



BANK MUAMALAT MALAYSIA BERHAD

Company No.196501000376 (6175-W)
(Incorporated in Malaysia)

**BASEL II
PILLAR 3 DISCLOSURES**

**FOR THE HALF YEAR ENDED
30 JUNE 2023 (11 ZULHIJJAH 1444H)**

Statement by Chief Executive Officer

In the name of Allah, The Most Beneficent, The Most Merciful

In accordance with the requirement of BNM's Guideline on Capital Adequacy Framework for Islamic Banks ('CAFIB') – Disclosure Requirement ('Pillar 3'), and on behalf of the Board and management of Bank Muamalat Malaysia Berhad, I am pleased to provide an attestation on the Pillar 3 disclosures of the Group and the Bank for the half year ended 30 June 2023.

Khairul Kamarudin
President / Chief Executive Officer

Pillar 3 Disclosure Content

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Overview

The Pillar 3 Disclosure is a regulatory requirement aimed at enhancing market transparency and discipline. It is prepared in accordance to the Bank Negara Malaysia's (BNM's) guidelines "Capital Adequacy Framework for Islamic Banks (CAFIB) - Disclosure Requirements (Pillar 3)" and contains qualitative and quantitative information on Bank Muamalat Malaysia Berhad's (BMMB's) risk exposures and capital adequacy levels as well as on its capital and risk management practices.

In assessing its capital position, BMMB applies the prescribed Standardised Approach to measure its credit and market risk exposures and the Basic Indicator Approach for operational risk, as outlined under the BNM's CAFIB guidelines.

This Pillar 3 disclosure should be read in conjunction with the Bank's half year unaudited 30 June 2023 Interim Financial Statements.

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The tables below present the capital adequacy ratios of the Group and the Bank.

Table 1: Capital adequacy ratios

| | Group | | Bank | |
|---------------------|-------------------------|-----------------------------|-------------------------|-----------------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| CET1 capital ratio | 11.753% | 12.529% | 11.640% | 12.415% |
| Total capital ratio | 16.554% | 17.572% | 16.451% | 17.471% |

The table below presents the capital position of the Group and Bank.

Table 2: Capital structure

| | Group | | Bank | |
|--|-------------------------|-----------------------------|-------------------------|-----------------------------|
| | 30 June 2023 | 31 December 2022 | 30 June 2023 | 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Tier-I capital | | | | |
| Share capital | 1,195,000 | 1,195,000 | 1,195,000 | 1,195,000 |
| Retained profits | 1,595,641 | 1,595,641 | 1,577,800 | 1,577,800 |
| Other Reserves | | | | |
| Regulatory reserve | 110,621 | 94,239 | 110,621 | 94,239 |
| Unrealised losses on fair value through other comprehensive income ("FVOCI") financial instruments | 21,331 | (1,342) | 21,331 | (1,342) |
| Foreign exchange translation reserve | 999 | 3,066 | 1,000 | 3,067 |
| Regulatory Adjustment | | | | |
| Less: Regulatory reserve | (110,621) | (94,239) | (110,621) | (94,239) |
| Unrealised losses on fair value through other comprehensive income ("FVOCI") financial instruments | (11,732) | - | (11,732) | - |
| Less: Investment property gain | (8,171) | (8,171) | (8,171) | (8,171) |
| Less: Deferred tax assets | (42,675) | (52,920) | (42,672) | (52,920) |
| Less: Investment in subsidiaries | - | - | (13,159) | (13,159) |
| Less: Cumulative gains of financing measured at FVTPL | (21,480) | (21,455) | (21,480) | (21,455) |
| Less: Intangible Asset (net of deferred tax liabilities) | (102,109) | (94,363) | (101,785) | (94,013) |
| Total Tier-I Capital | 2,626,804 | 2,615,456 | 2,596,132 | 2,584,807 |
| Tier-II capital | | | | |
| Subordinated sukuk | 800,000 | 800,000 | 800,000 | 800,000 |
| Collective assessment allowance for non-impaired financing and regulatory reserve | 269,319 | 248,955 | 269,319 | 248,955 |
| Add: Investment property gain | 3,677 | 3,677 | 3,677 | 3,677 |
| Total Tier-II Capital | 1,072,996 | 1,052,632 | 1,072,996 | 1,052,632 |
| Total Capital Base | 3,699,800 | 3,668,088 | 3,669,128 | 3,637,439 |

The capital adequacy ratios of the Bank are computed in accordance with BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) and Capital Adequacy Framework for Islamic Banks (Risk Weighted Assets) issued on 9 December 2020 and 3 May 2019 respectively. The Group and Bank have adopted the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk. The minimum regulatory capital adequacy requirement for Islamic Bank Common Equity Tier I capital, Tier I capital, and Total Capital are 4.5%, 6.0% and 8.0% of total RWA respectively for the current period (31 December 2022: 4.5%, 6.0% and 8.0% of total RWA).

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The following tables present the minimum regulatory capital requirement to support the Group's and the Bank's risk-weighted assets:

Table 3: Minimum capital requirement and risk-weighted assets

| | 30 June 2023 | | 31 December 2022 | |
|--|--------------------------------|--|--------------------------------|--|
| | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 |
| Group | | | | |
| Credit Risk | 20,901,914 | 1,672,153 | 19,525,603 | 1,562,048 |
| Less: Credit risk absorbed by profit-sharing investment account ("PSIA") | 123,201 | - | 135,099 | - |
| Market Risk | 58,667 | 4,693 | 23,153 | 1,852 |
| Operational Risk | 1,512,426 | 120,994 | 1,460,879 | 116,870 |
| Total | 22,349,806 | 1,797,840 | 20,874,536 | 1,680,770 |
| | | | | |
| | 30 June 2023 | | 31 December 2022 | |
| | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 |
| Bank | | | | |
| Credit Risk | 20,886,110 | 1,670,889 | 19,506,523 | 1,560,522 |
| Less: Credit risk absorbed by profit-sharing investment account ("PSIA") | 123,201 | - | 135,099 | - |
| Market Risk | 58,667 | 4,693 | 23,153 | 1,852 |
| Operational Risk | 1,481,718 | 118,537 | 1,424,839 | 113,987 |
| Total | 22,303,294 | 1,794,119 | 20,819,416 | 1,676,361 |

The Group and the Bank do not have any capital requirement for Large Exposure Risk as there is no amount in excess of the lowest threshold arising from equity holdings as specified in the BNM's RWCAF.

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Risk-weighted and capital requirements for credit risk, market risk and operational risk are as follows:

Table 4: Minimum capital requirement and risk-weighted assets by exposures

| Group | Gross Exposures | *Net Exposures | Risk Weighted Assets | Minimum Capital Requirement |
|---|-------------------|-------------------|----------------------|-----------------------------|
| 30 June 2023 | RM'000 | RM'000 | RM'000 | at 8% RM'000 |
| (i) Credit Risk (Standardised Approach) | | | | |
| (a) On Balance Sheet Exposures | | | | |
| Sovereign/Central Banks | 7,634,996 | 7,634,996 | - | - |
| Public Sector Entities | 1,009,694 | 1,009,694 | 201,935 | 16,155 |
| Banks, Development Financial Institution & MDBs | 153,371 | 153,371 | 30,674 | 2,454 |
| Takaful Cos, Securities Firms & Fund Managers | 79,160 | 79,160 | 15,832 | 1,267 |
| Corporates | 7,686,366 | 7,686,366 | 6,182,164 | 494,573 |
| Regulator Retail | 12,374,623 | 12,374,623 | 10,252,730 | 820,218 |
| Residential Real Estate | 5,930,304 | 5,930,304 | 2,560,452 | 204,836 |
| Higher Risk Assets | 63,818 | 63,818 | 95,719 | 7,658 |
| Other Assets | 305,314 | 305,314 | 179,211 | 14,336 |
| Defaulted Exposures | 148,070 | 148,070 | 134,260 | 10,741 |
| | 35,385,716 | 35,385,716 | 19,652,977 | 1,572,238 |
| (b) Off-Balance Sheet Exposures** | | | | |
| Credit-related off-balance sheet exposure | 1,441,688 | 1,441,688 | 1,206,556 | 96,524 |
| Derivative financial instruments | 50,812 | 50,812 | 42,381 | 3,391 |
| | 1,492,500 | 1,492,500 | 1,248,937 | 99,915 |
| Total Credit Exposures | 36,878,216 | 36,878,216 | 20,901,914 | 1,672,153 |
| (c) Credit Risk Absorb by PSIA | 284,501 | 284,501 | 123,201 | - |
| (ii) Market Risk (Standardised Approach) | | | | |
| Benchmark Rate Risk | 844 | (841) | 32,273 | 2,581 |
| Foreign Currency Risk | 3,806 | (1,253) | 26,394 | 2,112 |
| | | | 58,667 | 4,693 |
| (iii) Operational Risk (Basic Indicators Approach) | | | 1,512,426 | 120,994 |
| (iv) Total RWA and Capital Requirements | | | 22,349,806 | 1,797,840 |

* After netting and credit risk mitigation

** Credit Risk of off balance sheet items

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Risk-weighted and capital requirements for credit risk, market risk and operational risk are as follows: (cont'd)

Table 4: Minimum capital requirement and risk-weighted assets by exposures (cont'd)

| Group | Gross Exposures RM'000 | *Net Exposures RM'000 | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 |
|---|---------------------------|--------------------------|--------------------------------|--|
| 31 December 2022 | | | | |
| (i) Credit Risk (Standardised Approach) | | | | |
| (a) On Balance Sheet Exposures | | | | |
| Sovereign/Central Banks | 6,290,759 | 6,290,759 | - | - |
| Public Sector Entities | 961,974 | 961,974 | 192,387 | 15,391 |
| Banks, Development Financial Institution & MDBs | 120,802 | 120,802 | 24,160 | 1,933 |
| Takaful Cos, Securities Firms & Fund Managers | 95,291 | 95,291 | 19,058 | 1,525 |
| Corporates | 6,564,174 | 6,564,174 | 5,825,586 | 466,047 |
| Regulator Retail | 11,886,732 | 11,886,732 | 9,603,929 | 768,314 |
| Residential Real Estate | 5,196,032 | 5,196,032 | 2,327,438 | 186,195 |
| Higher Risk Assets | 68,931 | 68,931 | 103,384 | 8,271 |
| Other Assets | 245,603 | 245,603 | 105,460 | 8,435 |
| Defaulted Exposures | 98,935 | 98,935 | 89,092 | 7,127 |
| | 31,529,233 | 31,529,233 | 18,290,494 | 1,463,238 |
| (b) Off-Balance Sheet Exposures** | | | | |
| Credit-related off-balance sheet exposure | 1,414,607 | 1,414,607 | 1,221,345 | 97,708 |
| Derivative financial instruments | 25,347 | 25,347 | 13,764 | 1,101 |
| | 1,439,954 | 1,439,954 | 1,235,109 | 98,809 |
| Total Credit Exposures | 32,969,187 | 32,969,187 | 19,525,603 | 1,562,047 |
| (c) Credit Risk Absorb by PSIA | 301,290 | 301,290 | 135,099 | - |
| (ii) Market Risk (Standardised Approach) | | | | |
| Benchmark Rate Risk | 844 | (841) | 19,346 | 1,548 |
| Foreign Currency Risk | 3,806 | (1,253) | 3,806 | 305 |
| | | | 23,152 | 1,853 |
| (iii) Operational Risk (Basic Indicators Approach) | | | 1,460,880 | 116,870 |
| (iv) Total RWA and Capital Requirements | | | 20,874,536 | 1,680,770 |

* After netting and credit risk mitigation

** Credit Risk of off balance sheet items

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Risk-weighted and capital requirements for credit risk, market risk and operational risk are as follows: (cont'd)

Table 4: Minimum capital requirement and risk-weighted assets by exposures (cont'd)

| Bank | Gross Exposures RM'000 | *Net Exposures RM'000 | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 |
|---|---------------------------|--------------------------|--------------------------------|--|
| 30 June 2023 | | | | |
| (i) Credit Risk (Standardised Approach) | | | | |
| (a) On Balance Sheet Exposures | | | | |
| Sovereign/Central Banks | 7,634,996 | 7,634,996 | - | - |
| Public Sector Entities | 1,009,694 | 1,009,694 | 201,935 | 16,155 |
| Banks, Development Financial Institution & MDBs | 153,371 | 153,371 | 30,674 | 2,454 |
| Takaful Cos, Securities Firms & Fund Managers | 79,160 | 79,160 | 15,832 | 1,267 |
| Corporates | 7,674,796 | 7,674,796 | 6,166,883 | 493,351 |
| Regulator Retail | 12,374,623 | 12,374,623 | 10,252,730 | 820,218 |
| Residential Real Estate | 5,930,304 | 5,930,304 | 2,560,452 | 204,836 |
| Higher Risk Assets | 63,818 | 63,818 | 95,719 | 7,658 |
| Other Assets | 305,314 | 305,314 | 178,688 | 14,294 |
| Defaulted Exposures | 148,070 | 148,070 | 134,260 | 10,741 |
| | 35,374,146 | 35,374,146 | 19,637,173 | 1,570,974 |
| (b) Off-Balance Sheet Exposures** | | | | |
| Credit-related off-balance sheet exposure | 1,441,688 | 1,441,688 | 1,206,556 | 96,524 |
| Derivative financial instruments | 50,812 | 50,812 | 42,381 | 3,391 |
| | 1,492,500 | 1,492,500 | 1,248,937 | 99,915 |
| Total Credit Exposures | 36,866,646 | 36,866,646 | 20,886,110 | 1,670,889 |
| (c) Credit Risk Absorb by PSIA | 284,501 | 284,501 | 123,201 | - |
| (ii) Market Risk (Standardised Approach) | | | | |
| Benchmark Rate Risk | 844 | (841) | 32,273 | 2,581 |
| Foreign Currency Risk | 3,806 | (1,253) | 26,394 | 2,112 |
| | | | 58,667 | 4,693 |
| (iii) Operational Risk (Basic Indicators Approach) | | | 1,481,718 | 118,537 |
| (iv) Total RWA and Capital Requirements | | | 22,303,294 | 1,794,119 |

* After netting and credit risk mitigation

** Credit Risk of off balance sheet items

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Risk-weighted and capital requirements for credit risk, market risk and operational risk are as follows: (cont'd)

Table 4: Minimum capital requirement and risk-weighted assets by exposures (cont'd)

| Bank | Gross Exposures RM'000 | *Net Exposures RM'000 | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 |
|---|---------------------------|--------------------------|--------------------------------|--|
| 31 December 2022 | | | | |
| (i) Credit Risk (Standardised Approach) | | | | |
| (a) On Balance Sheet Exposures | | | | |
| Sovereign/Central Banks | 6,290,759 | 6,290,759 | - | - |
| Public Sector Entities | 961,974 | 961,974 | 192,387 | 15,391 |
| Banks, Development Financial Institution & MDBs | 120,802 | 120,802 | 24,160 | 1,933 |
| Takaful Cos, Securities Firms & Fund Managers | 95,291 | 95,291 | 19,058 | 1,525 |
| Corporates | 6,550,421 | 6,550,421 | 5,807,061 | 464,565 |
| Regulator Retail | 11,886,732 | 11,886,732 | 9,603,929 | 768,314 |
| Residential Real Estate | 5,196,032 | 5,196,032 | 2,327,438 | 186,195 |
| Higher Risk Assets | 68,931 | 68,931 | 103,384 | 8,271 |
| Other Assets | 245,603 | 245,603 | 104,906 | 8,393 |
| Defaulted Exposures | 98,935 | 98,935 | 89,091 | 7,127 |
| | 31,515,480 | 31,515,480 | 18,271,414 | 1,461,714 |
| (b) Off-Balance Sheet Exposures** | | | | |
| Credit-related off-balance sheet exposure | 1,414,607 | 1,414,607 | 1,221,345 | 97,708 |
| Derivative financial instruments | 25,347 | 25,347 | 13,764 | 1,101 |
| | 1,439,954 | 1,439,954 | 1,235,109 | 98,809 |
| Total Credit Exposures | 32,955,434 | 32,955,434 | 19,506,523 | 1,560,523 |
| (c) Credit Risk Absorb by PSIA | 301,290 | 301,290 | 135,099 | - |
| (ii) Market Risk (Standardised Approach) | | | | |
| Benchmark Rate Risk | 844 | (841) | 19,346 | 1,548 |
| Foreign Currency Risk | 3,806 | (1,253) | 3,806 | 305 |
| | | | 23,152 | 1,853 |
| (iii) Operational Risk (Basic Indicators Approach) | | | 1,424,840 | 113,985 |
| (iv) Total RWA and Capital Requirements | | | 20,819,416 | 1,676,361 |

* After netting and credit risk mitigation

** Credit Risk of off balance sheet items

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Credit Risk Exposures and Credit Risk Concentration

Table 5: Credit risk exposures and credit risk concentration by sector analysis

| Group | Government and statutory bodies RM'000 | Finance, takaful and business services RM'000 | Agriculture, manufacturing, wholesale, retail and restaurant RM'000 | Construction and real estate RM'000 | Transport, storage and communication RM'000 | Household RM'000 | Others RM'000 | Total RM'000 |
|---|---|--|--|--|--|-----------------------------|--------------------------|-------------------------|
| 30 June 2023 | | | | | | | | |
| On balance sheet exposures | | | | | | | | |
| Cash and short-term funds | - | 2,610,147 | - | - | - | - | - | 2,610,147 |
| Financial investments designated at fair value through profit and loss | 155,996 | - | - | - | - | - | 182,762 | 338,758 |
| Financial investments at fair value through other comprehensive income | 4,425,151 | 564,515 | 313,392 | - | - | - | 439,093 | 5,742,151 |
| Financial investments at amortised cost | - | - | 118,020 | - | - | - | - | 118,020 |
| Islamic derivative financial assets | - | 29,870 | - | - | - | - | - | 29,870 |
| Financing of customers | 934,850 | 1,975,504 | 2,061,852 | 1,616,374 | 185,541 | 18,146,337 | 713,334 | 25,633,792 |
| Statutory deposits with Bank Negara Malaysia | 585,388 | - | - | - | - | - | - | 585,388 |
| Other financial assets | - | - | - | - | - | - | 33,257 | 33,257 |
| | 6,101,385 | 5,180,036 | 2,493,264 | 1,616,374 | 185,541 | 18,146,337 | 1,368,446 | 35,091,383 |
| Commitments and contingencies | | | | | | | | |
| Contingent liabilities | 93,535 | 48,888 | 123,470 | 372,399 | 118,655 | 3,830 | 99,787 | 860,564 |
| Commitments | 58,458 | 53,930 | 391,931 | 366,102 | 80,484 | 620,688 | 582,979 | 2,154,572 |
| Other Miscellaneous Commitment and Contingent Liabilities | - | 54,129 | 7,716 | 21,415 | 150 | 119,494 | 29,337 | 232,241 |
| Derivative financial instruments | - | 643,403 | 853,130 | - | - | - | - | 1,496,533 |
| | 151,993 | 800,350 | 1,376,247 | 759,916 | 199,289 | 744,012 | 712,103 | 4,743,910 |
| Total credit exposures | 6,253,378 | 5,980,386 | 3,869,511 | 2,376,290 | 384,830 | 18,890,349 | 2,080,549 | 39,835,293 |

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Credit Risk Exposures and Credit Risk Concentration (cont'd)

Table 5: Credit risk exposures and credit risk concentration by sector analysis (cont'd)

| Group | Government and statutory bodies RM'000 | Finance, takaful and business services RM'000 | Agriculture, manufacturing, wholesale, retail and restaurant RM'000 | Construction and real estate RM'000 | Transport, storage and communication RM'000 | Household RM'000 | Others RM'000 | Total RM'000 |
|---|---|--|--|--|--|-----------------------------|--------------------------|-------------------------|
| 31 December 2022 | | | | | | | | |
| On balance sheet exposures | | | | | | | | |
| Cash and short-term funds | - | 1,235,453 | - | - | - | - | - | 1,235,453 |
| Cash and placements with financial institutions | - | 21,747 | - | - | - | - | - | 21,747 |
| Financial investments at fair value through profit and loss | 152,598 | - | - | - | - | - | 29,491 | 182,089 |
| Financial investments at fair value through other comprehensive income | 4,725,990 | 165,844 | 80,574 | - | - | - | 239,243 | 5,211,651 |
| Financial assets at amortised cost | - | - | 113,589 | - | - | - | - | 113,589 |
| Islamic derivative financial assets | - | 4,247 | - | - | - | - | - | 4,247 |
| Financing of customers | 945,889 | 1,641,736 | 2,070,410 | 1,581,653 | 189,534 | 16,877,576 | 710,269 | 24,017,067 |
| Statutory deposits with Bank Negara Malaysia | 417,091 | - | - | - | - | - | - | 417,091 |
| Other assets | - | - | - | - | - | - | 18,489 | 18,489 |
| | 6,241,568 | 3,069,027 | 2,264,573 | 1,581,653 | 189,534 | 16,877,576 | 997,492 | 31,221,423 |
| Commitments and contingencies | | | | | | | | |
| Contingent liabilities | 87,057 | 98,387 | 163,217 | 507,580 | 109,689 | 4,312 | 84,687 | 1,054,929 |
| Commitments | 64,936 | 194,474 | 344,235 | 115,846 | 18,005 | 609,323 | 441,233 | 1,788,052 |
| Other Miscellaneous Commitment and Contingent Liabilities | - | 1,121 | 5,772 | 39,446 | 150 | 75,968 | 29,775 | 152,232 |
| Islamic derivative financial instruments | - | 999,107 | 787,323 | - | - | - | - | 1,786,430 |
| | 151,993 | 1,293,089 | 1,300,547 | 662,872 | 127,844 | 689,603 | 555,695 | 4,781,643 |
| Total credit exposures | 6,393,561 | 4,362,116 | 3,565,120 | 2,244,525 | 317,378 | 17,567,179 | 1,553,187 | 36,003,066 |

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Credit Risk Exposures and Credit Risk Concentration (cont'd)

Table 5: Credit risk exposures and credit risk concentration by sector analysis (cont'd)

| Bank | Government and statutory bodies RM'000 | Finance, takaful and business services RM'000 | Agriculture, manufacturing, wholesale, retail and restaurant RM'000 | Construction and real estate RM'000 | Transport, storage and communication RM'000 | Household RM'000 | Others RM'000 | Total RM'000 |
|---|---|--|--|--|--|-----------------------------|--------------------------|-------------------------|
| 30 June 2023 | | | | | | | | |
| On balance sheet exposures | | | | | | | | |
| Cash and short-term funds | - | 2,610,147 | - | - | - | - | - | 2,610,147 |
| Financial investments designated at fair value through profit and loss | 155,996 | - | - | - | - | - | 180,185 | 336,181 |
| Financial investments at fair value through other comprehensive income | 4,425,151 | 564,515 | 313,392 | - | - | - | 439,093 | 5,742,151 |
| Financial investments at amortised cost | - | - | 118,020 | - | - | - | - | 118,020 |
| Islamic derivative financial assets | - | 29,870 | - | - | - | - | - | 29,870 |
| Financing of customers | 934,851 | 1,975,503 | 2,061,853 | 1,616,374 | 185,541 | 18,146,337 | 704,863 | 25,625,322 |
| Statutory deposits with Bank Negara Malaysia | 585,388 | - | - | - | - | - | - | 585,388 |
| Other financial assets | - | - | - | - | - | - | 32,990 | 32,990 |
| | 6,101,386 | 5,180,035 | 2,493,265 | 1,616,374 | 185,541 | 18,146,337 | 1,357,131 | 35,080,069 |
| Commitments and contingencies | | | | | | | | |
| Contingent liabilities | 93,535 | 48,888 | 123,470 | 372,399 | 118,655 | 3,830 | 99,787 | 860,564 |
| Commitments | 58,458 | 53,930 | 391,931 | 366,102 | 80,484 | 620,688 | 582,979 | 2,154,572 |
| Other Miscellaneous Commitment and Contingent Liabilities | - | 54,129 | 7,716 | 21,415 | 150 | 119,494 | 29,337 | 232,241 |
| Derivative financial instruments | - | 643,403 | 853,130 | - | - | - | - | 1,496,533 |
| | 151,993 | 800,350 | 1,376,247 | 759,916 | 199,289 | 744,012 | 712,103 | 4,743,910 |
| Total credit exposures | 6,253,379 | 5,980,385 | 3,869,512 | 2,376,290 | 384,830 | 18,890,349 | 2,069,234 | 39,823,979 |

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Credit Risk Exposures and Credit Risk Concentration (cont'd)

Table 5: Credit risk exposures and credit risk concentration by sector analysis (cont'd)

| Bank | Government and statutory bodies RM'000 | Finance, takaful and business services RM'000 | Agriculture, manufacturing, wholesale, retail and restaurant RM'000 | Construction and real estate RM'000 | Transport, storage and communication RM'000 | Household RM'000 | Others RM'000 | Total RM'000 |
|---|---|--|--|--|--|-----------------------------|--------------------------|-------------------------|
| 31 December 2022 | | | | | | | | |
| On balance sheet exposures | | | | | | | | |
| Cash and short-term funds | - | 1,235,453 | - | - | - | - | - | 1,235,453 |
| Cash and placements with financial institutions | - | 21,747 | - | - | - | - | - | 21,747 |
| Financial investments at fair value through profit and loss | 152,598 | - | - | - | - | - | 26,946 | 179,544 |
| Financial investments at fair value through other comprehensive income | 4,725,990 | 165,844 | 80,574 | - | - | - | 239,243 | 5,211,651 |
| Financial assets at amortised cost | - | - | 113,589 | - | - | - | - | 113,589 |
| Islamic derivative financial assets | - | 4,247 | - | - | - | - | - | 4,247 |
| Financing of customers | 945,889 | 1,641,735 | 2,070,410 | 1,581,653 | 189,534 | 16,877,576 | 699,616 | 24,006,413 |
| Statutory deposits with Bank Negara Malaysia | 417,091 | - | - | - | - | - | - | 417,091 |
| Other assets | - | - | - | - | - | - | 18,045 | 18,045 |
| | 6,241,568 | 3,069,026 | 2,264,573 | 1,581,653 | 189,534 | 16,877,576 | 983,850 | 31,207,780 |
| Commitments and contingencies | | | | | | | | |
| Contingent liabilities | 87,057 | 98,387 | 163,217 | 507,580 | 109,689 | 4,312 | 84,687 | 1,054,929 |
| Commitments | 64,936 | 194,474 | 344,235 | 115,846 | 18,005 | 609,323 | 441,233 | 1,788,052 |
| Other Miscellaneous Commitment and Contingent Liabilities | - | 1,121 | 5,772 | 39,446 | 150 | 75,968 | 29,775 | 152,232 |
| Derivative financial instruments | - | 999,107 | 787,323 | - | - | - | - | 1,786,430 |
| | 151,993 | 1,293,089 | 1,300,547 | 662,872 | 127,844 | 689,603 | 555,695 | 4,781,643 |
| Total credit exposures | 6,393,561 | 4,362,115 | 3,565,120 | 2,244,525 | 317,378 | 17,567,179 | 1,539,545 | 35,989,423 |

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Credit Risk Exposures and Credit Risk Concentration (cont'd)

Table 6: Credit risk exposures and credit risk concentration by geographical analysis

The analysis of credit concentration risk of financial assets and commitments and contingencies of the Group and the Bank categorised by geographical distribution (based on the geographical location where the credit risk resides) are as follows:

| | Group | | Bank | |
|--|----------------------------|--------------------------|----------------------------|--------------------------|
| | Domestic RM'000 | Labuan RM'000 | Domestic RM'000 | Labuan RM'000 |
| 30 June 2023 | | | | |
| On Balance Sheet | | | | |
| Exposures | | | | |
| Cash and short-term funds | 2,463,123 | 147,024 | 2,463,123 | 147,024 |
| Cash and placements with financial institutions | - | - | - | - |
| Financial investments designated at fair value through profit and loss | 338,758 | - | 336,181 | - |
| Financial investments at fair value through other comprehensive income | 5,596,379 | 145,772 | 5,596,379 | 145,772 |
| Financial investments at amortised cost | 118,020 | - | 118,020 | - |
| Islamic derivative financial assets | 29,870 | - | 29,870 | - |
| Financing of customers | 25,633,792 | - | 25,625,322 | - |
| Statutory deposits with Bank Negara Malaysia | 585,388 | - | 585,388 | - |
| Other assets | 33,254 | 3 | 32,987 | 3 |
| | 34,798,584 | 292,799 | 34,787,270 | 292,799 |
| Commitments and contingencies | | | | |
| Contingent liabilities | 860,564 | - | 860,564 | - |
| Commitments | 2,154,572 | - | 2,154,572 | - |
| Other Miscellaneous Commitment and Contingent Liabilities | 232,241 | - | 232,241 | - |
| Derivative financial instruments | 1,496,533 | - | 1,496,533 | - |
| | 4,743,910 | - | 4,743,910 | - |
| Total credit exposures | 39,542,494 | 292,799 | 39,531,180 | 292,799 |

Credit Risk Exposures and Credit Risk Concentration (cont'd)

Table 6: Credit risk exposures and credit risk concentration by geographical analysis (cont'd)

The analysis of credit concentration risk of financial assets and commitments and contingencies of the Group and the Bank categorised by geographical distribution (based on the geographical location where the credit risk resides) are as follows:

| | Group | | Bank | |
|--|----------------------------|--------------------------|----------------------------|--------------------------|
| | Domestic RM'000 | Labuan RM'000 | Domestic RM'000 | Labuan RM'000 |
| 31 December 2022 | | | | |
| On Balance Sheet | | | | |
| Exposures | | | | |
| Cash and short-term funds | 1,155,842 | 79,611 | 1,155,842 | 79,611 |
| Cash and placements with financial institutions | 21,747 | - | 21,747 | - |
| Financial investment designated at fair value through profit and loss | 182,089 | - | 179,544 | - |
| Financial investments at fair value through other comprehensive income | 5,065,879 | 145,772 | 5,065,879 | 145,772 |
| Financial investments amortised cost | 113,589 | - | 113,589 | - |
| Islamic derivative financial assets | 4,247 | - | 4,247 | - |
| Financing of customers | 24,017,067 | - | 24,006,413 | - |
| Statutory deposits with Bank Negara Malaysia | 417,091 | - | 417,091 | - |
| Other assets | 18,486 | 3 | 18,042 | 3 |
| | <u>30,996,037</u> | <u>225,386</u> | <u>30,982,394</u> | <u>225,386</u> |
| Commitments and contingencies | | | | |
| Contingent liabilities | 1,054,929 | - | 1,054,929 | - |
| Commitments | 1,788,052 | - | 1,788,052 | - |
| Other Miscellaneous Commitment and Contingent Liabilities | 152,232 | - | 152,232 | - |
| Derivative financial instruments | 1,786,430 | - | 1,786,430 | - |
| | <u>4,781,643</u> | <u>-</u> | <u>4,781,643</u> | <u>-</u> |
| Total credit exposures | <u>35,777,680</u> | <u>225,386</u> | <u>35,764,037</u> | <u>225,386</u> |

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Basel II Pillar 3 Disclosure

Credit Risk Exposures of Financial Assets by Maturity Distribution

Table 7: Credit Risk Exposures of financial assets by remaining contractual maturity

| Group | Up to 6 | > 6 - 12 | > 1 - 5 | Over 5 | Total |
|--|------------------|--------------------|-------------------|-------------------|-------------------|
| 30 June 2023 | months | months | years | years | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| On-Balance Sheet Exposures | | | | | |
| Cash and short-term funds | 2,610,147 | - | - | - | 2,610,147 |
| Financial investments designated at fair value through profit and loss | 271,588 | 20,310 | 36,856 | 10,004 | 338,758 |
| Financial investments at fair value through other comprehensive income | 1,105,316 | 331,169 | 3,432,764 | 872,902 | 5,742,151 |
| Financial investments at amortised cost | - | - | - | 118,020 | 118,020 |
| Islamic derivative financial assets | 29,871 | - | - | - | 29,871 |
| Financing of customers | 3,662,301 | 2,213,953 | 9,358,363 | 10,399,174 | 25,633,791 |
| Statutory deposits with Bank Negara Malaysia | - | - | - | 585,388 | 585,388 |
| Other assets | - | 33,257 | - | - | 33,257 |
| Total On-Balance Sheet Exposures | 7,679,223 | 2,598,689 | 12,827,983 | 11,985,488 | 35,091,383 |
| | | | | | |
| Group | Up to 6 | > 6 - 12 | > 1 - 5 | Over 5 | Total |
| 31 December 2022 | months | months | years | years | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| On-Balance Sheet Exposures | | | | | |
| Cash and short-term funds | 1,235,453 | - | - | - | 1,235,453 |
| Cash and placements with financial institutions | 21,747 | - | - | - | 21,747 |
| Financial investments designated at fair value through profit and loss | 147,485 | - | 34,604 | - | 182,089 |
| Financial investments at fair value through other comprehensive income | 391,996 | 1,108,279 | 3,130,310 | 581,066 | 5,211,651 |
| Financial investments at amortised cost | - | - | - | 113,589 | 113,589 |
| Islamic derivative financial assets | 4,247 | - | - | - | 4,247 |
| Financing of customers | 3,585,775 | 2,161,825 | 8,060,199 | 10,209,268 | 24,017,067 |
| Statutory deposits with Bank Negara Malaysia | - | - | - | 417,091 | 417,091 |
| Other assets | (19) | 18,008 | 500 | - | 18,489 |
| Total On-Balance Sheet Exposures | 5,386,684 | 3,288,112 | 11,225,613 | 11,321,014 | 31,221,423 |

Credit Risk Exposures of Financial Assets by Maturity Distribution (cont'd)

Table 7: Credit Risk Exposures of financial assets by remaining contractual maturity (cont'd)

| Bank 30 June 2023 | Up to 6 months RM'000 | > 6 - 12 months RM'000 | > 1 - 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|---|-----------------------------|------------------------------|----------------------------|---------------------------|-------------------|
| On-Balance Sheet Exposures | | | | | |
| Cash and short-term funds | 2,610,147 | - | - | - | 2,610,147 |
| Financial investments designated at fair value through profit and loss | 271,588 | 20,310 | 34,279 | 10,004 | 336,181 |
| Financial investments at fair value through other comprehensive income | 1,105,316 | 331,169 | 3,432,764 | 872,902 | 5,742,151 |
| Financial investments at amortised cost | - | - | - | 118,020 | 118,020 |
| Islamic derivative financial assets | 29,870 | - | - | - | 29,870 |
| Financing of customers | 3,662,301 | 2,213,953 | 9,358,363 | 10,390,705 | 25,625,322 |
| Statutory deposits with Bank Negara Malaysia | - | - | - | 585,388 | 585,388 |
| Other assets | - | 32,990 | - | - | 32,990 |
| Total On-Balance Sheet Exposures | 7,679,222 | 2,598,422 | 12,825,406 | 11,977,019 | 35,080,069 |
| | | | | | |
| Bank 31 December 2022 | Up to 6 months RM'000 | > 6 - 12 months RM'000 | > 1 - 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
| On-Balance Sheet Exposures | | | | | |
| Cash and short-term funds | 1,235,453 | - | - | - | 1,235,453 |
| Cash and placements with financial institutions | 21,747 | - | - | - | 21,747 |
| Financial investments designated at fair value through profit and loss | 147,485 | - | 32,059 | - | 179,544 |
| Financial investments at fair value through other comprehensive income | 391,996 | 1,108,279 | 3,130,310 | 581,066 | 5,211,651 |
| Financial investments at amortised cost | - | - | - | 113,589 | 113,589 |
| Islamic derivative financial assets | 4,247 | - | - | - | 4,247 |
| Financing of customers | 3,585,775 | 2,161,825 | 8,060,199 | 10,198,614 | 24,006,413 |
| Statutory deposits with Bank Negara Malaysia | - | - | - | 417,091 | 417,091 |
| Other assets | (29) | 17,573 | 500 | - | 18,044 |
| Total On-Balance Sheet Exposures | 5,386,674 | 3,287,677 | 11,223,068 | 11,310,360 | 31,207,779 |

Disclosures on Off Balance Sheet Exposures and Counterparty Credit Risk

Table 8: Commitments and contingencies

| | Group and Bank | | | | | |
|--|----------------------------|------------------------------------|--------------------------------------|----------------------------|------------------------------------|--------------------------------------|
| | 30 June 2023 | | | 31 December 2022 | | |
| The commitments and contingencies constitute the following : | Principal amount RM'000 | Credit equivalent amount RM'000 | Total risk weighted amount RM'000 | Principal amount RM'000 | Credit equivalent amount RM'000 | Total risk weighted amount RM'000 |
| Contingent liabilities | | | | | | |
| Direct credit substitutes | 402,630 | 402,630 | 389,774 | 400,079 | 400,079 | 382,342 |
| Trade-related contingencies | 96,625 | 19,325 | 311 | 99,507 | 19,901 | 2,421 |
| Transaction related contingencies | 361,309 | 180,653 | 170,452 | 555,343 | 277,672 | 267,420 |
| Commitments | | | | | | |
| Credit extension commitment: | | | | | | |
| - Maturity within one year | 866,001 | 173,200 | 147,140 | 636,084 | 127,217 | 135,215 |
| - Maturity exceeding one year | 1,288,571 | 644,286 | 482,685 | 1,151,968 | 575,984 | 423,632 |
| Other miscellaneous commitments & contingencies | 232,241 | 21,593 | 16,194 | 152,232 | 13,754 | 10,316 |
| Islamic Derivative financial instruments | | | | | | |
| Foreign exchange related contracts | 1,496,533 | 50,812 | 42,381 | 1,786,430 | 25,347 | 13,764 |
| - Maturity within one year | 1,496,533 | 50,812 | 42,381 | 1,786,430 | 25,347 | 13,764 |
| - Maturity exceeding one year | - | - | - | - | - | - |
| Profit rate related contract | - | - | - | - | - | - |
| - Maturity within one year | - | - | - | - | - | - |
| - Maturity exceeding one year | - | - | - | - | - | - |
| Total off-balance sheet exposures | 4,743,910 | 1,492,499 | 1,248,937 | 4,781,643 | 1,439,954 | 1,235,110 |

Credit Risk Mitigation

The following tables present the credit exposures covered by eligible financial collateral and financial guarantees as defined under the Standardised Approach. Eligible financial collateral consists primarily of cash, securities from listed exchange, unit trust or marketable securities. The Group and the Bank does not have any credit exposure which is reduced through the application of other eligible collateral.

Table 9: Credit risk mitigation on credit exposures

| Group | Total Exposures Covered by Eligible Financial Collateral | | |
|---|---|--------------------------------------|-----------------------|
| 30 June 2023 | Gross Exposures | Eligible Financial Collateral | *Net Exposures |
| | RM'000 | RM'000 | RM'000 |
| Credit Risk | | | |
| (a) On Balance sheet exposures | | | |
| Sovereign/Central banks | 7,634,996 | - | 7,634,996 |
| Public sector entities | 1,009,694 | - | 1,009,694 |
| Banks, Development Financial Institution & MDBs | 153,371 | - | 153,371 |
| Takaful Cos, Securities Firms & Fund Managers | 79,160 | - | 79,160 |
| Corporates | 7,686,366 | - | 7,686,366 |
| Regulatory retail | 12,374,623 | - | 12,374,623 |
| Residential real estate | 5,930,304 | - | 5,930,304 |
| Higher risk assets | 63,818 | - | 63,818 |
| Other assets | 305,314 | - | 305,314 |
| Defaulted exposure | 148,070 | - | 148,070 |
| | 35,385,716 | - | 35,385,716 |
| (b) Off-Balance Sheet Exposures | | | |
| Credit-related off-balance sheet exposure | 1,441,688 | - | 1,441,688 |
| Derivative financial instruments | 50,812 | - | 50,812 |
| | 1,492,500 | - | 1,492,500 |
| Total Credit Exposures | 36,878,216 | - | 36,878,216 |

Note:

* After netting and credit risk mitigation

Credit Risk Mitigation (cont'd)

Table 9: Credit risk mitigation on credit exposures (cont'd)

| Group | Gross Exposures | Total Exposures Covered by Eligible Financial Collateral | *Net Exposures |
|---|-----------------|--|----------------|
| 31 December 2022 | RM'000 | RM'000 | RM'000 |
| Credit Risk | | | |
| (a) On Balance sheet exposures | | | |
| Sovereign/Central banks | 6,290,759 | - | 6,290,759 |
| Public sector entities | 961,974 | - | 961,974 |
| Banks, Development Financial Institution & MDBs | 120,802 | - | 120,802 |
| Takaful Cos, Securities Firms & Fund Managers | 95,291 | - | 95,291 |
| Corporates | 6,564,174 | - | 6,564,174 |
| Regulatory retail | 11,886,732 | - | 11,886,732 |
| Residential real estate | 5,196,032 | - | 5,196,032 |
| Higher risk assets | 68,931 | - | 68,931 |
| Other assets | 245,602 | - | 245,602 |
| Defaulted exposure | 98,936 | - | 98,936 |
| | 31,529,233 | - | 31,529,233 |
| (b) Off-Balance Sheet Exposures | | | |
| Credit-related off-balance sheet exposure | 1,414,607 | - | 1,414,607 |
| Derivative financial instruments | 25,347 | - | 25,347 |
| | 1,439,954 | - | 1,439,954 |
| Total Credit Exposures | 32,969,187 | - | 32,969,187 |

Note:

* After netting and credit risk mitigation

Credit Risk Mitigation (cont'd)

Table 9: Credit risk mitigation on credit exposures (cont'd)

| Bank 30 June 2023 | Total Exposures Covered by Eligible Financial Collateral | | |
|---|--|--------------------------------|--------------------------|
| | Gross Exposures RM'000 | Financial Collateral RM'000 | *Net Exposures RM'000 |
| Credit Risk | | | |
| (a) On Balance Sheet Exposures | | | |
| Sovereign/Central Banks | 7,634,996 | - | 7,634,996 |
| Public Sector Entities | 1,009,694 | - | 1,009,694 |
| Banks, Development Financial Institution & MDBs | 153,371 | - | 153,371 |
| Takaful Cos, Securities Firms & Fund Managers | 79,160 | - | 79,160 |
| Corporates | 7,674,796 | - | 7,674,796 |
| Regulatory Retail | 12,374,623 | - | 12,374,623 |
| Residential Real Estate | 5,930,304 | - | 5,930,304 |
| Higher Risk Assets | 63,818 | - | 63,818 |
| Other Assets | 305,314 | - | 305,314 |
| Defaulted Exposures | 148,070 | - | 148,070 |
| | 35,374,146 | - | 35,374,146 |
| (b) Off-Balance Sheet Exposures | | | |
| Credit-related Off-Balance Sheet Exposure | 1,441,688 | - | 1,441,688 |
| Derivative Financial Instruments | 50,812 | - | 50,812 |
| | 1,492,500 | - | 1,492,500 |
| Total Credit Exposures | 36,866,646 | - | 36,866,646 |

Note:

* After netting and credit risk mitigation

Credit Risk Mitigation (cont'd)

Table 9: Credit risk mitigation on credit exposures (cont'd)

| Bank | Total Exposures Covered by Eligible Financial Collateral | | |
|---|--|--------------------------------|--------------------------|
| 31 December 2022 | Gross Exposures RM'000 | Financial Collateral RM'000 | *Net Exposures RM'000 |
| Credit Risk | | | |
| (a) On Balance Sheet Exposures | | | |
| Sovereign/Central Banks | 6,290,759 | - | 6,290,759 |
| Public Sector Entities | 961,974 | - | 961,974 |
| Banks, Development Financial Institution & MDBs | 95,291 | - | 95,291 |
| Takaful Cos, Securities Firms & Fund Managers | 120,802 | - | 120,802 |
| Corporates | 6,550,421 | - | 6,550,421 |
| Regulatory Retail | 11,886,732 | - | 11,886,732 |
| Residential Real Estate | 5,196,032 | - | 5,196,032 |
| Higher Risk Assets | 68,931 | - | 68,931 |
| Other Assets | 245,602 | - | 245,602 |
| Defaulted Exposures | 98,936 | - | 98,936 |
| | 31,515,480 | - | 31,515,480 |
| (b) Off-Balance Sheet Exposures | | | |
| Credit-related Off-Balance Sheet Exposure | 1,414,607 | - | 1,414,607 |
| Derivative Financial Instruments | 25,347 | - | 25,347 |
| | 1,439,954 | - | 1,439,954 |
| Total Credit Exposures | 32,955,434 | - | 32,955,434 |

Note:

* After netting and credit risk mitigation

Credit Risk (Disclosures for Portfolio under the Standardised Approach)

Table 10: Rating distribution on credit exposures

Group

30 June 2023

30 June 2020

| Exposure Class | Rating by Approved ECAIS | | | | | | | | Unrated RM'000 | Others RM'000 | Grand Total RM'000 |
|--|--------------------------|---------------|--------------|---------------|-------------|---------------|----------------------|--------------------|-------------------|------------------|-----------------------|
| | AAA RM'000 | AA+ RM'000 | AA RM'000 | AA- RM'000 | A RM'000 | BBB RM'000 | BB+ TO BB- RM'000 | P1/MARC1 RM'000 | | | |
| <u>On and Off Balance-Sheet Exposures</u> | | | | | | | | | | | |
| <u>Credit Exposures - Standardised Approach</u> | | | | | | | | | | | |
| Sovereigns/Central Banks | 7,682,932 | - | - | - | - | - | - | - | - | - | 7,682,932 |
| Public Sector Entities | - | - | - | - | - | - | - | - | 1,016,059 | - | 1,016,059 |
| Banks, Development Financial Institutions & MDBs | 5,060 | - | - | - | 23,297 | - | - | 10,538 | 125,013 | - | 163,908 |
| Takaful Cos, Securities Firms & Fund Managers | - | - | - | - | - | - | - | - | 79,160 | - | 79,160 |
| Corporates | 482,345 | 40,772 | 20,736 | 15,720 | 266,509 | - | 106,768 | 81,483 | 7,458,179 | 289,856 | 8,762,368 |
| Regulatory Retail | - | - | - | - | - | - | - | - | 12,823,680 | - | 12,823,680 |
| Residential Mortgages | - | - | - | - | - | - | - | - | 5,978,901 | - | 5,978,901 |
| Higher Risk Assets | - | - | - | - | - | - | - | - | 65,893 | - | 65,893 |
| Other Assets | - | - | - | - | - | - | - | - | 305,315 | - | 305,315 |
| Total | 8,170,337 | 40,772 | 20,736 | 15,720 | 289,806 | - | 106,768 | 92,021 | 27,852,200 | 289,856 | 36,878,216 |

Group

31 December 2022

| Exposure Class | Rating by Approved ECAIS | | | | | | | | Unrated RM'000 | Others RM'000 | Grand Total RM'000 |
|--|--------------------------|---------------|---------------|---------------|-------------|---------------|----------------------|--------------------|-------------------|------------------|-----------------------|
| | AAA RM'000 | AA+ RM'000 | AA RM'000 | AA- RM'000 | A RM'000 | BBB RM'000 | BB+ TO BB- RM'000 | P1/MARC1 RM'000 | | | |
| <u>On and Off Balance-Sheet Exposures</u> | | | | | | | | | | | |
| <u>Credit Exposures - Standardised Approach</u> | | | | | | | | | | | |
| Sovereigns/Central Banks | 6,340,638 | - | - | - | - | - | - | - | - | - | 6,340,638 |
| Public Sector Entities | - | - | - | - | - | - | - | - | 968,689 | - | 968,689 |
| Banks, Development Financial Institutions & MDBs | 5,073 | - | - | - | - | - | - | 14,434 | 115,729 | 45 | 135,281 |
| Takaful Cos, Securities Firms & Fund Managers | - | - | - | - | - | - | - | - | 95,291 | - | 95,291 |
| Corporates | 114,216 | 40,248 | 26,638 | 15,414 | - | - | 204,671 | 66,281 | 6,789,358 | 331,484 | 7,588,310 |
| Regulatory Retail | - | - | - | - | - | - | - | - | 12,307,644 | - | 12,307,644 |
| Residential Mortgages | - | - | - | - | - | - | - | - | 5,216,715 | - | 5,216,715 |
| Higher Risk Assets | - | - | - | - | - | - | - | - | 71,017 | - | 71,017 |
| Other Assets | - | - | - | - | - | - | - | - | 245,602 | - | 245,602 |
| Total | 6,459,927 | 40,248 | 26,638 | 15,414 | - | - | 204,671 | 80,715 | 25,810,045 | 331,529 | 32,969,187 |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Table 10: Rating distribution on credit exposures (cont'd)

Bank
30 June 2023

30 June 2023

| Exposure Class | Rating by Approved ECAIS | | | | | | | | Unrated RM'000 | Others RM'000 | Grand Total RM'000 |
|--|--------------------------|---------------|---------------|---------------|----------------|---------------|----------------------|--------------------|-------------------|------------------|-----------------------|
| | AAA RM'000 | AA+ RM'000 | AA RM'000 | AA- RM'000 | A RM'000 | BBB RM'000 | BB+ TO BB- RM'000 | P1/MARC1 RM'000 | | | |
| <u>On and Off Balance-Sheet Exposures</u> | | | | | | | | | | | |
| <u>Credit Exposures - Standardised Approach</u> | | | | | | | | | | | |
| Sovereigns/Central Banks | 7,682,932 | - | - | - | - | - | - | - | - | - | 7,682,932 |
| Public Sector Entities | - | - | - | - | - | - | - | - | 1,016,059 | - | 1,016,059 |
| Banks, Development Financial Institutions & MDBs | 5,060 | - | - | - | 23,297 | - | - | 10,538 | 125,013 | - | 163,908 |
| Takaful Cos, Securities Firms & Fund Managers | - | - | - | - | - | - | - | - | 79,160 | - | 79,160 |
| Corporates | 482,345 | 40,772 | 20,736 | 15,720 | 266,509 | - | 106,768 | 81,483 | 7,446,609 | 289,856 | 8,750,798 |
| Regulatory Retail | - | - | - | - | - | - | - | - | 12,823,680 | - | 12,823,680 |
| Residential Mortgages | - | - | - | - | - | - | - | - | 5,978,901 | - | 5,978,901 |
| Higher Risk Assets | - | - | - | - | - | - | - | - | 65,893 | - | 65,893 |
| Other Assets | - | - | - | - | - | - | - | - | 305,315 | - | 305,315 |
| Total | 8,170,337 | 40,772 | 20,736 | 15,720 | 289,806 | - | 106,768 | 92,021 | 27,840,630 | 289,856 | 36,866,646 |

Bank
31 December 2022

31 December 2022

| Exposure Class | Rating by Approved ECAIS | | | | | | | | Unrated RM'000 | Others RM'000 | Grand Total RM'000 |
|--|--------------------------|---------------|---------------|---------------|-------------|---------------|----------------------|--------------------|-------------------|------------------|-----------------------|
| | AAA RM'000 | AA+ RM'000 | AA RM'000 | AA- RM'000 | A RM'000 | BBB RM'000 | BB+ TO BB- RM'000 | P1/MARC1 RM'000 | | | |
| <u>On and Off Balance-Sheet Exposures</u> | | | | | | | | | | | |
| <u>Credit Exposures - Standardised Approach</u> | | | | | | | | | | | |
| Sovereigns/Central Banks | 6,340,638 | - | - | - | - | - | - | - | - | - | 6,340,638 |
| Public Sector Entities | - | - | - | - | - | - | - | - | 968,689 | - | 968,689 |
| Banks, Development Financial Institutions & MDBs | 5,073 | - | - | - | - | - | - | 14,434 | 115,729 | 45 | 135,281 |
| Takaful Cos, Securities Firms & Fund Managers | - | - | - | - | - | - | - | - | 95,291 | - | 95,291 |
| Corporates | 114,216 | 40,248 | 26,638 | 15,414 | - | - | 204,671 | 66,281 | 6,775,605 | 331,484 | 7,574,557 |
| Regulatory Retail | - | - | - | - | - | - | - | - | 12,307,644 | - | 12,307,644 |
| Residential Mortgages | - | - | - | - | - | - | - | - | 5,216,715 | - | 5,216,715 |
| Higher Risk Assets | - | - | - | - | - | - | - | - | 71,017 | - | 71,017 |
| Other Assets | - | - | - | - | - | - | - | - | 245,602 | - | 245,602 |
| Total | 6,459,927 | 40,248 | 26,638 | 15,414 | - | - | 204,671 | 80,715 | 25,796,292 | 331,529 | 32,955,434 |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Table 11: Ratings of corporate by approved ECAs

| Exposure Class | Long term Ratings of Corporate by Approved ECAs | | | | | |
|----------------|---|------------|----------|-------------|---------|---------|
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Ba3 | B1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RAM | AAA to AA3 | A to A3 | BBB1 to BB3 | B to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RII Inc | AAA to AA- | A+ to A- | BBB+ to BB- | B+ to D | Unrated |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |

On and Off Balance-Sheet Exposures

Credit Exposures (Using Corporate Risk Weights)

Group and Bank

30 June 2023

Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)

- - - - 1,016,059

Takaful Companies, Securities Firms & Fund Managers - - - - -

Corporates 559,573 266,509 106,108 660 7,736,465

Total 559,573 266,509 106,108 660 8,752,524

Group and Bank

31 December 2022

Public Sector Entities (applicable for entities risk weighted based on their external ratings as corporates)

- - - - 968,689

Takaful Companies, Securities Firms & Fund Managers - - - - -

Corporates 196,516 - 102,994 101,676 7,107,089

Total 196,516 - 102,994 101,676 8,075,778

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Table 12: Short term ratings of banking institutions and corporate by approved ECAs

| Exposure Class | Short term Ratings of Banking Institutions and Corporate by Approved ECAs | | | | | |
|--|---|---------------|----------|----------|----------|----------|
| | Moody's | P-1 | P-2 | P-3 | Others | Unrated |
| | S&P | A-1 | A-2 | A-3 | Others | Unrated |
| | Fitch | F1+,F1 | 2 | 3 | B to D | Unrated |
| | RAM | P-1 | P-2 | P-3 | NP | Unrated |
| | MARC | MARC-1 | MARC-2 | MARC-3- | MARC-4 | Unrated |
| | RII Inc | a-1+,a-1 | a-2 | a-3 | b,c | Unrated |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| On and Off Balance-Sheet Exposures | | | | | | |
| Group and Bank | | | | | | |
| 30 June 2023 | | | | | | |
| Banks, MDBs and FDIs | | 10,538 | - | - | - | - |
| Credit Exposures (using Corporate Risk Weights) | | | | | | |
| Corporates | | 81,483 | - | - | - | - |
| Total | | 92,021 | - | - | - | - |
| Group and Bank | | | | | | |
| 31 December 2022 | | | | | | |
| Banks, MDBs and FDIs | | 14,434 | - | - | - | - |
| Credit Exposures (using Corporate Risk Weights) | | | | | | |
| Corporates | | 66,281 | - | - | - | - |
| Total | | 80,715 | - | - | - | - |

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Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Table 13: Ratings of sovereigns and Central Banks by approved ECAs

Group and Bank
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| Exposure Class | Ratings of Sovereigns and Central Banks by Approved ECAs | | | | | | |
|---|--|----------------------|--------------------|------------------------|---------------------|---------------------|-------------------|
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Rii Inc | AAA to AA- RM'000 | A+ to A- RM'000 | BBB+ to BBB- RM'000 | BB+ to B- RM'000 | CCC+ to C RM'000 | Unrated RM'000 |
| On and Off Balance-Sheet Exposures | | | | | | | |
| Sovereigns and Central Banks | | 7,682,932 | - | - | - | - | - |
| Total | | 7,682,932 | - | - | - | - | - |

Group and Bank
31 December 2022

| Exposure Class | Ratings of Sovereigns and Central Banks by Approved ECAs | | | | | | |
|---|--|----------------------|--------------------|------------------------|---------------------|---------------------|-------------------|
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Rii Inc | AAA to AA- RM'000 | A+ to A- RM'000 | BBB+ to BBB- RM'000 | BB+ to B- RM'000 | CCC+ to C RM'000 | Unrated RM'000 |
| On and Off Balance-Sheet Exposures | | | | | | | |
| Sovereigns and Central Banks | | 6,340,638 | - | - | - | - | - |
| Total | | 6,340,638 | - | - | - | - | - |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Table 14: Ratings of banking institutions by approved ECAs

| Exposure Class | Ratings of Banking Institutions by Approved ECAs | | | | | | |
|---|--|--------------|---------------|--------------|-----------|-----------|----------------|
| | Moody's | Aaa to Aa3 | A1 to A3 | Baa1 to Baa3 | Ba1 to B3 | Caa1 to C | Unrated |
| | S&P | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | Fitch | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to D | Unrated |
| | RAM | AAA to AA3 | A1 to A3 | BBB1 to BBB3 | BB1 to B3 | C1 to D | Unrated |
| | MARC | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | C+ to D | Unrated |
| | Rii Inc | AAA to AA- | A+ to A- | BBB+ to BBB- | BB+ to B- | CCC+ to C | Unrated |
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| On and Off Balance-Sheet Exposures | | | | | | | |
| Group and Bank | | | | | | | |
| 30 June 2023 | | | | | | | |
| Banks, MDBs and FDIs | | 5,060 | 23,297 | - | - | - | 125,013 |
| Total | | 5,060 | 23,297 | - | - | - | 125,013 |
| Group and Bank | | | | | | | |
| 31 December 2022 | | | | | | | |
| Banks, MDBs and FDIs | | 5,073 | - | - | - | - | 115,774 |
| Total | | 5,073 | - | - | - | - | 115,774 |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Credit risk disclosure by risk weights (including deducted exposures) as at 30 June 2023, are as follows:

Table 15: Credit risk disclosure by risk weights

30 June 2023

| Group | Exposures after Netting and Credit Risk Mitigation | | | | | | | | | Total Exposures after Netting and Credit Risk Mitigation | Total Risk Weighted Assets |
|---------------------|--|----------------------------------|--------------------------------|---------------------|-----------------------------|-----------------------------------|-----------------------------------|------------------------------|------------------------|--|----------------------------|
| | Sovereign & Central Banks RM'000 | Public Sector Entities RM'000 | Banks, MDBs and FDIs RM'000 | Corporate RM'000 | Regulatory Retail RM'000 | Residential Real Estate RM'000 | Fund Managers Exposures RM'000 | Higher Risk Assets RM'000 | Other Assets RM'000 | | |
| Risk-Weights | | | | | | | | | | | |
| 0% | 7,682,932 | 20 | - | 786,517 | 76,287 | 4,919 | - | 6 | 126,625 | 8,677,306 | - |
| 20% | - | 1,016,039 | 163,909 | 683,203 | 1,682,286 | 1,891,644 | 79,160 | - | - | 5,516,241 | 1,103,248 |
| 35% | - | - | - | - | - | 2,292,763 | - | - | - | 2,292,763 | 802,467 |
| 50% | - | - | - | 566,630 | 23,529 | 670,200 | - | - | - | 1,260,359 | 630,179 |
| 75% | - | - | - | - | 3,307,205 | 167,286 | - | - | - | 3,474,491 | 2,605,868 |
| 100% | - | - | - | 6,610,256 | 7,709,506 | 951,889 | - | - | 179,212 | 15,450,863 | 15,450,863 |
| 150% | - | - | - | 115,238 | 24,867 | 201 | - | 65,887 | - | 206,193 | 309,289 |
| Total | 7,682,932 | 1,016,059 | 163,909 | 8,761,844 | 12,823,680 | 5,978,902 | 79,160 | 65,893 | 305,837 | 36,878,216 | 20,901,914 |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Credit risk disclosure by risk weights (including deducted exposures) as at 31 December 2022, are as follows: (cont'd)

Table 15: Credit risk disclosure by risk weights (cont'd)

31 December 2022

| Group | Exposures after Netting and Credit Risk Mitigation | | | | | | | | | Total Exposures after Netting and Credit Risk Mitigation | Total Risk Weighted Assets |
|---------------------|--|----------------------------------|--------------------------------|---------------------|-----------------------------|-----------------------------------|-----------------------------------|------------------------------|------------------------|--|----------------------------|
| | Sovereign & Central Banks RM'000 | Public Sector Entities RM'000 | Banks, MDBs and FDIs RM'000 | Corporate RM'000 | Regulatory Retail RM'000 | Residential Real Estate RM'000 | Fund Managers Exposures RM'000 | Higher Risk Assets RM'000 | Other Assets RM'000 | RM'000 | RM'000 |
| Risk-Weights | | | | | | | | | | | |
| 0% | 6,340,638 | 40 | - | 313,660 | 65,862 | 4,715 | - | 8 | 140,696 | 6,865,619 | - |
| 20% | - | 968,649 | 135,281 | 281,127 | 1,932,380 | 1,199,407 | 95,291 | - | - | 4,612,135 | 922,426 |
| 35% | - | - | - | - | - | 2,410,334 | - | - | - | 2,410,334 | 843,617 |
| 50% | - | - | - | 541,600 | 15,349 | 614,148 | - | - | - | 1,171,097 | 585,548 |
| 75% | - | - | - | - | 3,174,659 | 154,398 | - | - | - | 3,329,057 | 2,496,793 |
| 100% | - | - | - | 6,337,720 | 7,111,713 | 833,503 | - | - | 105,461 | 14,388,397 | 14,388,398 |
| 150% | - | - | - | 113,648 | 7,681 | 210 | - | 71,009 | - | 192,548 | 288,821 |
| Total | 6,340,638 | 968,689 | 135,281 | 7,587,755 | 12,307,644 | 5,216,715 | 95,291 | 71,017 | 246,157 | 32,969,187 | 19,525,603 |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Credit risk disclosure by risk weights (including deducted exposures) as at 30 June 2023, are as follows: (cont'd)

Table 15: Credit risk disclosure by risk weights

30 June 2023

| | Exposures after Netting and Credit Risk Mitigation | | | | | | | | | Total Exposures after Netting and Credit Risk Mitigation | Total Risk Weighted Assets |
|--------------|--|----------------------------------|--------------------------------|---------------------|-----------------------------|-----------------------------------|-----------------------------------|------------------------------|------------------------|--|----------------------------|
| | Sovereign & Central Banks RM'000 | Public Sector Entities RM'000 | Banks, MDBs and FDIs RM'000 | Corporate RM'000 | Regulatory Retail RM'000 | Residential Real Estate RM'000 | Fund Managers Exposures RM'000 | Higher Risk Assets RM'000 | Other Assets RM'000 | RM'000 | RM'000 |
| Risk-Weights | | | | | | | | | | | |
| 0% | 7,682,932 | 20 | - | 786,517 | 76,287 | 4,919 | - | 6 | 126,625 | 8,677,306 | - |
| 20% | - | 1,016,039 | 163,909 | 683,203 | 1,682,286 | 1,891,644 | 79,160 | - | - | 5,516,241 | 1,103,248 |
| 35% | - | - | - | - | - | 2,292,763 | - | - | - | 2,292,763 | 802,467 |
| 50% | - | - | - | 566,630 | 23,529 | 670,200 | - | - | - | 1,260,359 | 630,179 |
| 75% | - | - | - | - | 3,307,205 | 167,286 | - | - | - | 3,474,491 | 2,605,868 |
| 100% | - | - | - | 6,607,680 | 7,709,506 | 951,889 | - | - | 178,688 | 15,447,763 | 15,447,764 |
| 150% | - | - | - | 106,768 | 24,867 | 201 | - | 65,887 | - | 197,723 | 296,584 |
| Total | 7,682,932 | 1,016,059 | 163,909 | 8,750,798 | 12,823,680 | 5,978,902 | 79,160 | 65,893 | 305,313 | 36,866,646 | 20,886,110 |

Credit Risk (Disclosures for Portfolio under the Standardised Approach) (cont'd)

Credit risk disclosure by risk weights (including deducted exposures) as at 31 December 2022, are as follows: (cont'd)

Table 15: Credit risk disclosure by risk weights (cont'd)

31 December 2022

| | Exposures after Netting and Credit Risk Mitigation | | | | | | | | | Total Exposures after Netting and Credit Risk Mitigation | Total Risk Weighted Assets |
|---------------------|--|------------------------|----------------------|------------------|-------------------|-------------------------|-------------------------|--------------------|----------------|--|----------------------------|
| | Sovereign & Central Banks | Public Sector Entities | Banks, MDBs and FDIs | Corporate | Regulatory Retail | Residential Real Estate | Fund Managers Exposures | Higher Risk Assets | Other Assets | RM'000 | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | | |
| Risk-Weights | | | | | | | | | | | |
| 0% | 6,340,638 | 40 | - | 313,660 | 65,862 | 4,715 | - | 8 | 140,696 | 6,865,619 | - |
| 20% | - | 968,649 | 135,281 | 281,127 | 1,932,380 | 1,199,407 | 95,291 | - | - | 4,612,135 | 922,427 |
| 35% | - | - | - | - | - | 2,410,334 | - | - | - | 2,410,334 | 843,617 |
| 50% | - | - | - | 541,600 | 15,349 | 614,148 | - | - | - | 1,171,097 | 585,548 |
| 75% | - | - | - | - | 3,174,659 | 154,398 | - | - | - | 3,329,057 | 2,496,793 |
| 100% | - | - | - | 6,335,175 | 7,111,713 | 833,503 | - | - | 104,907 | 14,385,298 | 14,385,298 |
| 150% | - | - | - | 102,994 | 7,681 | 210 | - | 71,009 | - | 181,894 | 272,840 |
| Total | 6,340,638 | 968,689 | 135,281 | 7,574,556 | 12,307,644 | 5,216,715 | 95,291 | 71,017 | 245,603 | 32,955,434 | 19,506,523 |

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Credit Quality Financing of Customers

Table 16: Credit quality financing of customers

The credit quality for financing of customers is managed by the Group and the Bank using the internal credit ratings. The table below shows the credit quality for financing of customers exposed to credit risk, based on the Group's and the Bank's internal credit ratings.

Financing of customers are analysed as follows:

| Group | Neither past due nor impaired | | Past due but not impaired | Impaired financing | Total |
|---|--------------------------------------|---------------------|----------------------------------|---------------------------|-------------------|
| 30 June 2023 | Good | Satisfactory | impaired | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Term financing | | | | | |
| - Home financing | 7,686,473 | 176,691 | 274,090 | 100,843 | 8,238,097 |
| - Syndicated financing | 542,102 | - | - | - | 542,102 |
| - Hire purchase receivables | 1,136,704 | 7,978 | 9,948 | 2,371 | 1,157,001 |
| - Other term financing | 11,553,400 | 98,215 | 163,471 | 147,572 | 11,962,658 |
| Other financing | 3,979,450 | 3,757 | 5,386 | 36,338 | 4,024,931 |
| | 24,898,129 | 286,641 | 452,895 | 287,124 | 25,924,789 |
| Less : Allowance for impaired financing | | | | | |
| -Stage 1 - 12 Months ECL | - | - | - | - | (130,587) |
| -Stage 2 - Lifetime ECL not credit impaired | - | - | - | - | (27,821) |
| -Stage 3 - Lifetime ECL credit impaired | - | - | - | - | (132,589) |
| Total net financing | 24,898,129 | 286,641 | 452,895 | 287,124 | 25,633,792 |

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Credit Quality Financing of Customers (cont'd)

Table 16: Credit quality financing of customers (cont'd)

Financing of customers are analysed as follows:

| Group | Neither past due nor impaired | | Past due but not impaired | Impaired financing | Total |
|---|--------------------------------------|---------------------|----------------------------------|---------------------------|-------------------|
| 31 December 2022 | Good | Satisfactory | | | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Term financing | | | | | |
| - Home financing | 6,826,928 | 328,592 | 172,313 | 60,051 | 7,387,884 |
| - Syndicated financing | 555,291 | - | - | - | 555,291 |
| - Hire purchase receivables | 904,427 | 6,196 | 7,152 | 1,548 | 919,323 |
| - Other term financing | 11,173,389 | 114,700 | 104,998 | 103,040 | 11,496,127 |
| Other financing | 3,864,750 | 9,759 | 1,096 | 41,318 | 3,916,923 |
| | <u>23,324,785</u> | <u>459,247</u> | <u>285,559</u> | <u>205,957</u> | <u>24,275,548</u> |
| Less: | | | | | |
| -Stage 1 - 12 Months ECL | - | - | - | - | (128,896) |
| -Stage 2 - Lifetime ECL not credit impaired | - | - | - | - | (25,667) |
| -Stage 3 - Lifetime ECL credit impaired | - | - | - | - | (103,918) |
| Total net financing | <u>23,324,785</u> | <u>459,247</u> | <u>285,559</u> | <u>205,957</u> | <u>24,017,067</u> |

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Credit Quality Financing of Customers (cont'd)

Table 16: Credit quality financing of customers (cont'd)

The credit quality for financing of customers is managed by the Group and the Bank using the internal credit ratings. The table below shows the credit quality for financing of customers exposed to credit risk, based on the Group's and the Bank's internal credit ratings.

Financing of customers are analysed as follows:

| Bank | Neither past due nor impaired | | Past due | Impaired | Total |
|---|--------------------------------------|---------------------|-----------------|------------------|-------------------|
| 30 June 2023 | Good | Satisfactory | but not | financing | |
| | RM'000 | RM'000 | impaired | RM'000 | RM'000 |
| Term financing | | | | | |
| - Home financing | 7,686,473 | 176,691 | 274,090 | 100,843 | 8,238,097 |
| - Syndicated financing | 542,102 | - | - | - | 542,102 |
| - Hire purchase receivables | 1,136,704 | 7,978 | 9,948 | 2,371 | 1,157,001 |
| - Other term financing | 11,544,930 | 98,215 | 163,471 | 147,572 | 11,954,188 |
| Other financing | 3,979,450 | 3,757 | 5,386 | 36,338 | 4,024,931 |
| | 24,889,659 | 286,641 | 452,895 | 287,124 | 25,916,319 |
| Less : Allowance for impaired financing | | | | | |
| -Stage 1 - 12 Months ECL | - | - | - | - | (130,588) |
| -Stage 2 - Lifetime ECL not credit impaired | - | - | - | - | (27,819) |
| -Stage 3 - Lifetime ECL credit impaired | - | - | - | - | (132,590) |
| Total net financing | 24,889,659 | 286,641 | 452,895 | 287,124 | 25,625,322 |

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Credit Quality Financing of Customers (cont'd)

Table 16: Credit quality financing of customers (cont'd)

Financing of customers are analysed as follows:

| Bank | Neither past due nor impaired | | Past due but not impaired | Impaired financing | Total |
|---|--------------------------------------|--------------------------------|----------------------------------|---------------------------|-------------------|
| 31 December 2022 | Good RM'000 | Satisfactory RM'000 | RM'000 | RM'000 | RM'000 |
| Term financing | | | | | |
| - Home financing | 6,826,928 | 328,592 | 172,313 | 60,051 | 7,387,884 |
| - Syndicated financing | 555,291 | - | - | - | 555,291 |
| - Hire purchase receivables | 904,427 | 6,196 | 7,152 | 1,548 | 919,323 |
| - Other term financing | 11,162,735 | 114,700 | 104,998 | 103,040 | 11,485,473 |
| Other financing | 3,864,750 | 9,759 | 1,096 | 41,318 | 3,916,923 |
| | <u>23,314,131</u> | <u>459,247</u> | <u>285,559</u> | <u>205,957</u> | <u>24,264,894</u> |
| Less: | | | | | |
| -Stage 1 - 12 Months ECL | - | - | - | - | (128,896) |
| -Stage 2 - Lifetime ECL not credit impaired | - | - | - | - | (25,667) |
| -Stage 3 - Lifetime ECL credit impaired | - | - | - | - | (103,918) |
| Total net financing | <u>23,314,131</u> | <u>459,247</u> | <u>285,559</u> | <u>205,957</u> | <u>24,006,413</u> |

Credit Quality Financing of Customers (cont'd)

Table 17: Past due but not impaired

Past due but not impaired financing of customers refers to a situation where the customer has failed to make principal or profit payment or both after the contractual due date for more than one day but less than three (3) months.

Aging analysis of past due but not impaired is as follows:

| Group and Bank | Less than | 1 - 2 | >2 - 3 | Total |
|-------------------------|------------------|---------------|------------------|---------------|
| 30 June 2023 | 1 month | months | months | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Term financing | | | | |
| - Home financing | - | 273,604 | 486 | 274,090 |
| - Hire purchase | | | | |
| receivables | - | 9,820 | 128 | 9,948 |
| - Other term financing | - | 160,690 | 2,781 | 163,471 |
| Other financing | - | 5,290 | 96 | 5,386 |
| Total | - | 449,404 | 3,491 | 452,895 |
| | | | | |
| 31 December 2022 | Less than | 1 - 2 | >2 - 3 | Total |
| | 1 month | months | months | RM'000 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Term financing | | | | |
| - Home financing | - | 172,040 | 273 | 172,313 |
| - Hire purchase | | | | |
| receivables | - | 7,009 | 143 | 7,152 |
| - Other term financing | - | 103,091 | 1,907 | 104,998 |
| Other financing | - | 978 | 118 | 1,096 |
| Total | - | 283,118 | 2,441 | 285,559 |

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Credit Quality Financing of Customers (cont'd)

Table 17: Past due but not impaired (cont'd)

The following tables present an analysis of the past due but not impaired financing by economic purpose.

| Group and Bank | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
|---|------------------------------------|--|
| Purchase of transport vehicles | 9,954 | 7,163 |
| Purchase of landed properties of which: | | |
| – residential | 255,691 | 161,851 |
| – non-residential | 16,823 | 10,357 |
| Personal use | 144,765 | 91,564 |
| Construction | - | 285 |
| Purchase of securities | 662 | - |
| Working capital | 23,121 | 13,047 |
| Other purpose | 1,879 | 1,292 |
| | 452,895 | 285,559 |

The following table presents an analysis of the past due but not impaired financing by geographical area:

| Group and Bank | 30 June 2023 RM'000 | 31 December 2022 RM'000 |
|-----------------------|------------------------------------|--|
| Domestic | 452,895 | 285,559 |

Credit Quality Financing of Customers (cont'd)

Table 18: Impaired financing by economic purpose

The following tables present an analysis of the impaired financing by economic purpose.

| | 30 June 2023 | | | | | | |
|--|------------------------------|---|-----------------------------------|--|---|--|--|
| Group | Impaired Financing RM'000 | Individual Assessment Allowance at 1 January RM'000 | Net Charge for the Year RM'000 | Amounts Written Off/Other Movements RM'000 | Individual Assessment Allowance at 30 June RM'000 | Collective Assessment 30 June RM'000 | Total Impairment Allowances for Financing RM'000 |
| Purchase of securities | 92 | - | - | - | - | 112 | 112 |
| Purchase of transport vehicles | 2,371 | 127 | (43) | 34 | 50 | 1,890 | 1,940 |
| Purchase of landed properties of which: | | | | | | | |
| – residential | 95,168 | 11,338 | 6,950 | 7,329 | 10,958 | 47,498 | 58,456 |
| – non-residential | 19,823 | 2,836 | 418 | - | 3,254 | 1,465 | 4,719 |
| Purchase of fixed assets (excluding landed properties) | - | - | - | - | - | 5,485 | 5,485 |
| Personal use | 109,299 | 1,460 | 57 | - | 1,517 | 146,329 | 147,846 |
| Construction | - | - | - | - | - | 1,697 | 1,697 |
| Working capital | 54,123 | 31,040 | 6,192 | 8,634 | 28,596 | 32,287 | 60,883 |
| Other purpose | 6,248 | 3,949 | 4,527 | 3,336 | 5,140 | 4,719 | 9,859 |
| | 287,124 | 50,750 | 18,101 | 19,333 | 49,515 | 241,482 | 290,997 |

Credit Quality Financing of Customers (cont'd)

Table 18: Impaired financing by economic purpose (cont'd)

The following tables present an analysis of the impaired financing by economic purpose.

| Group | 31 December 2022 | | | | | | |
|---|---------------------------------|---|--------------------------------------|--|---|---|---|
| | Impaired Financing RM'000 | Individual Assessment Allowance at 1 January RM'000 | Net Charge for the Year RM'000 | Amounts Written Off/Other Movements RM'000 | Individual Assessment Allowance at 31 December RM'000 | Collective Assessment Allowance at 31 December RM'000 | Total Impairment Allowances for Financing RM'000 |
| Purchase of securities | 49 | - | - | - | - | 112 | 112 |
| Purchase of transport vehicles | 1,548 | 23 | 138 | 34 | 127 | 1,511 | 1,638 |
| Purchase of landed properties of which: | | | | | | | |
| – residential | 55,675 | 13,096 | 5,571 | 7,329 | 11,338 | 42,202 | 53,540 |
| – non-residential | 21,636 | 1,454 | 1,382 | - | 2,836 | 2,346 | 5,182 |
| Purchase of fixed assets (excluding landed properties) | - | - | - | - | - | 1,106 | 1,106 |
| Personal use | 81,303 | 402 | 1,058 | - | 1,460 | 118,415 | 119,875 |
| Construction | - | - | - | - | - | 1,539 | 1,539 |
| Working capital | 40,434 | 18,771 | 20,900 | 8,634 | 31,039 | 26,513 | 57,552 |
| Other purpose | 5,312 | - | 7,286 | 3,336 | 3,949 | 13,988 | 17,937 |
| | 205,957 | 33,746 | 36,335 | 19,333 | 50,749 | 207,732 | 258,481 |

Credit Quality Financing of Customers (cont'd)

Table 18: Impaired financing by economic purpose

The following tables present an analysis of the impaired financing by economic purpose.

| Bank | 30 June 2023 | | | | | | |
|---|--------------|---|------------------------|---------------------------------|--|--|---------------------------------------|
| | | Individual Assessment Allowance, at | Net Charge | Amounts Written Off/Other | Individual Assessment Allowance at | Collective Assessment Allowance at | Total Impairment |
| | RM'000 | 1 January RM'000 | for the Year RM'000 | Movements RM'000 | 30 June RM'000 | 30 June RM'000 | Allowances for Financing RM'000 |
| Purchase of securities | 92 | - | - | - | - | 112 | 112 |
| Purchase of transport vehicles | 2,371 | 127 | (23) | 54 | 50 | 1,890 | 1,940 |
| Purchase of landed properties of which: | | | | | | | |
| – residential | 95,168 | 11,338 | (379) | - | 10,958 | 47,498 | 58,456 |
| – non-residential | 19,823 | 2,836 | 418 | - | 3,254 | 1,465 | 4,719 |
| Purchase of fixed assets (excluding landed properties) | - | - | - | - | - | 5,485 | 5,485 |
| Personal use | 109,299 | 1,460 | 57 | - | 1,517 | 146,329 | 147,846 |
| Construction | - | - | - | - | - | 1,697 | 1,697 |
| Working capital | 54,123 | 31,040 | 1,553 | 3,995 | 28,596 | 32,287 | 60,883 |
| Other purpose | 6,248 | - | 5,140 | - | 5,140 | 4,719 | 9,859 |
| | 287,124 | 46,801 | 6,766 | 4,049 | 49,515 | 241,482 | 290,997 |

Credit Quality Financing of Customers (cont'd)

Table 18: Impaired financing by economic purpose (cont'd)

The following tables present an analysis of the impaired financing by economic purpose.

| Bank | 31 December 2022 | | | | | | |
|---|---------------------------------|--|--------------------------------------|--|---|---|--|
| | Impaired Financing RM'000 | Individual Assessment Allowance, at 1 January RM'000 | Net Charge for the Year RM'000 | Amounts Written Off/Other Movements RM'000 | Individual Assessment Allowance at 31 December RM'000 | Collective Assessment Allowance at 31 December RM'000 | Total Impairment Allowances for Financing RM'000 |
| Purchase of securities | 49 | - | - | - | - | 112 | 112 |
| Purchase of transport vehicles | 1,548 | 23 | 138 | 34 | 127 | 1,511 | 1,638 |
| Purchase of landed properties of which: | | | | | | | |
| – residential | 55,675 | 13,096 | 5,571 | 7,329 | 11,338 | 42,202 | 53,540 |
| – non-residential | 21,636 | 1,454 | 1,382 | - | 2,836 | 2,346 | 5,182 |
| Purchase of fixed assets (excluding landed properties) | - | - | - | - | - | 1,106 | 1,106 |
| Personal use | 81,303 | 402 | 1,058 | - | 1,460 | 118,415 | 119,875 |
| Construction | - | - | - | - | - | 1,539 | 1,539 |
| Working capital | 40,434 | 18,771 | 20,900 | 8,634 | 31,039 | 26,513 | 57,552 |
| Other purpose | 5,312 | - | 7,286 | 3,336 | 3,949 | 13,988 | 17,937 |
| | 205,957 | 33,746 | 36,335 | 19,333 | 50,749 | 207,732 | 258,481 |

Table 19: Impaired financing by geographical distribution

The following tables present an analysis of the impaired financing by geographical distribution.

| Group | 30 June 2023 | | | | | | |
|-------|------------------------------|--|-----------------------------------|---|--|--|---|
| | Impaired Financing RM'000 | Individual Assessment Allowance at 1 January RM'000 | Net Charge for the Year RM'000 | Amounts Written Off/Other Movements RM'000 | Individual Assessment Allowance at 30 June RM'000 | Collective Assessment Allowance at 30 June RM'000 | Total Impairment Allowances for Financing RM'000 |
| | 287,124 | 50,748 | 18,101 | 19,333 | 49,514 | 241,483 | 290,997 |

| Group | 31 December 2022 | | | | | | |
|-------|------------------------------|--|-----------------------------------|---|--|--|---|
| | Impaired Financing RM'000 | Individual Assessment Allowance at 1 January RM'000 | Net Charge for the Year RM'000 | Amounts Written Off/Other Movements RM'000 | Individual Assessment Allowance at 31 December RM'000 | Collective Assessment Allowance at 31 December RM'000 | Total Impairment Allowances for Financing RM'000 |
| | 205,958 | 33,746 | 36,331 | 19,333 | 50,748 | 207,733 | 258,481 |

Credit Quality Financing of Customers (cont'd)

Table 19: Impaired financing by geographical distribution

The following tables present an analysis of the impaired financing by geographical distribution.

| Bank | 30 June 2023 | | | | | | |
|----------|--------------|----------------|--------------|-----------|--------------|--------------|----------------|
| | | Individual | | Amounts | Individual | Collective | Total |
| | Impaired | Assessment | Net Charge | Written | Assessment | Assessment | Impairment |
| | Financing | Allowance at 1 | for the Year | Off/Other | Allowance at | Allowance at | Allowances for |
| | RM'000 | January | RM'000 | Movements | 30 June | 30 June | Financing |
| | | RM'000 | | RM'000 | RM'000 | RM'000 | RM'000 |
| Domestic | 287,124 | 46,799 | 6,766 | 4,049 | 49,514 | 241,483 | 290,997 |

| Bank | 31 December 2022 | | | | | | |
|------|---------------------------------|---|--------------------------------------|--|---|---|--|
| | Impaired Financing RM'000 | Individual Assessment Allowance at 1 January RM'000 | Net Charge for the Year RM'000 | Amounts Written Off/Other Movements RM'000 | Individual Assessment Allowance at 31 December RM'000 | Collective Assessment Allowance at 31 December RM'000 | Total Impairment Allowances for Financing RM'000 |
| | Domestic | 205,958 | 33,746 | 36,331 | 19,333 | 50,748 | 207,733 |

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Credit Quality Financing of Customers (cont'd)

Market Risk

Rate of return risk

Table 20: Sensitivity analysis of rate of return risk

The increase or decline in earnings and economic value for upwards and downward rate shocks which are consistent with shocks applied in the stress test for measuring:

| Increase/(decrease) in basis points | Group | | Bank | |
|-------------------------------------|----------------------------|----------------------------|----------------------------|----------------------------|
| | -50 Basis Points RM'000 | +50 Basis Points RM'000 | -50 Basis Points RM'000 | +50 Basis Points RM'000 |
| Impact on Earnings: | | | | |
| 30 June 2023 | | | | |
| MYR | (28,302) | 28,302 | (28,250) | 28,250 |
| USD | 1,256 | (1,256) | 1,256 | (1,256) |
| Others* | 10 | (10) | 10 | (10) |
| 31 December 2022 | | | | |
| MYR | (19,643) | 19,643 | (18,098) | 18,098 |
| USD | 174 | (174) | 174 | (174) |
| Others* | 261 | (261) | 261 | (261) |
| Impact on Equity: | | | | |
| 30 June 2023 | | | | |
| MYR | 68,204 | (68,204) | 68,202 | (68,202) |
| USD | (190) | 190 | (190) | 190 |
| Others* | (2) | 2 | (2) | 2 |
| 31 December 2022 | | | | |
| MYR | 66,145 | (66,145) | 66,067 | (66,067) |
| USD | (126) | 126 | (126) | 126 |
| Others* | (14) | 14 | (14) | 14 |

* Inclusive of AUD, CHF, EUR, GBP, JPY and other currencies.

Table 21: Minimum regulatory requirement for market risk

The following tables present the minimum regulatory requirement for market risk of the Group and the Bank.

Group and Bank
30 June 2023

| | Long Position RM' 000 | Short Position RM' 000 | Risk weighted Assets RM' 000 | Minimum Capital Requirement at 8% RM' 000 |
|-----------------------|-----------------------------|------------------------------|---------------------------------------|---|
| Benchmark Rate Risk | 844 | (841) | 32,273 | 2,581 |
| Foreign Currency Risk | 3,806 | (1,253) | 26,394 | 2,112 |
| Total | 4,650 | (2,094) | 58,667 | 4,693 |

Group and Bank
31 December 2022

| | Long Position RM' 000 | Short Position RM' 000 | Risk weighted Assets RM' 000 | Minimum Capital Requirement at 8% RM' 000 |
|-----------------------|-----------------------------|------------------------------|---------------------------------------|---|
| Benchmark Rate Risk | 844 | (841) | 19,346 | 1,548 |
| Foreign Currency Risk | 3,806 | (1,253) | 3,806 | 305 |
| Total | 4,650 | (2,094) | 23,152 | 1,853 |

Table 22: Equity exposures

Group and Bank
30 June 2023

| | Gross Credit Exposure RM'000 | Risk Weighted Assets RM'000 | Unrealised Gain/(Losses) RM'000 |
|--------------------------------|---------------------------------------|--------------------------------------|---------------------------------------|
| Publicly Traded | | | |
| Investment in Unit Trust Funds | - | - | - |
| Investment in Shares | 184,443 | 184,443 | (14,327) |
| Total | 184,443 | 184,443 | (14,327) |

Cumulative realised gains arising from
sales and liquidations in the reporting period (3,853)

31 December 2022

| | Gross Credit Exposure RM'000 | Risk Weighted Assets RM'000 | Unrealised Gain/(Losses) RM'000 |
|-----------------------------|---------------------------------------|--------------------------------------|---------------------------------------|
| Publicly Traded | | | |
| Investment in Quoted Shares | 113,558 | 113,558 | (16,536) |
| Total | 113,558 | 113,558 | (16,536) |

Cumulative realised gains arising from
sales and liquidations in the reporting period (46,662)

Rectification Process of Shariah Non-Compliance Income (SNCI) and Unidentified Funds

Earning and Expenditure Prohibited by Shariah

Policy on Management of Shariah Non-Compliant Income is formulated pursuant to the BNM Shariah Governance Policy Document on (SGPD), which define the principles and practices to be applied by the Bank in managing its SNCI.

SNCI is an income generated from any transaction(s) that breaches the governing Shariah principles and requirements determined by the Bank's SC and/or other Shariah Authorities (SA).

The SA are as follows:

- Shariah Advisory Council of Bank Negara Malaysia.
- Shariah Advisory Council of Securities Commission Malaysia.
- Any other relevant Shariah resolutions and rulings as prescribed and determined by the SC of the Bank from to time.

The amount of SNCI and events decided by SC is as follows:

Table 23: Shariah Non- compliant income and events

| 30 June 2023 | 31 December 2022 |
|-------------------------|-------------------------|
| Event - 1 SNCI - nil | Event - 1 SNCI - nil |

Any reported SNCI will be utilised to fund charitable activities as guided by SC and the Bank

Unidentified Funds / Shubhah

During the Group's and the Bank's daily operations, there are certain funds received by the Group and the Bank where the source is not clear or uncertain, and/or prohibited by Shariah. These funds are therefore not recognised as income and are retained in the Maslahah Ammah account. The utilisation of the funds follow the similar procedures set for the SNCI funds.

Examples of unidentified funds are cash excess discovered at branch counter and automated teller machines ("ATM"), and unidentified credit balances, whilst earning prohibited by Shariah were interest income derived from Nostro accounts.

However, no amount was recorded for the earning prohibited by Shariah and the unidentified fund for the period as at 30 June 2023. (31 December 2022: RM 70,356).

Operational Risk

The following tables present the minimum regulatory requirement for operational risk of the Group and the Bank.

Table 24: ORM minimum capital requirement

| | 30 June 2023 | | 31 December 2022 | |
|-------|--------------------------------|--|--------------------------------|--|
| | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 | Risk Weighted Assets RM'000 | Minimum Capital Requirement at 8% RM'000 |
| Group | 1,512,426 | 120,994 | 1,460,879 | 116,870 |
| Bank | 1,481,718 | 118,537 | 1,424,839 | 113,987 |

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Liquidity and Funding Risk

Table 25: Maturity analysis of assets and liabilities based on remaining contractual maturity.

| Group | Up to | >7 Days - | >1-3 | >3-6 | >6-12 | >1 - 5 | Over 5 | |
|---|--------------------|---------------------|--------------------|--------------------|------------------|-------------------|-------------------|-------------------|
| 30 June 2023 | 7 Days | 1 Month | Months | Months | Months | Years | Years | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | | | | | |
| Cash and short-term funds | 2,549,988 | 60,159 | - | - | - | - | - | 2,610,147 |
| Financial investments designated at fair value through profit and loss | - | 150,754 | - | 120,834 | 20,310 | 36,856 | 10,004 | 338,758 |
| Financial investments at fair value through other comprehensive income | 408,521 | - | 7,036 | 689,759 | 331,169 | 3,432,764 | 872,902 | 5,742,151 |
| Financial investments at amortised cost | - | - | - | - | - | - | 118,020 | 118,020 |
| Financing of customers | 136,956 | 825,813 | 1,348,815 | 1,350,717 | 2,213,953 | 9,358,363 | 10,399,174 | 25,633,791 |
| Islamic derivative financial assets | 312 | 8,455 | 4,892 | 16,211 | - | - | - | 29,870 |
| Other assets | - | 1,218 | - | - | 64,386 | 63,687 | 807,816 | 937,107 |
| TOTAL ASSETS | 3,095,777 | 1,046,399 | 1,360,743 | 2,177,521 | 2,629,818 | 12,891,670 | 12,207,916 | 35,409,844 |
| LIABILITIES AND EQUITY | | | | | | | | |
| Deposits from customers | 11,638,574 | 4,884,642 | 7,150,639 | 3,243,859 | 1,782,211 | 566,714 | 110,654 | 29,377,293 |
| Investment accounts of customers | 284,623 | - | - | - | - | - | - | 284,623 |
| Deposits and placements of banks and other financial institutions | 1,097 | 300 | 250,000 | 1,000 | 250 | 69,932 | 262,751 | 585,330 |
| Islamic derivative financial liabilities | 149 | 1,559 | 5,029 | 10,611 | - | - | - | 17,348 |
| Other liabilities | 440 | 26,664 | 16,245 | 8,976 | 59,189 | 2,050,132 | - | 2,161,646 |
| Total Liabilities | 11,924,883 | 4,913,165 | 7,421,913 | 3,264,446 | 1,841,650 | 2,686,778 | 373,405 | 32,426,240 |
| Equity attributable to shareholders of the Bank | - | - | - | - | - | - | 2,983,604 | 2,983,604 |
| NET MATURITY MISMATCH | (8,829,106) | (3,866,766) | (6,061,170) | (1,086,925) | 788,168 | 10,204,892 | 8,850,907 | - |

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Liquidity and Funding Risk (cont'd)

Table 25: Maturity analysis of assets and liabilities based on remaining contractual maturity. (cont'd)

| Group | Up to | >7 Days - | >1-3 | >3-6 | >6-12 | >1 - 5 | Over 5 | |
|--|--------------------|---------------------|--------------------|------------------|------------------|-------------------|-------------------|-------------------|
| 31 December 2022 | 7 Days | 1 Month | Months | Months | Months | Years | Years | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | | | | | |
| Cash and short-term funds | 1,184,485 | 50,968 | - | - | - | - | - | 1,235,453 |
| Cash and placements with financial institutions | - | - | 21,747 | - | - | - | - | 21,747 |
| Financial investments designated at fair value through profit and loss | - | - | - | 147,485 | - | 34,604 | - | 182,089 |
| Financial investments at fair value through other comprehensive income | - | 560 | 4,684 | 386,752 | 1,108,279 | 3,130,310 | 581,066 | 5,211,651 |
| Financial investments at amortised cost | - | - | - | - | - | - | 113,589 | 113,589 |
| Islamic derivative financial assets | 398 | 2,118 | 1,266 | 465 | - | - | - | 4,247 |
| Financing of customers | 92,625 | 810,048 | 1,369,715 | 1,313,387 | 2,161,825 | 8,060,199 | 10,209,268 | 24,017,067 |
| Other assets | - | (19) | - | - | 44,216 | 72,010 | 632,167 | 748,374 |
| TOTAL ASSETS | 1,277,508 | 863,675 | 1,397,412 | 1,848,089 | 3,314,320 | 11,297,123 | 11,536,090 | 31,534,217 |
| LIABILITIES AND EQUITY | | | | | | | | |
| Deposits from customers | 10,761,361 | 5,070,645 | 6,253,122 | 2,533,620 | 712,312 | 896,137 | 93,412 | 26,320,609 |
| Investment accounts of customers | 301,158 | - | - | - | - | - | - | 301,158 |
| Deposits and placements of banks and other financial institutions | - | 200 | - | 500 | 1,300 | 52,602 | 248,786 | 303,388 |
| Bills and acceptances payable | - | - | 20,218 | - | - | - | - | 20,218 |
| Islamic derivative financial liabilities | 5,556 | 5,982 | 11,269 | 304 | - | - | - | 23,111 |
| Other liabilities | - | 19,778 | 918 | 1,695 | 84,658 | 32,310 | - | 139,359 |
| Recourse obligation on financing sold to Cagamas | - | - | - | - | - | 733,174 | - | 733,174 |
| Subordinated sukuk | - | - | - | 8,220 | - | 798,376 | - | 806,596 |
| Total Liabilities | 11,068,075 | 5,096,605 | 6,285,527 | 2,544,339 | 798,270 | 2,512,599 | 342,198 | 28,647,613 |
| Equity attributable to shareholders of the Bank | - | - | - | - | - | - | 2,886,604 | 2,886,604 |
| NET MATURITY MISMATCH | (9,790,567) | (4,232,930) | (4,888,115) | (696,250) | 2,516,050 | 8,784,524 | 8,307,288 | - |

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Liquidity and Funding Risk (cont'd)

Table 25: Maturity analysis of assets and liabilities based on remaining contractual maturity. (cont'd)

| Bank | Up to | >7 Days - | >1-3 | >3-6 | >6-12 | >1 - 5 | Over 5 | |
|---|--------------------|---------------------|--------------------|--------------------|------------------|-------------------|-------------------|-------------------|
| 30 June 2023 | 7 Days | 1 Month | Months | Months | Months | Years | Years | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | | | | | |
| Cash and short-term funds | 2,549,989 | 60,158 | - | - | - | - | - | 2,610,147 |
| Financial investments designated at fair value through profit and loss | - | 150,754 | - | 120,834 | 20,310 | 34,279 | 10,004 | 336,181 |
| Financial investments at fair value through other comprehensive income | 408,521 | - | 7,036 | 689,759 | 331,169 | 3,432,764 | 872,902 | 5,742,151 |
| Financial investments at amortised cost | - | - | - | - | - | - | 118,020 | 118,020 |
| Financing of customers | 136,956 | 825,813 | 1,348,815 | 1,350,717 | 2,213,953 | 9,358,363 | 10,390,705 | 25,625,322 |
| Islamic derivative financial assets | 312 | 8,455 | 4,892 | 16,211 | - | - | - | 29,870 |
| Other assets | - | 1,218 | - | - | 63,904 | 63,684 | 820,609 | 949,415 |
| TOTAL ASSETS | 3,095,778 | 1,046,398 | 1,360,743 | 2,177,521 | 2,629,336 | 12,889,090 | 12,212,240 | 35,411,106 |
| LIABILITIES AND EQUITY | | | | | | | | |
| Deposits from customers | 11,648,808 | 4,891,970 | 7,150,620 | 3,243,845 | 1,782,202 | 566,710 | 110,655 | 29,394,810 |
| Investment accounts of customers | 284,623 | - | - | - | - | - | - | 284,623 |
| Deposits and placements of banks and other financial institutions | 1,097 | 300 | 250,000 | 1,000 | 250 | 69,932 | 262,751 | 585,330 |
| Islamic derivative financial liabilities | 149 | 1,559 | 5,029 | 10,611 | - | - | - | 17,348 |
| Other liabilities | 440 | 23,397 | 16,245 | 8,976 | 58,432 | 2,050,135 | - | 2,157,625 |
| Total Liabilities | 11,935,117 | 4,917,226 | 7,421,894 | 3,264,432 | 1,840,884 | 2,686,777 | 373,406 | 32,439,736 |
| Equity attributable to shareholders of the Bank | - | - | - | - | - | - | 2,971,370 | 2,971,370 |
| NET MATURITY MISMATCH | (8,839,339) | (3,870,828) | (6,061,151) | (1,086,911) | 788,452 | 10,202,313 | 8,867,464 | - |

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Liquidity and Funding Risk (cont'd)

Table 25: Maturity analysis of assets and liabilities based on remaining contractual maturity. (cont'd)

| Bank | Up to | >7 Days - | >1-3 | >3-6 | >6-12 | >1 - 5 | Over 5 | |
|--|--------------------|---------------------|--------------------|------------------|------------------|-------------------|-------------------|-------------------|
| 31 December 2022 | 7 Days | 1 Month | Months | Months | Months | Years | Years | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| ASSETS | | | | | | | | |
| Cash and short-term funds | 1,184,486 | 50,967 | - | - | - | - | - | 1,235,453 |
| Cash and placements with financial institutions | - | - | 21,747 | - | - | - | - | 21,747 |
| Financial investments designated at fair value through profit and loss | - | - | - | 147,485 | - | 32,059 | - | 179,544 |
| Financial investments at fair value through other comprehensive income | - | 560 | 4,684 | 386,752 | 1,108,279 | 3,130,310 | 581,066 | 5,211,651 |
| Financial investments at amortised cost | - | - | - | - | - | - | 113,589 | 113,589 |
| Financing of customers | 398 | 2,120 | 1,264 | 465 | - | - | - | 4,247 |
| Islamic derivative financial assets | 92,625 | 810,048 | 1,369,715 | 1,313,387 | 2,161,825 | 8,060,199 | 10,198,614 | 24,006,413 |
| Other assets | - | (29) | - | - | 43,722 | 72,010 | 644,928 | 760,631 |
| TOTAL ASSETS | 1,277,509 | 863,666 | 1,397,410 | 1,848,089 | 3,313,826 | 11,294,578 | 11,538,197 | 31,533,275 |
| LIABILITIES AND EQUITY | | | | | | | | |
| Deposits from customers | 10,773,324 | 5,078,482 | 6,253,097 | 2,533,605 | 712,306 | 896,127 | 93,412 | 26,340,353 |
| Investment accounts of customers | 301,158 | - | - | - | - | - | - | 301,158 |
| Deposits and placements of banks and other financial institutions | - | 200 | - | 500 | 1,300 | 52,602 | 248,786 | 303,388 |
| Bills and acceptances payable | - | - | 20,218 | - | - | - | - | 20,218 |
| Islamic derivative financial liabilities | 5,556 | 5,982 | 11,269 | 304 | - | - | - | 23,111 |
| Other liabilities | - | 18,103 | 918 | 1,695 | 83,484 | 32,313 | - | 136,513 |
| Recourse obligation on financing sold to Cagamas | - | - | - | - | - | 733,174 | - | 733,174 |
| Subordinated sukuk | - | - | - | 8,220 | - | 798,376 | - | 806,596 |
| Total Liabilities | 11,080,038 | 5,102,767 | 6,285,502 | 2,544,324 | 797,090 | 2,512,592 | 342,198 | 28,664,511 |
| Equity attributable to shareholders of the Bank | - | - | - | - | - | - | 2,868,764 | 2,868,764 |
| NET MATURITY MISMATCH | (9,802,529) | (4,239,101) | (4,888,092) | (696,235) | 2,516,736 | 8,781,986 | 8,327,235 | - |