

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

CONDENSED FINANCIAL STATEMENTS
INCOME STATEMENTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

Group	Note	Unaudited		Audited	
		31 December 2022	31 December 2021	Cumulative 12 Months Ended 31 December 2022	Cumulative 12 Months Ended 31 December 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A21	6,546,798	4,294,678	21,627,555	17,205,258
Interest expense	A22	(3,027,481)	(1,229,950)	(7,793,342)	(5,171,213)
Net interest income		3,519,317	3,064,728	13,834,213	12,034,045
Income from Islamic Banking Scheme operations	A41a	1,981,895	1,958,405	7,413,866	7,572,599
Net earned insurance premiums	A23	2,094,060	2,167,571	8,977,582	8,846,782
Other operating income	A25	1,765,990	992,588	4,625,377	4,470,670
Total operating income		9,361,262	8,183,292	34,851,038	32,924,096
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	A26	(2,464,195)	(1,883,665)	(7,235,971)	(7,475,699)
Net operating income		6,897,067	6,299,627	27,615,067	25,448,397
Overhead expenses	A27	(3,407,171)	(2,954,757)	(12,807,088)	(11,518,539)
Operating profit before impairment losses		3,489,896	3,344,870	14,807,979	13,929,858
Allowances for impairment losses on loans, advances, financing and other debts, net	A28	(308,751)	(157,283)	(2,189,311)	(2,658,541)
Writeback of/(allowances for) impairment losses on financial investments, net	A29	170,923	(465,135)	(523,384)	(598,298)
(Allowances for)/writeback of impairment losses on other financial assets, interest in associate and goodwill, net	A30	(53,148)	(45,995)	(72,868)	27,393
Operating profit		3,298,920	2,676,457	12,022,416	10,700,412
Share of profits in associates and joint ventures		8,205	43,736	130,850	186,183
Profit before taxation and zakat		3,307,125	2,720,193	12,153,266	10,886,595
Taxation and zakat	B5	(1,099,189)	(597,596)	(3,780,264)	(2,565,080)
Profit for the financial period/year		2,207,936	2,122,597	8,373,002	8,321,515
Attributable to:					
Equity holders of the Bank		2,167,307	2,056,871	8,234,949	8,096,229
Non-controlling interests		40,629	65,726	138,053	225,286
		2,207,936	2,122,597	8,373,002	8,321,515
Earnings per share attributable to equity holders of the Bank					
Basic/diluted	B12	17.98 sen	17.32 sen	68.80 sen	69.66 sen

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MALAYAN BANKING BERHAD
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CONDENSED FINANCIAL STATEMENTS
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

<u>Group</u>	Unaudited		Audited	
	Fourth Quarter Ended 31 December 2022 RM'000	31 December 2021 RM'000	Cumulative 12 Months Ended 31 December 2022 RM'000	31 December 2021 RM'000
Profit for the financial period/year	2,207,936	2,122,597	8,373,002	8,321,515
Other comprehensive income/(loss):				
Items that will not be reclassified subsequently to profit or loss:				
Defined benefit plan actuarial gain	37,942	27,617	40,673	28,694
Income tax effect	(7,842)	(5,121)	(8,485)	(6,426)
Net gain/(loss) from change in fair value on equity instruments at fair value through other comprehensive income	19,730	(6,648)	18,020	(5,910)
	49,830	15,848	50,208	16,358
Items that may be reclassified subsequently to profit or loss:				
Net gain/(loss) on debt instruments at fair value through other comprehensive income	516,126	(113,024)	(2,976,131)	(3,330,589)
- Net (loss)/gain from change in fair value	1,626,798	(217,225)	(3,687,864)	(3,780,807)
- Changes in expected credit losses	(324,366)	13,099	(85,020)	(418,316)
- Income tax effect	(786,306)	91,102	796,753	868,534
Net (loss)/gain on foreign exchange translation	(846,047)	11,736	695,340	611,558
Net loss on cash flow hedge	-	(139,400)	-	-
Net gain/(loss) on net investment hedge	-	1,804	-	(4,687)
Cost of hedging for fair value hedge	37,033	(595)	49,699	(5,810)
Net gain on capital reserve	173	172	1,140	863
Net loss on revaluation reserve	(443)	-	(443)	-
Share of change in associates' reserve	(74,191)	(110,796)	(291,255)	(172,126)
	(367,349)	(350,103)	(2,521,650)	(2,900,791)
Other comprehensive (loss)/income for the financial period/year, net of tax	(317,519)	(334,255)	(2,471,442)	(2,884,433)
Total comprehensive income for the financial period/year	1,890,417	1,788,342	5,901,560	5,437,082
Other comprehensive (loss)/income for the financial period/year, attributable to:				
Equity holders of the Bank	(559,841)	(329,541)	(2,645,767)	(2,832,798)
Non-controlling interests	242,322	(4,714)	174,325	(51,635)
	(317,519)	(334,255)	(2,471,442)	(2,884,433)
Total comprehensive income for the financial period/year, attributable to:				
Equity holders of the Bank	1,607,466	1,727,330	5,589,182	5,263,431
Non-controlling interests	282,951	61,012	312,378	173,651
	1,890,417	1,788,342	5,901,560	5,437,082

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CONDENSED FINANCIAL STATEMENTS
INCOME STATEMENTS
FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

Bank	Note	Unaudited		Audited	
		31 December 2022	31 December 2021	Cumulative 12 Months Ended 31 December 2022	31 December 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A21	4,567,492	2,926,310	14,589,344	11,610,664
Interest expense	A22	(2,514,330)	(861,041)	(6,207,624)	(3,384,660)
Net interest income		2,053,162	2,065,269	8,381,720	8,226,004
Dividends from subsidiaries and associates	A24	72,428	177,919	3,498,845	3,959,559
Other operating income	A25	894,582	542,886	4,329,736	3,004,912
		967,010	720,805	7,828,581	6,964,471
Net operating income		3,020,172	2,786,074	16,210,301	15,190,475
Overhead expenses	A27	(1,638,453)	(1,253,060)	(5,752,055)	(5,022,895)
Operating profit before impairment losses		1,381,719	1,533,014	10,458,246	10,167,580
Writeback of/(allowances for) impairment losses on loans, advances, financing and other debts, net	A28	50,151	(840,480)	(1,895,560)	(2,554,384)
Writeback of impairment losses on financial investments, net	A29	139,303	22,564	97,193	89,413
(Allowances for)/writeback of impairment losses on other financial assets, net	A30	(3,862)	(4,015)	(20,514)	41,351
Profit before taxation and zakat		1,567,311	711,083	8,639,365	7,743,960
Taxation and zakat	B5	(479,028)	(91,740)	(1,668,446)	(866,058)
Profit for the financial period/year		1,088,283	619,343	6,970,919	6,877,902

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FOR THE FOURTH QUARTER AND FINANCIAL YEAR ENDED 31 DECEMBER 2022

<u>Bank</u>	Unaudited		Audited	
	Fourth Quarter Ended 31 December 2022 RM'000	31 December 2021 RM'000	Cumulative 12 Months Ended 31 December 2022 RM'000	31 December 2021 RM'000
Profit for the financial period/year	1,088,283	619,343	6,970,919	6,877,902
Other comprehensive income/(loss):				
<i>Items that will not be reclassified subsequently to profit or loss:</i>				
Net gain/(loss) from change in fair value on equity instruments at fair value through other comprehensive income	20,104	(3,958)	21,725	(3,544)
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net loss on debt instruments at fair value through other comprehensive income	150,175	37,407	(2,132,250)	(2,327,000)
- Net gain/(loss) from change in fair value	1,027,058	(20,198)	(2,641,961)	(2,560,698)
- Changes in expected credit losses	(297,891)	29,891	(74,295)	(403,914)
- Income tax effect	(578,992)	27,714	584,006	637,612
Net (loss)/gain on foreign exchange translation	(810)	3,534	490,458	189,292
Net loss on cash flow hedge	-	(139,400)	-	-
Cost of hedging for fair value hedge	37,033	(595)	49,699	(5,810)
	186,398	(99,054)	(1,592,093)	(2,143,518)
Other comprehensive income/(loss) for the financial period/year, net of tax	206,502	(103,012)	(1,570,368)	(2,147,062)
Total comprehensive income for the financial period/year	1,294,785	516,331	5,400,551	4,730,840

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MALAYAN BANKING BERHAD
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CONDENSED FINANCIAL STATEMENTS
AUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Note	Group		Bank	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
ASSETS					
Cash and short-term funds		37,573,869	41,483,926	29,590,431	25,725,348
Deposits and placements with financial institutions		16,095,978	16,037,048	28,358,259	31,482,634
Financial assets purchased under resale agreements		14,968,762	13,491,753	14,330,476	12,079,652
Financial assets designated upon initial recognition at fair value through profit or loss	A10(i)	12,822,800	13,181,866	-	-
Financial investments at fair value through profit or loss	A10(ii)	25,804,000	27,775,493	13,978,475	14,003,854
Financial investments at fair value through other comprehensive income	A10(iii)	120,706,198	122,393,954	73,551,480	70,663,061
Financial investments at amortised cost	A10(iv)	71,756,942	60,532,190	46,234,128	41,574,896
Loans, advances and financing to financial institutions	A11(i)	1,361,712	1,048,566	31,304,965	30,836,296
Loans, advances and financing to customers	A11(ii)	574,025,785	540,839,323	213,831,963	209,286,971
Derivative assets	A37	24,686,755	12,757,475	24,293,832	12,498,439
Reinsurance/retakaful assets and other insurance receivables	A12	7,041,010	7,515,864	-	-
Other assets	A13	11,466,678	8,644,931	7,229,657	3,550,530
Investment properties		988,895	975,048	-	-
Statutory deposits with central banks		13,777,324	7,514,129	2,728,211	1,695,478
Investment in subsidiaries		-	-	33,860,627	33,205,773
Interest in associates and joint ventures		2,207,244	2,491,435	438,859	440,730
Property, plant and equipment		2,142,065	2,129,989	869,693	882,119
Right-of-use assets		1,176,776	1,170,564	550,311	550,126
Intangible assets		6,747,125	6,683,461	425,796	406,681
Deferred tax assets		2,462,917	1,505,378	1,099,262	468,101
TOTAL ASSETS		947,812,835	888,172,393	522,676,425	489,350,689
LIABILITIES					
Customers' funding:					
- Deposits from customers	A14	614,895,094	588,967,633	274,854,161	276,558,866
- Investment accounts of customers ¹	A41g	24,500,981	28,720,799	-	-
Deposits and placements from financial institutions	A15	51,893,780	36,583,073	66,794,444	41,567,510
Obligations on financial assets sold under repurchase agreements		15,585,836	7,873,717	26,290,296	24,785,841
Derivative liabilities	A37	27,874,325	12,638,175	27,190,450	12,374,656
Financial liabilities at fair value through profit or loss	A16	8,317,084	10,696,966	8,317,084	10,696,966
Bills and acceptances payable		1,810,954	1,077,986	1,212,731	430,450
Insurance/takaful contract liabilities and other insurance payables	A18	41,914,750	42,093,615	-	-
Other liabilities	A19	26,527,065	21,502,096	9,801,242	8,882,522
Provision for taxation and zakat		372,176	311,385	-	-
Deferred tax liabilities		400,437	539,066	-	-
Borrowings	A17(i)	31,736,007	35,548,352	22,486,167	28,289,884
Subordinated obligations	A17(ii)	10,238,389	10,239,277	9,830,233	9,827,722
Capital securities	A17(iii)	2,828,817	2,827,832	2,828,817	2,827,832
TOTAL LIABILITIES		858,895,695	799,619,972	449,605,625	416,242,249

¹ Investment accounts of customers are used to fund financing and advances as disclosed in Note A41e.

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CONDENSED FINANCIAL STATEMENTS
AUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

	Group		Bank	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Note	RM'000	RM'000	RM'000	RM'000
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK				
Share capital	54,619,344	53,156,473	54,619,344	53,156,473
Shares held-in-trust	(198)	(1,274)	(198)	(1,274)
Retained profits	29,705,461	29,629,726	14,936,379	15,236,418
Reserves	1,632,427	3,026,497	3,515,275	4,716,823
	85,957,034	85,811,422	73,070,800	73,108,440
Non-controlling interests	2,960,106	2,740,999	-	-
	88,917,140	88,552,421	73,070,800	73,108,440
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	947,812,835	888,172,393	522,676,425	489,350,689
COMMITMENTS AND CONTINGENCIES	A35	1,526,306,198	1,176,244,045	1,422,559,344
CAPITAL ADEQUACY	A36			
The capital adequacy ratios of the Group and of the Bank are as follows:				
CET1 Capital Ratio	15.669%	16.090%	15.264%	15.462%
Tier 1 Capital Ratio	16.376%	16.810%	16.045%	16.223%
Total Capital Ratio	19.080%	19.518%	18.635%	18.785%
Net assets per share attributable to equity holders of the Bank	RM7.13	RM7.22	RM6.06	RM6.15

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CONDENSED FINANCIAL STATEMENTS
AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

Group	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Other Reserves RM'000	Retained Profits RM'000	Total Shareholders' Equity RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2022	53,156,473	(1,274)	332,372	1,315,261	1,234,705	351,277	94,006	(301,124)	29,629,726	85,811,422	2,740,999	88,552,421
Profit for the financial year	-	-	-	-	-	-	-	-	8,234,949	8,234,949	138,053	8,373,002
Other comprehensive (loss)/income	-	-	-	-	(2,874,711)	147,992	-	80,952	-	(2,645,767)	174,325	(2,471,442)
Defined benefit plan actuarial gain	-	-	-	-	-	-	-	30,611	-	30,611	1,577	32,188
Share of associates' reserve	-	-	-	-	54,419	(345,674)	-	-	-	(291,255)	-	(291,255)
Net gain on foreign exchange translation	-	-	-	-	-	493,666	-	-	-	493,666	201,674	695,340
Net loss on financial investments at fair value through other comprehensive income	-	-	-	-	(2,929,130)	-	-	-	-	(2,929,130)	(28,981)	(2,958,111)
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	49,699	-	49,699	-	49,699
Net gain on capital reserve	-	-	-	-	-	-	-	1,085	-	1,085	55	1,140
Net loss on revaluation reserve	-	-	-	-	-	-	-	(443)	-	(443)	-	(443)
Total comprehensive (loss)/income for the financial year	-	-	-	-	(2,874,711)	147,992	-	80,952	8,234,949	5,589,182	312,378	5,901,560
Carried forward	53,156,473	(1,274)	332,372	1,315,261	(1,640,006)	499,269	94,006	(220,172)	37,864,675	91,400,604	3,053,377	94,453,981

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

<u>Group (cont'd.)</u>	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	¹ Other Reserves RM'000	² Retained Profits RM'000	Total Shareholders' Equity RM'000	Non- Controlling Interests RM'000	Total Equity RM'000
Brought forward	53,156,473	(1,274)	332,372	1,315,261	(1,640,006)	499,269	94,006	(220,172)	37,864,675	91,400,604	3,053,377	94,453,981
Net loss on disposal of financial investments at fair value through other comprehensive income	-	-	-	-	9,287	-	-	-	(9,287)	-	-	-
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	51,208	-	17,326	68,534	-	68,534
Effect of net acquisition from/disposal to non-controlling interests	-	-	-	-	-	-	-	-	(5,379)	(5,379)	(765)	(6,144)
Transfer to statutory reserve	-	-	96,931	-	-	-	-	-	(96,931)	-	-	-
Transfer to regulatory reserve	-	-	-	1,149,798	-	-	-	-	(1,149,798)	-	-	-
Issue of shares pursuant to Dividend Reinvestment Plan ("DRP") (Note A8(i)(a)(A) & (B))	1,408,424	(4)	-	-	-	-	-	-	-	1,408,420	-	1,408,420
Issue of shares pursuant to Maybank Group ESGP (Note A8(i)(a)(C))	54,447	1,080	-	-	-	-	(55,527)	-	-	-	-	-
Dividends paid (Note A9)	-	-	-	-	-	-	-	-	(6,915,145)	(6,915,145)	(92,506)	(7,007,651)
Total transactions with shareholders/ other equity movements	1,462,871	1,076	96,931	1,149,798	9,287	-	(4,319)	-	(8,159,214)	(5,443,570)	(93,271)	(5,536,841)
At 31 December 2022	54,619,344	(198)	429,303	2,465,059	(1,630,719)	499,269	89,687	(220,172)	29,705,461	85,957,034	2,960,106	88,917,140

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 RM689.7 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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AUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

Group	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Other Reserves RM'000 ¹	Retained Profits RM'000 ²	Total Shareholders' Equity RM'000	Non-Controlling Interests RM'000	Total Equity RM'000
At 1 January 2021	48,280,355	-	317,823	2,115,455	4,572,569	(127,567)	96,186	(312,801)	29,494,627	84,436,647	2,672,980	87,109,627
Profit for the financial year	-	-	-	-	-	-	-	-	8,096,229	8,096,229	225,286	8,321,515
Other comprehensive (loss)/income	-	-	-	-	(3,323,319)	478,844	-	11,677	-	(2,832,798)	(51,635)	(2,884,433)
Defined benefit plan actuarial gain	-	-	-	-	-	-	-	21,354	-	21,354	914	22,268
Share of associates' reserve	-	-	-	-	(34,448)	(137,678)	-	-	-	(172,126)	-	(172,126)
Net gain/(loss) on foreign exchange translation	-	-	-	-	-	616,522	-	-	-	616,522	(4,964)	611,558
Net loss on financial investments at fair value through other comprehensive income	-	-	-	-	(3,288,871)	-	-	-	-	(3,288,871)	(47,628)	(3,336,499)
Net loss on net investment hedge	-	-	-	-	-	-	-	(4,687)	-	(4,687)	-	(4,687)
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	(5,810)	-	(5,810)	-	(5,810)
Net gain on capital reserve	-	-	-	-	-	-	-	820	-	820	43	863
Total comprehensive (loss)/income for the financial year	-	-	-	-	(3,323,319)	478,844	-	11,677	8,096,229	5,263,431	173,651	5,437,082
Carried forward	48,280,355	-	317,823	2,115,455	1,249,250	351,277	96,186	(301,124)	37,590,856	89,700,078	2,846,631	92,546,709

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FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

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

<u>Group (cont'd.)</u>	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	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	-	317,823	2,115,455	1,249,250	351,277	96,186	(301,124)	37,590,856	89,700,078	2,846,631	92,546,709
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	-	-	(14,545)	-	-	-	14,545	-	-	-
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	39,328	-	40,457	79,785	-	79,785
Effect of changes in corporate structure within the Group	-	-	-	-	-	-	-	-	-	-	(25,183)	(25,183)
Effect of net acquisition from/disposal to non-controlling interests	-	-	-	-	-	-	-	-	-	-	10,137	10,137
Transfer to statutory reserve	-	-	14,549	-	-	-	-	-	(14,549)	-	-	-
Transfer from regulatory reserve	-	-	-	(800,194)	-	-	-	-	800,194	-	-	-
Issue of shares pursuant to Dividend Reinvestment Plan ("DRP")	4,833,336	-	-	-	-	-	-	-	-	4,833,336	-	4,833,336
Issue of shares pursuant to Maybank Group ESGP	42,782	(1,274)	-	-	-	-	(41,508)	-	-	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(8,801,777)	(8,801,777)	(90,586)	(8,892,363)
Total transactions with shareholders/ other equity movements	4,876,118	(1,274)	14,549	(800,194)	(14,545)	-	(2,180)	-	(7,961,130)	(3,888,656)	(105,632)	(3,994,288)
At 31 December 2021	53,156,473	(1,274)	332,372	1,315,261	1,234,705	351,277	94,006	(301,124)	29,629,726	85,811,422	2,740,999	88,552,421

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 RM670.1 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 audited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2021 and the accompanying explanatory notes attached to these financial statements)

MALAYAN BANKING BERHAD
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(Incorporated in Malaysia)

CONDENSED FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

<u>Bank</u>	Attributable to equity holders of the Bank									
	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Hedge Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
At 1 January 2022	53,156,473	(1,274)	74,696	1,180,201	930,283	2,430,642	94,006	6,995	15,236,418	73,108,440
Profit for the financial year	-	-	-	-	-	-	-	-	6,970,919	6,970,919
Other comprehensive (loss)/income	-	-	-	-	(2,110,525)	490,458	-	49,699	-	(1,570,368)
Net gain on foreign exchange translation	-	-	-	-	-	490,458	-	-	-	490,458
Net loss on financial investments at fair value through other comprehensive income	-	-	-	-	(2,110,525)	-	-	-	-	(2,110,525)
Cost of hedging for fair value hedge	-	-	-	-	-	-	49,699	-	-	49,699
Total comprehensive (loss)/income for the financial year	-	-	-	-	(2,110,525)	490,458	-	49,699	6,970,919	5,400,551
Share-based payment under Maybank Group										
Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	51,208	-	17,326	68,534
Transfer to statutory reserve	-	-	4,307	-	-	-	-	-	(4,307)	-
Transfer to regulatory reserve	-	-	-	368,832	-	-	-	-	(368,832)	-
Issue of shares pursuant to Dividend Reinvestment Plan ("DRP") (Note A8(i)(a)(A) & (B))	1,408,424	(4)	-	-	-	-	-	-	-	1,408,420
Issue of shares pursuant to Maybank Group ESGP (Note A8(i)(a)(C))	54,447	1,080	-	-	-	-	(55,527)	-	-	-
Dividends paid (Note A9)	-	-	-	-	-	-	-	-	(6,915,145)	(6,915,145)
Total transactions with shareholders/ other equity movements	1,462,871	1,076	4,307	368,832	-	-	(4,319)	-	(7,270,958)	(5,438,191)
At 31 December 2022	54,619,344	(198)	79,003	1,549,033	(1,180,242)	2,921,100	89,687	56,694	14,936,379	73,070,800

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

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CONDENSED FINANCIAL STATEMENTS
AUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Attributable to equity holders of the Bank									
	Non-Distributable									
<u>Bank</u>	Share Capital RM'000	Shares Held-in-trust RM'000	Statutory Reserve RM'000	Regulatory Reserve RM'000	Fair Value Through Other Comprehensive Income Reserve RM'000	Exchange Fluctuation Reserve RM'000	ESGP Reserve RM'000	Hedge Reserve RM'000	Distributable Retained Profits RM'000	Total Equity RM'000
At 1 January 2021	48,280,355	-	69,518	1,495,500	3,261,447	2,241,350	96,186	12,805	16,809,095	72,266,256
Profit for the financial year	-	-	-	-	-	-	-	-	6,877,902	6,877,902
Other comprehensive (loss)/income	-	-	-	-	(2,330,544)	189,292	-	(5,810)	-	(2,147,062)
Net gain on foreign exchange translation	-	-	-	-	-	189,292	-	-	-	189,292
Net loss on financial investments at fair value through other comprehensive income	-	-	-	-	(2,330,544)	-	-	-	-	(2,330,544)
Cost of hedging for fair value hedge	-	-	-	-	-	-	-	(5,810)	-	(5,810)
Total comprehensive (loss)/income for the financial year	-	-	-	-	(2,330,544)	189,292	-	(5,810)	6,877,902	4,730,840
Net gain on disposal of financial investments at fair value through other comprehensive income	-	-	-	-	(620)	-	-	-	620	-
Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP")	-	-	-	-	-	-	39,328	-	40,457	79,785
Transfer to statutory reserve	-	-	5,178	-	-	-	-	-	(5,178)	-
Transfer from regulatory reserve	-	-	-	(315,299)	-	-	-	-	315,299	-
Issue of shares pursuant to Dividend Reinvestment Plan ("DRP")	4,833,336	-	-	-	-	-	-	-	-	4,833,336
Issue of shares pursuant to Maybank Group ESGP	42,782	(1,274)	-	-	-	-	(41,508)	-	-	-
Dividends paid	-	-	-	-	-	-	-	-	(8,801,777)	(8,801,777)
Total transactions with shareholders/ other equity movements	4,876,118	(1,274)	5,178	(315,299)	(620)	-	(2,180)	-	(8,450,579)	(3,888,656)
At 31 December 2021	53,156,473	(1,274)	74,696	1,180,201	930,283	2,430,642	94,006	6,995	15,236,418	73,108,440

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

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CONDENSED FINANCIAL STATEMENTS
AUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Cash flows from operating activities				
Profit before taxation and zakat	12,153,266	10,886,595	8,639,365	7,743,960
Adjustments for:				
Share of profits in associates and joint ventures	(130,850)	(186,183)	-	-
Depreciation of property, plant and equipment	297,091	299,986	77,836	89,545
Depreciation of right-of-use assets	511,365	448,564	115,958	110,589
Amortisation of intangible assets	270,960	282,724	73,519	64,499
(Gain)/loss on disposal of property, plant and equipment	(3,999)	103	(1,015)	1,246
Net loss on liquidation of a subsidiary	-	7,165	-	-
Net gain on disposal/change in structure of deemed controlled structured entities	-	(8,571)	-	(34,846)
Net loss on dilution of interest in associate	1,752	60,158	-	-
Net loss on disposal of financial assets at fair value through profit or loss	617,074	14,628	59,077	23,659
Net loss/(gain) on disposal of financial investments at fair value through other comprehensive income	197,213	(615,087)	(32,567)	(437,716)
Net loss/(gain) on redemption of financial investments at amortised cost	1,159	(909)	1,159	(10,796)
Unrealised loss on revaluation of financial assets at fair value through profit or loss and derivatives	3,620,817	1,144,009	2,840,354	568,896
Unrealised gain on revaluation of financial liabilities at fair value through profit or loss	(3,550,781)	(795,287)	(3,550,781)	(795,287)
Allowances for impairment losses on loans, advances and financing, net	2,741,807	2,968,592	2,256,059	2,694,860
Allowances for/(writeback of) impairment losses on other debts	10,886	14,670	(697)	1,444
Allowances for/(writeback of) impairment losses on financial investments, net	523,384	598,298	(97,193)	(89,413)
Allowances for/(writeback of) impairment losses on other financial assets, interest in associates and goodwill, net	72,868	(27,393)	20,514	(41,351)
Dividend income	(186,561)	(162,374)	(3,505,286)	(3,965,748)
ESGP expenses	87,616	98,193	44,662	53,736
Other adjustments for non-operating and non-cash items	292,543	381,286	(102,444)	(90,495)
Operating profit before working capital changes	17,527,610	15,409,167	6,838,520	5,886,782
Change in cash and short-term funds with original maturity of more than three months	4,123,799	11,162,459	2,001,790	6,321,216
Change in deposits and placements with financial institutions with original maturity of more than three months	(1,313,737)	(6,606,824)	5,350,628	(16,940,452)
Change in financial investments portfolio	(13,241,595)	(13,806,639)	(9,644,529)	5,117,624
Change in loans, advances and financing	(34,068,618)	(29,097,602)	(6,463,445)	(11,216,970)
Change in statutory deposits with central banks	(6,264,872)	(45,455)	(1,032,733)	(48,412)
Change in deposits from customers	24,637,147	28,599,884	(1,951,116)	24,730,252
Change in investment accounts of customers	(4,219,818)	4,880,003	-	-
Change in deposits and placements from financial institutions	15,310,707	(1,295,793)	25,226,934	6,847,395
Change in financial liabilities at fair value through profit or loss	170,018	41,001	170,018	41,001
Change in reinsurance/retakaful assets and other insurance receivables	476,689	(1,679,288)	-	-
Change in insurance/takaful contract liabilities and other insurance payables	(178,864)	4,398,850	-	-
Change in other operating activities	10,139,401	3,877,909	(2,133,079)	(7,018,680)
Cash generated from operations	13,097,867	15,837,672	18,362,988	13,719,756
Taxes and zakat paid	(4,190,176)	(2,759,384)	(1,931,270)	(1,225,716)
Net cash generated from operating activities	8,907,691	13,078,288	16,431,718	12,494,040

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	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Cash flows from investing activities				
Dividends received from:				
- financial investments portfolio	186,561	162,374	6,441	6,189
- subsidiaries	-	-	3,498,346	3,958,663
- associates	-	-	499	896
Purchase of property, plant and equipment	(305,251)	(197,754)	(50,223)	(24,218)
Purchase of intangible assets	(345,500)	(252,751)	(95,153)	(84,886)
Purchase of investment properties	(609)	(3,312)	-	-
Purchase of additional ordinary shares in existing subsidiaries	-	-	(653,040)	(2,392,931)
Proceeds from disposal of property, plant and equipment	7,412	3,514	1,271	128
Proceeds from disposal of investment properties	137	-	-	-
Proceeds from disposal of deemed controlled structured entities	-	-	-	125,366
Net effect arising from transaction with non-controlling interests	(6,144)	(6,475)	-	-
Net effect arising from change of structure of an associate	-	-	(1,814)	-
Net cash (used in)/generated from investing activities	(463,394)	(294,404)	2,706,327	1,589,207
Cash flows from financing activities				
Proceeds from issuance of shares	1,408,420	4,833,336	1,408,420	4,833,336
Repayment of borrowings, net	(3,930,539)	(2,728,211)	(5,797,913)	(4,895,984)
Issuance of subordinated obligations	-	3,309,000	-	3,000,000
Redemption of subordinated obligations	-	(2,163,655)	-	(2,008,500)
Issuance of financial liabilities at fair value through profit or loss	-	2,461,480	-	2,461,480
Redemption of financial liabilities at fair value through profit or loss	-	(1,393,899)	-	(1,393,899)
Repayment of lease liabilities	(494,739)	(416,733)	(99,629)	(106,930)
Dividends paid	(6,915,145)	(9,186,106)	(6,915,145)	(9,186,106)
Dividends paid to non-controlling interests	(92,506)	(90,586)	-	-
Net cash used in financing activities	(10,024,509)	(5,375,374)	(11,404,267)	(7,296,603)
Net (decrease)/increase in cash and cash equivalents	(1,580,212)	7,408,510	7,733,778	6,786,644
Cash and cash equivalents at beginning of the financial year	51,882,143	43,813,448	35,122,120	27,902,551
Effects of foreign exchange rate changes	528,551	660,185	354,389	432,925
Cash and cash equivalents at end of the financial year	50,830,482	51,882,143	43,210,287	35,122,120
Cash and cash equivalents comprise:				
Cash and short-term funds	37,590,175	41,501,456	29,596,878	25,736,157
Deposits and placements with financial institutions	16,103,382	16,053,824	28,363,641	31,488,613
	53,693,557	57,555,280	57,960,519	57,224,770
Less:				
Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(2,863,075)	(5,673,137)	(14,750,232)	(22,102,650)
Cash and cash equivalents at end of the financial year	50,830,482	51,882,143	43,210,287	35,122,120

(These audited condensed interim financial statements should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2021 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 audited 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 audited 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 audited condensed interim financial statements do not include all the information and disclosures required in the audited annual financial statements, and should be read in conjunction with the audited annual financial statements for the financial year ended 31 December 2021. These explanatory notes attached to the audited 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 2021.

The audited 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 2021 except for adoption of the following amendments to Malaysian Financial Reporting Standards (“MFRSs”), which are effective for annual periods beginning on or after 1 January 2022:

- Annual Improvements to MFRS Standards 2018 - 2020
 - (i) MFRS 1 *First-time Adoption of International Financial Reporting Standards*
 - (ii) MFRS 9 *Financial Instruments*
- Amendments to MFRS 116 *Property, Plant and Equipment - Proceeds before Intended Use*
- Amendments to MFRS 3 *Business Combination - Reference to the Conceptual Framework*
- Amendments to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets Onerous Contract - Cost of Fulfilling a Contract*

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

Annual Improvements to MFRS Standards 2018 - 2020

(i) MFRS 1 *First-time Adoption of Financial Reporting Standards* - Subsidiary as a first-time adopter

The amendment permits a subsidiary that elects to apply paragraph D16(a) of MFRS 1 *First-time Adoption of Financial Reporting Standards* to measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to MFRS. The amendments are also applied to an associate or joint venture that elects to apply paragraph D16(a) of MFRS 1. The amendments are effective for annual reporting periods beginning on or after 1 January 2022 with earlier adoption permitted. The amendment does not have any impact on the financial statements of the Group and of the Bank.

(ii) MFRS 9 *Financial Instruments* - Fees in the '10 per cent' test for derecognition of financial liabilities

The amendment clarifies the fees that an entity includes when assessing whether the terms of a new or modified financial liability are substantially different from the terms of the original financial liability. These fees include only those paid or received between the borrower and the lender, including fees paid or received by either the borrower or lender on the other's behalf when performing the 10% test for the derecognition of financial liabilities.

The amendment is applicable to financial liabilities that are modified or exchanged on or after the beginning of the annual reporting period in which the amendment is applied. The amendment does not have any impact on the financial statements of the Group and of the Bank.

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

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

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

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A1. Basis of Preparation (cont'd.)

Amendments to MFRS 3 *Business Combination* - Reference to the Conceptual Framework

The amendments replace a reference to the Framework for the Preparation and Presentation of Financial Statements with a reference to the current Conceptual Framework for Financial Reporting issued in March 2018 without significantly changing its requirement.

The amendments explain the exception to the recognition principle of MFRS 3 to avoid the issue of potential gains or losses arising for liabilities and contingent liabilities that would be within the scope of MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets* or IFRIC 21 *Levies*, if incurred separately.

The amendments also add a new paragraph to IFRS 3 to clarify that contingent assets do not qualify for recognition at the acquisition date.

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

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

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

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

Measures to assist borrowers/customers affected by COVID-19 pandemic

(a) Financial Management and Resilience Programme ("URUS")

Pursuant to the statement issued by the Prime Minister of Malaysia on 13 October 2021, banking industry, represented collectively by The Association of Banks in Malaysia ("ABM"), Association of Islamic Banking and Financial Institutions Malaysia ("AIBIM") and Association of Development Finance Institutions of Malaysia ("ADFIM") had on 14 October 2021 announced its continued support to individual customers. The Bank has worked alongside with Agensi Kaunseling dan Pengurusan Kredit ("AKPK") to offer a comprehensive extended financial assistance scheme called Financial Management and Resilience Programme ("URUS").

Under URUS, AKPK provided eligible customers with a personalised financial plan with the following options:

- (i) A 3-month interest/profit waiver, commencing the month following the customers' on boarding into the scheme;
- (ii) A 3-month interest/profit waiver together with reduced instalments for a period of up to 24 months. This option will also benefit customers with unsecured personal loan/financing and credit cards.

Application for URUS was opened from 15 November 2021 until 31 March 2022 for individual customers:

- (i) from B50 income segment (having gross household income of RM5,880 or lower based on definition by the Department of Statistics Malaysia);
- (ii) that have experienced either loss of employment or reduction of income of at least 50%;
- (iii) under an existing repayment assistance programme (e.g. Targeted Repayment Assistance, Program Strategik Memperkasa Rakyat dan Ekonomi Tambahan ("PEMERKASA+"), Pakej Perlindungan Rakyat dan Pemulihan Ekonomi ("PEMULIH"), the Bank's own rescheduling and restructuring, etc.) as at 30 September 2021; and
- (iv) whose loan/financing is still performing (not in arrears exceeding 90 days) as at the date of their application.

(b) Extension of the loan relaxation policy in Indonesia

Otoritas Jasa Keuangan ("OJK") which is the Financial Services Authority in Indonesia, had on 28 November 2022 announced an extension of the COVID-19 relaxation policy which includes loan restructuring and repayment assistance to targeted segments, sectors or industries in view of the ongoing COVID-19 pandemic and uncertain economic environment both locally and globally. The extension will apply to micro, small and medium businesses, sector that provides accommodation and food and beverage, as well as labour-intensive industries like textile and footwear. The relief assistance will continue to be in effect until 31 March 2024.

For the financial year ended 31 December 2021, there were also other repayment assistance programmes offered in line with the regulatory measures announced by Bank Negara Malaysia ("BNM"). These included:

- Enhanced targeted repayment assistance under Perlindungan Ekonomi dan Rakyat Malaysia ("PERMAI");
- Targeted repayment assistance under PEMERKASA+; and
- Six-month moratorium under PEMULIH.

The application for the PERMAI, PEMERKASA+ and PEMULIH programmes ended in the financial year ended 31 December 2021.

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A1. Basis of Preparation (cont'd.)

Standards and annual improvements to standards issued but not yet effective

The following are standards and annual improvements to standards issued by Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of the Group's and of the Bank's financial statements. The Group and the Bank intend to adopt these standards and annual improvements to standards, if applicable, when they become effective:

Description	Effective for annual periods beginning on or after
Amendments to MFRS 101 <i>Presentation of Financial Statements - Disclosure of Accounting Policies</i>	1 January 2023
Amendments to MFRS 101 <i>Classification of Liabilities as Current or Non-current</i>	1 January 2023
Amendments to MFRS 108 <i>Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates</i>	1 January 2023
Amendments to MFRS 112 <i>Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction</i>	1 January 2023
MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 17 <i>Insurance Contracts</i>	1 January 2023
Amendments to MFRS 16 <i>Leases - Lease Liability in a Sale and Leaseback</i>	1 January 2024
Amendments to MFRS 10 and MFRS 128: <i>Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i>	Deferred

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

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

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

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

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

The amendments clarify the followings:

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

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

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

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

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

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A1. Basis of Preparation (cont'd.)

Standards and annual improvements to standards issued but not yet effective (cont'd.)

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

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

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

MFRS 17 *Insurance Contracts*

MFRS 17 will replace MFRS 4 Insurance Contracts for annual periods on or after 1 January 2023. The Group will restate comparative information for 2022 applying the transitional provisions to MFRS 17. The nature of the changes in accounting policies can be summarised, as follows:

(i) Changes to classification and measurement

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

Under MFRS 17 the Group is required to:

- Identify insurance contracts/takaful certificates as those under which the Group accepts significant insurance/takaful risk from another party (the policyholder/participants) by agreeing to compensate the policyholder/participants if a specified uncertain future event (the insured event) adversely affects the policyholder/participants;
- Separate specified embedded derivatives, distinct investment components and distinct non-insurance goods or services from insurance contracts/takaful certificates and accounts for them in accordance with other standards;
- Divide the insurance/takaful and reinsurance contracts/retakaful certificates into groups it will recognise and measure;
- Recognise and measure groups of insurance contracts/Takaful certificates at a risk-adjusted present value of the future cash flows (the fulfilment cash flows), that incorporates all available information about the fulfilment cash flows in a way that is consistent with observable market information plus an amount representing the unearned profit in the group of contracts/certificates (the contractual service margin or "CSM");
- Recognise profit from a group of insurance contracts/takaful certificates over the period the Group provides insurance coverage. If a group of contracts is expected to be onerous (i.e. loss making) over the remaining coverage period, the Group recognises the loss immediately; and
- Recognise an asset for insurance/takaful acquisition cash flows in respect of acquisition cash flows paid, or incurred, before the related group of insurance contracts/takaful certificates is recognised. Such an asset is derecognised when the insurance acquisition cash flows are included in the measurement of the related group of insurance contracts/takaful certificates.

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

(a) Premium Allocation Approach ("PAA")

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

(b) General Measurement Model ("GMM")

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

(c) Variable Fee Approach ("VFA")

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

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

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A1. Basis of Preparation (cont'd.)

Standards and annual improvements to standards issued but not yet effective (cont'd.)

MFRS 17 Insurance Contracts (cont'd.)

(ii) Changes to presentation and disclosure

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

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

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

The disclosure of line items in the income statement of the Group will change upon adoption of MFRS 17. Under MFRS 4, the Group reports the following line items:

- Net earned insurance premiums; and
- Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund.

Upon adoption of MFRS 17, the Group will present the following items under the income statement:

- Net insurance service results; and
- Net insurance/takaful finance income or expenses.

The Group is also required to disclose qualitative and quantitative information about:

- Amounts recognised in its financial statements from insurance contracts/takaful certificates; and
- Significant judgements and changes in those judgements, when applying the standard.

(iii) Transition

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

On transition date, 1 January 2022, the Group will:

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

(a) Full retrospective approach

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

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A1. Basis of Preparation (cont'd.)

Standards and annual improvements to standards issued but not yet effective (cont'd.)

MFRS 17 Insurance Contracts (cont'd.)

(iii) Transition (cont'd.)

(b) Modified retrospective approach

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

(c) Fair value approach

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

Amendment to MFRS 9 as a result of MFRS 17 implementation

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

Anticipated impact to the Group

The application of MFRS 17 is expected to improve the Group's financial reporting as it aims to enable reporting of meaningful as well as comparable information that:

- Provides up-to-date market consistent information of obligation including value of options and guarantees;
- Reflects time value of money;
- Uses assumption in the valuation of insurance contract liabilities that reflect the characteristics of the insurance contract rather than the risk related to asset/investment;
- Provides separate information about the investment and underwriting performance; and
- Promotes recognition of underwriting revenue and expenses over time, in a comparable way to other non-insurance business.

BNM has indicated that current valuation guidelines and risk-based capital requirements will continue to be applicable for the next few years. The Group has conducted an impact assessment on the capital requirement based on the Quantitative Impact Study ("QIS") in accordance to the Valuation Exposure Draft ("ED") issued by BNM, which is consistent with the MFRS 17 approach. The results of the QIS indicates that the Group has an adequate amount of capital to deal with unexpected losses.

The adoption of MFRS 17 is not expected to have a notable impact on pricing and product strategies for the Group as the standard does not impact the fundamental economics of the insurance/takaful business, financial strength or claims paying ability of the Group. Accordingly, we do not expect significant changes to the insurance/takaful business strategy.

MFRS 17 introduces a fundamental concept known as the CSM, representing the present value of the expected future profits an insurer/takaful operator expects to earn as it provides services under the contracts. While there is a range of outcomes for the CSM and all other changes impacting insurance contract/takaful contract liabilities, the main impact to equity is expected to result from establishing a CSM on the in-force business. The deferral of the recognition of new business gains via the CSM is expected to shift earnings out into future periods. Based on the parallel run using the latest available information, the adoption of MFRS 17 is not expected to have a significant impact to the Group's profit before tax. The final impacts are still being assessed and may be adjusted as necessary.

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A1. Basis of Preparation (cont'd.)

Standards and annual improvements to standards issued but not yet effective (cont'd.)

Amendments to MFRS 16 Leases - Lease Liability in Sale and Leaseback

The amendment requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The amendment applies retrospectively to annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. The amendments are not expected to have material impact on the Group's and the Bank's financial statements.

Amendments to MFRS 10 and MFRS 128: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify that:

- Gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and
- Gains and losses resulting from transactions involving the sale or contribution of assets to an associate or a joint venture that constitute a business is recognised in full.

The amendments are to be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by the MASB. Earlier application is permitted. The amendments are not expected to have material impact on the Group's and the Bank's financial statements.

A2. Significant Accounting Policies

The audited annual financial statements of the Group and of the Bank for the financial year ended 31 December 2021 were prepared in accordance with MFRS and International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia. The significant accounting policies adopted in preparing these audited condensed interim financial statements are consistent with those of the audited annual financial statements for the financial year ended 31 December 2021 except for the adoption of the amendments to MFRSs which are effective for annual periods beginning on or after 1 January 2022 as disclosed in Note A1.

A3. Significant Accounting Estimates and Judgements

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

In preparing these audited condensed interim financial statements, the significant judgements made by management in applying the Group's and the Bank's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the audited annual financial statements for the financial year ended 31 December 2021.

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 2021 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 fourth quarter and 12 months financial year ended 31 December 2022.

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

During the fourth quarter and 12 months financial year ended 31 December 2022, save as disclosed in Note A8 below, there were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and of the Bank.

A7. Changes in Estimates

There were no material changes in estimates during the fourth quarter and 12 months financial year ended 31 December 2022.

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A8. Changes in Debt and Equity Securities

- (i) The following are the changes in debt and equity securities for the Group and the Bank during the fourth quarter and 12 months financial year ended 31 December 2022:

(a) **Share capital**

The share capital of the Bank increased from RM53,156,472,575 as at 31 December 2021 to RM54,619,343,465 as at 31 December 2022 via:

- (A) Issuance of 91,500,212 new ordinary shares amounting to RM756,237,687 arising from the Dividend Reinvestment Plan ("DRP") relating to electable portion of the single-tier second interim dividend of 7.5 sen in respect of the financial year ended 31 December 2021;
- (B) Issuance of 77,876,862 new ordinary shares amounting to RM652,185,939 arising from the Dividend Reinvestment Plan ("DRP") relating to electable portion of the single-tier interim dividend of 7.0 sen in respect of the financial year ended 31 December 2022; and
- (C) Issuance of 6,236,800 new ordinary shares amounting to RM54,447,264 arising from the Employees Shares Grant Plan ("ESGP").

The issued ordinary shares of the Bank as at 31 December 2022 is 12,054,127,092 units (31 December 2021: 11,878,513,218 units).

(b) **Borrowings**

Issuance/redemption of medium term notes by the Bank

Currency	Description	Aggregate Nominal Value (in million)
Issuance of medium term notes		
JPY	Fixed Rate Notes (Samurai Bonds)	30,000.0
CNY	Fixed Rate Notes	1,440.0
USD	Floating Rate Notes	80.0
Redemption of medium term notes		
USD	Floating Rate Notes	84.0
USD	Fixed Rate Notes	50.0
CNY	Fixed Rate Notes	2,550.0
AUD	Floating Rate Notes	48.0
JPY	Fixed Rate Notes (Samurai Bonds)	39,800.0
HKD	Fixed Rate Notes	2,133.0
JPY	Fixed Rate Notes	24,000.0
CNY	Fixed Rate Notes (Panda Bonds)	1,000.0

Issuance of Structured Notes by the Bank

Currency	Description	Aggregate Nominal Value (in million)
Issuance of structured notes		
SGD	Equity-Linked Notes	1.1

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

Currency	Description	Aggregate Nominal Value (in million)
Issuance of bonds		
IDR	Fixed Rate Notes	2,600,000.0
Redemption of bonds		
IDR	Fixed Rate Notes	2,911,200.0

Issuance of commercial papers by the Bank

The aggregate nominal value of the commercial papers issued by the Bank and outstanding as at 31 December 2022 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
RM	Zero Coupon Notes	179.0
SGD	Fixed Rate Notes*	106.3
USD	Fixed Rate Notes*	7.1

* Extendible money market certificates

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

- (i) The following are the changes in debt and equity securities for the Group and the Bank during the fourth quarter and 12 months financial year ended 31 December 2022 (cont'd.):

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

Issuance of commercial papers by Maybank Singapore Limited

The aggregate nominal value of the commercial papers issued by Maybank Singapore Limited and outstanding as at 31 December 2022 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
USD	Zero Coupon Notes	607.8

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 December 2022 are as follows:

Currency	Description	Aggregate Nominal Value (in million)
RM	Zero Profit ICP	6,500.0

- (ii) The following are the changes in debt securities for the Group and the Bank subsequent to the fourth quarter and 12 months financial year ended 31 December 2022 and have not been reflected in the financial statements for the fourth quarter and 12 months financial year ended 31 December 2022:

(a) **Borrowings**

Issuance/redemption of medium term notes by the Bank

Currency	Description	Aggregate Nominal Value (in million)
Issuance of medium term notes		
HKD	Fixed Rate Notes	1,923.0
Redemption of medium term notes		
USD	Fixed Rate Notes	20.0
USD	Floating Rate Notes	110.0
HKD	Fixed Rate Notes	701.0
JPY	Fixed Rate Notes (Samurai Bonds)	46,700.0

Issuance/redemption of Structured Notes by the Bank

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

Save as disclosed above, there were no cancellations, share buy-backs, resale of shares bought back by the Group and by the Bank.

A9. Dividends paid

Dividends paid during the 12 months financial year ended 31 December 2022 are as follows:

- (a) A single-tier second interim dividend, in respect of the financial year ended 31 December 2021 of 30.0 sen per ordinary share, was declared by the Bank on 24 February 2022.

The single-tier second interim dividend consists of 22.5 sen per ordinary share to be paid in cash amounting to RM2,672,665,474 and an electable portion of 7.5 sen per ordinary share amounting to RM890,888,491 which can be elected to be reinvested in new ordinary shares in accordance with the DRP.

The payment date for cash dividends and crediting of ordinary shares under the DRP was completed on 14 April 2022.

- (b) A single-tier first interim dividend, in respect of the financial year ended 31 December 2022 of 28.0 sen per ordinary share, was declared by the Bank on 25 August 2022.

The dividend consists of 21.0 sen to be paid in cash amounting to RM2,513,702,820 and an electable portion of 7.0 sen amounting to RM837,900,940 which can be elected to be reinvested in new ordinary shares in accordance with the DRP.

The payment date for cash dividend and crediting of ordinary shares under the DRP was completed on 19 October 2022.

- (c) Dividends paid by Maybank's subsidiaries to non-controlling interests amounted to RM92,506,000 during the 12 months financial year ended 31 December 2022.

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A10. Financial Investments Portfolio

	Note	Group		Bank	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Financial assets designated upon initial recognition at fair value through profit or loss	(i)	12,822,800	13,181,866	-	-
Financial investments at fair value through profit or loss	(ii)	25,804,000	27,775,493	13,978,475	14,003,854
Financial investments at fair value through other comprehensive income	(iii)	120,706,198	122,393,954	73,551,480	70,663,061
Financial investments at amortised cost	(iv)	71,756,942	60,532,190	46,234,128	41,574,896
		231,089,940	223,883,503	133,764,083	126,241,811

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	407,092	344,976	-	-
Malaysian Government Investment Issues	468,099	369,397	-	-
	875,191	714,373	-	-
Quoted securities:				
In Malaysia:				
Unit trusts	3,932	3,932	-	-
Outside Malaysia:				
Shares, warrants and loan stocks	18,790	164	-	-
	22,722	4,096	-	-
Unquoted securities:				
In Malaysia:				
Corporate Bonds and Sukuk	11,764,213	12,248,561	-	-
Outside Malaysia:				
Corporate Bonds and Sukuk	160,674	214,836	-	-
	11,924,887	12,463,397	-	-
Total financial assets designated upon initial recognition at FVTPL	12,822,800	13,181,866	-	-

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A10. Financial Investments Portfolio (cont'd.)

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	1,563,979	918,886	1,523,469	918,886
Malaysian Government Investment Issues	317,298	309,362	275,496	307,855
Cagamas Bonds	-	570,931	-	570,931
Foreign Government Securities	4,631,204	3,458,086	4,493,485	2,901,655
Malaysian Government Treasury Bills	1,648,435	4,079,504	1,648,435	3,420,385
Bank Negara Malaysia Bills and Notes	241,757	614,280	241,757	614,280
	8,402,673	9,951,049	8,182,642	8,733,992
Quoted securities:				
In Malaysia:				
Shares, warrants, mutual funds and loan stocks	2,910,063	7,160,590	-	-
Unit trusts	328,970	486,454	240,453	286,570
Outside Malaysia:				
Shares, warrants, mutual funds and loan stocks	4,255,594	564,089	66	237
Unit trusts	1,273,604	933,960	274,087	291,503
Corporate Bonds and Sukuk	1,529,483	1,576,604	-	-
Government Bonds	247,533	612,151	-	-
Government Treasury Bills	177,957	568,183	-	-
	10,723,204	11,902,031	514,606	578,310
Unquoted securities:				
In Malaysia:				
Shares	972,960	967,356	715,908	700,280
Unit trusts	29,003	5,078	-	-
Corporate Bonds and Sukuk	1,768,316	1,014,406	1,079,658	345,271
Structured deposits	155,582	186,197	-	-
Outside Malaysia:				
Shares	369	382	-	-
Mutual funds	92,814	124,351	-	-
Corporate Bonds and Sukuk	2,906,292	1,761,223	2,732,874	1,782,581
Government Bonds	752,787	1,863,420	752,787	1,863,420
	6,678,123	5,922,413	5,281,227	4,691,552
Total financial investments at FVTPL	25,804,000	27,775,493	13,978,475	14,003,854

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A10. Financial Investments Portfolio (cont'd.)

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At fair value				
Money market instruments:				
Malaysian Government Securities	11,745,562	10,599,757	11,327,132	10,225,806
Malaysian Government Investment Issues	21,835,585	19,122,254	8,531,351	7,336,288
Negotiable instruments of deposits	4,991	11,473	-	-
Foreign Government Securities	19,531,047	16,144,063	9,125,421	5,418,045
Foreign Government Treasury Bills	4,778,217	14,976,441	2,155,557	6,026,800
Khazanah Bonds	55,874	283,502	55,874	253,889
Cagamas Bonds	166,245	124,727	166,245	124,727
	58,117,521	61,262,217	31,361,580	29,385,555
Quoted securities:				
In Malaysia:				
Shares, warrants and loan stocks	194,460	79,854	18,029	15,490
Outside Malaysia:				
Shares, warrants and loan stocks	-	33	-	-
Corporate Bonds and Sukuk	4,152,346	4,432,456	-	-
Government Bonds	2,185,941	586,530	-	-
	6,532,747	5,098,873	18,029	15,490
Unquoted securities:				
In Malaysia:				
Shares and loan stocks	353,597	334,722	341,113	320,093
Government Bonds	1,343,430	418,458	1,343,430	418,458
Corporate Bonds and Sukuk	27,063,652	24,329,837	15,286,933	13,149,845
Outside Malaysia:				
Shares	3,806	3,710	-	-
Government Bonds	15,704,130	17,045,506	15,118,709	16,685,586
Corporate Bonds and Sukuk	11,587,315	13,900,631	10,081,686	10,688,034
	56,055,930	56,032,864	42,171,871	41,262,016
Total financial investments at FVOCI	120,706,198	122,393,954	73,551,480	70,663,061

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A10. Financial Investments Portfolio (cont'd.)

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

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

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

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2021	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	34,819	1,718	107,281	143,818
Transferred to Stage 1	836	(836)	-	-
Transferred to Stage 2	(20)	20	-	-
Net remeasurement of allowances	(4,556)	715	25,116	21,275
New financial assets originated or purchased	15,504	-	-	15,504
Financial assets derecognised	(16,007)	-	-	(16,007)
Changes in models/risk parameters	(720)	149	-	(571)
Amount written-off	-	-	(9,849)	(9,849)
Exchange differences	1,423	-	1,819	3,242
At 31 December 2021	31,279	1,766	124,367	157,412

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A10. Financial Investments Portfolio (cont'd.)

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

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

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

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Bank				
As at 31 December 2021	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	16,676	495	71,056	88,227
Transferred to Stage 1	285	(285)	-	-
Net remeasurement of allowances	(965)	-	25,628	24,663
New financial assets originated or purchased	8,257	-	-	8,257
Financial assets derecognised	(7,202)	-	-	(7,202)
Changes in models/risk parameters	(266)	(6)	-	(272)
Exchange differences	663	-	34	697
At 31 December 2021	17,448	204	96,718	114,370

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A10. Financial Investments Portfolio (cont'd.)

(iv) Financial investments at amortised cost

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Money market instruments:				
Malaysian Government Securities	12,357,726	9,639,927	12,357,624	9,639,825
Malaysian Government Investment Issues	24,691,751	19,369,681	9,254,337	8,123,415
Foreign Government Securities	3,488,456	2,247,712	270,289	-
Khazanah Bonds	592,145	870,534	46,262	44,133
Cagamas Bonds	175,710	50,259	50,242	50,259
	41,305,788	32,178,113	21,978,754	17,857,632
Unquoted securities:				
In Malaysia:				
Corporate Bonds and Sukuk	28,496,001	26,113,291	21,158,007	20,523,417
Outside Malaysia:				
Corporate Bonds and Sukuk	1,208,594	2,065,136	2,270,632	3,238,385
Government Bonds	2,244,819	1,303,177	846,006	117,308
	31,949,414	29,481,604	24,274,645	23,879,110
Allowances for impairment losses	(1,498,260)	(1,127,527)	(19,271)	(161,846)
Total financial investments at amortised cost	71,756,942	60,532,190	46,234,128	41,574,896

(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 December 2022				
At 1 January 2022	63,701	3,043	1,060,783	1,127,527
Transferred to Stage 1	46	(46)	-	-
Transferred to Stage 2	(608)	608	-	-
Net remeasurement of allowances	1,597	241	509,887	511,725
New financial assets originated or purchased	6,923	-	-	6,923
Financial assets derecognised	(9,381)	(45)	(136,986)	(146,412)
Changes in models/risk parameters	(567)	-	-	(567)
Exchange differences	(936)	-	-	(936)
At 31 December 2022	60,775	3,801	1,433,684	1,498,260

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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 2021	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	57,578	395,043	95,731	548,352
Transferred to Stage 1	41,742	(41,742)	-	-
Transferred to Stage 2	(256)	256	-	-
Net remeasurement of allowances	(44,940)	1,277	41,255	(2,408)
New financial assets originated or purchased	12,735	-	923,797	936,532
Financial assets derecognised	(9,481)	(352,994)	-	(362,475)
Changes in models/risk parameters	6,491	(43)	-	6,448
Exchange differences	(168)	1,246	-	1,078
At 31 December 2021	63,701	3,043	1,060,783	1,127,527

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

Bank	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2021	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	16,077	163,606	95,731	275,414
Transferred to Stage 1	41,396	(41,396)	-	-
Net remeasurement of allowances	(34,273)	(1,247)	41,255	5,735
New financial assets originated or purchased	9,588	-	-	9,588
Financial assets derecognised	(8,206)	(122,075)	-	(130,281)
Changes in models/risk parameters	142	(43)	-	99
Exchange differences	45	1,246	-	1,291
At 31 December 2021	24,769	91	136,986	161,846

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A11. Loans, Advances and Financing

	Note	Group		Bank	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Loans, advances and financing to financial institutions	(i)	1,361,712	1,048,566	31,304,965	30,836,296
Loans, advances and financing to customers	(ii)	574,025,785	540,839,323	213,831,963	209,286,971
		575,387,497	541,887,889	245,136,928	240,123,267
(i) Loans, advances and financing to financial institutions[^]:					
(A) Loans, advances and financing to financial institutions at amortised cost		1,250,070	947,869	32,798,507	31,569,235
(B) Loans, advances and financing to financial institutions at fair value through other comprehensive income		117,597	109,156	440,406	572,435
Gross loans, advances and financing to financial institutions		1,367,667	1,057,025	33,238,913	32,141,670
Allowances for loans, advances and financing:					
- Stage 1 - 12-month ECL		(5,868)	(8,243)	(18,972)	(29,974)
- Stage 2 - Lifetime ECL not credit impaired		(87)	(216)	(1,228)	(2,138)
- Stage 3 - Lifetime ECL credit impaired		-	-	(1,913,748)	(1,273,262)
Net loans, advances and financing to financial institutions		1,361,712	1,048,566	31,304,965	30,836,296
(ii) Loans, advances and financing to customers:					
(A) Loans, advances and financing to customers at fair value through profit or loss		1,668	15,491	1,668	15,491
(B) Loans, advances and financing to customers at fair value through other comprehensive income		29,898,744	21,653,857	26,414,713	18,728,802
(C) Loans, advances and financing to customers at amortised cost		633,764,987	613,113,365	194,236,286	197,741,786
		663,665,399	634,782,713	220,652,667	216,486,079
Unearned interest and income		(77,911,147)	(82,051,176)	(808,629)	(915,563)
Gross loans, advances and financing to customers		585,754,252	552,731,537	219,844,038	215,570,516
Allowances for loans, advances and financing:					
- Stage 1 - 12-month ECL		(2,000,435)	(1,886,989)	(883,584)	(775,643)
- Stage 2 - Lifetime ECL not credit impaired		(3,329,902)	(3,695,297)	(1,343,859)	(1,412,505)
- Stage 3 - Lifetime ECL credit impaired		(6,398,130)	(6,309,928)	(3,784,632)	(4,095,397)
Net loans, advances and financing to customers		574,025,785	540,839,323	213,831,963	209,286,971
Net loans, advances and financing	(i) & (ii)	575,387,497	541,887,889	245,136,928	240,123,267

[^] Included in the Bank's loans/financing to financial institutions is financing granted to Maybank Islamic Berhad ("MIB"), a subsidiary of the Bank, under a government financing scheme as part of the government support measures in response to COVID-19 pandemic for the purpose of SME lending amounting to RM1,003.5 million (31 December 2021: RM973.3 million), and under the Restricted Profit-Sharing Investment Account ("RPSIA") amounting to RM30,138.8 million net of expected credit losses (31 December 2021: RM29,725.6 million). The RPSIA is a contract based on the Mudharabah principle between two parties financing where the Bank acts as the investor who provides capital to MIB whereas the business venture is managed by MIB as an entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratios. Losses, if any, are borne by the Bank.

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
(iii) Loans, advances and financing to financial institutions and customers				
Loans/financing to financial institutions	1,367,667	1,057,025	33,238,913	32,141,670
Overdrafts/cashline	17,756,331	17,809,595	5,834,436	6,447,758
Term loans:				
- Housing loans/financing	193,701,007	185,322,915	46,344,789	44,671,995
- Syndicated loans/financing	56,349,988	52,118,452	46,756,972	43,522,330
- Hire purchase receivables	83,038,247	76,148,332	9,846,496	10,873,609
- Lease receivables	2,034,794	1,029,886	-	-
- Other loans/financing	205,726,332	207,782,092	54,836,583	59,927,412
Credit card receivables	10,517,219	8,877,535	6,872,769	5,851,168
Bills receivables	5,969,774	6,252,903	5,370,263	5,793,747
Trust receipts	4,345,917	4,207,267	3,660,378	3,507,009
Claims on customers under acceptance credits	11,452,266	10,551,268	5,065,436	4,834,880
Revolving credits	62,208,363	52,871,447	33,162,108	27,947,802
Share margin financing	6,531,112	7,871,901	2,361,531	2,567,777
Staff loans	3,961,950	3,860,282	538,960	539,226
Loans to:				
- Directors of the Bank	5,101	4,019	1,770	1,263
- Directors of subsidiaries	6,761	6,562	175	96
Others	60,237	68,257	1	7
	665,033,066	635,839,738	253,891,580	248,627,749
Unearned interest and income	(77,911,147)	(82,051,176)	(808,629)	(915,563)
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186
Allowances for loans, advances and financing:				
- Stage 1 - 12-month ECL	(2,006,303)	(1,895,232)	(902,556)	(805,617)
- Stage 2 - Lifetime ECL not credit impaired	(3,329,989)	(3,695,513)	(1,345,087)	(1,414,643)
- Stage 3 - Lifetime ECL credit impaired	(6,398,130)	(6,309,928)	(5,698,380)	(5,368,659)
Net loans, advances and financing	575,387,497	541,887,889	245,136,928	240,123,267

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Domestic banking institutions	1,343,013	1,090,278	33,092,908	32,118,949
Domestic non-banking financial institutions	19,762,607	19,985,288	13,139,759	15,651,093
Domestic business enterprises:				
- Small and medium enterprises	71,922,930	67,809,914	24,495,849	27,570,169
- Others	127,808,720	117,257,373	72,728,290	64,111,866
Government and statutory bodies	16,583,958	15,065,405	60,405	102,106
Individuals	293,114,349	277,550,234	64,927,922	65,225,562
Other domestic entities	13,368,408	12,292,479	4,688,532	3,425,920
Foreign entities	43,217,934	42,737,591	39,949,286	39,506,521
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186

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

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Malaysia	364,263,789	340,633,110	155,189,402	154,888,231
Singapore	144,695,517	136,157,869	62,449,296	57,977,104
Indonesia	31,670,365	30,870,702	-	-
Labuan Offshore	10,259,682	11,540,974	10,259,682	11,540,974
Hong Kong SAR	17,324,297	14,367,088	16,999,129	13,861,026
United States of America	493,813	1,126,746	493,813	1,126,159
People's Republic of China	4,892,403	5,306,726	4,892,403	5,306,726
Vietnam	1,636,999	1,954,215	1,152,433	1,224,596
United Kingdom	1,052,385	1,056,921	1,052,385	1,056,921
Brunei	487,659	517,548	487,659	517,548
Cambodia	4,541,390	3,629,703	-	-
Philippines	3,748,979	4,171,922	-	-
Thailand	1,947,892	2,242,137	-	-
Laos	36,921	54,531	36,921	54,531
Myanmar	69,828	158,370	69,828	158,370
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Fixed rate:				
- Housing loans/financing	26,736,931	27,783,089	401,843	424,293
- Hire purchase receivables	61,128,825	57,178,522	8,209,430	9,167,701
- Other fixed rate loans/financing	74,619,200	67,819,622	56,183,519	53,731,713
Variable rate:				
- Base lending/financing rate/ base rate plus	223,618,388	213,944,494	75,825,992	78,167,458
- Cost plus	39,087,461	52,608,877	20,938,621	36,365,974
- Other variable rates	161,931,114	134,453,958	91,523,546	69,855,047
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Purchase of securities	38,039,719	38,584,740	6,952,551	7,552,785
Purchase of transport vehicles	74,233,906	68,721,416	7,663,122	8,838,525
Purchase of landed properties:				
- Residential	164,810,326	149,867,083	46,115,807	43,575,151
- Non-residential	41,281,360	39,236,803	14,971,398	15,537,724
Purchase of fixed assets (excluding landed properties)	3,204,664	3,425,397	2,141,348	2,686,077
Personal use	9,075,444	9,426,126	3,557,514	3,817,592
Credit card	10,610,731	8,987,387	6,893,291	5,883,705
Purchase of consumer durables	5,637	6,031	5,162	5,511
Constructions	14,689,441	17,481,085	7,716,731	10,065,843
Mergers and acquisitions	2,722,043	1,679,119	2,249,790	1,168,183
Working capital	191,823,359	179,145,946	125,137,198	120,876,904
Others	36,625,289	37,227,429	29,679,039	27,704,186
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186

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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 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Within one year	129,449,333	131,580,713	79,080,550	80,486,946
One year to three years	62,679,135	54,245,220	40,540,022	38,560,663
Three years to five years	78,094,060	66,393,177	43,925,512	33,574,289
After five years	316,899,391	301,569,452	89,536,867	95,090,288
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
At 1 January	11,043,533	11,674,491	10,103,703	7,120,298
Impaired during the financial year	4,310,636	4,738,499	2,001,356	6,261,789
Reclassified as non-impaired	(792,624)	(527,676)	(433,128)	(189,905)
Amount recovered	(2,817,825)	(2,229,305)	(1,867,027)	(1,216,200)
Amount written-off	(3,078,763)	(3,052,183)	(2,130,955)	(2,220,193)
Exchange differences	539,902	439,707	531,154	347,914
Gross impaired loans at 31 December	9,204,859	11,043,533	8,205,103	10,103,703
Less: Stage 3 - Lifetime ECL credit impaired	(6,590,207)	(6,426,566)	(5,890,457)	(5,485,297)
Net impaired loans at 31 December	2,614,652	4,616,967	2,314,646	4,618,406

Calculation of ratio of net impaired loans:

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Gross impaired loans at 31 December (excluding financing funded by Investment Account*)	9,145,242	10,979,801	8,205,103	10,103,703
Less: Stage 3 - Lifetime ECL credit impaired	(6,590,207)	(6,426,566)	(5,890,457)	(5,485,297)
Net impaired loans	2,555,035	4,553,235	2,314,646	4,618,406
Gross loans, advances and financing	587,121,919	553,788,562	253,082,951	247,712,186
Less: Funded by Investment Account*	(24,500,981)	(28,720,799)	-	-
Less: Allowances for loans, advances and financing at fair value through other comprehensive income and at amortised cost	(12,078,292)	(12,359,557)	(8,282,624)	(8,045,502)
Net loans, advances and financing	550,542,646	512,708,206	244,800,327	239,666,684
Ratio of net impaired loans	0.46%	0.89%	0.95%	1.93%

* In the books of Maybank Islamic Berhad, a wholly-owned subsidiary of the Bank, the unrestricted investment accounts (net of intercompany balances) as at 31 December 2022 was RM24,501.0 million (31 December 2021: RM28,720.8 million).

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

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Purchase of securities	52,985	66,100	6,792	8,244
Purchase of transport vehicles	291,952	386,319	51,381	58,727
Purchase of landed properties:				
- Residential	751,425	933,740	216,693	295,117
- Non-residential	509,803	415,060	198,830	159,874
Purchase of fixed assets (excluding landed properties)	67,961	544,711	43,646	532,943
Personal use	134,571	165,432	83,441	92,697
Credit card	75,784	61,937	39,515	21,832
Purchase of consumer durables	3,370	3,553	3,368	3,551
Constructions	639,312	1,361,798	366,362	1,288,430
Working capital	6,489,133	6,752,548	7,048,421	7,509,586
Others	188,563	352,335	146,654	132,702
Gross impaired loans, advances and financing	9,204,859	11,043,533	8,205,103	10,103,703

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Malaysia	5,030,783	4,069,286	6,072,338	5,639,384
Singapore	823,840	2,257,333	476,616	1,825,988
Indonesia	1,314,119	1,572,988	-	-
Labuan Offshore	11,079	27,802	11,079	27,802
Hong Kong SAR	1,535,103	1,875,164	1,535,103	1,867,305
United States of America	-	636,443	-	635,855
People's Republic of China	60,218	26,670	60,218	26,670
Vietnam	16,637	19,757	16,580	19,325
Brunei	19,781	61,345	19,781	61,345
Cambodia	110,249	104,582	-	-
Philippines	236,939	359,765	-	-
Thailand	32,723	32,369	-	-
Laos	7,986	29	7,986	29
Myanmar	5,402	-	5,402	-
Gross impaired loans, advances and financing	9,204,859	11,043,533	8,205,103	10,103,703

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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 RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Group				
As at 31 December 2022				
At 1 January 2022	59,713	282,533	116,638	458,884
Transferred to Stage 1	73	(73)	-	-
Transferred to Stage 3	-	(5,738)	5,738	-
Net remeasurement of allowances	18,233	(255,527)	160,768	(76,526)
New financial assets originated or purchased	51,156	2,961	-	54,117
Financial assets derecognised	(10,988)	(3,664)	(93,916)	(108,568)
Amount written-off	-	-	(1,834)	(1,834)
Exchange differences	4,354	8,760	4,683	17,797
At 31 December 2022	122,541	29,252	192,077	343,870
	Stage 1	Stage 2	Stage 3	
	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	Total RM'000
Group				
As at 31 December 2021				
At 1 January 2021	40,781	776,568	73,445	890,794
Transferred to Stage 2	(1,963)	1,963	-	-
Net remeasurement of allowances	(2,092)	(501,922)	41,879	(462,135)
New financial assets originated or purchased	24,190	1,345	-	25,535
Financial assets derecognised	(5,069)	(2,494)	(3)	(7,566)
Changes in models/risk parameters	2,798	(5,124)	-	(2,326)
Exchange differences	1,068	12,197	1,317	14,582
At 31 December 2021	59,713	282,533	116,638	458,884
	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 2022				
At 1 January 2022	57,414	282,531	116,638	456,583
Transferred to Stage 1	73	(73)	-	-
Transferred to Stage 3	-	(5,738)	5,738	-
Net remeasurement of allowances	15,349	(255,527)	160,768	(79,410)
New financial assets originated or purchased	48,606	2,961	-	51,567
Financial assets derecognised	(10,494)	(3,664)	(93,916)	(108,074)
Amount written-off	-	-	(1,834)	(1,834)
Exchange differences	4,325	8,761	4,683	17,769
At 31 December 2022	115,273	29,251	192,077	336,601

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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 RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
Bank				
As at 31 December 2021				
At 1 January 2021	39,122	774,073	73,445	886,640
Transferred to Stage 2	(1,963)	1,963	-	-
Net remeasurement of allowances	(2,226)	(501,922)	41,879	(462,269)
New financial assets originated or purchased	24,144	1,345	-	25,489
Financial assets derecognised	(4,432)	-	(3)	(4,435)
Changes in models/risk parameters	1,713	(5,124)	-	(3,411)
Exchange differences	1,056	12,196	1,317	14,569
At 31 December 2021	57,414	282,531	116,638	456,583

At amortised cost

	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 2022				
At 1 January 2022	1,895,232	3,695,513	6,309,928	11,900,673
Transferred to Stage 1	379,282	(358,894)	(20,388)	-
Transferred to Stage 2	(89,233)	291,116	(201,883)	-
Transferred to Stage 3	(21,269)	(432,157)	453,426	-
Net remeasurement of allowances	(333,933)	214,470	3,216,070	3,096,607
New financial assets originated or purchased	585,174	227,333	-	812,507
Financial assets derecognised	(391,624)	(327,526)	(430,457)	(1,149,607)
Changes in models/risk parameters	(29,367)	(14,751)	(85,144)	(129,262)
Amount written-off	-	-	(3,076,929)	(3,076,929)
Exchange differences	12,041	34,885	233,507	280,433
At 31 December 2022	2,006,303	3,329,989	6,398,130	11,734,422

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

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

At amortised cost (cont'd.)

Group	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2021	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	2,001,054	3,377,097	6,135,332	11,513,483
Transferred to Stage 1	568,185	(521,276)	(46,909)	-
Transferred to Stage 2	(63,690)	130,620	(66,930)	-
Transferred to Stage 3	(15,739)	(405,107)	420,846	-
Net remeasurement of allowances	(667,492)	1,177,562	3,274,612	3,784,682
New financial assets originated or purchased	464,616	277,913	-	742,529
Financial assets derecognised	(347,530)	(343,683)	(438,498)	(1,129,711)
Changes in models/risk parameters	(82,017)	(15,493)	(5,730)	(103,240)
Amount written-off	-	-	(3,052,183)	(3,052,183)
Exchange differences	37,845	17,880	89,388	145,113
At 31 December 2021	1,895,232	3,695,513	6,309,928	11,900,673

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

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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 2021	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 2021	878,676	1,722,427	4,042,643	6,643,746
Transferred to Stage 1	245,303	(224,769)	(20,534)	-
Transferred to Stage 2	(41,939)	72,809	(30,870)	-
Transferred to Stage 3	(4,353)	(382,120)	386,473	-
Net remeasurement of allowances	(274,203)	238,778	2,461,096	2,425,671
New financial assets originated or purchased	177,789	138,616	923,797	1,240,202
Financial assets derecognised	(187,596)	(149,996)	(234,487)	(572,079)
Changes in models/risk parameters	(21,617)	(8,388)	-	(30,005)
Amount written-off	-	-	(2,220,193)	(2,220,193)
Exchange differences	33,557	7,286	60,734	101,577
At 31 December 2021	805,617	1,414,643	5,368,659	7,588,919

A12. Reinsurance/Retakaful Assets and Other Insurance Receivables

	Note	Group	
		31 December 2022 RM'000	31 December 2021 RM'000
Reinsurance/retakaful assets	(i)	5,965,451	6,627,633
Other insurance receivables	(ii)	1,075,559	888,231
		7,041,010	7,515,864

(i) Reinsurance/retakaful assets	Group	
	31 December 2022 RM'000	31 December 2021 RM'000
Reinsurers' share of:	5,425,578	5,531,574
Life insurance contract liabilities	1,608,793	1,482,527
General insurance contract liabilities	3,816,785	4,049,047
Retakaful operators' share of:	539,924	1,096,262
Family takaful certificate liabilities	255,590	234,672
General takaful certificate liabilities	284,334	861,590
Allowances for impairment losses	(51)	(203)
	5,965,451	6,627,633

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

	Group	
	31 December 2022	31 December 2021
(ii) Other insurance receivables	RM'000	RM'000
Due premium including agents/brokers and co-insurers balances	664,327	659,929
Due from reinsurers and cedants/retakaful operators	412,267	228,740
	<u>1,076,594</u>	<u>888,669</u>
Allowances for impairment losses	(iii) (1,035)	(438)
	<u>1,075,559</u>	<u>888,231</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	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Group	RM'000	RM'000	RM'000	RM'000
As at 31 December 2022				
At 1 January 2022	641	-	-	641
Net remeasurement of allowances	1,116	-	-	1,116
Exchange differences	(671)	-	-	(671)
At 31 December 2022	<u>1,086</u>	<u>-</u>	<u>-</u>	<u>1,086</u>

	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
Group	RM'000	RM'000	RM'000	RM'000
As at 31 December 2021				
At 1 January 2021	57,113	-	-	57,113
Net remeasurement of allowances	(57,995)	-	-	(57,995)
Exchange differences	1,523	-	-	1,523
At 31 December 2021	<u>641</u>	<u>-</u>	<u>-</u>	<u>641</u>

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A13. Other Assets

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Other debtors, net of allowances for impairment losses	7,236,100	5,033,283	6,592,721	3,216,537
Amount due from brokers and clients	2,421,721	2,061,444	-	-
Prepayments and deposits	983,587	995,590	326,216	235,873
Tax recoverable	416,790	197,263	282,220	69,620
Foreclosed properties	408,480	357,351	28,500	28,500
	11,466,678	8,644,931	7,229,657	3,550,530

A14. Deposits from Customers

(i) By type of deposit

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Fixed deposits and negotiable instruments of deposits				
- One year or less	288,829,538	233,544,960	147,069,267	127,977,754
- More than one year	8,678,151	12,752,220	1,360,535	420,033
	297,507,689	246,297,180	148,429,802	128,397,787
Money market deposits	76,894,298	75,523,563	10,175,820	14,045,234
Savings deposits	91,065,792	105,162,188	34,263,311	38,181,815
Demand deposits	149,427,315	161,984,702	81,985,228	95,934,030
	614,895,094	588,967,633	274,854,161	276,558,866

(ii) By type of customer

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Business enterprises	277,008,600	253,898,708	158,132,250	156,633,879
Individuals	230,613,145	231,757,428	83,639,653	89,838,354
Government and statutory bodies	52,219,059	50,930,448	13,797,858	12,509,753
Others	55,054,290	52,381,049	19,284,400	17,576,880
	614,895,094	588,967,633	274,854,161	276,558,866

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Within six months	230,952,662	186,915,920	125,929,702	107,535,754
Six months to one year	57,876,876	46,629,040	21,139,565	20,442,000
One year to three years	8,561,099	12,557,566	1,297,992	355,248
Three years to five years	117,052	194,654	62,543	64,785
	297,507,689	246,297,180	148,429,802	128,397,787

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A15. Deposits and Placements from Financial Institutions

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Licensed banks	49,139,318	33,040,036	65,244,035	39,648,349
Licensed finance companies	55,217	58,061	55,217	58,061
Licensed investment banks	878,171	1,065,182	878,171	1,065,182
Other financial institutions	1,821,074	2,419,794	617,021	795,918
	51,893,780	36,583,073	66,794,444	41,567,510

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
One year or less	49,454,866	31,166,943	65,351,189	38,095,733
More than one year	2,438,914	5,416,130	1,443,255	3,471,777
	51,893,780	36,583,073	66,794,444	41,567,510

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Structured deposits	209,827	40,988	209,827	40,988
Borrowings				
Unsecured				
Medium Term Notes				
- More than one year				
Denominated in:				
- USD	8,107,257	10,655,978	8,107,257	10,655,978
Total financial liabilities at fair value through profit or loss	8,317,084	10,696,966	8,317,084	10,696,966

The carrying amounts of both structured deposits and borrowings designated at FVTPL of the Group and of the Bank as at 31 December 2022 were RM211,019,000 (31 December 2021: RM41,001,000) and RM12,742,015,000 (31 December 2021: RM11,741,134,000) respectively. The fair value changes of the financial liabilities at FVTPL that are attributable to the changes in own credit risk are not significant.

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A17. Borrowings, Subordinated Obligations and Capital Securities

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
(i) Borrowings				
Secured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- IDR	636,894	423,655	-	-
	636,894	423,655	-	-
- More than one year				
Denominated in:				
- IDR	1,308,473	1,574,695	-	-
	1,308,473	1,574,695	-	-
Total secured borrowings	1,945,367	1,998,350	-	-
Unsecured				
(a) Borrowings				
- Less than one year				
Denominated in:				
- USD	552,842	1,320,350	221,002	625,800
- CNY	378,352	1,361,245	378,352	1,361,245
- SGD	3,874,228	2,410,865	388,752	1,105,780
- THB	1,422,339	1,691,320	-	-
- HKD	98,517	-	-	-
- IDR	1,667,064	47,181	-	-
- VND	-	56	-	-
- PHP	3,960	3,274	-	-
- JPY	422	-	-	-
- RM	-	247	-	247
	7,997,724	6,834,538	988,106	3,093,072
- More than one year				
Denominated in:				
- USD	214,925	832,823	214,925	-
- IDR	294,855	685,068	-	-
- CNY	220,592	208,669	220,592	208,669
- JPY	-	761	-	-
- RM (Note (a))	2,507,594	2,459,126	2,507,594	2,459,126
	3,237,966	4,186,447	2,943,111	2,667,795

Note (a): Included in the borrowings is the amount received by the Group and the Bank under government financing scheme as part of the government support measure in response amounting to COVID-19 pandemic of RM1,659,006,000 (31 December 2021: RM1,609,126,000) for the purpose of SME lending at a below market rate with a six-year maturity to be repaid on 17 June 2026. The financing under the government scheme is for lending at concession rates to SMEs and for COVID-19 related relief measures.

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

	Group		Bank	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	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	3,802,532	555,727	3,802,532	555,727
- HKD	653,592	1,174,757	653,592	1,174,757
- SGD	687	687	687	687
- JPY	1,556,787	2,312,040	1,556,787	2,312,040
- AUD	116,490	145,376	116,490	145,376
- CNH	533,795	1,726,372	533,795	1,726,372
- CNY	-	664,819	-	664,819
- RM	179,358	359	179,358	359
	6,843,241	6,580,137	6,843,241	6,580,137
- More than one year				
Denominated in:				
- USD	5,660,976	8,640,606	5,660,976	8,640,606
- HKD	1,224,550	1,807,414	1,224,550	1,807,414
- JPY	2,614,635	3,473,520	2,614,635	3,473,520
- AUD	381,549	526,282	381,549	526,282
- CNH	1,829,999	1,501,058	1,829,999	1,501,058
	11,711,709	15,948,880	11,711,709	15,948,880
Total unsecured borrowings	29,790,640	33,550,002	22,486,167	28,289,884
Total borrowings	31,736,007	35,548,352	22,486,167	28,289,884
	Group		Bank	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
(ii) Subordinated Obligations				
Unsecured				
- More than one year				
Denominated in:				
- RM	10,144,534	10,142,389	9,830,233	9,827,722
- IDR	93,855	96,888	-	-
	10,238,389	10,239,277	9,830,233	9,827,722

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

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
(iii) Capital Securities				
Unsecured				
- More than one year				
Denominated in:				
- RM	<u>2,828,817</u>	2,827,832	<u>2,828,817</u>	2,827,832
	<u>2,828,817</u>	2,827,832	<u>2,828,817</u>	2,827,832

A18. Insurance/Takaful Contract Liabilities and Other Insurance Payables

Group	Note	31 December 2022 RM'000	31 December 2021 RM'000
Insurance/takaful contract liabilities	(i)	40,961,598	41,110,740
Other insurance payables	(ii)	953,152	982,875
		<u>41,914,750</u>	<u>42,093,615</u>

(i) Insurance/takaful contract liabilities

	Gross contract liabilities RM'000	Reinsurance/ retakaful assets RM'000	Net contract liabilities RM'000
At 31 December 2022			
Life insurance/family takaful	33,442,868	(1,864,383)	31,578,485
General insurance/general takaful	7,518,730	(4,101,068)	3,417,662
	<u>40,961,598</u>	<u>(5,965,451)</u>	<u>34,996,147</u>
At 31 December 2021			
Life insurance/family takaful	33,054,544	(1,717,199)	31,337,345
General insurance/general takaful	8,056,196	(4,910,434)	3,145,762
	<u>41,110,740</u>	<u>(6,627,633)</u>	<u>34,483,107</u>

(ii) Other insurance payables

	31 December 2022 RM'000	31 December 2021 RM'000
Due to agents and intermediaries	232,310	195,140
Due to reinsurers and cedants	170,880	688,580
Due to retakaful operators	549,962	99,155
	<u>953,152</u>	<u>982,875</u>

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A19. Other Liabilities

	Note	Group		Bank	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Amount due to brokers and clients		6,515,828	6,614,605	-	-
Deposits, other creditors and accruals		10,857,367	10,431,573	8,696,564	7,837,308
Defined benefit pension plans		483,374	554,914	-	-
Provisions for commitments and contingencies		38,880	56,996	28,080	26,196
Allowances for impairment losses on loan commitments and financial guarantee contracts	(i)	454,808	287,372	268,678	184,562
Lease liabilities		1,139,694	1,127,829	543,134	541,348
Structured deposits		7,037,114	2,428,807	264,786	293,108
		26,527,065	21,502,096	9,801,242	8,882,522

(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 December 2022				
At 1 January 2022	127,960	68,815	90,597	287,372
Transferred to Stage 1	7,732	(7,604)	(128)	-
Transferred to Stage 2	(1,990)	2,011	(21)	-
Transferred to Stage 3	(110)	(7,902)	8,012	-
Net remeasurement of allowances	(14,554)	2,541	235,313	223,300
New credit exposures originated or purchased	104,771	27,330	-	132,101
Credit exposures derecognised	(73,506)	(47,814)	(79,166)	(200,486)
Changes in models/risk parameters	515	65	112	692
Exchange differences	11,334	404	91	11,829
At 31 December 2022	162,152	37,846	254,810	454,808
Group	Stage 1	Stage 2	Stage 3	Total
As at 31 December 2021	12-month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	RM'000
At 1 January 2021	97,130	61,222	88,795	247,147
Transferred to Stage 1	10,946	(10,727)	(219)	-
Transferred to Stage 2	(2,714)	2,720	(6)	-
Transferred to Stage 3	(221)	(220)	441	-
Net remeasurement of allowances	(46,292)	(1,440)	16,669	(31,063)
New credit exposures originated or purchased	99,672	42,978	-	142,650
Credit exposures derecognised	(31,514)	(27,174)	(15,291)	(73,979)
Changes in models/risk parameters	495	(176)	(197)	122
Exchange differences	458	1,632	405	2,495
At 31 December 2021	127,960	68,815	90,597	287,372

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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 December 2022				RM'000
At 1 January 2022	67,231	44,662	72,669	184,562
Transferred to Stage 1	3,163	(3,163)	-	-
Transferred to Stage 2	(1,054)	1,054	-	-
Transferred to Stage 3	(5)	(1,183)	1,188	-
Net remeasurement of allowances	(14,684)	(1,374)	146,211	130,153
New credit exposures originated or purchased	65,828	14,215	-	80,043
Credit exposures derecognised	(39,537)	(34,685)	(62,828)	(137,050)
Changes in models/risk parameters	50	-	119	169
Exchange differences	10,155	581	65	10,801
At 31 December 2022	91,147	20,107	157,424	268,678
	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 2021				RM'000
At 1 January 2021	42,445	37,100	84,649	164,194
Transferred to Stage 1	1,110	(1,110)	-	-
Transferred to Stage 2	(2,217)	2,217	-	-
Transferred to Stage 3	-	(50)	50	-
Net remeasurement of allowances	(16,280)	(3,763)	2,135	(17,908)
New credit exposures originated or purchased	59,976	31,944	-	91,920
Credit exposures derecognised	(17,182)	(23,051)	(14,384)	(54,617)
Changes in models/risk parameters	(285)	(2)	-	(287)
Exchange differences	(336)	1,377	219	1,260
At 31 December 2021	67,231	44,662	72,669	184,562

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A20. Other Reserves

The breakdown and movement of other reserves are as follows:

<===== Non-Distributable =====>					
<u>Group</u>	Capital Reserve RM'000	Revaluation Reserve RM'000	Defined Benefit Reserve RM'000	Hedge Reserve RM'000	Total Other Reserves RM'000
At 1 January 2022	12,912	(2,712)	49,423	(360,747)	(301,124)
Other comprehensive income/(loss)	1,085	(443)	30,611	49,699	80,952
Defined benefit plan actuarial gain	-	-	30,611	-	30,611
Cost of hedging for fair value hedge	-	-	-	49,699	49,699
Net gain on capital reserve	1,085	-	-	-	1,085
Net loss on revaluation reserve	-	(443)	-	-	(443)
Total comprehensive income/(loss) for the financial year	1,085	(443)	30,611	49,699	80,952
At 31 December 2022	13,997	(3,155)	80,034	(311,048)	(220,172)

<===== Non-Distributable =====>					
<u>Group</u>	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 2021	12,092	(2,712)	28,069	(350,250)	(312,801)
Other comprehensive income/(loss)	820	-	21,354	(10,497)	11,677
Defined benefit plan actuarial gain	-	-	21,354	-	21,354
Net loss on net investment hedge	-	-	-	(4,687)	(4,687)
Cost of hedging for fair value hedge	-	-	-	(5,810)	(5,810)
Net gain on capital reserve	820	-	-	-	820
Total comprehensive income/(loss) for the financial year	820	-	21,354	(10,497)	11,677
At 31 December 2021	12,912	(2,712)	49,423	(360,747)	(301,124)

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A21. Interest Income

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing (Note (a))	4,486,997	2,960,683	14,772,720	11,800,749
Money at call and deposits and placements with financial institutions	324,618	77,449	675,064	339,253
Financial assets purchased under resale agreements	140,720	13,344	287,148	111,234
Financial assets at FVTPL	214,639	246,002	922,959	1,014,957
Financial investments at FVOCI	922,663	719,761	3,338,306	2,833,927
Financial investments at amortised cost	496,171	336,218	1,834,189	1,281,830
	6,585,808	4,353,457	21,830,386	17,381,950
Amortisation of premiums, net	(39,010)	(58,779)	(202,831)	(176,692)
	6,546,798	4,294,678	21,627,555	17,205,258

Bank	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Loans, advances and financing (Note (a))	2,920,632	1,895,761	9,330,324	7,536,746
Money at call and deposits and placements with financial institutions	436,079	153,642	1,047,102	519,800
Financial assets purchased under resale agreements	113,307	6,230	205,864	33,936
Financial assets at FVTPL	25,866	57,053	182,830	259,819
Financial investments at FVOCI	607,801	454,956	2,139,536	1,869,248
Financial investments at amortised cost	417,447	333,956	1,566,555	1,265,972
	4,521,132	2,901,598	14,472,211	11,485,521
Accretion of discounts, net	46,360	24,712	117,133	125,143
	4,567,492	2,926,310	14,589,344	11,610,664

Included in interest income for the 12 months financial year ended 31 December 2022 was interest on impaired assets amounting to approximately RM227,523,000 (31 December 2021: RM240,935,000) for the Group and RM155,157,000 (31 December 2021: RM174,839,000) for the Bank.

Note (a): There was no significant impact to interest income for the Group and the Bank arising from government support measures to assist borrowers and customers adversely impacted by COVID-19 in order to sustain their business operations for the financial year ended 31 December 2022. The net effect for the previous financial year ended 31 December 2021 was RM20,016,000 for the Group and the Bank.

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A22. Interest Expense

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Deposits and placements from financial institutions	422,270	73,403	846,541	266,302
Deposits from customers	1,841,762	789,627	4,853,173	3,425,736
Obligations on financial assets sold under repurchase agreements	103,861	8,038	207,706	48,225
Borrowings	299,814	173,020	865,760	705,816
Subordinated obligations	115,632	124,145	458,915	482,435
Capital securities	29,159	29,159	115,690	115,690
Structured deposits	55,207	4,905	93,797	19,855
Financial liabilities at FVTPL	159,776	27,653	351,760	107,154
	3,027,481	1,229,950	7,793,342	5,171,213

Bank	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Deposits and placements from financial institutions	499,408	72,482	979,829	250,171
Deposits from customers	1,350,859	477,961	3,375,802	1,921,877
Obligations on financial assets sold under repurchase agreements	196,773	47,839	476,200	170,463
Borrowings	185,251	106,207	537,254	442,097
Subordinated obligations	92,017	98,342	365,082	371,684
Capital securities	29,159	29,159	115,690	115,690
Structured deposits	1,087	1,398	6,007	5,524
Financial liabilities at FVTPL	159,776	27,653	351,760	107,154
	2,514,330	861,041	6,207,624	3,384,660

A23. Net Earned Insurance Premiums

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Gross earned premiums	2,537,281	3,300,101	10,832,957	11,393,382
Premiums ceded to reinsurers	(443,221)	(1,132,530)	(1,855,375)	(2,546,600)
	2,094,060	2,167,571	8,977,582	8,846,782

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A24. Dividends from subsidiaries and associates

	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Bank	RM'000	RM'000	RM'000	RM'000
Gross dividend income from:				
Subsidiaries	71,929	177,919	3,498,346	3,958,663
Associates	499	-	499	896
	72,428	177,919	3,498,845	3,959,559

A25. Other Operating Income

	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Group	RM'000	RM'000	RM'000	RM'000
(a) Fee income:				
Commission	312,141	318,486	1,231,485	1,341,707
Service charges and fees	392,103	398,024	1,474,076	1,537,561
Underwriting fees	13,718	8,006	50,586	52,183
Brokerage income	69,980	106,669	327,807	496,111
Fees on loans, advances and financing	43,252	61,341	258,639	210,627
	831,194	892,526	3,342,593	3,638,189
(b) Investment income:				
Net loss on disposal of financial assets at FVTPL	(250,899)	(105,039)	(624,533)	(18,524)
Net (loss)/gain on disposal of financial investments at FVOCI	(53,309)	44,644	(220,413)	541,888
Net gain/(loss) on redemption of financial investments at amortised cost	442	2	(1,159)	20
Net gain on disposal/change in structure of deemed controlled structured entities	-	-	-	8,571
Net loss on liquidation of a subsidiary	-	-	-	(7,165)
Net loss on dilution of interest in associate	(1,752)	(60,158)	(1,752)	(60,158)
	(305,518)	(120,551)	(847,857)	464,632
(c) Gross dividend income from:				
Financial investments portfolio	54,092	35,231	186,561	162,374
(d) Unrealised gain/(loss) on revaluation of:				
Financial assets designated upon initial recognition at FVTPL	347,483	(65,935)	(526,793)	(764,225)
Financial investments at FVTPL	543,001	28,019	(308,404)	(235,829)
Financial liabilities at FVTPL	96,532	(155,799)	3,550,781	795,287
Derivatives	(656,249)	9,072	(2,785,390)	(146,828)
	330,767	(184,643)	(69,806)	(351,595)
(e) Other income:				
Foreign exchange gain, net	433,665	36,370	823,082	90,976
Realised gain on derivatives	350,282	227,587	896,081	357,056
Realised loss on financial liabilities at FVTPL	-	-	-	(138,277)
Rental income	12,643	11,780	42,479	45,560
(Loss)/gain on disposal of property, plant and equipment	(130)	699	3,999	(103)
Gain on disposal of foreclosed properties	10,440	7,249	22,891	6,037
Fair value adjustments on investments properties	13,637	30,412	13,531	30,301
Others	34,918	55,928	211,823	165,520
	855,455	370,025	2,013,886	557,070
Total other operating income	1,765,990	992,588	4,625,377	4,470,670

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A25. Other Operating Income (cont'd.)

Bank	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
(a) Fee income:				
Commission	240,061	216,219	951,865	869,186
Service charges and fees	221,764	213,662	842,483	853,532
Underwriting fees	6,365	2,426	23,211	10,367
Brokerage income	456	-	962	-
Fees on loans, advances and financing	36,760	31,034	204,502	110,311
	<u>505,406</u>	<u>463,341</u>	<u>2,023,023</u>	<u>1,843,396</u>
(b) Investment income:				
Net gain/(loss) on disposal of financial assets at FVTPL	29,620	(38,718)	(59,077)	(23,659)
Net gain on disposal of financial investments at FVOCI	5,094	26,097	32,567	437,716
Net gain/(loss) on redemption of financial investments at amortised cost	442	10,778	(1,159)	10,796
Net gain on disposal/change in structure of deemed controlled structured entities	-	709	-	34,846
	<u>35,156</u>	<u>(1,134)</u>	<u>(27,669)</u>	<u>459,699</u>
(c) Gross dividend income from:				
Financial investments portfolio	620	620	6,441	6,189
(d) Unrealised (loss)/gain on revaluation of:				
Financial investments at FVTPL	65,710	3,837	8,292	(81,887)
Financial liabilities at FVTPL	96,532	(155,799)	3,550,781	795,287
Derivatives	(432,616)	(7,553)	(2,848,646)	(487,009)
	<u>(270,374)</u>	<u>(159,515)</u>	<u>710,427</u>	<u>226,391</u>
(e) Other income:				
Foreign exchange gain/(loss), net	361,301	(7,852)	687,611	29,733
Realised gain on derivatives	201,724	197,938	717,948	393,493
Realised loss on financial liabilities at FVTPL	-	-	-	(138,277)
Rental income	15,477	14,878	59,813	60,552
Gain/(loss) on disposal of property, plant and equipment	270	(1)	1,015	(1,246)
Others	45,002	34,611	151,127	124,982
	<u>623,774</u>	<u>239,574</u>	<u>1,617,514</u>	<u>469,237</u>
Total other operating income	<u>894,582</u>	<u>542,886</u>	<u>4,329,736</u>	<u>3,004,912</u>

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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	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Gross benefits and claims paid	2,014,463	1,970,915	7,087,583	5,499,316
Claims ceded to reinsurers	(228,339)	(749,950)	(803,311)	(1,135,280)
Gross change to contract liabilities	666,108	1,927,475	(153,705)	4,353,626
Change in contract liabilities ceded to reinsurers	(89,732)	(1,336,073)	750,479	(1,544,320)
Net insurance benefits and claims incurred	2,362,500	1,812,367	6,881,046	7,173,342
Net fee and commission expenses	122,483	61,609	457,621	317,680
Change in expense liabilities	(114,502)	4,224	(120,161)	(21,357)
Taxation of life and takaful fund	93,714	5,465	17,465	6,034
Net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	101,695	71,298	354,925	302,357
Total net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	2,464,195	1,883,665	7,235,971	7,475,699

A27. Overhead Expenses

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	1,629,478	1,315,302	5,798,547	5,202,312
Social security cost	13,560	11,606	50,190	45,670
Retirement costs	200,345	154,171	696,779	621,217
ESGP expenses	20,284	14,102	87,616	98,193
Other staff related expenses	172,914	197,655	870,385	840,786
	2,036,581	1,692,836	7,503,517	6,808,178
(b) Establishment costs				
Depreciation of property, plant and equipment	76,680	76,087	297,091	299,986
Depreciation of right-of-use assets	145,102	108,704	511,365	448,564
Amortisation of intangible assets	64,298	67,648	270,960	282,724
Rental of leasehold land and premises	6,797	7,417	26,552	26,906
Repairs and maintenance of property, plant and equipment	47,656	44,343	187,439	172,773
Information technology expenses	149,785	138,244	699,511	609,215
Finance cost on lease liabilities	12,466	7,906	40,769	41,011
Others	6,505	21,637	23,046	37,340
	509,289	471,986	2,056,733	1,918,519
(c) Marketing expenses				
Advertisement and publicity	100,557	63,180	224,480	163,843
Others	127,371	84,631	447,804	267,005
	227,928	147,811	672,284	430,848

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A27. Overhead Expenses (cont'd.)

Group (cont'd.)	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
(d) Administration and general expenses				
Fees and brokerage	301,178	280,021	1,184,621	1,020,842
Administrative expenses	158,777	148,365	597,855	573,798
General expenses	178,559	207,649	784,980	730,741
Others	(5,141)	6,089	7,098	35,613
	633,373	642,124	2,574,554	2,360,994
Total overhead expenses	3,407,171	2,954,757	12,807,088	11,518,539
Cost to income ratio ("CIR")¹	49.4%	46.9%	46.4%	45.3%

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 IBG Holdings Limited. Income refers to net operating income amount as disclosed on the face of income statements.

Bank	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
(a) Personnel expenses				
Salaries, allowances and bonuses	888,876	664,927	3,046,653	2,683,736
Social security cost	6,957	5,672	24,790	22,855
Retirement costs	132,433	97,878	458,316	402,579
ESGP expenses	10,613	9,195	44,662	53,736
Other staff related expenses	126,949	109,282	480,069	429,693
	1,165,828	886,954	4,054,490	3,592,599
(b) Establishment costs				
Depreciation of property, plant and equipment	19,397	20,219	77,836	89,545
Depreciation of right-of-use assets	29,720	27,262	115,958	110,589
Amortisation of intangible assets	17,727	16,773	73,519	64,499
Rental of leasehold land and premises	1,503	2,506	5,775	7,879
Repairs and maintenance of property, plant and equipment	27,245	21,415	97,855	84,737
Information technology expenses	291,019	231,228	1,083,145	932,454
Finance cost on lease liabilities	3,443	3,133	14,315	13,021
Others	4,374	3,501	14,655	9,321
	394,428	326,037	1,483,058	1,312,045
(c) Marketing expenses				
Advertisement and publicity	46,201	34,526	98,393	77,572
Others	87,178	48,710	299,577	124,891
	133,379	83,236	397,970	202,463
(d) Administration and general expenses				
Fees and brokerage	225,300	182,579	803,518	654,053
Administrative expenses	65,996	35,952	228,735	174,003
General expenses	102,711	85,235	330,469	302,638
Others	(7,578)	607	(4,652)	4,928
	386,429	304,373	1,358,070	1,135,622
(e) Overhead expenses allocated to subsidiaries, net	(441,611)	(347,540)	(1,541,533)	(1,219,834)
Total overhead expenses	1,638,453	1,253,060	5,752,055	5,022,895
Cost to income ratio ("CIR")²	54.3%	45.0%	35.5%	33.1%

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

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A28. Allowances for/(writeback of) Impairment Losses on Loans, Advances, Financing and Other Debts, net

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Allowances for/(writeback of) impairment losses on loans, advances and financing:				
- Stage 1 - 12-month ECL, net	(205,303)	(320,410)	(94,123)	(590,235)
- Stage 2 - Lifetime ECL not credit impaired, net	128,961	(1,061,593)	(174,582)	602,292
- Stage 3 - Lifetime ECL credit impaired, net	562,899	1,604,022	2,923,580	2,873,441
Bad debts and financing written-off	27,379	33,886	86,932	83,094
Bad debts and financing recovered	(206,781)	(102,506)	(563,382)	(324,721)
Allowances for impairment losses on other debts	1,596	3,884	10,886	14,670
	308,751	157,283	2,189,311	2,658,541

Bank	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Allowances for/(writeback of) impairment losses on loans, advances and financing:				
- Stage 1 - 12-month ECL, net	(175,101)	(164,962)	79,991	(260,199)
- Stage 2 - Lifetime ECL not credit impaired, net	(17,488)	(1,409,379)	(311,032)	(281,563)
- Stage 3 - Lifetime ECL credit impaired, net	285,183	2,442,578	2,429,079	3,180,033
Bad debts and financing written-off	11,334	23,721	58,021	56,589
Bad debts and financing recovered	(153,236)	(51,597)	(359,802)	(141,920)
(Writeback of)/allowances for impairment losses on other debts	(843)	119	(697)	1,444
	(50,151)	840,480	1,895,560	2,554,384

A29. (Writeback of)/allowances for Impairment Losses on Financial Investments, net

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	2,045	1,682	(1,098)	(5,779)
- Stage 2 - Lifetime ECL not credit impaired, net	3,272	(146)	5,588	864
- Stage 3 - Lifetime ECL credit impaired, net	(145,232)	8,936	147,225	25,116
Net	(139,915)	10,472	151,715	20,201
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	(6,489)	(39,770)	(1,428)	(35,195)
- Stage 2 - Lifetime ECL not credit impaired, net	(608)	(427,181)	196	(351,760)
- Stage 3 - Lifetime ECL credit impaired, net	(23,911)	921,614	372,901	965,052
Net	(31,008)	454,663	371,669	578,097
	(170,923)	465,135	523,384	598,298

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A29. (Writeback of)/allowances for Impairment Losses on Financial Investments, net (cont'd.)

	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Bank	RM'000	RM'000	RM'000	RM'000
Financial investments at fair value through other comprehensive income				
- Stage 1 - 12-month ECL, net	(23)	1,122	(731)	(176)
- Stage 2 - Lifetime ECL not credit impaired, net	2,983	67	2,971	(6)
- Stage 3 - Lifetime ECL credit impaired, net	(138,196)	9,033	43,201	25,628
Net	<u>(135,236)</u>	<u>10,222</u>	<u>45,441</u>	<u>25,446</u>
Financial investments at amortised cost				
- Stage 1 - 12-month ECL, net	(3,845)	(34,418)	(5,381)	(32,749)
- Stage 2 - Lifetime ECL not credit impaired, net	(222)	3,815	(267)	(123,365)
- Stage 3 - Lifetime ECL credit impaired, net	-	(2,183)	(136,986)	41,255
Net	<u>(4,067)</u>	<u>(32,786)</u>	<u>(142,634)</u>	<u>(114,859)</u>
	<u>(139,303)</u>	<u>(22,564)</u>	<u>(97,193)</u>	<u>(89,413)</u>

A30. (Writeback of)/allowances for Impairment Losses on Other Financial Assets, Interest in Associate and Goodwill, net

	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Group	RM'000	RM'000	RM'000	RM'000
(a) Other financial assets				
Cash and short-term funds				
- Stage 1 - 12-month ECL, net	(2,808)	3,664	(1,250)	7,031
Net	<u>(2,808)</u>	<u>3,664</u>	<u>(1,250)</u>	<u>7,031</u>
Deposits and placements with financial institutions				
- Stage 1 - 12-month ECL, net	(1,883)	1,689	(11,611)	(1,453)
Net	<u>(1,883)</u>	<u>1,689</u>	<u>(11,611)</u>	<u>(1,453)</u>
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	(4,403)	243	(2,899)	60
Net	<u>(4,403)</u>	<u>243</u>	<u>(2,899)</u>	<u>60</u>
Reinsurance/retakaful assets and other insurance receivables				
- Stage 1 - 12-month ECL, net	986	(27,826)	1,116	(57,995)
Net	<u>986</u>	<u>(27,826)</u>	<u>1,116</u>	<u>(57,995)</u>
Other assets				
- Stage 1 - 12-month ECL, net	(896)	871	213	348
- Stage 2 - Lifetime ECL not credit impaired	(2)	9	(11)	12
- Stage 3 - Lifetime ECL credit impaired	3,735	14,258	27,632	(28,463)
Net	<u>2,837</u>	<u>15,138</u>	<u>27,834</u>	<u>(28,103)</u>
Statutory deposit with central banks				
- Stage 1 - 12-month ECL, net	419	(442)	1,678	(462)
Net	<u>419</u>	<u>(442)</u>	<u>1,678</u>	<u>(462)</u>
	<u>(4,852)</u>	<u>(7,534)</u>	<u>14,868</u>	<u>(80,922)</u>
(b) Interest in associate				
Impairment on interest in associate	<u>58,000</u>	<u>-</u>	<u>58,000</u>	<u>-</u>
(c) Goodwill				
Impairment of goodwill	<u>-</u>	<u>53,529</u>	<u>-</u>	<u>53,529</u>
	<u>53,148</u>	<u>45,995</u>	<u>72,868</u>	<u>(27,393)</u>

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A30. (Writeback of)/allowances for Impairment Losses on Other Financial Assets, Interest in Associate and Goodwill, net (cont'd.)

	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
Bank	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
(a) Other financial assets				
Cash and short-term funds				
- Stage 1 - 12-month ECL, net	78	3,722	(3,187)	5,267
Net	<u>78</u>	<u>3,722</u>	<u>(3,187)</u>	<u>5,267</u>
Deposits and placements with financial institutions				
- Stage 1 - 12-month ECL, net	1,672	(544)	(2,267)	383
Net	<u>1,672</u>	<u>(544)</u>	<u>(2,267)</u>	<u>383</u>
Financial assets purchased under resale agreements				
- Stage 1 - 12-month ECL, net	(2,030)	(55)	692	(1,575)
Net	<u>(2,030)</u>	<u>(55)</u>	<u>692</u>	<u>(1,575)</u>
Other assets				
- Stage 3 - Lifetime ECL credit impaired	4,142	892	25,276	(45,426)
Net	<u>4,142</u>	<u>892</u>	<u>25,276</u>	<u>(45,426)</u>
	<u>3,862</u>	4,015	<u>20,514</u>	<u>(41,351)</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 businesses.

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

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

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

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

(ii) Group Investment Banking

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

(iii) Group Asset Management

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

(c) Group Insurance and Takaful

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

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

Twelve-Month Ended 31 December 2022	<===== Business Segments =====>						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	Head Office and Others RM'000	
Net interest income/(loss):							
- External	7,876,535	4,155,852	371,027	175	1,428,011	2,613	13,834,213
- Inter-segment	-	-	(49,441)	2,778	73,497	(26,834)	-
	<u>7,876,535</u>	<u>4,155,852</u>	<u>321,586</u>	<u>2,953</u>	<u>1,501,508</u>	<u>(24,221)</u>	<u>13,834,213</u>
Net interest income/(loss)	7,876,535	4,155,852	321,586	2,953	1,501,508	(24,221)	13,834,213
Income/(loss) from IBS operations	5,482,735	2,090,691	47,414	-	-	(206,974)	7,413,866
Net earned insurance premiums	-	-	-	-	8,977,582	-	8,977,582
Other operating income/(loss)	3,009,857	2,672,436	824,357	100,440	(1,326,216)	(655,497)	4,625,377
Total operating income/(loss)	<u>16,369,127</u>	<u>8,918,979</u>	<u>1,193,357</u>	<u>103,393</u>	<u>9,152,874</u>	<u>(886,692)</u>	<u>34,851,038</u>
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	-	-	-	-	(7,524,927)	288,956	(7,235,971)
Net operating income/(loss)	<u>16,369,127</u>	<u>8,918,979</u>	<u>1,193,357</u>	<u>103,393</u>	<u>1,627,947</u>	<u>(597,736)</u>	<u>27,615,067</u>
Overhead expenses	<u>(8,524,157)</u>	<u>(2,119,660)</u>	<u>(1,012,585)</u>	<u>(72,984)</u>	<u>(1,077,702)</u>	<u>-</u>	<u>(12,807,088)</u>
Operating profit/(loss) before impairment losses (Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net	<u>7,844,970</u>	<u>6,799,319</u>	<u>180,772</u>	<u>30,409</u>	<u>550,245</u>	<u>(597,736)</u>	<u>14,807,979</u>
Allowances for impairment losses on financial investments, net	<u>(656,521)</u>	<u>(1,525,146)</u>	<u>3,200</u>	<u>102</u>	<u>(10,946)</u>	<u>-</u>	<u>(2,189,311)</u>
(Allowances for)/writeback of impairment losses on on other financial assets, interest in associate and goodwill, net	<u>(48)</u>	<u>(417,511)</u>	<u>-</u>	<u>-</u>	<u>(105,825)</u>	<u>-</u>	<u>(523,384)</u>
	<u>(57,624)</u>	<u>(16,808)</u>	<u>(1,238)</u>	<u>4</u>	<u>2,798</u>	<u>-</u>	<u>(72,868)</u>
Operating profit/(loss)	<u>7,130,777</u>	<u>4,839,854</u>	<u>182,734</u>	<u>30,515</u>	<u>436,272</u>	<u>(597,736)</u>	<u>12,022,416</u>
Share of (losses)/profits in associates and joint ventures	<u>(24,990)</u>	<u>156,434</u>	<u>(594)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>130,850</u>
Profit/(loss) before taxation and zakat	<u>7,105,787</u>	<u>4,996,288</u>	<u>182,140</u>	<u>30,515</u>	<u>436,272</u>	<u>(597,736)</u>	<u>12,153,266</u>
Taxation and zakat							<u>(3,780,264)</u>
Profit after taxation and zakat							<u>8,373,002</u>
Non-controlling interests							<u>(138,053)</u>
Profit for the financial year attributable to equity holders of the Bank							<u>8,234,949</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	
Twelve-Month Ended 31 December 2022 (cont'd.)							
Included in other operating income are:							
Fee income:							
Commission	1,289,273	109,006	68,429	21,846	-	(257,069)	1,231,485
Service charges and fees	905,450	242,806	171,529	120,977	2,163	31,151	1,474,076
Underwriting fees	-	23,211	30,563	-	-	(3,188)	50,586
Brokerage income	962	-	326,845	-	-	-	327,807
Fees on loans, advances and financing	51,536	208,495	2,611	-	-	(4,003)	258,639
Fee income from IBS operations	364,688	102,191	42,539	-	-	3,276	512,694
Included in overhead expenses are:							
Depreciation of property, plant and equipment	(192,993)	(48,505)	(31,427)	(435)	(23,731)	-	(297,091)
Depreciation of right-of-use assets	(335,182)	(90,367)	(59,826)	(3,472)	(22,518)	-	(511,365)
Amortisation of intangible assets	(187,960)	(50,456)	(3,205)	(340)	(28,999)	-	(270,960)

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

Twelve-Month Ended 31 December 2021	<===== Business Segments =====>						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	Head Office and Others RM'000	
Net interest income/(loss):							
- External	7,031,576	4,152,026	316,385	202	1,317,978	(784,122)	12,034,045
- Inter-segment	-	-	(11,566)	2,202	57,967	(48,603)	-
	7,031,576	4,152,026	304,819	2,404	1,375,945	(832,725)	12,034,045
Net interest income/(loss)	7,031,576	4,152,026	304,819	2,404	1,375,945	(832,725)	12,034,045
Income from IBS operations	4,235,520	1,980,925	55,849	-	-	1,300,305	7,572,599
Net earned insurance premiums	-	-	-	-	8,846,782	-	8,846,782
Other operating income/(loss)	2,785,640	2,039,806	1,194,658	117,414	(562,373)	(1,104,475)	4,470,670
Total operating income/(loss)	14,052,736	8,172,757	1,555,326	119,818	9,660,354	(636,895)	32,924,096
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	-	-	-	-	(7,752,187)	276,488	(7,475,699)
Net operating income/(loss)	14,052,736	8,172,757	1,555,326	119,818	1,908,167	(360,407)	25,448,397
Overhead expenses	(7,461,089)	(1,914,936)	(989,386)	(146,036)	(1,007,092)	-	(11,518,539)
Operating profit/(loss) before impairment losses	6,591,647	6,257,821	565,940	(26,218)	901,075	(360,407)	13,929,858
Allowances for impairment losses on loans, advances, financing and other debts, net	(839,549)	(1,809,672)	(5,514)	(69)	(3,737)	-	(2,658,541)
(Allowances for)/writeback of impairment losses on financial investments, net	-	(598,602)	-	-	304	-	(598,298)
Writeback of/(allowances for) impairment losses on other financial assets, interest in associate and goodwill, net	725	37,700	(25,179)	(20,168)	34,315	-	27,393
Operating profit/(loss)	5,752,823	3,887,247	535,247	(46,455)	931,957	(360,407)	10,700,412
Share of (losses)/profits in associates and joint ventures	(4,095)	187,536	2,742	-	-	-	186,183
Profit/(loss) before taxation and zakat	5,748,728	4,074,783	537,989	(46,455)	931,957	(360,407)	10,886,595
Taxation and zakat							(2,565,080)
Profit after taxation and zakat							8,321,515
Non-controlling interests							(225,286)
Profit for the financial year attributable to equity holders of the Bank							8,096,229

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A31. Segment Information (cont'd.)

By business segments (cont'd.)

Twelve-Month Ended 31 December 2021 (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		
Included in other operating income are:								
Fee income:								
Commission	1,262,826	100,733	92,537	47,637	-	(162,026)		1,341,707
Service charges and fees	883,241	314,214	274,845	147,088	52,900	(134,727)		1,537,561
Underwriting fees	-	10,367	41,816	-	-	-		52,183
Brokerage income	-	-	496,111	-	-	-		496,111
Fees on loans, advances and financing	68,298	147,885	1,617	-	-	(7,173)		210,627
Fee income from IBS operations	312,956	130,151	53,871	-	-	7,481		504,459
Included in overhead expenses are:								
Depreciation of property, plant and equipment	(194,237)	(49,198)	(33,419)	(499)	(22,633)	-		(299,986)
Depreciation of right-of-use assets	(274,760)	(98,194)	(49,559)	(3,909)	(22,142)	-		(448,564)
Amortisation of intangible assets	(194,161)	(52,542)	(5,418)	-	(30,603)	-		(282,724)

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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 2021.

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 fourth quarter and 12 months financial year ended 31 December 2022.

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 December 2022			As at 31 December 2021		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
<u>Contingent liabilities</u>						
Direct credit substitutes	12,624,792	11,792,332	6,488,154	11,386,443	9,619,014	6,400,730
Certain transaction-related contingent items	14,534,071	7,370,135	3,999,055	14,816,515	7,262,583	4,741,385
Short-term self-liquidating trade-related contingencies	7,143,351	1,067,336	601,663	2,952,705	890,772	645,486
	34,302,214	20,229,803	11,088,872	29,155,663	17,772,369	11,787,601
<u>Commitments</u>						
Irrevocable commitments to extend credit:						
- Maturity within one year	142,217,444	13,893,627	3,697,325	129,335,651	13,257,239	3,931,088
- Maturity exceeding one year	40,319,358	64,801,259	29,833,459	39,274,129	59,103,741	27,255,730
	182,536,802	78,694,886	33,530,784	168,609,780	72,360,980	31,186,818
Miscellaneous commitments and contingencies	11,205,013	1,060,766	60,300	12,253,800	650,577	372,009
Total credit-related commitments and contingencies	228,044,029	99,985,455	44,679,956	210,019,243	90,783,926	43,346,428
<u>Derivative financial instruments</u>						
Foreign exchange related contracts:						
- Less than one year	592,564,361	8,289,850	1,540,396	406,901,770	5,124,226	1,439,215
- One year to less than five years	31,244,650	1,791,523	1,037,341	32,254,202	2,283,685	818,744
- Five years and above	7,950,665	997,186	700,553	7,414,755	981,044	449,263
	631,759,676	11,078,559	3,278,290	446,570,727	8,388,955	2,707,222
Interest rate related contracts:						
- Less than one year	173,030,838	68,376	50,099	131,875,702	115,485	76,531
- One year to less than five years	307,593,840	1,454,413	925,605	244,244,756	1,012,901	533,451
- Five years and above	177,013,049	2,877,381	1,430,600	133,976,298	2,407,964	1,755,954
	657,637,727	4,400,170	2,406,304	510,096,756	3,536,350	2,365,936

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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 December 2022			As at 31 December 2021		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
Group (cont'd.)						
<u>Derivative financial instruments (cont'd.)</u>						
Equity and commodity related contracts:						
- Less than one year	6,551,126	406,085	112,334	7,599,599	557,541	186,778
- One year to less than five years	2,246,767	166,111	47,112	1,916,907	213,117	80,496
	8,797,893	572,196	159,446	9,516,506	770,658	267,274
Credit related contracts:						
- Less than one year	57,489	-	-	40,813	-	-
- One year to less than five years	9,384	-	-	-	-	-
	66,873	-	-	40,813	-	-
Total treasury-related commitments and contingencies	1,298,262,169	16,050,925	5,844,040	966,224,802	12,695,963	5,340,432
Total commitments and contingencies	1,526,306,198	116,036,380	50,523,996	1,176,244,045	103,479,889	48,686,860
	As at 31 December 2022			As at 31 December 2021		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
Bank						
<u>Contingent liabilities</u>						
Direct credit substitutes	8,970,256	8,417,835	4,113,690	7,968,344	6,834,520	4,452,694
Certain transaction-related contingent items	10,397,750	5,393,107	2,815,646	11,208,136	5,453,689	3,494,294
Short-term self-liquidating trade-related contingencies	6,278,940	879,558	506,456	2,038,008	639,758	474,809
	25,646,946	14,690,500	7,435,792	21,214,488	12,927,967	8,421,797
<u>Commitments</u>						
Irrevocable commitments to extend credit:						
- Maturity within one year	88,867,814	6,476,767	1,341,339	81,611,263	6,463,689	1,502,091
- Maturity exceeding one year	17,659,753	39,595,776	20,129,633	18,805,027	35,418,448	18,005,342
	106,527,567	46,072,543	21,470,972	100,416,290	41,882,137	19,507,433
Miscellaneous commitments and contingencies	9,748,609	1,426,290	117,630	7,930,317	923,855	426,129
Total credit-related commitments and contingencies	141,923,122	62,189,333	29,024,394	129,561,095	55,733,959	28,355,359
<u>Derivative financial instruments</u>						
Foreign exchange related contracts:						
- Less than one year	579,667,448	8,110,780	1,390,769	398,004,700	4,821,371	1,324,841
- One year to less than five years	30,208,110	1,678,805	927,325	32,658,597	2,072,603	664,243
- Five years and above	7,436,048	979,354	676,602	6,574,929	853,229	378,197
	617,311,606	10,768,939	2,994,696	437,238,226	7,747,203	2,367,281

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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 December 2022			As at 31 December 2021		
	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000	Full commitment RM'000	Credit equivalent amount* RM'000	Risk- weighted amount* RM'000
Bank (cont'd.)						
<u>Derivative financial instruments (cont'd.)</u>						
Interest rate related contracts:						
- Less than one year	171,421,796	60,216	23,752	131,208,314	55,878	39,177
- One year to less than five years	309,390,096	1,426,533	604,151	244,654,457	903,682	435,953
- Five years and above	177,013,048	2,871,441	1,427,107	132,982,456	2,407,679	1,755,705
	657,824,940	4,358,190	2,055,010	508,845,227	3,367,239	2,230,835
Equity and commodity related contracts:						
- Less than one year	3,186,036	262,117	81,430	3,577,332	380,774	153,304
- One year to less than five years	2,246,767	166,111	47,112	1,916,907	213,117	80,496
	5,432,803	428,228	128,542	5,494,239	593,891	233,800
Credit related contracts:						
- Less than one year	57,489	-	-	40,813	-	-
- One year to less than five years	9,384	-	-	-	-	-
	66,873	-	-	40,813	-	-
Total treasury-related commitments and contingencies	1,280,636,222	15,555,357	5,178,248	951,618,505	11,708,333	4,831,916
Total commitments and contingencies	1,422,559,344	77,744,690	34,202,642	1,081,179,600	67,442,292	33,187,275

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

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

Market Risk

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

Credit Risk

Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Bank and certain subsidiaries have a gain position. As at 31 December 2022, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM24,686.8 million (31 December 2021: RM12,757.5 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 9 December 2020 issued the Capital Adequacy Framework (Capital Components) and Capital Adequacy Framework for Islamic Banks (Capital Components) on the computation of capital and capital adequacy ratios for Conventional banks and Islamic banks respectively. All financial institutions shall hold and maintain at all times, the following minimum capital adequacy ratios:

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 9 December 2020 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

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

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

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

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ended 31 December 2022 (2021: 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 9 December 2020 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 3 May 2019. The total RWA are computed based on the following approaches:

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ended 31 December 2022 (2021: 4.5%, 6.0% and 8.0% of total RWA).

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

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

The minimum regulatory capital adequacy requirement for PT Bank Maybank Indonesia Tbk for the financial year ended 31 December 2022 is 9% up to less than 10% (2021: 9% up to less than 10%) of total RWA.

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

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

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 6.5%, 8.0% and 10.0% of total RWA for the financial year ended 31 December 2022 (2021: 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 2022, the Bank has declared a single-tier second interim cash dividend of 30.0 sen per ordinary share subsequent to financial year end.

In arriving the capital adequacy ratios for the financial year ended 31 December 2022, the single-tier second interim cash dividend has not 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 December 2022	31 December 2021	31 December 2022	31 December 2021
CET1 Capital Ratio	15.669%	16.090%	15.264%	15.462%
Tier 1 Capital Ratio	16.376%	16.810%	16.045%	16.223%
Total Capital Ratio	19.080%	19.518%	18.635%	18.785%

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A36. Capital Adequacy (cont'd.)

(d) Components of capital:

	Group		Bank	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
CET1 Capital				
Share capital	54,619,344	53,156,473	54,619,344	53,156,473
Retained profits ¹	22,007,168	22,116,695	14,937,554	15,237,128
Other reserves ¹	1,349,642	2,375,413	3,018,421	4,144,604
Qualifying non-controlling interests	113,735	114,198	-	-
CET1 Capital before regulatory adjustments	<u>78,089,889</u>	<u>77,762,779</u>	<u>72,575,319</u>	<u>72,538,205</u>
Less: Regulatory adjustments applied on CET1 Capital:				
Capital:	(14,065,528)	(12,682,495)	(37,380,391)	(35,974,034)
Deferred tax assets	(2,169,271)	(1,411,183)	(1,099,262)	(468,101)
Goodwill	(5,583,795)	(5,613,782)	(81,015)	(81,015)
Other intangibles	(993,569)	(894,736)	(344,781)	(325,666)
Gains on financial instruments classified as 'fair value through other comprehensive income'	(61,980)	(371,487)	(36,096)	(301,887)
Regulatory reserve	(2,465,059)	(1,315,261)	(1,549,033)	(1,180,201)
Investment in ordinary shares of unconsolidated financial and insurance/takaful entities ²	(2,791,854)	(3,076,046)	(34,270,204)	(33,617,164)
Total CET1 Capital	64,024,361	65,080,284	35,194,928	36,564,171
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	90,601	113,077	-	-
Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	-	(1,000,000)	(1,000,000)
Total Tier 1 Capital	66,914,962	67,993,361	36,994,928	38,364,171
Tier 2 Capital				
Subordinated obligations	9,700,000	9,700,000	9,700,000	9,700,000
Qualifying CET1, Additional Tier 1 and Tier 2 Capital instruments held by third parties	35,759	41,180	-	-
General provisions ³	273,100	239,683	36,059	28,571
Surplus of total eligible provision over total expected loss	1,730,272	1,663,655	1,028,820	1,025,761
Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(691,000)	(691,000)	(4,791,418)	(4,696,676)
Total Tier 2 Capital	11,048,131	10,953,518	5,973,461	6,057,656
Total Capital	77,963,093	78,946,879	42,968,389	44,421,827

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 and (ii) Maybank International (L) Ltd. of RM10,289,000 as its assets are included in the Bank's RWA. For the Group, the regulatory adjustment includes carrying amount of associates and investment in insurance and takaful entities.

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

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A36. Capital Adequacy (cont'd.)

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

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

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

	Maybank Islamic Berhad	Maybank Investment Bank Berhad	PT Bank Maybank Indonesia Tbk	Maybank Singapore Limited
<u>At 31 December 2022</u>				
CET1 Capital Ratio	14.100%	27.260%	-	14.178%
Tier 1 Capital Ratio	15.171%	27.260%	-	14.178%
Total Capital Ratio	17.844%	29.468%	26.648%	18.327%
<u>At 31 December 2021</u>				
CET1 Capital Ratio	15.981%	26.457%	-	13.338%
Tier 1 Capital Ratio	17.173%	26.457%	-	13.338%
Total Capital Ratio	20.077%	28.325%	26.917%	17.298%

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A36. Capital Adequacy (cont'd.)

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

At 31 December 2022

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

At 31 December 2021

	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	52,579,597	21,873,056	2,192,197	692,518	24,313,438	15,833,548
Internal Ratings-Based Approach exposure after scaling factor	277,275,891	170,960,253	83,621,226	-	-	26,226,433
Credit valuation adjustment	-	-	-	-	-	40,677
Total RWA for credit risk	329,855,488	192,833,309	85,813,423	692,518	24,313,438	42,100,658
Total RWA for credit risk absorbed by Maybank and Investment Account Holders*	-	-	(12,759,358)	-	-	-
Total RWA for market risk	30,188,261	22,637,025	1,316,769	956,325	794,836	11,139
Total RWA for operational risk	44,431,300	21,010,913	9,507,656	977,452	5,714,900	3,580,829
Total RWA	404,475,049	236,481,247	83,878,490	2,626,295	30,823,174	45,692,626

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

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

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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 2021</u>		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	52,383,104	302,518	(267,344)	36,270,399	230,913	(210,434)
- One year to three years	1,368,972	37,563	(15,412)	1,292,477	37,563	(15,412)
- More than three years	4,443,362	16,814	(20,326)	3,237,237	16,814	(20,326)
	<u>58,195,438</u>	<u>356,895</u>	<u>(303,082)</u>	<u>40,800,113</u>	<u>285,290</u>	<u>(246,172)</u>
Currency swaps:						
- Less than one year	334,544,842	1,422,674	(1,758,763)	343,545,168	1,434,155	(1,740,320)
- One year to three years	84,540	96	-	84,540	96	-
	<u>334,629,382</u>	<u>1,422,770</u>	<u>(1,758,763)</u>	<u>343,629,708</u>	<u>1,434,251</u>	<u>(1,740,320)</u>
Currency spots:						
- Less than one year	2,787,249	2,845	(4,455)	2,351,579	2,915	(3,264)
Currency options:						
- Less than one year	4,263,239	41,533	(12,729)	4,264,155	41,510	(12,638)
- One year to three years	2,928,432	36,278	(62,034)	4,472,729	36,278	(51,794)
- More than three years	434,595	60	(60)	434,595	60	(60)
	<u>7,626,266</u>	<u>77,871</u>	<u>(74,823)</u>	<u>9,171,479</u>	<u>77,848</u>	<u>(64,492)</u>
Cross currency interest rate swaps ¹ :						
- Less than one year	8,699,273	122,232	(231,409)	7,349,336	101,589	(219,613)
- One year to three years	14,357,194	320,927	(301,169)	13,232,126	281,420	(295,644)
- More than three years	9,828,580	97,311	(72,747)	10,256,540	104,367	(70,192)
	<u>32,885,047</u>	<u>540,470</u>	<u>(605,325)</u>	<u>30,838,002</u>	<u>487,376</u>	<u>(585,449)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps ² :						
- Less than one year	115,941,022	257,333	(840,725)	116,356,648	256,095	(839,789)
- One year to three years	132,517,351	976,201	(1,099,843)	132,453,526	946,461	(1,092,720)
- More than three years	220,803,025	6,453,389	(5,074,187)	220,782,561	6,588,296	(5,071,126)
	<u>469,261,398</u>	<u>7,686,923</u>	<u>(7,014,755)</u>	<u>469,592,735</u>	<u>7,790,852</u>	<u>(7,003,635)</u>
Interest rate futures:						
- Less than one year	15,308,880	310,590	(385,647)	14,225,866	309,504	(385,647)
- One year to three years	10,333,256	3,364	(2,870)	9,833,404	2,824	(2,870)
	<u>25,642,136</u>	<u>313,954</u>	<u>(388,517)</u>	<u>24,059,270</u>	<u>312,328</u>	<u>(388,517)</u>
Interest rate options:						
- One year to three years	1,038,434	15,728	-	1,038,434	15,728	-
- More than three years	11,415,453	1,829,292	(2,203,322)	11,415,453	1,829,292	(2,203,322)
	<u>12,453,887</u>	<u>1,845,020</u>	<u>(2,203,322)</u>	<u>12,453,887</u>	<u>1,845,020</u>	<u>(2,203,322)</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 December 2021 (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	1,993,390	207,356	(87,769)	-	-	-
Equity swaps:						
- Less than one year	2,028,877	46,295	(63,362)	-	-	-
<u>Commodity related contracts</u>						
Commodity options:						
- Less than one year	3,535,516	245,936	(245,936)	3,535,516	245,936	(245,936)
- One year to three years	1,891,668	173,476	(173,476)	1,891,668	173,476	(173,476)
	<u>5,427,184</u>	<u>419,412</u>	<u>(419,412)</u>	<u>5,427,184</u>	<u>419,412</u>	<u>(419,412)</u>
Commodity swaps:						
- Less than one year	41,816	5,876	(5,532)	41,816	5,876	(5,532)
- One year to three years	25,239	2,767	(2,461)	25,239	2,767	(2,461)
	<u>67,055</u>	<u>8,643</u>	<u>(7,993)</u>	<u>67,055</u>	<u>8,643</u>	<u>(7,993)</u>
<u>Credit-related contract</u>						
Credit default swaps						
- Less than one year	40,813	468	(807)	40,813	468	(807)
Hedging derivatives						
<u>Foreign exchange related contracts</u>						
Cross currency interest rate swaps ¹ :						
- Less than one year	4,224,063	76,783	(76,595)	4,224,063	76,783	(76,595)
- One year to three years	3,726,057	128,940	(110,637)	3,726,057	128,940	(110,637)
- More than three years	2,497,225	97,570	(58,369)	2,497,225	97,570	(58,369)
	<u>10,447,345</u>	<u>303,293</u>	<u>(245,601)</u>	<u>10,447,345</u>	<u>303,293</u>	<u>(245,601)</u>
<u>Interest rate related contracts</u>						
Interest rate swaps ² :						
- Less than one year	625,800	3,605	(1,803)	625,800	3,605	(1,803)
- One year to three years	83,440	-	(844)	83,440	-	(844)
- More than three years	2,030,095	67,503	(3,390)	2,030,095	67,503	(3,390)
	<u>2,739,335</u>	<u>71,108</u>	<u>(6,037)</u>	<u>2,739,335</u>	<u>71,108</u>	<u>(6,037)</u>
Netting effects for reporting under MFRS 132	-	(545,848)	545,848	-	(540,365)	540,365
Total	<u>966,224,802</u>	<u>12,757,475</u>	<u>(12,638,175)</u>	<u>951,618,505</u>	<u>12,498,439</u>	<u>(12,374,656)</u>

¹ The contractual notional amount of cross currency interest rate swaps held for hedging which is based on interbank offered rates is RM7,171.5 million (31 December 2021: RM7,603.5 million) for the Group and the Bank.

² The contractual notional amount of interest rate swaps held for hedging which is based on interbank offered rates is RM806.2 million (31 December 2021: RM763.5 million) for the Group and the Bank.

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A38. Fair Value Measurements of Financial Instruments

Valuation principles

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

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

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

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

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

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

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

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

Group	<u>Valuation technique using</u>			Total
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Non-financial assets measured at fair value:				
Investment properties	-	-	988,895	988,895
Financial assets measured at fair value:				
Financial assets designated upon initial recognition at fair value through profit or loss	22,722	12,800,078	-	12,822,800
Money market instruments	-	875,191	-	875,191
Quoted securities	22,722	-	-	22,722
Unquoted securities	-	11,924,887	-	11,924,887
Financial investments at fair value through profit or loss	10,723,204	14,198,574	882,222	25,804,000
Money market instruments	-	8,402,673	-	8,402,673
Quoted securities	10,723,204	-	-	10,723,204
Unquoted securities	-	5,795,901	882,222	6,678,123
Financial investments at fair value through other comprehensive income	6,532,747	113,767,318	406,133	120,706,198
Money market instruments	-	58,117,521	-	58,117,521
Quoted securities	6,532,747	-	-	6,532,747
Unquoted securities	-	55,649,797	406,133	56,055,930
Loans, advances and financing at fair value through profit or loss	-	-	1,668	1,668
Loans, advances and financing at fair value through other comprehensive income	-	-	30,016,341	30,016,341

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

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 December 2022 and 31 December 2021 is summarised in the table (cont'd.):

Group (cont'd.) At 31 December 2022	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value (cont'd.):				
Derivative assets	-	24,246,576	440,179	24,686,755
Foreign exchange related contracts	-	6,968,614	-	6,968,614
Interest rate related contracts	-	19,291,714	-	19,291,714
Equity and commodity related contracts	-	200,485	440,179	640,664
Credit related contracts	-	1,814	-	1,814
Netting effects under MFRS 132 Amendments	-	(2,216,051)	-	(2,216,051)
	17,278,673	165,012,546	31,746,543	214,037,762
Financial liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss	-	8,317,084	-	8,317,084
Structured deposits	-	209,827	-	209,827
Borrowings	-	8,107,257	-	8,107,257
Derivative liabilities	-	27,434,146	440,179	27,874,325
Foreign exchange related contracts	-	9,089,105	-	9,089,105
Interest rate related contracts	-	20,071,651	-	20,071,651
Equity and commodity related contracts	-	487,672	440,179	927,851
Credit related contracts	-	1,769	-	1,769
Netting effects under MFRS 132 Amendments	-	(2,216,051)	-	(2,216,051)
	-	35,751,230	440,179	36,191,409
Group				
At 31 December 2021	<u>Quoted Market Price (Level 1) RM'000</u>	<u>Observable Inputs (Level 2) RM'000</u>	<u>Unobservable Inputs (Level 3) RM'000</u>	<u>Total RM'000</u>
Non-financial assets measured at fair value:				
Investment properties	-	-	975,048	975,048
Financial assets measured at fair value:				
Financial assets designated upon initial recognition at fair value through profit or loss	4,096	13,177,770	-	13,181,866
Money market instruments	-	714,373	-	714,373
Quoted securities	4,096	-	-	4,096
Unquoted securities	-	12,463,397	-	12,463,397
Financial investments at fair value through profit or loss	11,902,031	15,012,817	860,645	27,775,493
Money market instruments	-	9,951,049	-	9,951,049
Quoted securities	11,902,031	-	-	11,902,031
Unquoted securities	-	5,061,768	860,645	5,922,413
Financial investments at fair value through other comprehensive income	5,098,873	116,868,864	426,217	122,393,954
Money market instruments	-	61,262,217	-	61,262,217
Quoted securities	5,098,873	-	-	5,098,873
Unquoted securities	-	55,606,647	426,217	56,032,864
Loans, advances and financing at fair value through profit or loss	-	-	15,491	15,491
Loans, advances and financing at fair value through other comprehensive income	-	-	21,763,013	21,763,013

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

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 December 2022 and 31 December 2021 is summarised in the table (cont'd.):

Group (cont'd.) At 31 December 2021	<u>Valuation technique using</u>			Total RM'000
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	
Financial assets measured at fair value (cont'd.):				
Derivative assets	-	12,336,825	420,650	12,757,475
Foreign exchange related contracts	-	2,704,144	-	2,704,144
Interest rate related contracts	-	9,917,005	-	9,917,005
Equity and commodity related contracts	-	261,056	420,650	681,706
Credit related contracts	-	468	-	468
Netting effects under MFRS 132 Amendments	-	(545,848)	-	(545,848)
	<u>17,005,000</u>	<u>157,396,276</u>	<u>23,486,016</u>	<u>197,887,292</u>
Financial liabilities measured at fair value:				
Financial liabilities at fair value through profit or loss	-	10,696,966	-	10,696,966
Structured deposits	-	40,988	-	40,988
Borrowings	-	10,655,978	-	10,655,978
Derivative liabilities	-	12,217,525	420,650	12,638,175
Foreign exchange related contracts	-	2,992,049	-	2,992,049
Interest rate related contracts	-	9,612,631	-	9,612,631
Equity and commodity related contracts	-	157,886	420,650	578,536
Credit related contracts	-	807	-	807
Netting effects under MFRS 132 Amendments	-	(545,848)	-	(545,848)
	<u>-</u>	<u>22,914,491</u>	<u>420,650</u>	<u>23,335,141</u>
Bank				
At 31 December 2022				
	Quoted Market Price (Level 1) RM'000	Observable Inputs (Level 2) RM'000	Unobservable Inputs (Level 3) RM'000	Total RM'000
Financial assets measured at fair value:				
Financial investments at fair value through profit or loss	514,606	12,747,961	715,908	13,978,475
Money market instruments	-	8,182,642	-	8,182,642
Quoted securities	514,606	-	-	514,606
Unquoted securities	-	4,565,319	715,908	5,281,227
Financial investments at fair value through other comprehensive income	18,029	73,135,323	398,128	73,551,480
Money market instruments	-	31,361,580	-	31,361,580
Quoted securities	18,029	-	-	18,029
Unquoted securities	-	41,773,743	398,128	42,171,871
Loans, advances and financing at fair value through profit or loss	-	-	1,668	1,668
Loans, advances and financing at fair value through other comprehensive income	-	-	26,855,119	26,855,119
Derivative assets	-	23,853,653	440,179	24,293,832
Foreign exchange related contracts	-	6,663,812	-	6,663,812
Interest rate related contracts	-	19,366,758	-	19,366,758
Equity and commodity related contracts	-	8,889	440,179	449,068
Credit related contracts	-	1,814	-	1,814
Netting effects under MFRS 132 Amendments	-	(2,187,620)	-	(2,187,620)
	<u>532,635</u>	<u>109,736,937</u>	<u>28,411,002</u>	<u>138,680,574</u>

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

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 December 2022 and 31 December 2021 is summarised in the table (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	
Bank (cont'd.)				
At 31 December 2022				
<i>Financial liabilities measured at fair value:</i>				
Financial liabilities at fair value through profit or loss	-	8,317,084	-	8,317,084
Structured deposits	-	209,827	-	209,827
Borrowings	-	8,107,257	-	8,107,257
Derivative liabilities	-	26,750,271	440,179	27,190,450
Foreign exchange related contracts	-	8,908,448	-	8,908,448
Interest rate related contracts	-	20,019,696	-	20,019,696
Equity and commodity related contracts	-	7,978	440,179	448,157
Credit related contracts	-	1,769	-	1,769
Netting effects under MFRS 132 Amendments	-	(2,187,620)	-	(2,187,620)
	-	35,067,355	440,179	35,507,534
<i>Financial assets measured at fair value:</i>				
Financial investments at fair value through profit or loss	578,310	12,725,264	700,280	14,003,854
Money market instruments	-	8,733,992	-	8,733,992
Quoted securities	578,310	-	-	578,310
Unquoted securities	-	3,991,272	700,280	4,691,552
Financial investments at fair value through other comprehensive income	15,490	70,255,232	392,339	70,663,061
Money market instruments	-	29,385,555	-	29,385,555
Quoted securities	15,490	-	-	15,490
Unquoted securities	-	40,869,677	392,339	41,262,016
Loans, advances and financing at fair value through profit or loss	-	-	15,491	15,491
Loans, advances and financing at fair value through other comprehensive income	-	-	19,301,237	19,301,237
Derivative assets	-	12,077,789	420,650	12,498,439
Foreign exchange related contracts	-	2,590,973	-	2,590,973
Interest rate related contracts	-	10,019,308	-	10,019,308
Equity and commodity related contracts	-	7,405	420,650	428,055
Credit related contracts	-	468	-	468
Netting effects under MFRS132 Amendments	-	(540,365)	-	(540,365)
	593,800	95,058,285	20,829,997	116,482,082

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

The classification in the fair value hierarchy of the Group's and the Bank's non-financial and financial assets and financial liabilities measured at fair value as at 31 December 2022 and 31 December 2021 is summarised in the table (cont'd.):

Bank (cont'd.) At 31 December 2021	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	-	10,696,966	-	10,696,966
Structured deposits	-	40,988	-	40,988
Borrowings	-	10,655,978	-	10,655,978
Derivative liabilities	-	11,954,006	420,650	12,374,656
Foreign exchange related contracts	-	2,885,298	-	2,885,298
Interest rate related contracts	-	9,601,511	-	9,601,511
Equity and commodity related contracts	-	6,755	420,650	427,405
Credit related contracts	-	807	-	807
Netting effects under MFRS132 Amendments	-	(540,365)	-	(540,365)
	-	22,650,972	420,650	23,071,622

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.

Investment properties

The fair values of investment properties are determined by an accredited independent valuer using a variety of approaches such as comparison method and income capitalisation approach. Under the comparison method, fair value is estimated by considering the selling price per square foot of comparable investment properties sold adjusted for location, quality and finishes of the building, design and size of the building, title conditions, market trends and time factor. While income capitalisation approach considers the capitalisation of net income of the investment properties such as the gross rental less current maintenance expenses and outgoings. This process may consider the relationships including yield and discount rates.

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

<u>Group</u>	At 1 January 2021 RM'000	Other gains recognised in income statements*	Unrealised gains/(losses) recognised in income statements#	Unrealised (losses)/gains recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Sales RM'000	Settlements RM'000	Exchange differences RM'000	At 31 December 2021 RM'000
As at 31 December 2021									
Financial investments at fair value through profit or loss									
Unquoted securities	871,228	10,029	28,665	-	-	(49,269)	-	(8)	860,645
Financial investments at fair value through other comprehensive income									
Unquoted securities	543,842	-	-	(119,255)	-	-	-	1,630	426,217
Loans, advances and financing at fair value through profit or loss	170,712	-	-	-	15,491	-	(176,044)	5,332	15,491
Loans, advances and financing at fair value through other comprehensive income	16,031,857	-	-	25,845	10,914,879	-	(5,464,275)	254,707	21,763,013
Derivative assets									
Equity and commodity related contracts	53,913	906,975	193,932	-	258,058	(992,228)	-	-	420,650
Total Level 3 financial assets	<u>17,671,552</u>	<u>917,004</u>	<u>222,597</u>	<u>(93,410)</u>	<u>11,188,428</u>	<u>(1,041,497)</u>	<u>(5,640,319)</u>	<u>261,661</u>	<u>23,486,016</u>
Derivative liabilities									
Equity and commodity related contracts	(53,913)	918,875	(193,932)	-	(258,058)	(833,622)	-	-	(420,650)
Total Level 3 financial liabilities	<u>(53,913)</u>	<u>918,875</u>	<u>(193,932)</u>	<u>-</u>	<u>(258,058)</u>	<u>(833,622)</u>	<u>-</u>	<u>-</u>	<u>(420,650)</u>
Total net Level 3 financial assets/(liabilities)	<u>17,617,639</u>	<u>1,835,879</u>	<u>28,665</u>	<u>(93,410)</u>	<u>10,930,370</u>	<u>(1,875,119)</u>	<u>(5,640,319)</u>	<u>261,661</u>	<u>23,065,366</u>

* 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.)

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

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

* Included within 'Other operating income' and 'Writeback of 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.):

<u>Bank</u> As at 31 December 2021	At 1 January 2021 RM'000	Other gains recognised in income statements* RM'000	Unrealised gains/(losses) recognised in income statements# RM'000	Unrealised (losses)/gains recognised in other comprehensive income RM'000	Purchases/ Issuances/ Additions RM'000	Sales RM'000	Settlements RM'000	Exchange differences RM'000	At 31 December 2021 RM'000
Financial investments at fair value through profit or loss									
Unquoted securities	682,508	-	17,772	-	-	-	-	-	700,280
Financial investments at fair value through other comprehensive income									
Unquoted securities	511,617	-	-	(119,278)	-	-	-	-	392,339
Loans, advances and financing at fair value through profit or loss	170,712	-	-	-	15,491	-	(176,044)	5,332	15,491
Loans, advances and financing at fair value through other comprehensive income	13,290,590	-	-	25,846	10,849,203	-	(5,114,925)	250,523	19,301,237
Derivative assets									
Equity and commodity related contracts	53,913	906,975	193,932	-	258,058	(992,228)	-	-	420,650
Total Level 3 financial assets	<u>14,709,340</u>	<u>906,975</u>	<u>211,704</u>	<u>(93,432)</u>	<u>11,122,752</u>	<u>(992,228)</u>	<u>(5,290,969)</u>	<u>255,855</u>	<u>20,829,997</u>
Derivative liabilities									
Equity and commodity related contracts	(53,913)	918,875	(193,932)	-	(258,058)	(833,622)	-	-	(420,650)
Total Level 3 financial liabilities	<u>(53,913)</u>	<u>918,875</u>	<u>(193,932)</u>	<u>-</u>	<u>(258,058)</u>	<u>(833,622)</u>	<u>-</u>	<u>-</u>	<u>(420,650)</u>
Total net Level 3 financial assets/(liabilities)	<u>14,655,427</u>	<u>1,825,850</u>	<u>17,772</u>	<u>(93,432)</u>	<u>10,864,694</u>	<u>(1,825,850)</u>	<u>(5,290,969)</u>	<u>255,855</u>	<u>20,409,347</u>

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

Included within 'Other operating income'.

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

There were no transfers between Level 1 and Level 2 for the Group and the Bank during the 12 months financial year ended 31 December 2022.

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 12 months financial year ended 31 December 2022.

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A39. Credit Exposure Arising from Credit Transactions with Connected Parties

The credit exposures disclosed below are based on requirement of Paragraph 9.1 of Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties:

	Group		Bank	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
Outstanding credit exposures with connected parties (RM'000)	23,296,154	25,425,741	19,572,786	26,246,100
Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures	2.5%	2.9%	3.7%	5.4%
Percentage of outstanding credit exposures with connected parties which is impaired* or in default	15.7%	15.4%	18.7%	14.9%

*Impaired refers to non-performing as stated in Paragraph 9.1 of Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties.

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A40. Audited Income Statements and Statements of Financial Position of Insurance and Takaful Business

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 29 April 2022, the breakdown of Audited 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) Audited Income Statements for the Financial Year Ended 31 December 2022

Group Twelve-Month Ended	Life Fund		Family Takaful Fund		General Takaful Fund		Shareholders' and General Funds		Total	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Interest income	641,968	569,689	509,265	467,072	99,352	84,670	328,362	268,722	1,578,947	1,390,153
Interest expense	-	-	-	-	-	-	(77,439)	(14,208)	(77,439)	(14,208)
Net interest income	641,968	569,689	509,265	467,072	99,352	84,670	250,923	254,514	1,501,508	1,375,945
Net earned insurance premiums	4,486,888	4,396,822	1,805,303	1,553,439	1,685,231	1,302,694	1,000,160	1,593,827	8,977,582	8,846,782
Other operating (loss)/income	(1,140,589)	(305,741)	(229,299)	(323,115)	(6,127)	(4,766)	49,799	71,249	(1,326,216)	(562,373)
Total operating income	3,988,267	4,660,770	2,085,269	1,697,396	1,778,456	1,382,598	1,300,882	1,919,590	9,152,874	9,660,354
Net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund	(3,633,227)	(4,429,287)	(2,056,213)	(1,679,479)	(1,776,087)	(1,388,360)	(59,400)	(255,061)	(7,524,927)	(7,752,187)
Net operating income	355,040	231,483	29,056	17,917	2,369	(5,762)	1,241,482	1,664,529	1,627,947	1,908,167
Overhead expenses	(252,517)	(235,772)	(27,978)	(26,284)	(545)	(521)	(760,777)	(736,550)	(1,041,817)	(999,127)
Operating profit/(loss) before impairment losses	102,523	(4,289)	1,078	(8,367)	1,824	(6,283)	480,705	927,979	586,130	909,040
(Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net	(5,890)	181	(505)	(22)	(3,511)	(923)	(1,040)	(2,973)	(10,946)	(3,737)
(Allowances for)/writeback of impairment losses on financial investments, net	(96,124)	44	-	-	-	-	(9,701)	260	(105,825)	304
(Allowances for)/writeback of impairment losses on other financial assets and goodwill, net	(509)	4,064	(573)	8,389	1,687	7,206	2,193	14,656	2,798	34,315
Profit before taxation and zakat	-	-	-	-	-	-	472,157	939,922	472,157	939,922
Taxation and zakat	-	-	-	-	-	-	(194,303)	(268,356)	(194,303)	(268,356)
Profit for the financial year	-	-	-	-	-	-	277,854	671,566	277,854	671,566

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A40. Audited Income Statements and Statements of Financial Position of Insurance and Takaful Business (cont'd.)

Pursuant to Paragraph 11.4(f) of Bank Negara Malaysia's Financial Reporting Policy document issued on 29 April 2022, the breakdown of Audited 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) Audited Statements of Financial Position as at 31 December 2022

Group	Life Fund		Family Takaful Fund		General Takaful Fund		Shareholders' and General Funds		Total	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	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	621,411	720,239	60,620	11,182	9,923	2,098	243,694	285,153	935,648	1,018,672
Deposits and placements with financial institutions	630,108	860,786	1,035,726	1,488,316	613,788	280,550	1,468,200	1,737,626	3,747,822	4,367,278
Financial assets designated upon initial recognition										
at fair value through profit or loss	6,486,343	6,584,696	5,406,426	5,485,382	18,895	19,603	826,004	1,012,445	12,737,668	13,102,126
Financial investments at fair value through profit or loss	5,543,537	5,947,539	588,051	602,117	74,995	135,020	673,796	546,044	6,880,379	7,230,720
Financial investments at fair value through other comprehensive income	7,892,645	7,098,080	5,230,590	4,557,130	1,902,065	2,093,611	4,908,085	4,723,167	19,933,385	18,471,988
Financial investments at amortised cost	-	-	-	-	-	-	39,624	13,296	39,624	13,296
Loans, advances and financing	272,617	268,698	-	-	-	-	90,741	93,457	363,358	362,155
Derivative assets	236,024	35,094	-	-	-	-	3,708	871	239,732	35,965
Reinsurance/retakaful assets and other										
insurance receivables	1,647,048	1,531,147	485,222	440,495	438,962	971,460	4,469,778	4,572,762	7,041,010	7,515,864
Other assets	91,825	141,478	5,589	25,505	367	3,640	462,558	670,006	560,339	840,629
Investment properties	814,075	807,730	-	-	-	-	170,265	162,459	984,340	970,189
Statutory deposits with central banks	-	-	-	-	-	-	6,168	5,841	6,168	5,841
Interest in associates	-	-	-	-	-	-	152	152	152	152
Property, plant and equipment	90,599	94,159	-	-	-	-	65,150	62,855	155,749	157,014
Right-of-use assets	134	124	-	-	-	-	29,783	40,850	29,917	40,974
Intangible assets	54,841	56,141	-	-	-	-	100,069	103,952	154,910	160,093
Deferred tax assets	8,922	2,782	15,378	5,361	26,791	8,292	242,556	77,760	293,647	94,195
TOTAL ASSETS	24,390,129	24,148,693	12,827,602	12,615,488	3,085,786	3,514,274	13,800,331	14,108,696	54,103,848	54,387,151
LIABILITIES										
Derivative liabilities	20,821	12,312	-	-	-	-	21,288	9,451	42,109	21,763
Insurance/takaful contract liabilities and other insurance payables	21,026,702	21,025,536	12,067,534	12,246,764	2,663,238	2,947,816	6,157,276	5,873,499	41,914,750	42,093,615
Other liabilities [#]	3,317,111	3,038,195	758,365	347,600	418,408	562,920	(886,518)	(916,048)	3,607,366	3,032,667
Provision for taxation and zakat	(3,538)	15,637	(217)	83	-	-	100,601	29,667	96,846	45,387
Deferred tax liabilities	29,033	57,013	1,920	21,041	4,140	3,538	290,110	311,332	325,203	392,924
Subordinated obligations	-	-	-	-	-	-	312,051	1,009,848	312,051	1,009,848
TOTAL LIABILITIES	24,390,129	24,148,693	12,827,602	12,615,488	3,085,786	3,514,274	5,994,808	6,317,749	46,298,325	46,596,204
EQUITY ATTRIBUTABLE TO EQUITYHOLDERS OF THE SUBSIDIARIES										
Share capital	-	-	-	-	-	-	660,865	660,865	660,865	660,865
Other reserves	-	-	-	-	-	-	7,144,658	7,130,082	7,144,658	7,130,082
	-	-	-	-	-	-	7,805,523	7,790,947	7,805,523	7,790,947
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	24,390,129	24,148,693	12,827,602	12,615,488	3,085,786	3,514,274	13,800,331	14,108,696	54,103,848	54,387,151

[#] 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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A41. The Operations of Islamic Banking Scheme

A41a. Income Statements for the Fourth Quarter and Financial Year Ended 31 December 2022

<u>Group</u>	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds (Note (a))	2,818,214	2,254,139	9,534,723	8,811,464
Income derived from investment of investment account funds (Note (a))	276,792	257,036	1,092,610	951,680
Income derived from investment of Islamic Banking Funds (Note (a))	145,092	143,786	542,853	557,760
(Allowances for)/writeback of impairment losses on financing and advances, net	(39,636)	150,194	(379,860)	(524,946)
Writeback of/(allowances for) impairment losses on financial investments, net	2,922	(664)	(881)	241,111
Writeback of/(allowances for) impairment losses on other financial assets, net	2,403	(2,727)	6,285	(5,629)
Total distributable income	3,205,787	2,801,764	10,795,730	10,031,440
Profit share income from investment accounts	48,945	23	191,943	85
Profit distributed to depositors	(1,216,996)	(875,958)	(3,526,140)	(3,472,050)
Profit distributed to investment account holders	(104,576)	(72,899)	(353,015)	(289,503)
Total net income	1,933,160	1,852,930	7,108,518	6,269,972
Finance cost	(118,264)	(103,421)	(428,760)	(409,401)
Overhead expenses	(626,936)	(487,460)	(2,138,682)	(1,691,269)
Profit before taxation and zakat	1,187,960	1,262,049	4,541,076	4,169,302
Taxation	(383,422)	(311,677)	(1,476,501)	(1,011,858)
Zakat	6,909	(6,349)	(27,024)	(26,591)
Profit for the financial period/year	811,447	944,023	3,037,551	3,130,853

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

<u>Group</u>	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds (Note (a))	2,818,214	2,254,139	9,534,723	8,811,464
Income derived from investment of investment account funds (Note (a))	276,792	257,036	1,092,610	951,680
Income derived from investment of Islamic Banking Funds (Note (a))	145,092	143,786	542,853	557,760
Total income before allowances for impairment losses on financial assets and overhead expenses	3,240,098	2,654,961	11,170,186	10,320,904
Profit share income from investment accounts	48,945	23	191,943	85
Profit distributed to depositors	(1,216,996)	(875,958)	(3,526,140)	(3,472,050)
Profit distributed to investment account holders	(104,576)	(72,899)	(353,015)	(289,503)
	1,967,471	1,706,127	7,482,974	6,559,436
Finance cost	(118,264)	(103,421)	(428,760)	(409,401)
Net of intercompany income and expenses	181,578	355,699	551,353	1,422,564
Profit share income from investment accounts funded by the Bank	(48,890)	-	(191,701)	-
Income from Islamic Banking Scheme operations reported in the Income Statement of the Group	1,981,895	1,958,405	7,413,866	7,572,599

Note (a): There was no significant impact to income derived from investment of depositors' funds/investment account funds/Islamic Banking Funds, arising from government support measures to assist customers adversely impacted by COVID-19 in order to sustain their business operations for the financial year ended 31 December 2022. The net effect for the previous financial year ended 31 December 2021 was RM106,838,000 for the Group.

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41b. Statements of Comprehensive Income for the Fourth Quarter and Financial Year Ended 31 December 2022

<u>Group</u>	Unaudited		Audited	
	Fourth Quarter Ended 31 December 2022 RM'000	31 December 2021 RM'000	Cumulative 12 Months Ended 31 December 2022 RM'000	31 December 2021 RM'000
Profit for the financial period/year	811,447	944,023	3,037,551	3,130,853
Other comprehensive gain/(loss):				
<i>Items that may be reclassified subsequently to profit or loss:</i>				
Net gain/(loss) on foreign exchange translation	363	49	(140)	(451)
Net gain/(loss) on financial investments at fair value through other comprehensive income	200,203	(72,235)	(247,101)	(567,768)
- Net gain/(loss) from change in fair value	327,382	(90,501)	(329,549)	(744,977)
- Changes in expected credit losses	2,070	(3,454)	3,356	(1,585)
- Income tax effect	(129,249)	21,720	79,092	178,794
	200,566	(72,186)	(247,241)	(568,219)
Other comprehensive gain/(loss) for the financial period/year, net of tax	200,566	(72,186)	(247,241)	(568,219)
Total comprehensive income for the financial period/year	1,012,013	871,837	2,790,310	2,562,634

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41c. Audited Statement of Financial Position as at 31 December 2022

<u>Group</u>	Note	31 December 2022 RM'000	31 December 2021 RM'000
ASSETS			
Cash and short-term funds		15,094,889	12,127,687
Deposits and placements with financial institutions		5,329,880	3,000,157
Financial assets purchased under resale agreements		2,121,695	10,420,749
Financial investments at fair value through profit or loss		309,504	784,302
Financial investments at fair value through other comprehensive income		15,645,983	15,082,779
Financial investments at amortised cost		27,461,699	22,867,781
Financing and advances	A41e	214,379,623	192,465,717
Derivative assets		263,763	117,420
Other assets		5,971,596	5,710,586
Statutory deposit with central banks		3,505,736	20,447
Property, plant and equipment		341	546
Right-of-use assets		7,279	6,126
Deferred tax assets		288,433	190,616
Total Assets		290,380,421	262,794,913
LIABILITIES			
Customers' funding:			
- Deposits from customers	A41f	209,783,463	179,514,915
- Investment accounts of customers ¹	A41g	25,637,702	28,720,799
Deposits and placements from financial institutions		23,593,505	24,170,127
Obligations on financial assets sold under repurchase agreements		461,081	-
Bills and acceptances payable		32,569	19,561
Derivative liabilities		384,674	177,545
Other liabilities		3,218,678	2,189,975
Provision for taxation and zakat		150,781	38,799
Term funding	A41h	9,421,202	10,923,177
Subordinated sukuk	A41i	2,021,893	2,021,814
Capital securities	A41j	1,002,347	1,002,441
Total Liabilities		275,707,895	248,779,153
ISLAMIC BANKING CAPITAL FUNDS			
Islamic Banking Funds		11,034,955	10,327,374
Retained profits		2,901,255	3,488,469
Other reserves		736,316	199,917
		14,672,526	14,015,760
Total liabilities and Islamic Banking Capital Funds		290,380,421	262,794,913
Restricted investment accounts managed by the Group	A41g	30,552,966	30,147,795
TOTAL ISLAMIC BANKING ASSETS OWNED AND MANAGED BY THE GROUP		320,933,387	292,942,708
COMMITMENTS AND CONTINGENCIES		80,496,780	83,982,957

¹ Investment accounts of customers are used to fund financing and advances as disclosed in Note A41e.

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41d. Audited Statements of Changes in Islamic Banking Capital Funds for the Financial Year Ended 31 December 2022

<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 ¹ RM'000	Distributable Retained Profits RM'000	
At 1 January 2022	10,327,374	121,014	77,254	(48)	1,697	3,488,469	14,015,760
Profit for the financial year	-	-	-	-	-	3,037,551	3,037,551
Other comprehensive loss	-	-	(247,101)	(140)	-	-	(247,241)
Net loss on foreign exchange translation	-	-	-	(140)	-	-	(140)
Net loss on financial investments at fair value through other comprehensive income	-	-	(247,101)	-	-	-	(247,101)
Total comprehensive (loss)/income for the financial year	-	-	(247,101)	(140)	-	3,037,551	2,790,310
Issue of ordinary shares	707,581	-	-	-	-	-	707,581
Transfer to regulatory reserve	-	783,640	-	-	-	(783,640)	-
Dividends paid	-	-	-	-	-	(2,841,125)	(2,841,125)
At 31 December 2022	11,034,955	904,654	(169,847)	(188)	1,697	2,901,255	14,672,526

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

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41d. Audited Statements of Changes in Islamic Banking Capital Funds for the Financial Year Ended 31 December 2022 (cont'd.)

<u>Group</u>	←-----Non-distributable-----→						Distributable Retained Profits RM'000	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 ¹ RM'000			
At 1 January 2021	7,934,444	594,474	645,022	403	1,697	2,983,827	12,159,867	
Profit for the financial year	-	-	-	-	-	3,130,853	3,130,853	
Other comprehensive loss	-	-	(567,768)	(451)	-	-	(568,219)	
Net loss on foreign exchange translation	-	-	-	(451)	-	-	(451)	
Net loss on financial investments at fair value through other comprehensive income	-	-	(567,768)	-	-	-	(567,768)	
Total comprehensive (loss)/income for the financial year	-	-	(567,768)	(451)	-	3,130,853	2,562,634	
Issue of ordinary shares	2,392,930	-	-	-	-	-	2,392,930	
Transfer from regulatory reserve	-	(473,460)	-	-	-	473,460	-	
Dividends paid	-	-	-	-	-	(3,099,671)	(3,099,671)	
At 31 December 2021	10,327,374	121,014	77,254	(48)	1,697	3,488,469	14,015,760	

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

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41e. Financing and Advances

<u>Group</u>	31 December 2022 RM'000	31 December 2021 RM'000
Financing and advances*:		
(A) Financing and advances at fair value through other comprehensive income	3,141,460	2,175,615
(B) Financing and advances at amortised cost	280,573,323	262,214,501
	283,714,783	264,390,116
Unearned income	(66,345,579)	(68,980,345)
Gross financing and advances	217,369,204	195,409,771
Allowances for impaired financing and advances:		
- Stage 1 - 12-month ECL	(442,735)	(556,209)
- Stage 2 - Lifetime ECL not credit impaired	(1,309,534)	(1,678,410)
- Stage 3 - Lifetime ECL credit impaired	(1,237,312)	(709,435)
Net financing and advances	214,379,623	192,465,717

* As at 31 December 2022, the financing and advances funded by RPSIA amounting to RM25,882.8 million (31 December 2021: RM25,033.6 million) was recorded off-balance sheet under the operations of IBS.

The gross exposure of the financing funded by Investment Accounts of customers ("IA") as at 31 December 2022 was RM25,637.7 million (31 December 2021: RM28,720.8 million).

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41e. Financing and Advances (cont'd.)

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

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 IA.

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41e. Financing and Advances (cont'd.)

Group	Bai¹	Murabahah	Musharakah	Al-Ijarah Thumma Al-Bai ("AITAB")²	Ijarah³	Others	Total Financing and Advances
As at 31 December 2021	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cashline	-	6,287,366	-	-	-	-	6,287,366
Term financing							
- Housing financing	12,828,267	81,673,329	1,719,726	-	-	602	96,221,924
- Syndicated financing	-	5,955,729	-	-	-	-	5,955,729
- Hire purchase receivables	-	11,676,586	-	36,500,533	-	-	48,177,119
- Lease receivables	-	-	-	-	815,909	-	815,909
- Other term financing	8,317,772	82,612,398	536,521	-	-	30,604	91,497,295
Trust receipts	-	132,385	-	-	-	-	132,385
Claims on customers under acceptance credits	-	5,227,288	-	-	-	-	5,227,288
Staff financing	340,773	2,357,766	7,330	156,719	-	36,492	2,899,080
Credit card receivables	-	-	-	-	-	1,355,004	1,355,004
Revolving credit	-	5,760,355	-	-	-	-	5,760,355
Share margin financing	-	55,212	-	-	-	-	55,212
Financing to:							
- Directors of the Bank	-	2,750	-	-	-	6	2,756
- Directors of subsidiaries	-	2,271	-	300	-	123	2,694
	<u>21,486,812</u>	<u>201,743,435</u>	<u>2,263,577</u>	<u>36,657,552</u>	<u>815,909</u>	<u>1,422,831</u>	<u>264,390,116</u>
Unearned income							(68,980,345)
Gross financing and advances ⁴							<u>195,409,771</u>
Allowances for financing and advances:							
- Stage 1 - 12-month ECL							(556,209)
- Stage 2 - Lifetime ECL not credit impaired							(1,678,410)
- Stage 3 - Lifetime ECL credit impaired							(709,435)
Net financing and advances							<u>192,465,717</u>

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 IA.

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41e. Financing and Advances (cont'd.)

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

<u>Group</u>	31 December 2022 RM'000	31 December 2021 RM'000
At 1 January	1,492,756	2,452,406
Newly impaired	1,237,425	238,626
Reclassified as non-impaired	(65,139)	(36,215)
Amount recovered	(223,830)	(339,776)
Amount written-off	(380,132)	(233,810)
Amount related to Restricted Investment Account	-	(588,475)
Gross impaired financing at 31 December	<u>2,061,080</u>	<u>1,492,756</u>
Less: Stage 3 - Lifetime ECL credit impaired	<u>(1,237,312)</u>	<u>(709,435)</u>
Net impaired financing at 31 December	<u>823,768</u>	<u>783,321</u>
<u>Calculation of ratio of net impaired financing (excluding financing funded by IA):</u>		
Gross impaired financing at 31 December	2,001,463	1,429,024
Less: Stage 3 - Lifetime ECL credit impaired	<u>(1,237,312)</u>	<u>(709,435)</u>
Net impaired financing at 31 December	<u>764,151</u>	<u>719,589</u>
Gross financing and advances	191,731,502	166,688,972
Less: Allowances for impaired financing and advances at amortised cost and at fair value through other comprehensive income	<u>(2,996,850)</u>	<u>(2,946,356)</u>
Net financing and advances	<u>188,734,652</u>	<u>163,742,616</u>
Net impaired financing as a percentage of net financing and advances	<u>0.40%</u>	<u>0.44%</u>

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41e. 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>Group</u>	Stage 1	Stage 2	Stage 3	Total
	12-month ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	
As at 31 December 2022	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	2,302	-	-	2,302
Net remeasurement of allowances	2,885	-	-	2,885
New financial assets originated or purchased	2,550	-	-	2,550
Financial assets derecognised	(494)	-	-	(494)
Exchange differences	26	-	-	26
At 31 December 2022	7,269	-	-	7,269

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

At amortised cost

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

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41e. 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	
	RM'000	RM'000	RM'000	RM'000
As at 31 December 2021				
At 1 January 2021	574,213	1,209,931	1,254,822	3,038,966
Transferred to Stage 1	241,131	(229,027)	(12,104)	-
Transferred to Stage 2	(17,310)	45,043	(27,733)	-
Transferred to Stage 3	(5,392)	(27,532)	32,924	-
Net remeasurement of allowances	(245,822)	741,141	117,932	613,251
New financial assets originated or purchased	115,763	51,554	-	167,317
Financial assets derecognised	(42,288)	(75,656)	(24,227)	(142,171)
Changes in models/risk parameters	(44,063)	(20,640)	-	(64,703)
Amount related to Restricted Investment Accounts	(20,279)	(17,223)	(409,064)	(446,566)
Amount written-off	-	-	(233,810)	(233,810)
Exchange differences	256	819	10,695	11,770
At 31 December 2021	<u>556,209</u>	<u>1,678,410</u>	<u>709,435</u>	<u>2,944,054</u>

A41f. Deposits from Customers

Group	31 December 2022	31 December 2021
	RM'000	RM'000
Savings deposits		
Murabahah	27,711,469	26,302,000
Qard	601,896	3,496,477
	<u>28,313,365</u>	<u>29,798,477</u>
Demand deposits		
Murabahah	37,422,903	32,042,236
Qard	1,381,375	1,362,014
	<u>38,804,278</u>	<u>33,404,250</u>
Term deposits		
Murabahah	142,073,732	115,751,729
Qard	592,088	560,459
	<u>142,665,820</u>	<u>116,312,188</u>
Total deposits from customers	<u>209,783,463</u>	<u>179,514,915</u>

A41g. Investment Accounts

Group	31 December 2022	31 December 2021
	RM'000	RM'000
Investment accounts of customers		
- Unrestricted investment accounts ¹	25,637,702	28,720,799
Restricted investment accounts managed by the Group ²	30,552,966	30,147,795

The unrestricted investment accounts (net of intercompany balances) as at 31 December 2022 was RM24,501.0 million (31 December 2021: RM28,720.8 million).

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41g. Investment Accounts (cont'd.)

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

<u>Group</u>	Unrestricted investment accounts ¹ RM'000	Restricted investment accounts managed by the Group ² RM'000
As at 31 December 2022		
Business enterprises	13,389,602	-
Individuals	10,342,032	-
Government and statutory bodies	246,938	-
Licensed banks	-	30,123,166
Others	1,659,130	429,800
	25,637,702	30,552,966
As at 31 December 2021		
Business enterprises	16,564,421	-
Individuals	10,159,957	-
Government and statutory bodies	205,058	-
Licensed banks	-	29,511,958
Others	1,791,363	635,837
	28,720,799	30,147,795

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

<u>Group</u>	Unrestricted investment accounts ¹ RM'000	Restricted investment accounts managed by the Group ² RM'000
As at 31 December 2022		
- without maturity	21,160,119	-
- with maturity		
Within six months	3,055,394	10,280,098
Six months to one year	1,403,496	30,109
One year to three years	13,924	3,995,512
Three years to five years	4,769	16,247,247
	4,477,583	30,552,966
Total investment accounts of customers	25,637,702	30,552,966
As at 31 December 2021		
- without maturity	23,666,368	-
- with maturity		
Within six months	3,560,977	8,099,298
Six months to one year	1,483,337	54,362
One year to three years	4,741	3,715,037
Three years to five years	5,376	18,279,098
	5,054,431	30,147,795
Total investment accounts of customers	28,720,799	30,147,795

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41g. Investment Accounts (cont'd.)

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

<u>Group</u>	Unrestricted investment accounts ¹ RM'000	Restricted investment accounts managed by the Group ² RM'000
As at 31 December 2022		
Retail financing	23,987,702	-
Non-retail financing	1,650,000	25,955,010
Corporate Sukuk	-	4,597,956
	25,637,702	30,552,966
As at 31 December 2021		
Retail financing	26,965,529	-
Non-retail financing	1,755,270	24,819,965
Corporate Sukuk	-	5,327,830
	28,720,799	30,147,795

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

<u>Group</u>	Investment account holder ("IAH")	
	Average profit sharing ratio (%)	Average rate of return (%)
As at 31 December 2022		
Investment accounts of customers		
- Unrestricted investment accounts ¹	32.04	2.58
Restricted investment accounts managed by the Group ²	76.29	4.60
As at 31 December 2021		
Investment accounts of customers		
- Unrestricted investment accounts ¹	29.55	1.18
Restricted investment accounts managed by the Group ²	78.41	3.20

¹ The total funds invested in Multi-Asset Investment Account-i ("MAIA") product was RM122.7 million (31 December 2021: RM515.4 million) of which RM59.6 million (31 December 2021: RM254.1 million) are the funds managed by the Group and are recorded as on balance sheet. The remaining of the funds are invested in marketable securities with net asset value of RM63.1 million as at 31 December 2022 (31 December 2021: RM261.3 million) managed by a subsidiary of the Bank as part of its investment management activities and are recorded as off-balance sheet.

² Included in the restricted investment accounts managed by the Group is an arrangement between MIB with the Bank and with the third party where MIB acts as an investment agent to manage and administer the restricted investment accounts amounting to RM30,123.2 million and RM429.8 million (31 December 2021: RM29,512.0 million and RM635.8 million) respectively. The amount of restricted investment accounts managed by MIB are disclosed net of any impairment allowances required on the underlying financial assets funded by the restricted investment accounts.

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A41. The Operations of Islamic Banking Scheme (cont'd.)

A41h. Term Funding

<u>Group</u>	31 December 2022 RM'000	31 December 2021 RM'000
Unsecured term funding:		
(i) Commercial Papers		
- Less than one year	6,413,953	7,947,135
(ii) Medium Term Notes		
- Less than one year	-	2,002,762
- More than one year	2,003,796	-
(iii) Term funding		
- More than one year (Note (a))	1,003,453	973,280
Total term funding	<u>9,421,202</u>	<u>10,923,177</u>

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

A41i. Subordinated Sukuk

<u>Group</u>	31 December 2022 RM'000	31 December 2021 RM'000
RM1.0 billion Islamic subordinated Sukuk Murabahah due in 2029	1,010,849	1,010,849
RM1.0 billion Islamic subordinated Sukuk Murabahah due in 2031	1,011,044	1,010,965
	<u>2,021,893</u>	<u>2,021,814</u>

A41j. Capital Securities

<u>Group</u>	31 December 2022 RM'000	31 December 2021 RM'000
RM1.0 billion 4.76% Additional Tier 1 Sukuk Wakalah	1,002,347	-
RM1.0 billion 4.95% Additional Tier 1 Sukuk Wakalah	-	1,002,441
	<u>-</u>	<u>1,002,441</u>

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(Incorporated in Malaysia)

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 RM8,234.9 million for the financial year ended 31 December 2022, an increase of RM138.7 million or 1.7% as compared to the previous corresponding financial year ended 31 December 2021.

The Group's net interest income and income from Islamic Banking Scheme operations for the financial year ended 31 December 2022 increased by RM1,641.4 million or 8.4% to RM21,248.1 million as compared to the previous corresponding financial year ended 31 December 2021.

The Group's net earned insurance premiums from the Insurance and Takaful subsidiaries increased by RM130.8 million to RM8,977.6 million for the financial year ended 31 December 2022 as compared to the previous corresponding financial year ended 31 December 2021.

Other operating income of the Group for the financial year ended 31 December 2022 was RM4,625.4 million, an increase of RM154.7 million or 3.5% from RM4,470.7 million in the previous corresponding financial year ended 31 December 2021. The increase was mainly due to higher unrealised mark-to-market gain on revaluation of financial liabilities at FVTPL of RM2,755.5 million, higher net foreign exchange gain of RM732.1 million, higher realised gain on derivatives of RM539.0 million, lower unrealised mark-to-market loss on revaluation of financial assets designated upon initial recognition at FVTPL of RM237.4 million and realised loss on financial liabilities at FVTPL of RM138.3 million in the previous corresponding financial year ended 31 December 2021. The increases were, however, offset by higher unrealised mark-to-market loss on revaluation of derivatives of RM2,638.6 million, net loss in investment income of RM847.9 million for the financial year ended 31 December 2022 as compared to net gain of RM464.6 million for the previous corresponding financial year ended 31 December 2021 and lower fee income of RM295.6 million.

The Group's overhead expenses for the financial year ended 31 December 2022 recorded an increase of RM1,288.5 million or 11.2% to RM12,807.1 million as compared to the previous corresponding financial year ended 31 December 2021. The increase in overhead expenses was mainly due to higher personnel expenses of RM695.3 million, higher marketing expenses of RM241.4 million, higher administration and general expenses of RM213.6 million and higher establishment costs of RM138.2 million.

The Group's allowances for impairment losses on loans, advances, financing and other debts decreased by RM469.2 million or 17.7% to RM2,189.3 million as compared to the previous corresponding financial year ended 31 December 2021.

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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 twelve-month financial year ended 31 December 2022 compared to the previous corresponding twelve-month financial year ended 31 December 2021 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 increased by RM1,357.1 million or 23.6% to RM7,105.8 million for twelve-month financial year ended 31 December 2022 from RM5,748.7 million for the previous corresponding twelve-month financial year ended 31 December 2021. The increase was mainly due to higher net interest income and income from IBS operations of RM2,092.2 million, higher other operating income of RM224.2 million and lower net allowances for impairment losses on loans, advances, financing and other debts of RM183.0 million. The increases were, however, offset by higher overhead expenses of RM1,063.1 million, net allowances for impairment losses on other financial assets and interest in associate of RM57.7 million from a net writeback of RM0.7 million and higher share of loss in associates and joint ventures of RM20.9 million.

Group Global Banking

a) Group Corporate Banking & Global Markets

Group Corporate Banking & Global Markets' profit before taxation and zakat increased by RM921.5 million or 22.6% to RM4,996.3 million for the twelve-month financial year ended 31 December 2022 from RM4,074.8 million for the previous corresponding twelve-month financial year ended 31 December 2021. The increase was mainly due to higher other operating income of RM632.6 million, lower net allowances for impairment losses on loans, advances, financing and other debts of RM284.5 million, lower net allowances for impairment losses on financial investments and other financial assets of RM126.6 million and higher net interest income and income from IBS operations of RM113.6 million. The increases were, however, offset by higher overhead expenses of RM204.7 million and lower share of profits in associates and joint ventures of RM31.1 million.

b) Group Investment Banking

Group Investment Banking's profit before taxation and zakat decreased by RM355.9 million to RM182.1 million or 66.1% for the twelve-month financial year ended 31 December 2022 from RM538.0 million for the previous corresponding twelve-month financial year ended 31 December 2021. The decrease was mainly due to lower other operating income of RM370.3 million, higher overhead expenses of RM23.2 million and share of losses in associates and joint ventures of RM0.6 million from share of profits in associates and joint ventures of RM2.7 million. The decreases were, however, mitigated by lower net allowance for impairment losses on other financial assets and goodwill of RM23.9 million, net writeback of impairment losses on loans, advances, financing and other debts of RM3.2 million from net allowance of RM5.5 million and higher net interest income and income from IBS operations of RM8.3 million.

c) Group Asset Management

Group Asset Management recorded a profit before taxation and zakat of RM30.5 million for the twelve-month financial year ended 31 December 2022 compared to a loss before taxation and zakat of RM46.5 million for the previous corresponding twelve-month financial year ended 31 December 2021. The profit was mainly due to lower overhead expenses of RM73.1 million, lower net allowance for impairment losses on other financial assets and goodwill of RM20.2 million and higher net interest income of RM0.5 million. The profit were, however, offset by lower other operating income of RM17.0 million.

Group Insurance and Takaful

Group Insurance and Takaful's profit before taxation and zakat decreased by RM495.7 million or 53.2% to RM436.3 million for the twelve-month financial year ended 31 December 2022 from RM932.0 million for the previous corresponding twelve-month financial year ended 31 December 2021. The decrease was mainly due to higher other operating loss of RM763.8 million, net allowance for impairment losses on financial investments, other financial assets and goodwill of RM103.0 million from net writeback of RM34.6 million, higher overhead expenses of RM70.6 million and higher net allowance for impairment losses on loans, advances, financing and other debts of RM7.2 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 RM227.3 million, higher net earned insurance premiums of RM130.8 million and higher net interest income of RM125.6 million.

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B1. Performance Review (cont'd.)

(ii) Current Quarter vs Previous Period Corresponding Quarter

The Group posted profit after tax and zakat attributable to equity holders of RM2,167.3 million for the quarter ended 31 December 2022, an increase of RM110.4 million or 5.4% as compared to the previous period corresponding quarter ended 31 December 2021.

The Group's net interest income and income from Islamic Banking Scheme operations for the quarter ended 31 December 2022 increased by RM478.1 million or 9.5% to RM5,501.2 million as compared to the previous period corresponding quarter ended 31 December 2021.

The Group's net earned insurance premiums from the Insurance and Takaful subsidiaries decreased by RM73.5 million or 3.4% to RM2,094.1 million as compared to the previous period corresponding quarter ended 31 December 2021.

The Group's other operating income increased by RM773.4 million to RM1,766.0 million for the quarter ended 31 December 2022 as compared to the previous period corresponding quarter ended 31 December 2021. The increase was mainly due to higher unrealised mark-to-market gain on revaluation of financial investments at FVTPL of RM515.0 million, unrealised mark-to-market gain on revaluation of financial assets designated upon initial recognition at FVTPL of RM347.5 million and financial liabilities at FVTPL of RM96.5 million for the quarter ended 31 December 2022 as compared to unrealised mark-to-market loss on revaluation of financial assets designated upon initial recognition at FVTPL of RM65.9 million and financial liabilities at FVTPL of RM155.8 million in the previous period corresponding quarter ended 31 December 2021, higher net gain on foreign exchange of RM397.3 million and higher realised gain on derivatives of RM122.7 million. The increases were, however, offset by unrealised mark-to-market loss on revaluation of derivatives of RM656.2 million for the quarter ended 31 December 2022 as compared to unrealised mark-to-market gain of RM9.1 million for the previous period corresponding quarter ended 31 December 2021, higher net loss in investment income of RM185.0 million and lower fee income of RM61.3 million.

The Group's overhead expenses for the quarter ended 31 December 2022 recorded an increase of RM452.4 million or 15.3% to RM3,407.2 million as compared to the previous period corresponding quarter ended 31 December 2021. The increase in overhead expenses was mainly due to higher personnel expenses of RM343.7 million, higher marketing expenses of RM80.1 million and higher establishment costs of RM37.3 million. The increases were, however, mitigated by lower administration and general expenses of RM8.7 million.

The Group's allowances for impairment losses on loans, advances, financing and other debts increased by RM151.5 million or 96.3% to RM308.8 million as compared to the previous period corresponding quarter ended 31 December 2021.

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B1. Performance Review (cont'd.)

(ii) Current Quarter vs Previous Period Corresponding Quarter (cont'd.)

The Group's profit before taxation and zakat for the quarter ended 31 December 2022 compared to the previous period corresponding quarter ended 31 December 2021 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 RM646.4 million to RM1,602.6 million for the quarter ended 31 December 2022 from RM2,249.0 million for the previous period corresponding quarter ended 31 December 2021. The decrease was mainly due to net allowance for impairment losses on loans, advances, financing and other debts of RM345.0 million from a net writeback of RM550.2 million, higher overhead expenses of RM368.5 million, net allowance for impairment losses on other financial assets and interest in associate of RM58.1 million from a net writeback of RM0.2 million and higher share of losses in associates and joint ventures of RM20.9 million. The decreases were, however, mitigated by higher net interest income and income from IBS operations of RM639.3 million and higher other operating income of RM57.2 million.

Group Global Banking

a) Group Corporate Banking & Global Markets

Group Corporate Banking & Global Markets's profit before taxation and zakat increased by RM1,071.9 million to RM1,470.3 million for the quarter ended 31 December 2022 from RM398.4 million for the previous period corresponding quarter ended 31 December 2021. The increase was mainly due to net writeback of impairment losses on loans, advances, financing and other debts of RM45.6 million from a net allowance of RM701.9 million, net writeback of impairment losses on financial investments, other financial assets and goodwill of RM167.3 million from a net allowance of RM473.5 million and higher other operating income of RM112.5 million. The increases were, however, offset by lower net interest income and income from IBS operations of RM304.1 million, higher overhead expenses of RM110.3 million and lower share of profits in associates and joint ventures of RM14.5 million.

b) Group Investment Banking

Group Investment Banking's profit before taxation and zakat decreased by RM155.9 million or 85.3% to RM26.9 million for the quarter ended 31 December 2022 from RM182.8 million for the previous period corresponding quarter ended 31 December 2021. The decrease was mainly due to lower other operating income of RM155.4 million, lower net interest income, income from IBS operations of RM17.3 million, higher overhead expenses by RM10.2 million and lower share of profits in associates and joint ventures of RM0.1 million. The decreases, were, however, mitigated by net writeback of impairment losses on other financial assets and goodwill of RM0.2 million from net allowance of RM26.3 million and higher net writeback of impairment losses on loans, advances, financing and other debts of RM0.5 million.

c) Group Asset Management

Group Asset Management recorded profit before taxation and zakat of RM49.9 million for the quarter ended 31 December 2022 as compared to loss before taxation and zakat of RM52.7 million for the previous period corresponding quarter ended 31 December 2021. The profit was mainly due to lower overhead expenses of RM80.8 million, lower net allowances for impairment losses on other financial assets and goodwill of RM20.2 million, higher other operating income of RM1.2 million and higher net interest income of RM0.4 million.

Group Insurance and Takaful

Group Insurance and Takaful's profit before taxation and zakat decreased by RM98.9 million or 35.1% to RM182.6 million for the quarter ended 31 December 2022 from RM281.5 million for the previous period corresponding quarter ended 31 December 2021. The decrease was mainly due to higher net insurance benefits and claims incurred, net fee and commission expenses, change in expense liabilities and taxation of life and takaful fund of RM568.6 million, lower net earned insurance premiums of RM76.1 million, higher overhead expenses of RM44.2 million, higher net allowance for impairment losses on loans, advances, financing and other debts of RM4.4 million and lower net writeback of impairment losses on financial investments, other financial assets and goodwill of RM0.2 million. The decreases were, however, mitigated by higher other operating income of RM547.6 million and higher net interest income of RM47.1 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 December 2022 increased by RM1.8 million to RM2,167.3 million against the preceding quarter ended 30 September 2022 of RM2,165.5 million.

The Group's net interest income and income from Islamic Banking Scheme operations for the quarter ended 31 December 2022 increased by RM37.3 million or 0.7% to RM5,501.2 million as compared to RM5,463.9 million in the preceding quarter ended 30 September 2022.

The Group's net earned insurance premiums for the quarter ended 31 December 2022 decreased by RM164.9 million to RM2,094.1 million compared to RM2,259.0 million in the preceding quarter ended 30 September 2022.

Other operating income of the Group for the quarter ended 31 December 2022 increased by RM220.5 million to RM1,766.0 million as compared to RM1,545.5 million in the preceding quarter ended 30 September 2022. The increase was mainly due to higher unrealised mark-to-market gain on revaluation of financial investments at FVTPL of RM539.7 million, unrealised mark-to-market gain on revaluation of financial assets designated upon initial recognition at FVTPL of RM347.5 million for the quarter ended 31 December 2022 as compared to unrealised mark-to-market loss of RM93.0 million in the preceding quarter ended 30 September 2022, and higher realised gain on derivatives of RM298.8 million. The increases were, however, offset by lower unrealised mark-to-market gain on revaluation of financial liabilities at FVTPL of RM1,022.9 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 increased by RM609.7 million to RM2,464.2 million for the quarter ended 31 December 2022 as compared to RM1,854.5 million in the preceding quarter ended 30 September 2022. The increase was mainly due to higher net insurance benefits and claims incurred by the Insurance and Takaful subsidiaries of RM612.6 million.

The Group posted an increase of RM12.8 million in overhead expenses to RM3,407.2 million for the quarter ended 31 December 2022 as compared to RM3,394.4 million in the preceding quarter ended 30 September 2022. The increase was mainly due to higher personnel expenses of RM88.4 million and marketing expenses of RM1.8 million. The increases were, however, offset by lower establishment cost of RM41.0 million and administration and general expenses of RM36.4 million.

The Group's allowances for impairment losses on loans, advances, financing and other debts decreased by RM290.8 million to RM308.8 million for the quarter ended 31 December 2022 as compared to RM599.6 million in the preceding quarter ended 30 September 2022.

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B3. Prospects

The global economy is expected to grow more moderately at 1.9% in 2023 (2022: 3.0%) due to the negative impact of inflation and higher interest rates on the global economy. ASEAN's economic growth is expected to ease but remain above the global average supported by the resurgence of international tourism, resilient intra-Asian trade flows, foreign direct investment (FDI) inflows and China's economic reopening.

Malaysia's economy is estimated to grow at 4.0% in 2023 after a strong 8.7% rebound in 2022, as external trade growth slows in tandem with an expected global economic slowdown. Similarly, domestic demand is set to soften as pent-up spending following the full economic reopening in 2022 dissipates. The key positives for Malaysia's economic growth include the recovery in international tourism, the economic reopening of China, and positive FDI inflows. There is a possibility that the Overnight Policy Rate will increase this year approaching pre-pandemic rate levels.

Singapore's GDP is anticipated to record a lower growth of 1.7% in 2023 (2022: 3.6%) on the back of weakening external demand in the major advanced economies. Economic growth is expected to be driven by the hospitality, aviation, retail, recreation and construction sectors while sectors such as electronics, manufacturing and trade-related services are forecast to slow. As core inflation remains elevated, the Monetary Authority of Singapore may decide to further tighten the monetary policy by re-centering the Singapore dollar nominal effective exchange rate (\$SNEER).

Indonesia's GDP growth is expected to remain stable at 5.0% in 2023 (2022: 5.3%) supported by steady domestic demand and offset by moderating external demand amid the global slowdown. Inflation is anticipated to remain elevated in the first half of the year on higher transport costs as a result of increased fuel prices, before easing in the second half of 2023. Bank Indonesia will likely hold its policy rate steady as its focus shifts to supporting growth.

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

Asset quality management will remain a priority of the Group in 2023. To date, the expiry of repayment assistance programmes have not led to any material effect on the Group's asset quality. Maybank will continue to monitor the loan portfolio and remains committed to offering targeted support to customers if needed.

The Group will actively prioritise customer centricity through enhancing end-to-end customer journeys by providing financial solutions and services across various touchpoints. Strategic investments will be channelled to further integrate its digital and physical networks, enhance IT capabilities, and drive regional cross-selling synergies aligned to the M25+ corporate strategy. In supporting its ambition of being a sustainability leader in ASEAN, the Group will focus on capacity-building to support the responsible transition of the Group and its key stakeholders to a low carbon economy. These initiatives include offering sustainable financing and decarbonisation solutions to its customers. In addition, the Group will continue to deepen its Islamic wealth management capabilities by developing Centres of Excellence to lead the Group's aspiration of becoming a Global Islamic Finance leader.

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

B4. Profit Forecast or Profit Guarantee

Neither the Group nor the Bank has made any profit forecast or issued any profit guarantee for the fourth quarter and 12 months financial year ended 31 December 2022.

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B5. Taxation and Zakat

The analysis of the tax expense for the fourth quarter and 12 months financial year ended 31 December 2022 are as follows:

Group	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	928,114	346,452	3,607,230	2,234,349
Foreign income tax	180,973	82,119	746,598	461,840
Less: Double taxation relief	(76,717)	(38,105)	(345,050)	(108,816)
	1,032,370	390,466	4,008,778	2,587,373
(Over)/under provision in respect of prior period/year:				
Malaysian income tax	-	(2,234)	(28,958)	659,324
Foreign income tax	(1,676)	4,508	(1,667)	3,926
	1,030,694	392,740	3,978,153	3,250,623
Deferred tax				
- Relating to origination and reversal of temporary differences	40,794	867,529	(251,176)	(55,812)
- Over provision of deferred tax assets in prior year	-	(677,810)	-	(677,810)
	40,794	189,719	(251,176)	(733,622)
Tax expense for the financial period/year	1,092,352	582,459	3,726,977	2,517,001
Zakat	6,837	15,137	53,287	48,079
	1,099,189	597,596	3,780,264	2,565,080

The Group's effective tax rate for the financial year ended 31 December 2022 was higher than the statutory tax rate due to impact of Prosperity Tax (or also known as Cukai Makmur) for Year of Assessment 2022 ("YA 2022") and effects of certain non-deductible expenses.

Bank	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Malaysian income tax	412,319	(45,275)	1,739,533	866,285
Foreign income tax	73,280	31,500	345,050	108,816
Less: Double taxation relief	(76,717)	(38,105)	(345,050)	(108,816)
	408,882	(51,880)	1,739,533	866,285
(Over)/under provision in respect of prior period/year:				
Malaysian income tax	-	(24,919)	(20,864)	224,346
	408,882	(76,799)	1,718,669	1,090,631
Deferred tax				
- Relating to origination and reversal of temporary differences	70,146	417,804	(50,223)	24,692
- Over provision of deferred tax assets in prior year	-	(249,265)	-	(249,265)
	70,146	168,539	(50,223)	(224,573)
Tax expense for the financial period/year	479,028	91,740	1,668,446	866,058

The Bank's effective tax rate for the financial year ended 31 December 2022 was lower than the statutory tax rate due to certain income not subject to tax, offset with impact of Prosperity Tax for YA 2022.

Domestic income tax for the Group and the Bank are calculated at the Malaysian statutory tax rate of 24% of the estimated chargeable profit for the financial year. As announced in the Budget 2022, the Prosperity Tax is a one-off tax measure whereby companies with chargeable income above the RM100.0 million will be taxed at a rate of 33% and the income below and equal RM100.0 million will be taxed at the current statutory tax rate of 24% for YA 2022. Taxation for foreign entities 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 financial year ended 31 December 2022.

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 A41g.

B9. Derivative Financial Instruments

Please refer to Note A37.

B10. Changes in Material Litigation

There is no material litigation during the financial year ended 31 December 2022.

B11. Dividend

(i) Second interim dividend

The Board of Directors has declared a single-tier second interim cash dividend in respect of the current financial year ended 31 December 2022 of 30.0 sen single-tier dividend per ordinary share, amounting to dividend payable of RM3,616,238,128 (based on 12,054,127,092 ordinary shares issued as at 31 December 2022).

Pursuant to Section 8.26 of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, the single-tier second interim cash dividend will be paid no later than three (3) months from the date of declaration.

The book closure date will be announced by the Bank at a later date.

(ii) Total dividend

Total dividend for the financial year ended 31 December 2022 are as follows:

- a) Single-tier first interim dividend of 28.0 sen per ordinary share declared on 25 August 2022 and paid on 19 October 2022 as disclosed in Note A9(b); and
- b) Single-tier second interim cash dividend of 30.0 sen per ordinary share declared on 27 February 2023.

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B12. Earnings Per Share ("EPS")

Basic EPS

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

	Unaudited		Audited	
	Fourth Quarter Ended		Cumulative 12 Months Ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Net profit for the financial period/year attributable to equity holders of the Bank (RM'000)	2,167,307	2,056,871	8,234,949	8,096,229
Weighted average number of ordinary shares in issue ('000)	12,054,127	11,874,939	11,968,687	11,622,345
Basic earnings per share	17.98 sen	17.32 sen	68.80 sen	69.66 sen

Diluted EPS

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

By Order of the Board

Wan Marzimin Wan Muhammad

LS0009924

Company Secretary

27 February 2023