u>213,172</u>	<u>(178,922)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	235,887	-	(64)	-	-	-
- One year to three years	646,125	16,537	(8,260)	646,125	16,537	(8,260)
- More than three years	409,213	42,367	-	409,213	42,367	-
	<u>1,291,225</u>	<u>58,904</u>	<u>(8,324)</u>	<u>1,055,338</u>	<u>58,904</u>	<u>(8,260)</u>
Netting effects under MFRS 132 Amendments						
	-	(3,008,739)	3,008,739	-	(2,989,060)	2,989,060
Total	<u>1,080,399,651</u>	<u>25,810,007</u>	<u>(23,919,053)</u>	<u>1,065,957,548</u>	<u>25,043,556</u>	<u>(23,123,118)</u>

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A37. Derivative Financial Instruments (cont'd.)

<u>At 31 December 2019</u>	Principal Amount RM'000	Group <---- Fair Value ---->		Principal Amount RM'000	Bank <---- Fair Value ---->	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading derivatives						
<u>Foreign exchange related contracts</u>						
Currency forwards:						
- Less than one year	40,509,373	224,854	(454,372)	31,547,237	174,105	(352,547)
- One year to three years	1,174,117	38,192	(8,663)	1,150,063	38,192	(8,629)
- More than three years	2,996,670	26,232	(8,574)	2,097,628	26,232	(8,574)
	44,680,160	289,278	(471,609)	34,794,928	238,529	(369,750)
Currency swaps:						
- Less than one year	476,000,259	1,920,529	(2,508,702)	477,344,903	1,893,595	(2,490,262)
- One year to three years	74,050	634	(16,794)	198,581	634	(16,794)
	476,074,309	1,921,163	(2,525,496)	477,543,484	1,894,229	(2,507,056)
Currency spots:						
- Less than one year	3,074,983	6,789	(4,723)	3,262,450	5,903	(3,591)
Currency options:						
- Less than one year	7,486,564	32,281	(29,322)	7,572,136	30,006	(25,331)
- One year to three years	51,994	98	(1,534)	51,994	98	(1,534)
- More than three years	737,491	36,139	(92,408)	1,269,140	36,139	(65,636)
	8,276,049	68,518	(123,264)	8,893,270	66,243	(92,501)
Cross currency interest rate swaps:						
- Less than one year	7,604,961	153,304	(134,220)	7,020,435	136,052	(129,243)
- One year to three years	14,573,402	305,702	(329,482)	13,443,872	280,202	(313,939)
- More than three years	11,846,838	324,709	(305,569)	11,545,471	312,890	(304,125)
	34,025,201	783,715	(769,271)	32,009,778	729,144	(747,307)
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	59,663,847	153,176	(83,901)	59,700,573	148,680	(79,536)
- One year to three years	149,222,782	934,892	(1,459,208)	149,583,978	905,694	(1,432,256)
- More than three years	174,665,541	4,238,207	(3,576,715)	174,818,915	4,164,128	(3,538,435)
	383,552,170	5,326,275	(5,119,824)	384,103,466	5,218,502	(5,050,227)
Interest rate futures:						
- Less than one year	17,475,211	1,172,233	(1,168,999)	16,737,500	1,171,806	(1,168,999)
- One year to three years	2,169,952	117	(13)	2,047,000	-	(13)
	19,645,163	1,172,350	(1,169,012)	18,784,500	1,171,806	(1,169,012)
Interest rate options:						
- Less than one year	1,062,594	47	(36)	1,062,594	47	(36)
- One year to three years	3,224,692	32,159	(18,402)	4,652,313	16,243	(2,358)
- More than three years	14,238,061	1,127,772	(1,333,780)	12,810,441	1,110,432	(1,316,301)
	18,525,347	1,159,978	(1,352,218)	18,525,348	1,126,722	(1,318,695)

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A37. Derivative Financial Instruments (cont'd.)

	Group			Bank		
	Principal Amount RM'000	<---- Fair Value ---->		Principal Amount RM'000	<---- Fair Value ---->	
<u>At 31 December 2019 (cont'd.)</u>	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives (cont'd.)						
<u>Equity related contracts</u>						
Index futures:						
- More than three years	-	-	-	-	-	-
	-	-	-	-	-	-
Equity options:						
- Less than one year	1,350,976	36,251	(233,065)	-	-	-
	1,350,976	36,251	(233,065)	-	-	-
Equity swaps:						
- Less than one year	901,055	37,547	(92,031)	84,756	8,663	-
<u>Commodity related contracts</u>						
Commodity options:						
- Less than one year	1,218,245	36,920	(36,920)	1,218,245	36,920	(36,920)
- One year to three years	57,225	1,261	(1,261)	57,225	1,261	(1,261)
	1,275,470	38,181	(38,181)	1,275,470	38,181	(38,181)
Commodity swaps:						
- Less than one year	605,062	43,348	(42,257)	605,062	43,348	(42,257)
- One year to three years	1,202,946	40,258	(38,351)	1,202,946	40,258	(38,351)
- More than three years	-	-	-	-	-	-
	1,808,008	83,606	(80,608)	1,808,008	83,606	(80,608)
<u>Credit-related contract</u>						
Credit default swaps						
- Less than one year	63,690	32	(901)	63,690	32	(901)
Hedging derivatives						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps:						
- Less than one year	3,561,539	159,019	(8,117)	3,561,539	159,019	(8,117)
- One year to three years	3,468,512	28,801	(48,776)	3,468,512	28,801	(48,776)
- More than three years	1,886,744	48,033	(6,974)	1,886,744	48,033	(6,974)
	8,916,795	235,853	(63,867)	8,916,795	235,853	(63,867)
<u>Interest rate related contracts</u>						
Interest rate swaps:						
- Less than one year	237,113	-	(152)	-	-	-
- One year to three years	614,100	2,764	(1,374)	614,100	2,764	(1,374)
- More than three years	388,930	36,618	-	388,930	36,618	-
	1,240,143	39,382	(1,526)	1,003,030	39,382	(1,374)
Netting effects under MFRS 132 Amendments						
	-	(863,289)	863,289	-	(854,792)	854,792
Total	1,003,409,519	10,335,629	(11,182,307)	991,068,973	10,002,003	(10,588,278)

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A38. Fair Value Measurements of Financial Instruments

Fair value hierarchy

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

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

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

- (b) Level 2: Valuation techniques for which all significant inputs are, or are based on, observable market data

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

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

Refers to instruments where fair value is measured using significant unobservable inputs. The valuation techniques used are consistent with Level 2 but incorporates the Group's and the Bank's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets, private equity investments and loans and financing priced primarily based on internal credit assessment.

The following tables show the Group's and the Bank's financial and non-financial assets and financial liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2020 and 31 December 2019.

Group	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
At 31 March 2020				
Financial assets measured at fair value:				
Financial assets designated upon initial recognition at fair value through profit or loss	80,778	12,826,621	-	12,907,399
Money market instruments	-	411,452	-	411,452
Quoted securities	80,778	-	-	80,778
Unquoted securities	-	12,415,169	-	12,415,169
Financial investments at fair value through profit or loss	5,135,120	14,601,714	807,143	20,543,977
Money market instruments	-	9,233,345	-	9,233,345
Quoted securities	5,135,120	-	-	5,135,120
Unquoted securities	-	5,368,369	807,143	6,175,512
Financial investments at fair value through other comprehensive income	1,765,907	117,054,569	344,312	119,164,788
Money market instruments	-	60,917,483	-	60,917,483
Quoted securities	1,765,907	-	-	1,765,907
Unquoted securities	-	56,137,086	344,312	56,481,398
Loans, advances and financing at fair value through profit or loss	-	-	147,977	147,977
Loans, advances and financing at fair value through other comprehensive income	-	-	10,892,830	10,892,830

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

The following tables show the Group's and the Bank's financial and non-financial assets and financial liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2020 and 31 December 2019 (cont'd.).

Group (cont'd.) At 31 March 2020	Valuation technique using			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value (cont'd.):				
Derivative assets	-	25,532,983	277,024	25,810,007
Foreign exchange related contracts	-	8,332,172	-	8,332,172
Interest rate related contracts	-	19,764,689	-	19,764,689
Equity and commodity related contracts	-	444,738	277,024	721,762
Credit related contracts	-	123	-	123
Netting effects under MFRS 132 Amendments	-	(3,008,739)	-	(3,008,739)
	6,981,805	170,015,887	12,469,286	189,466,978

Financial liabilities measured at fair value:

Financial liabilities at fair value through profit or loss	-	9,122,575	-	9,122,575
Structured deposits	-	22,775	-	22,775
Borrowings	-	9,099,800	-	9,099,800
Derivative liabilities	-	23,642,029	277,024	23,919,053
Foreign exchange related contracts	-	7,389,251	-	7,389,251
Interest rate related contracts	-	18,832,238	-	18,832,238
Equity and commodity related contracts	-	429,156	277,024	706,180
Credit related contracts	-	123	-	123
Netting effects under MFRS 132 Amendments	-	(3,008,739)	-	(3,008,739)
	-	32,764,604	277,024	33,041,628

Group At 31 December 2019	Valuation technique using			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value:				
Financial assets designated upon initial recognition at fair value through profit or loss	113,647	14,209,656	-	14,323,303
Money market instruments	-	474,348	-	474,348
Quoted securities	113,647	-	-	113,647
Unquoted securities	-	13,735,308	-	13,735,308
Financial investments at fair value through profit or loss	6,590,452	12,973,288	807,125	20,370,865
Money market instruments	-	7,808,341	-	7,808,341
Quoted securities	6,590,452	-	-	6,590,452
Unquoted securities	-	5,164,947	807,125	5,972,072
Financial investments at fair value through other comprehensive income	1,644,956	121,243,317	463,260	123,351,533
Money market instruments	-	64,289,820	-	64,289,820
Quoted securities	1,644,956	-	-	1,644,956
Unquoted securities	-	56,953,497	463,260	57,416,757
Loans, advances and financing at fair value through profit or loss	-	-	401,703	401,703
Loans, advances and financing at fair value through other comprehensive income	-	-	11,821,285	11,821,285

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

The following tables show the Group's and the Bank's financial and non-financial assets and financial liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2020 and 31 December 2019 (cont'd.).

Group (cont'd.) At 31 December 2019	Valuation technique using			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value (cont'd.):				
Derivative assets	-	10,252,236	83,393	10,335,629
Foreign exchange related contracts	-	3,305,316	-	3,305,316
Interest rate related contracts	-	7,697,985	-	7,697,985
Equity and commodity related contracts	-	112,192	83,393	195,585
Credit related contracts	-	32	-	32
Netting effects under MFRS 132 Amendments	-	(863,289)	-	(863,289)
	<u>8,349,055</u>	<u>158,678,497</u>	<u>13,576,766</u>	<u>180,604,318</u>

Financial liabilities measured at fair value:

Financial liabilities at fair value through profit or loss	-	6,530,753	-	6,530,753
Structured deposits	-	22,772	-	22,772
Borrowings	-	6,507,981	-	6,507,981
Derivative liabilities	-	11,098,914	83,393	11,182,307
Foreign exchange related contracts	-	3,958,230	-	3,958,230
Interest rate related contracts	-	7,642,580	-	7,642,580
Equity and commodity related contracts	-	360,492	83,393	443,885
Credit related contracts	-	901	-	901
Netting effects under MFRS 132 Amendments	-	(863,289)	-	(863,289)
	<u>-</u>	<u>17,629,667</u>	<u>83,393</u>	<u>17,713,060</u>

Bank At 31 March 2020	Valuation technique using			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value:				
Financial investments at fair value through profit or loss	292,928	14,156,772	622,176	15,071,876
Money market instruments	-	8,950,463	-	8,950,463
Quoted securities	292,928	-	-	292,928
Unquoted securities	-	5,206,309	622,176	5,828,485
Financial investments at fair value through other comprehensive income	14,450	80,483,104	310,826	80,808,380
Money market instruments	-	33,248,287	-	33,248,287
Quoted securities	14,450	-	-	14,450
Unquoted securities	-	47,234,817	310,826	47,545,643
Loans, advances and financing at fair value through profit or loss	-	-	147,977	147,977
Loans, advances and financing at fair value through other comprehensive income	-	-	10,453,575	10,453,575
Derivative assets	-	24,766,532	277,024	25,043,556
Foreign exchange related contracts	-	7,909,490	-	7,909,490
Interest rate related contracts	-	19,693,427	-	19,693,427
Equity and commodity related contracts	-	152,552	277,024	429,576
Credit related contracts	-	123	-	123
Netting effects under MFRS 132 Amendments	-	(2,989,060)	-	(2,989,060)
	<u>307,378</u>	<u>119,406,408</u>	<u>11,811,578</u>	<u>131,525,364</u>

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

The following tables show the Group's and the Bank's financial and non-financial assets and financial liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2020 and 31 December 2019 (cont'd.).

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

Financial liabilities measured at fair value:

Financial liabilities at fair value through profit or loss

Structured deposits	-	9,122,575	-	9,122,575
Borrowings	-	22,775	-	22,775
	-	9,099,800	-	9,099,800

Derivative liabilities

Foreign exchange related contracts	-	22,846,094	277,024	23,123,118
Interest rate related contracts	-	6,886,690	-	6,886,690
Equity and commodity related contracts	-	18,812,696	-	18,812,696
Credit related contracts	-	135,645	277,024	412,669
Netting effects under MFRS 132 Amendments	-	123	-	123
	-	(2,989,060)	-	(2,989,060)
	-	31,968,669	277,024	32,245,693

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

Financial assets measured at fair value:

Financial investments at fair value through profit or loss

Money market instruments	318,292	11,972,355	622,176	12,912,823
Quoted securities	-	6,907,320	-	6,907,320
Unquoted securities	318,292	-	-	318,292
	-	5,065,035	622,176	5,687,211

Financial investments at fair value through other comprehensive income

Money market instruments	18,435	80,350,611	429,654	80,798,700
Quoted securities	-	33,329,630	-	33,329,630
Unquoted securities	18,435	-	-	18,435
	-	47,020,981	429,654	47,450,635

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

	-	-	401,703	401,703
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Loans, advances and financing at fair value through other comprehensive income

	-	-	11,380,901	11,380,901
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Derivative assets

Foreign exchange related contracts	-	9,918,610	83,393	10,002,003
Interest rate related contracts	-	3,169,901	-	3,169,901
Equity and commodity related contracts	-	7,556,412	-	7,556,412
Credit related contracts	-	47,057	83,393	130,450
Netting effects under MFRS132 Amendments	-	32	-	32
	-	(854,792)	-	(854,792)
	336,727	102,241,576	12,917,827	115,496,130

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

The following tables show the Group's and the Bank's financial and non-financial assets and financial liabilities that are measured at fair value analysed by level within the fair value hierarchy as at 31 March 2020 and 31 December 2019 (cont'd.).

Bank (cont'd.) At 31 December 2019	Quoted Market Price (Level 1) RM'000	Valuation technique using		Total RM'000
		Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss	-	6,530,753	-	6,530,753
Structured deposits	-	22,772	-	22,772
Borrowings	-	6,507,981	-	6,507,981
Derivative liabilities	-	10,504,885	83,393	10,588,278
Foreign exchange related contracts	-	3,784,072	-	3,784,072
Interest rate related contracts	-	7,539,308	-	7,539,308
Equity and commodity related contracts	-	35,396	83,393	118,789
Credit related contracts	-	901	-	901
Netting effects under MFRS132 Amendments	-	(854,792)	-	(854,792)
	-	17,035,638	83,393	17,119,031

Valuation techniques

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

Derivatives

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

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

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

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

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

Financial liabilities at fair value through profit or loss

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

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

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

<u>Group</u>	At 1 January 2020 RM'000	Other gains recognised in income statements*	Unrealised gains/(losses) recognised in income statements#	Unrealised losses recognised in other comprehensive income	Purchases/ Issuances/ Additions	Sales	Settlements	Exchange differences	Transfer into Level 3	Transfer out from Level 3	At 31 March 2020 RM'000
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through profit or loss											
Unquoted securities	807,125	-	-	-	-	-	-	18	-	-	807,143
Financial investments at fair value through other comprehensive income											
Unquoted securities	463,260	-	-	-	-	(118,828)	-	(120)	-	-	344,312
Loans, advances and financing at fair value through profit or loss	401,703	-	(776)	-	43,284	-	(307,373)	11,139	-	-	147,977
Loans, advances and financing at fair value through other comprehensive income	11,821,285	-	-	96,371	742,782	-	(1,758,906)	(8,702)	-	-	10,892,830
Derivative assets											
Equity and commodity related contracts	83,393	39,110	210,434	-	141	-	(56,054)	-	-	-	277,024
Total Level 3 financial assets	13,576,766	39,110	209,658	96,371	786,207	(118,828)	(2,122,333)	2,335	-	-	12,469,286
Derivative liabilities											
Equity and commodity related contracts	(83,393)	(39,296)	(210,434)	-	(141)	-	56,240	-	-	-	(277,024)
Total Level 3 financial liabilities	(83,393)	(39,296)	(210,434)	-	(141)	-	56,240	-	-	-	(277,024)
Total net Level 3 financial assets/(liabilities)	13,493,373	(186)	(776)	96,371	786,066	(118,828)	(2,066,093)	2,335	-	-	12,192,262

* Included within 'Other operating income', 'Allowances for impairment losses on financial investments' and 'Income from Islamic Banking Scheme operations'.

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

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

<u>Group</u> As at 31 December 2019	At 1 January 2019 RM'000	Other gains recognised in income statements* RM'000	Unrealised gains/(losses) recognised in income statements# RM'000	Unrealised gains recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Sales RM'000	Settlements RM'000	Exchange differences RM'000	Transfer into Level 3 RM'000	Transfer out from Level 3 RM'000	At 31 December 2019 RM'000
Financial investments at fair value through profit or loss											
Unquoted securities	779,947	-	26,910	-	-	-	-	-	268	-	807,125
Financial investments at fair value through other comprehensive income											
Unquoted securities	513,355	10,339	-	(29,403)	51,131	(80,020)	-	(2,142)	-	-	463,260
Loans, advances and financing at fair value through profit or loss	396,950	-	(10,573)	-	382,225	-	(365,280)	(1,619)	-	-	401,703
Loans, advances and financing at fair value through other comprehensive income	8,968,438	-	-	(152,421)	7,227,166	-	(4,211,911)	(9,987)	-	-	11,821,285
Derivative assets											
Equity and commodity related contracts	203,947	77,682	(83,260)	-	24,102	-	(139,078)	-	-	-	83,393
Total Level 3 financial assets	<u>10,862,637</u>	<u>88,021</u>	<u>(66,923)</u>	<u>(181,824)</u>	<u>7,684,624</u>	<u>(80,020)</u>	<u>(4,716,269)</u>	<u>(13,748)</u>	<u>268</u>	<u>-</u>	<u>13,576,766</u>
Derivative liabilities											
Equity and commodity related contracts	(203,947)	79,407	(82,551)	-	(22,903)	-	146,601	-	-	-	(83,393)
Total Level 3 financial liabilities	<u>(203,947)</u>	<u>79,407</u>	<u>(82,551)</u>	<u>-</u>	<u>(22,903)</u>	<u>-</u>	<u>146,601</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(83,393)</u>
Total net Level 3 financial assets/(liabilities)	<u>10,658,690</u>	<u>167,428</u>	<u>(149,474)</u>	<u>(181,824)</u>	<u>7,661,721</u>	<u>(80,020)</u>	<u>(4,569,668)</u>	<u>(13,748)</u>	<u>268</u>	<u>-</u>	<u>13,493,373</u>

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

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

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

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

Bank	At	Other	Unrealised	Unrealised	Purchases/	Sales	Settlements	Exchange	Transfer	Transfer	At
As at 31 March 2020	1 January	gains	gains/(losses)	losses	Issuances/	RM'000	RM'000	differences	into	out from	31 March
	2020	recognised in	recognised in	recognised in	Additions				Level 3	Level 3	2020
	RM'000	income	income	other	RM'000			RM'000	RM'000	RM'000	RM'000
		statements*	statements#	comprehensive							
		RM'000	RM'000	income	income	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through profit or loss											
Unquoted securities	622,176	-	-	-	-	-	-	-	-	-	622,176
Financial investments at fair value through other comprehensive income											
Unquoted securities	429,654	-	-	-	-	(118,828)	-	-	-	-	310,826
Loans, advances and financing at fair value through profit or loss											
	401,703	-	(776)	-	43,284	-	(307,373)	11,139	-	-	147,977
Loans, advances and financing at fair value through other comprehensive income											
	11,380,901	-	-	97,499	742,782	-	(1,758,906)	(8,701)	-	-	10,453,575
Derivative assets											
Equity and commodity related contracts	83,393	39,110	210,434	-	141	-	(56,054)	-	-	-	277,024
Total Level 3 financial assets	12,917,827	39,110	209,658	97,499	786,207	(118,828)	(2,122,333)	2,438	-	-	11,811,578
Derivative liabilities											
Equity and commodity related contracts	(83,393)	(39,296)	(210,434)	-	(141)	-	56,240	-	-	-	(277,024)
Total Level 3 financial liabilities	(83,393)	(39,296)	(210,434)	-	(141)	-	56,240	-	-	-	(277,024)
Total net Level 3 financial assets/(liabilities)	12,834,434	(186)	(776)	97,499	786,066	(118,828)	(2,066,093)	2,438	-	-	11,534,554

* Included within 'Other operating income' and 'Allowances for impairment losses on financial investments'.

Included within 'Other operating income'.

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A38. Fair Value Measurements of Financial Instruments (cont'd.)

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

Bank	At	Other	Unrealised	Unrealised	Purchases/	Sales	Settlements	Exchange	Transfer	Transfer	At
As at 31 December 2019	1 January	gains	gains/(losses)	gains	Issuances/	RM'000	RM'000	differences	into	out from	31 December
	2019	recognised in	recognised in	recognised in	Additions			RM'000	Level 3	Level 3	2019
	RM'000	income	income	other	RM'000				RM'000	RM'000	RM'000
		statements*	statements#	comprehensive							
		RM'000	RM'000	income							
				RM'000							
Financial investments at fair value through profit or loss											
Unquoted securities	600,549	-	21,627	-	-	-	-	-	-	-	622,176
Financial investments at fair value through other comprehensive income											
Unquoted securities	459,057	-	-	(29,403)	-	-	-	-	-	-	429,654
Loans, advances and financing at fair value through profit or loss	396,950	-	(10,573)	-	382,225	-	(365,280)	(1,619)	-	-	401,703
Loans, advances and financing at fair value through other comprehensive income	8,680,217	-	-	(156,333)	7,218,415	-	(4,351,411)	(9,987)	-	-	11,380,901
Derivative assets											
Equity and commodity related contracts	203,947	77,682	(83,260)	-	24,102	-	(139,078)	-	-	-	83,393
Total Level 3 financial assets	10,340,720	77,682	(72,206)	(185,736)	7,624,742	-	(4,855,769)	(11,606)	-	-	12,917,827
Derivative liabilities											
Equity and commodity related contracts	(203,947)	79,407	(82,551)	-	(22,903)	-	146,601	-	-	-	(83,393)
Total Level 3 financial liabilities	(203,947)	79,407	(82,551)	-	(22,903)	-	146,601	-	-	-	(83,393)
Total net Level 3 financial assets/(liabilities)	10,136,773	157,089	(154,757)	(185,736)	7,601,839	-	(4,709,168)	(11,606)	-	-	12,834,434

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

Included within 'Other operating income'.

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

There were no transfers between Level 1 and Level 2 for the Group and the Bank during the 3 months financial period ended 31 March 2020.

Movements in Level 3 financial instruments measured at fair value

There were no transfers into or out of Level 3 for the Group and the Bank during the 3 months financial period ended 31 March 2020.

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A39. Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 27 September 2019, the breakdown of Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business into Life Fund, Family Takaful Fund, General Takaful Fund and Shareholders' and General Fund are disclosed as follows:

(a) Unaudited Income Statements for the First Quarter Ended 31 March 2020

Group Three-Month Ended	Life Fund		Family Takaful Fund		General Takaful Fund		Shareholders' and General Fund		Total	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
	Interest income	123,215	122,329	113,721	119,377	18,470	19,342	60,467	54,608	315,873
Interest expense	-	-	-	-	-	-	(450)	(3,344)	(450)	(3,344)
Net interest income	123,215	122,329	113,721	119,377	18,470	19,342	60,017	51,264	315,423	312,312
Net earned insurance premiums	863,945	497,199	524,291	538,350	379,296	308,426	177,406	282,571	1,944,938	1,626,546
Other operating (loss)/income	(730,947)	284,333	(96,722)	155,499	26,751	890	6,240	60,628	(794,678)	501,350
Total operating income	256,213	903,861	541,290	813,226	424,517	328,658	243,663	394,463	1,465,683	2,440,208
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	(195,887)	(847,062)	(528,448)	(805,776)	(423,474)	(326,897)	(20,231)	14,042	(1,168,040)	(1,965,693)
Net operating income	60,326	56,799	12,842	7,450	1,043	1,761	223,432	408,505	297,643	474,515
Overhead expenses	(59,438)	(55,025)	(10,669)	(6,823)	(29)	(58)	(169,936)	(157,836)	(240,072)	(219,742)
Operating profit before impairment losses	888	1,774	2,173	627	1,014	1,703	53,496	250,669	57,571	254,773
Allowances for impairment losses on loans, advances, financing and other debts, net	(10)	(1,557)	-	(424)	-	(1,590)	(86)	(3,354)	(96)	(6,925)
(Allowances for)/writeback of impairment losses on financial investments, net	(13)	(104)	-	(203)	259	(113)	470	(332)	716	(752)
Allowances for impairment on other financial assets, net	(865)	(113)	(2,173)	-	(1,273)	-	(3,109)	(1,677)	(7,420)	(1,790)
Operating profit	-	-	-	-	-	-	50,771	245,306	50,771	245,306
Share of profits in associates	-	-	-	-	-	-	-	-	-	-
Profit before taxation and zakat	-	-	-	-	-	-	50,771	245,306	50,771	245,306
Taxation and zakat	-	-	-	-	-	-	(44,343)	(75,595)	(44,343)	(75,595)
Profit for the financial period	-	-	-	-	-	-	6,428	169,711	6,428	169,711

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A39. Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business (cont'd.)

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 27 September 2019, the breakdown of Unaudited Income Statements and Statements of Financial Position of Insurance and Takaful Business into Life Fund, Family Takaful Fund, General Takaful Fund and Shareholders' and General Fund are disclosed as follows (cont'd.):

(b) Unaudited Statements of Financial Position as at 31 March 2020

Group	Life Fund		Family Takaful Fund		General Takaful Fund		Shareholders' and General Fund		Total	
	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019	31 March 2020	31 December 2019
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
ASSETS										
Cash and short-term funds	649,693	125,182	57,433	14,654	75,964	34,918	205,959	456,375	989,049	631,129
Deposits and placements with financial institutions	1,746,885	1,464,365	3,191,092	1,020,658	910,393	253,229	2,522,255	515,784	8,370,625	3,254,036
Financial assets designated upon initial recognition at fair value through profit or loss	6,160,529	6,407,316	5,473,062	6,404,318	19,598	25,704	1,111,285	1,317,121	12,764,474	14,154,459
Financial investments at fair value through profit or loss	2,830,783	3,703,634	397,940	480,219	21,201	21,542	314,506	362,903	3,564,430	4,568,298
Financial investments at fair value through other comprehensive income	2,004,288	1,917,511	2,286,896	3,796,314	990,631	1,723,489	2,711,658	4,086,067	7,993,473	11,523,381
Loans, advances and financing	243,259	242,940	-	-	-	-	57,958	49,193	301,217	292,133
Derivative assets	7,457	33,873	-	-	-	-	-	1,278	7,457	35,151
Reinsurance/retakaful assets and other insurance receivables	133,542	126,453	418,567	290,270	417,572	283,068	3,732,226	3,532,298	4,701,907	4,232,089
Other assets	214,097	36,297	25,749	20,702	3,992	3,897	603,827	340,400	847,665	401,296
Investment properties	778,953	778,810	-	-	-	-	137,635	137,580	916,588	916,390
Interest in associates	-	-	-	-	-	-	152	152	152	152
Property, plant and equipment	85,937	87,256	-	-	-	-	66,394	65,125	152,331	152,381
Right-of-use assets	-	-	-	-	-	-	34,331	32,680	34,331	32,680
Intangible assets	55,649	50,291	-	-	-	-	45,979	47,973	101,628	98,264
Deferred tax assets	390	2,963	186	4,429	5,390	6,247	18,266	21,654	24,232	35,293
TOTAL ASSETS	14,911,462	14,976,891	11,850,925	12,031,564	2,444,741	2,352,094	11,562,431	10,966,583	40,769,559	40,327,132
LIABILITIES										
Derivative liabilities	82,220	-	-	-	-	-	4,493	-	86,713	-
Insurance/takaful contract liabilities and other insurance payables	12,507,946	12,688,980	11,563,845	11,583,400	2,092,339	2,004,782	4,819,855	4,608,468	30,983,985	30,885,630
Other liabilities #	2,350,124	2,281,910	273,198	396,244	348,925	332,653	(530,973)	(897,763)	2,441,274	2,113,044
Provision for taxation and zakat	(66,370)	(59,341)	(2,193)	(1,035)	-	-	228,466	98,652	159,903	38,276
Deferred tax liabilities	37,542	65,342	16,075	52,955	3,477	14,659	265,923	319,090	323,017	452,046
TOTAL LIABILITIES	14,911,462	14,976,891	11,850,925	12,031,564	2,444,741	2,352,094	4,787,764	4,128,447	33,994,892	33,488,996
EQUITY ATTRIBUTABLE TO EQUITYHOLDERS OF THE SUBSIDIARIES										
Share capital	-	-	-	-	-	-	660,865	660,865	660,865	660,865
Other reserves	-	-	-	-	-	-	6,113,802	6,177,271	6,113,802	6,177,271
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	14,911,462	14,976,891	11,850,925	12,031,564	2,444,741	2,352,094	11,562,431	10,966,583	40,769,559	40,327,132

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

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A40. The Operations of Islamic Banking Scheme

A40a. Unaudited Income Statements for the First Quarter Ended 31 March 2020

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Income derived from investment of depositors' funds	2,462,343	2,343,074	2,462,343	2,343,074
Income derived from investment of investment account funds	250,339	278,757	250,339	278,757
Income derived from investment of Islamic Banking Funds	117,735	131,217	117,735	131,217
(Allowances for)/writeback of impairment losses on financing and advances, net	(194,835)	44,411	(194,835)	44,411
(Allowances for)/writeback of impairment losses on financial investments, net	(5,799)	1,751	(5,799)	1,751
Allowances for impairment losses on other financial assets, net	-	(41)	-	(41)
Total distributable income	2,629,783	2,799,169	2,629,783	2,799,169
Profit distributed to depositors	(1,379,871)	(1,380,241)	(1,379,871)	(1,380,241)
Profit distributed to investment account holders	(115,878)	(165,056)	(115,878)	(165,056)
Total net income	1,134,034	1,253,872	1,134,034	1,253,872
Finance cost	(126,247)	(97,881)	(126,247)	(97,881)
Overhead expenses	(496,009)	(411,112)	(496,009)	(411,112)
Profit before taxation and zakat	511,778	744,879	511,778	744,879
Taxation	(120,884)	(177,718)	(120,884)	(177,718)
Zakat	(8,444)	(6,296)	(8,444)	(6,296)
Profit for the financial period	382,450	560,865	382,450	560,865

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

Group	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Income derived from investment of depositors' funds	2,462,343	2,343,074	2,462,343	2,343,074
Income derived from investment of investment account funds	250,339	278,757	250,339	278,757
Income derived from investment of Islamic Banking Funds	117,735	131,217	117,735	131,217
Total income before allowances for impairment losses on financial assets and overhead expenses	2,830,417	2,753,048	2,830,417	2,753,048
Profit distributed to depositors	(1,379,871)	(1,380,241)	(1,379,871)	(1,380,241)
Profit distributed to investment account holders	(115,878)	(165,056)	(115,878)	(165,056)
	1,334,668	1,207,751	1,334,668	1,207,751
Finance cost	(126,247)	(97,881)	(126,247)	(97,881)
Net of intercompany income and expenses	412,349	386,748	412,349	386,748
Income from Islamic Banking Scheme operations reported in the Income Statement of the Group	1,620,770	1,496,618	1,620,770	1,496,618

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40b. Unaudited Statements of Comprehensive Income for the First Quarter Ended 31 March 2020

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Profit for the financial period	382,450	560,865	382,450	560,865
Other comprehensive (loss)/income:				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Defined benefit plan actuarial loss	-	(577)	-	(577)
Income tax effect	-	144	-	144
	-	(433)	-	(433)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net (loss)/gain on foreign exchange translation	(146)	4,447	(146)	4,447
Net (loss)/gain on financial investments at fair value through other comprehensive income	(17,231)	133,538	(17,231)	133,538
- Net (loss)/gain from change in fair value	(25,433)	177,507	(25,433)	177,507
- Changes in expected credit losses	2,098	(1,367)	2,098	(1,367)
- Income tax effect	6,104	(42,602)	6,104	(42,602)
	(17,377)	137,985	(17,377)	137,985
Other comprehensive (loss)/income for the financial period, net of tax	(17,377)	137,552	(17,377)	137,552
Total comprehensive income for the financial period	365,073	698,417	365,073	698,417

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40c. Unaudited Statement of Financial Position as at 31 March 2020

<u>Group</u>	Note	31 March 2020 RM'000	31 December 2019 RM'000
ASSETS			
Cash and short-term funds		17,827,366	21,732,551
Deposits and placements with financial institutions		100,196	-
Financial investments at fair value through profit or loss		131,668	383,194
Financial investments at fair value through other comprehensive income		16,483,535	15,292,520
Financial investments at amortised cost		9,936,706	9,671,676
Financing and advances	A40e	191,562,499	189,762,974
Derivative assets		463,793	200,414
Other assets		6,525,623	4,574,547
Statutory deposit with central banks		2,131,615	4,242,037
Property, plant and equipment		1,377	1,458
Right-of-use assets		12,207	12,966
Total Assets		245,176,585	245,874,337
LIABILITIES			
Customers' funding:			
- Deposits from customers	A40f	157,061,580	161,039,137
- Investment accounts of customers ¹	A40g	24,500,027	20,737,670
Deposits and placements from financial institutions		37,640,460	38,827,556
Bills and acceptances payable		61,852	137,893
Derivatives liabilities		423,139	221,674
Other liabilities		791,010	591,055
Deferred tax liabilities		60,069	83,002
Provision for taxation and zakat		19,321	37,370
Term funding	A40h	9,935,610	9,891,993
Subordinated sukuk	A40i	2,027,427	2,028,311
Capital securities	A40j	1,014,511	1,002,170
Total Liabilities		233,535,006	234,597,831
ISLAMIC BANKING CAPITAL FUNDS			
Islamic Banking Funds		7,202,398	7,202,398
Retained profits		3,521,808	2,887,335
Other reserves		917,373	1,186,773
		11,641,579	11,276,506
Total liabilities and Islamic Banking Capital Funds		245,176,585	245,874,337
COMMITMENTS AND CONTINGENCIES		63,676,306	63,976,328

¹ Investment accounts of customers are used to fund financing and advances as disclosed in Note A40e(ii).

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40d. Unaudited Statements of Changes in Islamic Banking Capital Funds for the First Quarter Ended 31 March 2020

<u>Group</u>	←-----Non-distributable-----→							Total RM'000
	Islamic Banking Funds RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	Equity contribution from the holding company RM'000 ¹	Defined Benefit Reserve RM'000	Distributable Retained Profits RM'000	
At 1 January 2020	7,202,398	846,497	338,320	259	1,697	-	2,887,335	11,276,506
Profit for the financial period	-	-	-	-	-	-	382,450	382,450
Other comprehensive loss	-	-	(17,231)	(146)	-	-	-	(17,377)
Net loss on foreign exchange translation	-	-	-	(146)	-	-	-	(146)
Net loss on financial investments at fair value through other comprehensive income	-	-	(17,231)	-	-	-	-	(17,231)
Total comprehensive (loss)/income for the financial period	-	-	(17,231)	(146)	-	-	382,450	365,073
Transfer from regulatory reserve	-	(252,023)	-	-	-	-	252,023	-
At 31 March 2020	7,202,398	594,474	321,089	113	1,697	-	3,521,808	11,641,579

¹This equity contribution reserve from holding company is pertaining to waiver of intercompany balance between respective subsidiaries and its holding company.

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40d. Unaudited Statements of Changes in Islamic Banking Capital Funds for the First Quarter Ended 31 March 2020 (cont'd.)

<u>Group</u>	-----Non-distributable----- ¹							Total RM'000
	Islamic Banking Funds RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	Equity contribution from the holding company RM'000	Defined Benefit Reserve RM'000	Distributable Retained Profits RM'000	
At 1 January 2019	7,473,540	313,516	(5,865)	(473)	1,697	808	3,050,868	10,834,091
Profit for the financial period	-	-	-	-	-	-	560,865	560,865
Other comprehensive income/(loss)	-	-	133,538	4,447	-	(433)	-	137,552
Net gain on foreign exchange translation	-	-	-	4,447	-	-	-	4,447
Net gain on financial investments at fair value through other comprehensive income	-	-	133,538	-	-	-	-	133,538
Defined benefit plan actuarial loss	-	-	-	-	-	(433)	-	(433)
Total comprehensive income/(loss) for the financial period	-	-	133,538	4,447	-	(433)	560,865	698,417
Transfer from/(to) conventional banking operations	767	-	-	(4,028)	-	2	(160,678)	(163,937)
Transfer to regulatory reserve	-	187,728	-	-	-	-	(187,728)	-
At 31 March 2019	7,474,307	501,244	127,673	(54)	1,697	377	3,263,327	11,368,571

¹This equity contribution reserve from holding company is pertaining to waiver of intercompany balance between respective subsidiaries and its holding company.

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40e. Financing and Advances

	31 March 2020 RM'000	31 December 2019 RM'000
<u>Group</u>		
Financing and advances to customers:		
(A) Financing and advances to customers at fair value through other comprehensive income	439,255	440,383
(B) Financing and advances to customers at amortised cost	280,119,353	280,650,934
	280,558,608	281,091,317
Unearned income	(86,615,231)	(89,087,920)
Gross financing and advances	193,943,377	192,003,397
Allowances for impaired financing and advances:		
- Stage 1 - 12-month ECL	(336,614)	(371,029)
- Stage 2 - Lifetime ECL not credit impaired	(746,506)	(616,576)
- Stage 3 - Lifetime ECL credit impaired	(1,297,758)	(1,252,818)
Net financing and advances	191,562,499	189,762,974

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40e. Financing and Advances (cont'd.)

Group	Bai¹	Murabahah	Musyarakah	Al-Ijarah Thumma Al-Bai ("AITAB")²	Ijarah³	Others	Total Financing and Advances
As at 31 March 2020	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cashline	-	6,720,133	-	-	-	-	6,720,133
Term financing							
- Housing financing	14,386,931	72,591,026	1,938,938	-	-	613	88,917,508
- Syndicated financing	-	6,222,937	-	-	-	-	6,222,937
- Hire purchase receivables	-	5,619,908	-	35,520,783	-	-	41,140,691
- Lease receivables	-	-	-	-	221,348	-	221,348
- Other term financing	12,335,502	100,578,425	660,388	-	-	13,592	113,587,907
Bills receivables	-	-	-	-	-	88	88
Trust receipts	-	149,419	-	-	-	-	149,419
Claims on customers under acceptance credits	-	5,054,168	-	-	-	-	5,054,168
Staff financing	426,074	1,928,187	8,606	172,547	635	34,327	2,570,376
Credit card receivables	-	-	-	-	-	1,201,227	1,201,227
Revolving credit	-	14,753,738	-	-	-	-	14,753,738
Share margin financing	-	12,261	-	-	-	-	12,261
Financing to:							
- Directors of the Bank	-	6,080	-	269	-	176	6,525
- Directors of subsidiaries	-	282	-	-	-	-	282
	27,148,507	213,636,564	2,607,932	35,693,599	221,983	1,250,023	280,558,608
Unearned income							(86,615,231)
Gross financing and advances ⁴							193,943,377
Allowances for financing and advances:							
- Stage 1 - 12-month ECL							(336,614)
- Stage 2 - Lifetime ECL not credit impaired							(746,506)
- Stage 3 - Lifetime ECL credit impaired							(1,297,758)
Net financing and advances							191,562,499

¹ Bai' comprises of Bai' Bithaman Ajil, Bai' Al-Inah and Bai' Al-Dayn.

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

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

⁴ Included in financing and advances are the underlying assets under the Restricted Profit Sharing Investment Account ("RPSIA") and Investment Accounts of Customers ("IA").

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40e. Financing and Advances (cont'd.)

Group	Bai¹	Murabahah	Musarakah	Al-Ijarah Thumma Al-Bai ("AITAB")²	Ijarah³	Others	Total Financing and Advances
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cashline	-	6,780,832	-	-	-	-	6,780,832
Term financing							
- Housing financing	14,680,463	70,986,581	1,975,592	-	-	616	87,643,252
- Syndicated financing	-	7,000,329	-	-	-	-	7,000,329
- Hire purchase receivables	-	4,195,944	-	36,895,190	-	-	41,091,134
- Lease receivables	-	-	-	-	195,334	-	195,334
- Other term financing	13,743,113	99,727,445	808,372	-	-	17,846	114,296,776
Trust receipts	-	140,437	-	-	-	-	140,437
Claims on customers under acceptance credits	-	5,275,548	-	-	-	-	5,275,548
Staff financing	445,245	1,889,985	8,753	175,080	636	42,796	2,562,495
Credit card receivables	-	-	-	-	-	1,269,625	1,269,625
Revolving credit	-	14,808,884	-	-	-	-	14,808,884
Share margin financing	-	19,594	-	-	-	-	19,594
Financing to:							
- Directors of the Bank	-	6,160	-	299	-	138	6,597
- Directors of subsidiaries	-	480	-	-	-	-	480
	28,868,821	210,832,219	2,792,717	37,070,569	195,970	1,331,021	281,091,317
Unearned income							(89,087,920)
Gross financing and advances ⁴							192,003,397
Allowances for financing and advances:							
- Stage 1 - 12-month ECL							(371,029)
- Stage 2 - Lifetime ECL not credit impaired							(616,576)
- Stage 3 - Lifetime ECL credit impaired							(1,252,818)
Net financing and advances							189,762,974

¹ Bai' comprises of Bai' Bithaman Ajil, Bai' Al-Inah and Bai' Al-Dayn.

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

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

⁴ Included in financing and advances are the underlying assets under the Restricted Profit Sharing Investment Account ("RPSIA") and Investment Accounts of Customers ("IA").

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40e. Financing and Advances (cont'd.)

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

<u>Group</u>	31 March 2020 RM'000	31 December 2019 RM'000
At 1 January	2,519,615	2,094,107
Newly impaired	234,217	996,099
Reclassified as non-impaired	(71,145)	(118,390)
Amount recovered	(247,374)	(92,496)
Amount written-off	(43,571)	(359,705)
Gross impaired financing at 31 March 2020/31 December 2019	<u>2,391,742</u>	2,519,615
Less: Stage 3 - Lifetime ECL credit impaired	<u>(1,297,758)</u>	(1,252,818)
Net impaired financing at 31 March 2020/31 December 2019	<u>1,093,984</u>	1,266,797

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

Gross impaired financing at 31 March 2020/31 December 2019	2,256,047	2,395,279
Less: Stage 3 - Lifetime ECL credit impaired	<u>(1,297,758)</u>	(1,252,818)
Net impaired financing at 31 March 2020/31 December 2019	<u>958,289</u>	1,142,461
Gross financing and advances	141,899,947	153,974,212
Less: Allowances for impaired financing and advances at amortised cost and at fair value through other comprehensive income	<u>(2,383,928)</u>	(2,243,324)
Net financing and advances	<u>139,516,019</u>	151,730,888
Net impaired financing as a percentage of net financing and advances	<u>0.69%</u>	0.75%

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40e. Financing and Advances (cont'd.)

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

At fair value through other comprehensive income

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Group				
As at 31 March 2020				
At 1 January 2020	523	2,378	-	2,901
Changes in models/risk parameters At 31 March 2020	23	126	-	149
	<u>546</u>	<u>2,504</u>	<u>-</u>	<u>3,050</u>

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Group				
As at 31 December 2019				
At 1 January 2019	1,399	3,800	-	5,199
Changes in models/risk parameters At 31 December 2019	(876)	(1,422)	-	(2,298)
	<u>523</u>	<u>2,378</u>	<u>-</u>	<u>2,901</u>

At amortised cost

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	Total RM'000
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Group				
As at 31 March 2020				
At 1 January 2020	371,029	616,576	1,252,818	2,240,423
Transferred to Stage 1	102,836	(99,398)	(3,438)	-
Transferred to Stage 2	(21,861)	40,970	(19,109)	-
Transferred to Stage 3	(1,133)	(22,755)	23,888	-
Net remeasurement of allowances	(94,389)	189,818	231,659	327,088
New financial assets originated or purchased	54,139	29,841	-	83,980
Financial assets derecognised	(27,892)	(51,215)	(116,066)	(195,173)
Changes in models/risk parameters	(46,429)	41,657	-	(4,772)
Amount related to Restricted Investment Accounts*	179	509	(41,390)	(40,702)
Amount written-off	-	-	(43,571)	(43,571)
Exchange differences	135	503	12,967	13,605
At 31 December 2020	<u>336,614</u>	<u>746,506</u>	<u>1,297,758</u>	<u>2,380,878</u>

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40e. Financing and Advances (cont'd.)

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

At amortised cost (cont'd.)

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2019	RM'000	RM'000	RM'000	RM'000
At 1 January 2019	510,311	984,565	1,055,811	2,550,687
Transferred to Stage 1	210,983	(201,830)	(9,153)	-
Transferred to Stage 2	(26,947)	94,232	(67,285)	-
Transferred to Stage 3	(1,866)	(86,803)	88,669	-
Net remeasurement of allowances	(210,195)	34,631	517,854	342,290
New financial assets originated or purchased	128,082	119,126	-	247,208
Financial assets derecognised	(59,155)	(168,531)	(205,786)	(433,472)
Changes in models/risk parameters	(197,209)	(163,389)	1,683	(358,915)
Amount related to Restricted Investment Accounts*	17,221	5,530	238,801	261,552
Amount written-off	-	-	(359,705)	(359,705)
Exchange differences	(196)	(955)	(8,071)	(9,222)
At 31 December 2019	<u>371,029</u>	<u>616,576</u>	<u>1,252,818</u>	<u>2,240,423</u>

* As at 31 March 2020, the gross exposure of the financing funded by RPSIA was RM27,543.4 million (31 December 2019: RM17,291.5 million). The expected credit loss relating to these financing amounting to RM278.6 million (31 December 2019: RM263.7 million) which reflects as a reduction in both financing and advances and deposits and placements of banks and other financial institutions.

The gross exposure of the financing funded by IA as at 31 March 2020 was RM24,500.0 million (31 December 2019: RM20,737.7 million).

A40f. Deposits from Customers

Group	31 March 2020	31 December 2019
	RM'000	RM'000
Savings deposit		
Qard	<u>19,759,374</u>	17,504,325
Demand deposit		
Qard	<u>20,673,046</u>	19,704,595
Term deposit		
Murabahah	116,349,478	123,236,922
Qard	<u>279,682</u>	593,295
	<u>116,629,160</u>	123,830,217
Total deposits from customers	<u>157,061,580</u>	161,039,137

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40g. Investment Accounts of Customers

<u>Group</u>	31 March 2020 RM'000	31 December 2019 RM'000
Mudharabah		
Unrestricted Investment accounts	24,500,027	20,616,075
Restricted Investment accounts*	-	121,595
	<u>24,500,027</u>	<u>20,737,670</u>

* Net of expected credit losses associated with the financing assets funded by the Restricted Investment Accounts.

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

<u>Group</u>	Unrestricted investment accounts RM'000	Restricted investment accounts RM'000	Total investment accounts RM'000
As at 31 March 2020			
Business enterprises	14,832,698	-	14,832,698
Individuals	8,485,891	-	8,485,891
Government and statutory bodies	105,646	-	105,646
Others	1,075,792	-	1,075,792
	<u>24,500,027</u>	<u>-</u>	<u>24,500,027</u>
As at 31 December 2019			
Business enterprises	10,538,830	121,595	10,660,425
Individuals	8,922,749	-	8,922,749
Government and statutory bodies	95,817	-	95,817
Others	1,058,679	-	1,058,679
	<u>20,616,075</u>	<u>121,595</u>	<u>20,737,670</u>

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

<u>Group</u>	Unrestricted investment accounts RM'000	Restricted investment accounts RM'000	Total investment accounts RM'000
As at 31 March 2020			
- without maturity	18,208,325	-	18,208,325
- with maturity			
Due within six months	4,532,384	-	4,532,384
Six months to one year	1,741,460	-	1,741,460
One year to three years	14,468	-	14,468
Three years to five years	3,390	-	3,390
	<u>6,291,702</u>	<u>-</u>	<u>6,291,702</u>
Total investment accounts of customers	<u>24,500,027</u>	<u>-</u>	<u>24,500,027</u>

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40g. Investment Accounts of Customers (cont'd.)

(ii) The maturity profile of investment accounts are as follows (cont'd.):

<u>Group</u>	Unrestricted investment accounts RM'000	Restricted investment accounts RM'000	Total investment accounts RM'000
As at 31 December 2019			
- without maturity	13,387,845	-	13,387,845
- with maturity			
Within six months	5,577,342	121,595	5,698,937
Six months to one year	1,633,073	-	1,633,073
One year to three years	15,045	-	15,045
Three years to five years	2,770	-	2,770
	<u>7,228,230</u>	<u>121,595</u>	<u>7,349,825</u>
Total investment accounts of customers	<u>20,616,075</u>	<u>121,595</u>	<u>20,737,670</u>

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

<u>Group</u>	Unrestricted investment accounts RM'000	Restricted investment accounts RM'000	Total investment accounts RM'000
As at 31 March 2020			
Retail financing	22,230,164	-	22,230,164
Non-retail financing	2,269,863	-	2,269,863
	<u>24,500,027</u>	<u>-</u>	<u>24,500,027</u>
As at 31 December 2019			
Retail financing	18,855,165	-	18,855,165
Non-retail financing	1,760,910	121,595	1,882,505
	<u>20,616,075</u>	<u>121,595</u>	<u>20,737,670</u>

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

<u>Group</u>	<u>Investment account holder ("IAH")</u>	
	Average profit sharing ratio (%)	Average rate of return (%)
As at 31 March 2020		
Unrestricted investment accounts	50.89	2.56
Restricted investment accounts	99.95	4.19
As at 31 December 2019		
Unrestricted investment accounts	51.62	2.61
Restricted investment accounts	99.95	4.19

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A40. The Operations of Islamic Banking Scheme (cont'd.)

A40h. Term Funding

<u>Group</u>	31 March 2020 RM'000	31 December 2019 RM'000
Unsecured term funding:		
(i) Commercial Papers		
- Less than one year	<u>7,911,446</u>	<u>7,888,771</u>
(ii) Medium Term Notes		
- More than one year	<u>2,024,164</u>	<u>2,003,222</u>
Total term funding	<u>9,935,610</u>	<u>9,891,993</u>

A40i. Subordinated Sukuk

<u>Group</u>	31 March 2020 RM'000	31 December 2019 RM'000
RM1.0 billion Islamic subordinated Sukuk Murabahah due in 2026	1,005,605	1,017,708
RM1.0 billion Islamic subordinated Sukuk Murabahah due in 2029	<u>1,021,822</u>	<u>1,010,603</u>
	<u>2,027,427</u>	<u>2,028,311</u>

A40j. Capital Securities

<u>Group</u>	31 March 2020 RM'000	31 December 2019 RM'000
RM1.0 billion Additional Tier 1 Sukuk Wakalah	<u>1,014,511</u>	<u>1,002,170</u>

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

B1. Performance Review

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

The Group posted profit after tax and zakat attributable to equity holders of RM2,049.7 million for the three-month financial period ended 31 March 2020, an increase of RM240.4 million or 13.3% as compared to the previous corresponding three-month financial period ended 31 March 2019.

The Group's net interest income and Islamic Banking income for the three-month financial period ended 31 March 2020 increased by RM81.8 million or 1.8% to RM4,531.9 million as compared to the previous corresponding three-month financial period ended 31 March 2019.

The Group's net earned insurance premiums from the Insurance and Takaful subsidiaries increased by RM318.4 million or 19.6% to RM1,944.9 million as compared to the previous corresponding three-month financial period ended 31 March 2019.

Other operating income of the Group for the three-month financial period ended 31 March 2020 was RM1,333.1 million, a decrease of RM344.8 million or 20.5% from RM1,677.9 million in the previous corresponding three-month financial period ended 31 March 2019. The decrease was mainly due to unrealised mark-to-market loss on revaluation of financial assets/liabilities at FVTPL, derivatives and loan, advances and financing of RM282.5 million for the three-month financial period ended 31 March 2020 as compared to unrealised mark-to-market gain on revaluation of financial assets/liabilities at FVTPL, derivatives and loan, advances and financing of RM270.6 million in the previous corresponding three-month financial period ended 31 March 2019, foreign exchange loss of RM51.5 million and realised loss on derivatives of RM6.1 million for the three-month financial period ended 31 March 2020 as compared to gain on foreign exchange of RM211.4 million and realised gain on derivatives of RM137.8 million for the previous corresponding three-month financial period ended 31 March 2019. The decreases were, however, mitigated by higher net gain in investment income of RM554.8 million and higher fee income of RM46.7 million for the three-month financial period ended 31 March 2020.

The Group's overhead expenses for the three-month financial period ended 31 March 2020 recorded an increase of RM134.4 million or 4.8% to RM2,942.0 million compared to the previous corresponding three-month financial period ended 31 March 2019. The increase in overhead expenses was mainly due to higher administration and general expenses of RM109.8 million, higher personnel expenses of RM40.0 million and higher establishment costs of RM16.7 million. The increases were, however, mitigated by lower marketing expenses of RM32.1 million.

The Group's allowances for impairment losses on loans, advances, financing and other debts increased by RM357.7 million or 59.2% to RM961.7 million as compared to the previous corresponding three-month financial period ended 31 March 2019.

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B1. Performance Review (cont'd.)

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

The Group's profit before taxation and zakat for the three-month financial period ended 31 March 2020 compared to the previous corresponding three-month financial period ended 31 March 2019 is further segmented based on the operating segments of the Group as follows:

Group Community Financial Services ("Group CFS")

Group CFS's profit before taxation and zakat decreased by RM332.9 million or 21.6% to RM1,208.4 million for three-month financial period ended 31 March 2020 from RM1,541.3 million for the previous corresponding three-month financial period ended 31 March 2019. The decrease was mainly due to net allowance for impairment losses on loans, advances, financing and other debts of RM301.2 million and higher overhead expenses of RM106.6 million. The decrease were, however, mitigated by higher net interest income and income from IBS operations of RM47.2 million and higher other operating income of RM27.8 million.

Group Global Banking

a) Group Corporate Banking & Global Markets

Group Corporate Banking & Global Markets' profit before taxation and zakat increased by RM336.2 million or 36.1% to RM1,268.5 million for the three-month financial period ended 31 March 2020 from RM932.3 million for the previous corresponding three-month financial period ended 31 March 2019. The increase was mainly due higher other operating income of RM380.1 million, higher net interest income and income from IBS operations of RM69.8 million and higher share of profits in associates and joint ventures of RM4.4 million. The increase were, however, offset by higher net allowances for impairment losses on loans, advances, financing and other debts of RM56.9 million, higher net allowances for impairment losses on financial investments and other financial assets of RM36.3 million and higher overhead expenses of RM25.0 million.

b) Group Investment Banking (Maybank IB and Maybank Kim Eng)

Group Investment Banking recorded a profit before taxation and zakat of RM25.9 million for the three-month financial period ended 31 March 2020 compared to a loss before taxation and zakat of RM1.6 million for the previous corresponding three-month financial period ended 31 March 2019. The profit was mainly due to higher other operating income of RM45.4 million and higher share of profits in associates and joint ventures of RM0.2 million. The profit were, however, offset by lower net interest income and income from IBS operations of RM9.5 million, net allowance for impairment losses on loans, advances, financing and other debts of RM3.6 million from net writeback of RM2.9 million, higher net allowance of impairment losses on financial investments and other financial assets of RM1.9 million and higher overhead expenses of RM0.1 million.

c) Group Asset Management

Group Asset Management's loss before taxation and zakat increased by RM2.0 million to RM5.7 million for the three-month financial period ended 31 March 2020 from RM3.7 million for the previous corresponding three-month financial period ended 31 March 2019. The increase in loss before taxation and zakat was mainly due to lower other operating income of RM13.7 million and lower net interest income and income from IBS operations of RM2.3 million. The increase in loss before taxation and zakat were, however, mitigated by lower overhead expenses of RM14.0 million.

Group Insurance and Takaful

Group Insurance and Takaful's profit before taxation and zakat decreased by RM192.0 million or 78.1% to RM53.8 million for the three-month financial period ended 31 March 2020 from RM245.9 million for the previous corresponding three-month financial period ended 31 March 2019. The decrease was contributed mainly by lower other operating income of RM1,297.2 million, higher overhead expenses of RM16.7 million and higher net allowance for impairment losses on financial investments and other financial assets of RM4.2 million. The decreases were, however mitigated by lower net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund of RM797.7 million, higher net earned insurance premiums of RM318.4 million, lower net allowance for impairment losses on loans, advances, financing and other debts of RM6.8 million and higher net interest income of RM3.2 million,

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B2. Variation of Current Quarter Results Against Preceding Quarter

The Group's profit after tax and zakat attributable to equity holders for the quarter ended 31 March 2020 decreased by RM399.5 million to RM2,049.7 million against the preceding quarter ended 31 December 2019 of RM2,449.1 million.

The Group's net interest income for the quarter ended 31 March 2020 decreased by RM172.7 million to RM2,911.2 million against the preceding quarter of RM3,083.9 million. Income from Islamic Banking Scheme operations increased by RM35.3 million to RM1,620.8 million for the quarter ended 31 March 2020 compared to RM1,585.5 million in the preceding quarter ended 31 December 2019.

The Group's net earned insurance premiums for the quarter ended 31 March 2020 increased by RM183.7 million to RM1,944.9 million compared to RM1,761.2 million in the preceding quarter ended 31 December 2019.

Other operating income of the Group for the quarter ended 31 March 2020 decreased by RM137.7 million to RM1,333.1 million compared to RM1,470.8 million in the preceding quarter ended 31 December 2019. The decrease was mainly due to unrealised mark-to-market loss on revaluation of financial investments at FVTPL of RM870.8 million as compared to gain of RM144.5 million in the preceding quarter ended 31 December 2019, unrealised mark-to-market loss on revaluation of financial liabilities at FVTPL of RM437.2 million as compared to gain of RM447.3 million in the preceding quarter ended 31 December 2019, and higher unrealised mark-to-market loss on revaluation of financial assets designated upon initial recognition at FVTPL of RM348.7 million. The decreases were, however, mitigated by higher unrealised mark-to-market gain on revaluation of derivatives of RM1,461.0 million and higher net investment income of RM558.0 million.

The Group's net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund decreased by RM322.6 million to RM1,085.8 million for the quarter ended 31 March 2020 compared to RM1,408.4 million in the preceding quarter ended 31 December 2019. The decrease was mainly due to lower net insurance benefits and claims incurred by the Insurance and Takaful subsidiaries of RM306.1 million.

The Group posted a decrease of RM27.1 million in overhead expenses to RM2,942.0 million for the quarter ended 31 March 2020 compared to RM2,969.1 million in the preceding quarter ended 31 December 2019. The decrease was mainly due to lower establishment costs of RM76.9 million, lower marketing expenses of RM38.7 million and lower administration and general expenses of RM37.0 million. The decrease was, however, offset by higher personnel expenses of RM125.5 million.

The Group's allowance for impairment losses on loans, advances, financing and other debts increased by RM627.8 million to RM961.7 million for the quarter ended 31 March 2020 compared to RM333.9 million in the preceding quarter ended 31 December 2019.

B3. Prospects

The World Health Organisation declared the novel coronavirus ("COVID-19") a global pandemic on 11 March 2020, given the alarming level of spread and severity of the virus across the world. Since then, there have been over 4.7 million confirmed COVID-19 cases reported across over 200 countries and territories. Many governments around the world have imposed state or national lockdowns progressively since March to restrict the movement of their people and enacted overseas travel bans or closed their borders in an attempt to slow down the spread of the virus and reduce mortality rates.

The impact to a broader range of sectors arising from falling global demand, lower commodity prices, supply chain disruptions, weaker domestic demand and labour market dislocation given social distancing, quarantines and lockdowns has started to show in 1Q 2020 economic data. Countries such as the US, South Korea, Taiwan, Indonesia, Malaysia and Vietnam have chartered much slower economic growth compared with 4Q 2019 while others including the Eurozone, China, the United Kingdom, Hong Kong, Singapore and the Philippines have seen economic contraction in 1Q 2020.

Economies globally are expected to either contract in 2020 or chart much lower growth rates than 2019. To mitigate the impact of the COVID-19 pandemic, central banks globally, including the ASEAN central banks, have eased monetary policies aggressively up to May 2020 and may continue doing so in an attempt to promote economic stimulus and to lower the cost of debt. Concurrently, ASEAN governments have also introduced economic stimulus packages and fiscal measures to provide assistance and relief to individuals and businesses affected by COVID-19.

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B3. Prospects (cont'd.)

In Malaysia, the government announced a RM260 billion economic stimulus package aimed at supporting affected businesses, special funding for micro, small and medium enterprises (MSMEs), providing financial assistance to affected individuals and low and middle income households, continuing with major infrastructure and development projects. The economic stimulus package also included Bank Negara Malaysia (BNM)'s announcement that banks will offer an automatic deferment of all loan/financing repayments for six-months to individuals and small and medium enterprises (SMEs) for performing loans, denominated in Malaysian Ringgit.

BNM also introduced some liquidity and capital easing measures for the banking sector including allowing banks to drawdown on their capital conservation buffer of 2.5%, to operate below the minimum liquidity coverage ratio of 100% and to reduce regulatory reserves held against expected loss to 0%. Meanwhile, the implementation of the net stable funding ratio will proceed on 1 July 2020, although lowered to 80%.

Meanwhile, the government of Singapore rolled out a SGD63.7 billion package aimed at fighting the COVID-19 virus outbreak, providing job support, helping businesses with cash flow and credit, providing support for self-employed individuals and cushioning the impact for lower income households. Similar to BNM, the Monetary Authority of Singapore has announced deferred payment options for financial products to individuals and SMEs.

In Indonesia, three stimulus packages with a combined value of IDR438.3 trillion were announced. The packages aim to increase social security funds for poor households, provide state property financing programme for low-income groups, and reduce corporate tax, among other measures.

Amid the expected challenges of the external environment, Maybank Group will prioritise its capital and liquidity strength, maintain selective balance sheet expansion in tandem with the Group's risk appetite and remain focused on our ongoing cost discipline. Given the low interest rate environment, net interest margin is expected to compress but the Group will seek to minimise the impact by growing current and savings deposits which carry a lower cost.

We remain committed to supporting the domestic economies of our home markets and will work with affected borrowers to ensure viable solutions are provided to support employment and prevent business failures in the near term. We will also proactively engage with our customers to address potential asset quality weakness given the softer economic landscape as we do anticipate that asset quality weakness will be elevated once the moratorium period ends.

The Group will leverage on its diversified franchise to drive revenue growth, enhance customers' experience through digital innovations and continue up-skilling our workforce to improve productivity.

Maybank Group previously disclosed that it had set its Headline Key Performance Indicator (KPI) for Return on Equity (ROE) of 10.0% to 11.0% for FY2020, barring any unforeseen circumstances. Given the significant weakening outlook in the economic landscape arising from the COVID-19 pandemic and evolving developments in the marketplace, the Group will need to re-evaluate its Headline KPI and will provide an update once the impact can be ascertained.

B4. Profit Forecast or Profit Guarantee

Neither the Group nor the Bank has made any profit forecast or issued any profit guarantee for the first quarter ended 31 March 2020.

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B5. Taxation and Zakat

The analysis of the tax expense for the first quarter ended 31 March 2020 are as follows:

<u>Group</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Malaysian income tax	632,174	343,230	632,174	343,230
Foreign income tax	96,496	77,890	96,496	77,890
	728,670	421,120	728,670	421,120
Over provision in respect of prior period:				
Foreign income tax	(742)	(5,333)	(742)	(5,333)
	727,928	415,787	727,928	415,787
Deferred tax				
- Relating to origination and reversal of temporary differences	11,584	148,053	11,584	148,053
Tax expense for the financial period	739,512	563,840	739,512	563,840
Zakat	16,350	11,774	16,350	11,774
	755,862	575,614	755,862	575,614

The Group's effective tax rate for the financial period ended 31 March 2020 was higher than the statutory tax rate due to effects of certain non-deductible expenses.

<u>Bank</u>	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020 RM'000	31 March 2019 RM'000	31 March 2020 RM'000	31 March 2019 RM'000
Malaysian income tax	428,020	126,779	428,020	126,779
Foreign income tax	(2,718)	2,518	(2,718)	2,518
	425,302	129,297	425,302	129,297
Over provision in respect of prior period:				
Foreign income tax	-	(755)	-	(755)
	425,302	128,542	425,302	128,542
Deferred tax				
- Relating to origination and reversal of temporary differences	27,939	107,168	27,939	107,168
Tax expense for the financial period	453,241	235,710	453,241	235,710

The Bank's effective tax rate for the financial period ended 31 March 2020 was lower than the statutory tax rate due to certain income not subject to tax.

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

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B6. Status of Corporate Proposals Announced but Not Completed

There are no corporate proposals announced but not completed during the first quarter ended 31 March 2020.

B7. Status of Utilisation of Proceeds Raised from Corporate Proposal

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

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

Please refer to Note A14, A15, A16, A17 and A40g.

B9. Derivative Financial Instruments

Please refer to Note A37.

B10. Changes in Material Litigation

There is no material litigation during the first quarter ended 31 March 2020.

B11. Dividend

No interim dividend has been recommended during the first quarter ended 31 March 2020.

B12. Earnings Per Share ("EPS")

Basic EPS

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

	First Quarter Ended		Cumulative 3 Months Ended	
	31 March 2020	31 March 2019	31 March 2020	31 March 2019
Net profit for the financial period attributable to equity holders of the Bank (RM'000)	2,049,650	1,809,264	2,049,650	1,809,264
Weighted average number of ordinary shares in issue ('000)	11,241,362	11,049,683	11,241,362	11,049,683
Basic earnings per share	18.23 sen	16.37 sen	18.23 sen	16.37 sen

Diluted EPS

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

By Order of the Board

Wan Marzimin Wan Muhammad
LS0009924
Company Secretary
21 May 2020