

J.P.Morgan

J.P. MORGAN CHASE BANK BERHAD

(Company number: 199401030666 (316347-D))

(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

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

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

UNAUDITED STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2020

ASSETS	<u>Note</u>	<u>31 Mar 2020</u> RM'000	<u>31 Dec 2019</u> RM'000
Cash and short-term funds	a	4,099,621	4,799,172
Securities purchased under resale agreement		1,210,979	1,814,557
Financial assets held at fair value through profit and loss	b	1,548,465	408,409
Derivative financial instruments		1,593,857	587,362
Financial assets held at fair value through other comprehensive income	c	997,808	843,453
Loans and advances	d	440,806	265,291
Amount due from related parties		505,046	153,149
Statutory deposits with Bank Negara Malaysia		2	2
Other assets	e	592,164	259,729
Tax recoverable		19,711	31,305
Deferred tax assets		3,051	3,051
Fixed assets		13,501	14,914
Right-of-use assets		8,329	9,421
TOTAL ASSETS		<u>11,033,340</u>	<u>9,189,815</u>
LIABILITIES AND SHAREHOLDERS' EQUITY			
Deposits from customers	f	5,852,817	5,777,317
Deposits and placements of banks and other financial institutions	g	665,848	389,572
Obligations on securities sold under repurchase agreements		9,324	51,759
Derivative financial instruments		1,338,845	561,192
Amount due to related parties		774,753	579,424
Other liabilities	h	776,003	286,072
Total liabilities		<u>9,417,590</u>	<u>7,645,336</u>
Share capital	i	437,500	437,500
Retained earnings		1,166,001	1,089,820
Reserves		12,249	17,159
Shareholders' equity		<u>1,615,750</u>	<u>1,544,479</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>11,033,340</u>	<u>9,189,815</u>
COMMITMENTS AND CONTINGENCIES	p	<u>111,778,502</u>	<u>86,726,113</u>

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

	<u>Note</u>	<u>31 Mar 2020</u> (Quarter 1 2020) RM'000	<u>31 Mar 2019</u> (Quarter 1 2019) RM'000
Interest income	j	48,903	37,760
Interest expense	k	(20,466)	(19,075)
		<hr/>	<hr/>
Net interest income		28,437	18,685
Other operating income	l	121,754	74,600
		<hr/>	<hr/>
Net income		150,191	93,285
Other operating expenses	m	(39,116)	(38,320)
		<hr/>	<hr/>
Operating profit before allowances		111,075	54,965
Expected credit losses (made)/written-back on loans and advances	n	(16,714)	568
		<hr/>	<hr/>
Profit before taxation		94,361	55,533
Taxation		(23,285)	(13,625)
		<hr/>	<hr/>
Net profit for the financial period		<u>71,076</u>	<u>41,908</u>

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

(Incorporated in Malaysia)

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

	Share capital RM'000	Fair value reserves of OCI RM'000	Option reserve RM'000	Regulatory reserve RM'000	Distributable Retained earnings RM'000	Total RM'000
At 1 January 2020	437,500	101	11,953	5,105	1,089,820	1,544,479
Net profit for the financial period	-	-	-	-	71,076	71,076
Transfer from regulatory reserve	-	-	-	(5,105)	5,105	-
Other comprehensive income	-	195	-	-	-	195
At 31 March 2020	<u>437,500</u>	<u>296</u>	<u>11,953</u>	<u>-</u>	<u>1,166,001</u>	<u>1,615,750</u>
At 1 January 2019	127,500	133	11,953	14,206	959,653	1,113,445
Capital contribution	310,000	-	-	-	-	310,000
Net profit for the financial period	-	-	-	-	121,066	121,066
Transfer from regulatory reserve	-	-	-	(9,101)	9,101	-
Other comprehensive income	-	(32)	-	-	-	(32)
At 31 December 2019	<u>437,500</u>	<u>101</u>	<u>11,953</u>	<u>5,105</u>	<u>1,089,820</u>	<u>1,544,479</u>

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

(Incorporated in Malaysia)

CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020

	<u>31 Mar 2020</u> RM'000	<u>31 Mar 2019</u> RM'000
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation	94,361	55,533
Adjustments for items not involving the movement of cash and cash equivalents:		
Depreciation of fixed assets	1,449	807
Amortisation of lease	1,072	999
Loss on disposal of fixed assets	-	2
Expected credit losses on loans and advances	16,714	(568)
Net unrealised (gain)/loss from revaluation of financial assets held at fair value through profit and loss	(4,583)	68
Net loss on derivatives	3,409	12,026
Net unrealised gain in revaluation on derivatives	(62,185)	(21,899)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	<u>50,237</u>	<u>46,968</u>
Decrease/(Increase) in securities purchased under resale agreement	603,578	(21,069)
(Increase)/decrease in financial assets held at fair value through profit and loss	(1,135,473)	873,343
Increase in derivative financial instruments	(170,066)	(36,846)
(Increase)/decrease in financial assets held at fair value through other comprehensive income	(154,160)	222,359
(Increase)/decrease in loans and advances	(192,229)	54,542
Increase in other assets	(332,044)	(245,873)
Increase/(decrease) in deposits from customers	75,500	(1,161,218)
Increase/(decrease) in deposits and placements of banks and other financial institutions	276,276	(218,401)
Increase in other liabilities	489,931	462,077
Decrease in securities sold under repurchase agreements	(42,435)	(18,180)
Increase/(decrease) in amount due to related parties	195,329	(449,345)
Cash used in operating activities	<u>(335,556)</u>	<u>(491,643)</u>
Income taxes paid	(11,700)	(5,400)
Net cash used in operating activities	<u>(347,256)</u>	<u>(497,043)</u>
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(36)	(738)
Net cash used in investing activities	<u>(36)</u>	<u>(738)</u>

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

CASH FLOW STATEMENT
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2020 (CONTINUED)

	<u>31 Mar 2020</u> RM'000	<u>31 Mar 2019</u> RM'000
CASH FLOWS FROM FINANCING ACTIVITIES		
Lease rental payment	(362)	(372)
Net cash flow from financing activities	<u>(362)</u>	<u>(372)</u>
NET INCREASE IN CASH AND CASH EQUIVALENTS		
	(347,654)	(498,153)
CASH AND CASH EQUIVALENTS AT BEGINNING OF FINANCIAL PERIOD		
	4,952,321	5,121,768
CASH AND CASH EQUIVALENT AT END OF FINANCIAL PERIOD		
	<u>4,604,667</u>	<u>4,623,615</u>
ANALYSIS OF CASH AND CASH EQUIVALENTS		
Cash and short term funds	4,099,621	3,954,412
Amount due from related parties	505,046	669,203
	<u>4,604,667</u>	<u>4,623,615</u>

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

(Incorporated in Malaysia)

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

A Basis of preparation

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

The unaudited interim financial statements should be read in conjunction with the audited financial statements of the Bank for the financial year ended 31 December 2019. The explanatory notes attached in the unaudited interim financial statements provide an explanation of events and transactions that are significant for an understanding of the changes in the financial position and performance of the Bank since the financial year ended 31 December 2019.

The significant accounting policies and methods of computation applied in the unaudited interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2019.

B Auditor's Report on preceding Annual Financial Statements

The auditor's report on the financial statements for the financial year ended 31 December 2019 was not subject to any qualification.

C Seasonality or Cyclical factors

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

D Unusual items due to their nature, size or incidence

There were no unusual items affecting assets, liabilities, equity, net income or cash flows of the Bank for the financial period ended 31 March 2020.

E Change in estimates

There were no changes in estimates of amounts reported in prior financial years that have material effect on the financial results and position of the Bank for the financial period ended 31 March 2020.

F Issuance and repayment of Debts and Equity Securities

There were no issuance, cancellation, repurchase, resale and repayment of debt and equity securities during the financial period ended 31 March 2020.

G Dividend

No dividend was paid during the financial period ended 31 March 2020.

H Subsequent events

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

I Review of Bank's Performance

The Bank's profit before taxation for the financial period to March 2020 amounted to RM94.4 million. Net interest income for the period was RM28.4 million. Major contributor for interest income include inter-bank lending (RM37.4 million), interest earned from financial assets held at fair value through other comprehensive income (RM8.8 million) and interest income from loans and advances for the period amounted to RM2.7 million. As for interest expense, amount incurred on inter-bank borrowings was RM2.3 million and interest incurred on customer deposits

Income generated from the Bank's treasury activities comprises net gain on foreign exchange trading of RM23.4 million, net gain and interest income in financial assets held at fair value through profit and loss of RM21.5 million and net gain on derivatives of RM58.8 million. Inter-company charges, commission and fees earned by the Bank amounted to RM18.1 million.

Total overhead expenditure incurred in the 3 months was RM39.1 million. Staff cost and benefits came up to RM14.7 million while establishment expenses amounted to RM3.0 million. Inter-company management fees and attribution fees incurred during the period was RM18.9 million while administration and general expenses amounted to RM2.2 million. Expected credit losses made on loans and advances for the period was RM16.7 million, higher than the credit losses written-back in the corresponding period in 2019 by RM17.3 million, mainly contributed by higher expected credit losses provided by taking into consideration of market and industry volatility and adverse macro-economical factors.

Performance for year-to-date March 2020 was higher than that of the corresponding period in 2019. In the current period, the profit before taxation was RM94.4 million (YTD March 2019: RM55.5 million). Net interest income for the current period was higher by RM9.8 million while other operating income in the first 3 months of 2020 was RM121.8 million, higher than the amount earned in the corresponding period in 2019 by RM47.2 million. The higher net interest income recorded was attributable to higher interest income from money at call and placements with financial institutions by RM12.1 million, offset by higher interest expense arising from deposits from customers by RM2.0 million. During the current period, there was lower net gain in foreign exchange by RM3.9 million, offset by higher other operating income earned by RM3.9 million. Net income from financial assets held at fair value through profit and loss for the first 3 months of 2020 amounted to RM21.5 million while RM23.0 million was recorded in the corresponding period for 2019. As for derivatives trading, a net gain of RM58.8 million was recorded in the period against a net gain of RM9.9 million recorded in first 3 months of 2019. Other operating expenses came up to RM39.1 million as compared with RM38.3 million incurred during the corresponding period of 2019, reflecting an increase of RM0.8 million.

J Business outlook for 2020

The Bank faces severe headwinds going into 2020 from a combination of geopolitical factors as well as the Covid-19 virus. The Malaysian economy is an open, export-orientated economy and is therefore heavily exposed to macro factors beyond its influence. This is likely to result in slower economic growth in 2020 compared to earlier years. As a consequence, the Bank's fortunes depend on how clients respond to the prevailing environment which, in turn, is dependent upon how quickly the global economy recovers particularly from the impact of Covid-19. Given the circumstances, the Bank will continue to ensure that clients' needs are met by our broad product mix and global network while at the same time managing risk.

The Bank will continue to focus on multi-national corporations, large domestic corporates, financial institutions and non-bank financial institutions, providing them with a broad mix of products and services across Corporate Banking, Wholesale Payments and Markets. With the support of our parent's strong capitalization, fortress balance sheet and proven track record in facing adverse conditions, the Bank is confident of evolving even stronger following a recovery from the current environment.

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

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

	<u>31 Mar 2020</u> RM '000	<u>31 Dec 2019</u> RM '000
a) Cash and short-term funds		
Cash and balances with banks and other financial institutions	125,317	34,486
Money at call and deposit placements maturing within one month	3,974,304	4,764,686
	<u>4,099,621</u>	<u>4,799,172</u>
b) Financial assets held at fair value through profit or loss		
<u>Money market instruments</u>		
Malaysian Government Securities	1,096,771	198,330
Bank Negara Interbank bills	14,986	-
Malaysian Treasury bills	4,966	4,926
Malaysian Government Investment Issuance	285,844	107,744
Malaysian Government Guaranteed Bonds	139,507	91,107
<u>Unquoted securities</u>		
Unquoted shares	6,391	6,302
	<u>1,548,465</u>	<u>408,409</u>
c) Financial assets held at fair value through other comprehensive income		
<u>Money market instruments</u>		
Bank Negara Interbank Bills	899,353	745,932
Malaysian Treasury Bills	98,455	97,521
	<u>997,808</u>	<u>843,453</u>
d) Loans and advances		
i) Loans and advances analysed by type of loan are as follows:		
Overdrafts	153,721	50,814
Housing loans	573	579
Staff loans	487	572
Revolving credits	204,724	180,366
Trade finance	92,752	33,764
	<u>452,257</u>	<u>266,095</u>
Less: Allowance for losses on loans and advances:		
- ECL not credit impaired	(11,427)	(780)
- ECL credit impaired	(24)	(24)
Total net loans and advances	<u>440,806</u>	<u>265,291</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

	<u>31 Mar 2020</u> RM '000	<u>31 Dec 2019</u> RM '000
d) Loans and advances (continued)		
ii) The maturity structure of loans and advances are as follows:		
Maturity within		
- one year	451,359	265,107
- one year to three years	137	58
- three years to five years	162	255
- over five years	599	675
	<u>452,257</u>	<u>266,095</u>
iii) Loans and advances analysed by type of customers are as follows:		
Domestic business enterprises		
- Others	445,804	260,463
Individuals	1,060	1,151
Foreign entities	5,393	4,481
	<u>452,257</u>	<u>266,095</u>
iv) Loans and advances analysed by interest sensitivity are as follows:		
Fixed rate		
- Housing loans	1,060	1,151
Variable rate		
- Cost-plus	451,197	264,944
	<u>452,257</u>	<u>266,095</u>
v) Loans and advances analysed by their economic purpose are as follows:		
Purchase of landed properties	1,060	1,151
Working capital	451,197	264,944
	<u>452,257</u>	<u>266,095</u>
vi) Loans and advances analysed by their geographical distribution are as follows:		
In Malaysia	446,864	261,614
Other countries	5,393	4,481
	<u>452,257</u>	<u>266,095</u>
vii) Loans and advances analysed by measurement basis are as follows:		
Amortised cost	<u>452,257</u>	<u>266,095</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

	<u>31 Mar 2020</u> RM '000	<u>31 Dec 2019</u> RM '000
d) Loans and advances (continued)		
viii) Impaired loans		
a) Movement in impaired loans and advances are as follows:		
At 1 January	92	66
Classified as impaired during the financial period/year	2	33
Amount recovered	<u>(1)</u>	<u>(7)</u>
At end of financial period/year	93	92
ECL credit impaired	<u>(24)</u>	<u>(24)</u>
Net impaired loans and advances	<u>69</u>	<u>68</u>
Ratio of net impaired loans and advances to net loans and advances	<u>0.02%</u>	<u>0.03%</u>
b) Impaired loans analysed by their economic purpose are as follows:		
Purchase of landed property	<u>93</u>	<u>92</u>
c) Impaired loans analysed by their geographical distribution are as follows:		
In Malaysia	<u>93</u>	<u>92</u>
d) Movement in allowance for impaired loans and advances are as follows:		
<u>ECL credit impaired</u>		
At 1 January	24	23
- Allowance made during the financial period/year	<u>-</u>	<u>1</u>
Balance at end of financial period/year	<u>24</u>	<u>24</u>
<u>ECL not credit impaired</u>		
At 1 January	780	181
- Allowance made during the financial period/year	<u>10,647</u>	<u>599</u>
Balance at end of financial period/year	<u>11,427</u>	<u>780</u>
e) Other assets		
Other receivables	486,401	258,441
Deposits and prepayments	<u>105,763</u>	<u>1,288</u>
	<u>592,164</u>	<u>259,729</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

	<u>31 Mar 2020</u> RM '000	<u>31 Dec 2019</u> RM '000
f) Deposits from customers		
i) Deposits from customers analysed by type of deposits are as follows:		
Demand deposits	5,811,885	5,748,406
Fixed deposits	40,932	28,911
	<u>5,852,817</u>	<u>5,777,317</u>
Maturity structure of fixed deposits are as follows:		
Due within six months	<u>40,932</u>	<u>28,911</u>
ii) Deposits from customers analysed by type of customers are as follows:		
Business enterprises	5,852,487	5,777,073
Others	330	244
	<u>5,852,817</u>	<u>5,777,317</u>
g) Deposits and placements of banks and other financial institutions		
Licensed banks	555,675	254,593
Other financial institutions	110,173	134,979
	<u>665,848</u>	<u>389,572</u>
h) Other liabilities		
Other payables	753,236	255,808
Accruals and charges	3,633	16,274
Lease liabilities	8,448	9,371
Expected credit loss - off-balance sheet lending commitment	10,686	4,619
	<u>776,003</u>	<u>286,072</u>
i) Share capital		
Movement in share capital during the financial period		
At the beginning of financial period/year	437,500	127,500
Capital contribution from holding company	-	310,000
At the end of the financial period/year	<u>437,500</u>	<u>437,500</u>

The Bank has on 11 June 2019 issued and fully paid-up 310,000,000 new ordinary shares in capital at an issue price of RM1.00 each for cash to the parent company, J.P. Morgan International Finance Ltd. This increase in capital contribution is qualified as Common Equity Tier-1 for the purpose of capital adequacy requirements.

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

	<u>31 Mar 2020</u> (Quarter 1 2020) RM '000	<u>31 Mar 2019</u> (Quarter 1 2019) RM '000
j) Interest income		
Loans and advances		
- Interest income other than recoveries from impaired loans	2,723	3,742
Money at call and placements with financial institutions	37,365	25,233
Financial assets held at fair value through other comprehensive income	8,815	8,785
	<u>48,903</u>	<u>37,760</u>
k) Interest expense		
Deposits from customers	18,207	16,227
Deposits and placements of banks and other financial institutions	2,259	2,848
	<u>20,466</u>	<u>19,075</u>
l) Other operating income		
Fee income:		
Service charges and fees	1,128	1,157
Guarantee fees	956	1,145
	<u>2,084</u>	<u>2,302</u>
Net income from securities:		
Net gain from sale of financial assets fair value through profit or loss	9,165	8,614
Unrealised gain/(loss) from revaluation of financial assets fair value through profit or loss	4,583	(68)
Interest income from assets held at fair value through profit and loss	7,709	14,432
Derivatives:		
Net loss from trading of derivatives	(3,409)	(12,026)
Unrealised gain from revaluation of derivatives	62,185	21,899
Other income:		
Foreign exchange gain	23,391	27,283
Other operating income	16,046	12,164
	<u>121,754</u>	<u>74,600</u>

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

	<u>31 Mar 2020</u> (Quarter 1 2020) RM '000	<u>31 Mar 2019</u> (Quarter 1 2019) RM '000
m) Other operating expenses		
Personnel expenses	14,708	13,701
Establishment expenses	2,981	2,632
Marketing expenses	267	322
Management fee	18,913	19,004
General administrative expenses	<u>2,247</u>	<u>2,661</u>
	<u>39,116</u>	<u>38,320</u>
n) Expected credit losses (made)/written-back for losses on loans and advances:		
ECL - off-balance sheet lending commitment	(6,067)	612
ECL - loans and advances	(10,647)	(42)
Loans and advances written-off	-	(2)
	<u>(16,714)</u>	<u>568</u>
o) Capital adequacy		
<p>The capital adequacy ratios of the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk, and Basic Indicator Approach for Operational Risk (Basel II).</p>		
i) The capital adequacy ratios of the Bank are as follows:	<u>31 Mar 2020</u> RM '000	<u>31 Dec 2019</u> RM '000
Tier-I capital		
Share capital	437,500	437,500
Retained earnings	1,089,820	1,089,820
Fair value reserve through other comprehensive income	296	101
Option reserve	<u>11,953</u>	<u>11,953</u>
	1,539,569	1,539,374
Deferred tax assets	(3,051)	(3,051)
Financial assets at fair value through other comprehensive income	<u>(163)</u>	<u>(56)</u>
Total Tier I capital	<u>1,536,355</u>	<u>1,536,267</u>
Tier-II capital		
Regulatory reserve	-	5,105
ECL not credit impaired	<u>11,427</u>	<u>780</u>
Total Tier-II capital	<u>11,427</u>	<u>5,885</u>
Total capital	<u>1,547,782</u>	<u>1,542,152</u>
Common Equity Tier 1 capital ratio	25.084%	35.328%
Tier 1 capital ratio	25.084%	35.328%
Total capital ratio	25.271%	35.464%

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

o) Capital adequacy (continued)

ii) Total risk weighted assets and capital requirements as at 31 March 2020 and 31 December 2019

Exposure class	31 March 2020				31 December 2019			
	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Capital requirements RM'000	Gross exposures RM'000	Net exposures RM'000	Risk weighted assets RM'000	Capital requirements RM'000
(a) Credit risk								
On-balance sheet exposures								
Sovereigns/central banks	5,372,410	5,372,410	129,225	10,338	5,781,829	5,781,829	81,863	6,549
Banks, development financial institutions and fund managers	1,495,576	1,495,576	311,665	24,933	1,862,069	1,862,069	372,550	29,804
Insurance companies, securities firms and fund managers	553,323	553,323	277,646	22,212	259,050	259,050	129,829	10,386
Corporates	463,537	463,537	463,537	37,083	264,944	264,944	264,944	21,196
Residential mortgages	963	963	337	27	1,054	1,054	369	30
Higher risk assets	4	4	6	1	4	4	6	1
Other assets	30,266	30,266	29,864	2,388	32,519	32,519	32,007	2,561
Defaulted exposures	69	69	35	3	68	68	34	3
Total on-balance sheet exposures	7,916,148	7,916,148	1,212,315	96,985	8,201,537	8,201,537	881,602	70,530
Off-balance sheet exposures over-the-counter ('OTC') derivatives	4,096,576	4,096,576	1,646,667	131,733	2,568,066	2,568,066	932,265	74,581
Off-balance sheet exposures other than OTC derivatives	370,397	370,397	347,220	27,778	303,352	303,352	275,386	22,031
Total off-balance sheet exposures	4,466,973	4,466,973	1,993,887	159,511	2,871,418	2,871,418	1,207,651	96,612
Total on and off-balance sheet exposures	12,383,121	12,383,121	3,206,202	256,496	11,072,955	11,072,955	2,089,253	167,142
(b) Market risk								
	<u>Long</u>	<u>Short</u>			<u>Long</u>	<u>Short</u>		
Interest rate risk	138,141,147	137,267,557	1,996,509	159,721	112,328,805	111,562,393	1,468,018	117,442
Foreign currency risk	52,896	43,523	52,896	4,232	9,786	-	9,786	783
Option risk			296,442	23,715			263,112	21,049
(c) Operational risk								
			572,773	45,822			518,381	41,470
Total risk weighted assets and capital			6,124,822	489,986			4,348,550	347,886

NOTES TO THE FINANCIAL STATEMENTS - 31 MARCH 2020

p) Commitments and contingencies

	31 March 2020			31 December 2019		
	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount RM'000	Principal amount RM'000	Credit equivalent amount* RM'000	Risk-weighted amount RM'000
Direct credit substitutes	240,980	240,980	222,220	177,275	177,275	153,588
Transaction-related contingent items	72,056	36,028	31,611	74,006	37,003	32,724
Short-term self-liquidating trade related contingencies	13,880	2,776	2,776	14,826	2,965	2,965
Foreign exchange related contracts:						
- less than one year	47,705,659	1,389,046	598,488	31,745,761	699,788	297,715
- one year to less than five years	4,459,798	395,937	191,675	3,558,501	350,243	119,476
- more than five years	129,225	23,219	7,939	122,790	22,660	6,619
Interest rate related contracts:						
- less than one year	11,959,117	75,810	24,868	9,624,026	36,969	11,494
- one year to less than five years	39,676,260	1,391,344	486,680	34,587,526	927,673	271,892
- more than five years	3,074,542	346,765	118,683	2,325,772	187,103	50,925
Credit derivatives contracts						
- less than one year	-	-	-	31,150	3,115	623
- one year to less than five years	375,634	113,630	35,187	321,429	62,608	24,984
Equity related contracts						
- less than one year	1,596,373	241,763	118,227	1,556,590	145,572	76,804
- one year to less than five years	785,673	119,061	64,919	799,146	132,337	71,732
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	181,226	90,613	90,613	172,217	86,108	86,108
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in borrower's creditworthiness	1,508,079	-	-	1,615,098	-	-
	<u>111,778,502</u>	<u>4,466,972</u>	<u>1,993,886</u>	<u>86,726,113</u>	<u>2,871,419</u>	<u>1,207,649</u>

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