

**OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES**
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

Domiciled in Malaysia
Registered office:
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50050 Kuala Lumpur

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS

FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

CONTENTS	PAGE
STATEMENTS OF FINANCIAL POSITION	3
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME	4
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	5
STATEMENT OF CHANGES IN EQUITY	6
STATEMENTS OF CASH FLOWS	7 - 9
NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS	10 - 33

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2023**

	Note	Group		Bank	
		31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
ASSETS					
Cash and cash equivalents	9	2,695,596	6,952,345	2,027,068	5,591,793
Deposits and placements with banks and other financial institutions	10	1,365,694	1,863,600	1,481,965	2,107,603
Investment account placements	11	-	-	3,510,806	3,093,946
Financial assets at fair value through profit or loss ("FVTPL")	12	2,398,459	566,098	2,393,413	561,059
Financial investments at fair value through other comprehensive income ("FVOCI")	13	23,720,633	22,901,346	19,896,540	19,702,128
Loans, advances and financing	14	63,613,312	64,298,998	51,295,650	51,563,714
Derivative financial assets	16	1,149,779	1,307,652	1,149,938	1,307,663
Other assets	17	310,252	364,470	359,409	420,034
Statutory deposits with Bank Negara Malaysia		911,699	903,160	702,699	703,160
Investments in subsidiaries		-	-	557,051	557,051
Property and equipment		130,202	133,974	127,411	130,853
Right-of-use ("ROU") assets		18,420	14,814	15,649	12,775
Tax recoverable		6,057	5,770	81	81
Deferred tax assets		178,014	231,043	144,004	190,656
Total assets		96,498,117	99,543,270	83,661,684	85,942,516
LIABILITIES					
Deposits from customers	18	71,077,791	77,717,263	59,945,241	65,747,671
Deposits and placements of banks and other financial institutions	19	8,997,062	5,720,234	8,973,228	5,676,869
Obligations on securities sold under repurchase agreements		295,478	-	295,478	-
Bills and acceptances payable		65,166	114,286	44,600	102,529
Derivative financial liabilities	16	935,046	1,447,264	935,348	1,447,629
Other liabilities	20	4,264,095	4,100,040	4,111,068	3,946,907
Tax payable and zakat		65,693	117,204	57,845	105,030
Subordinated bonds	21	1,050,000	1,050,000	1,050,000	1,050,000
Total liabilities		86,750,331	90,266,291	75,412,808	78,076,635
EQUITY					
Share capital		754,000	754,000	754,000	754,000
Reserves		8,993,786	8,522,979	7,494,876	7,111,881
Total equity		9,747,786	9,276,979	8,248,876	7,865,881
Total liabilities and equity		96,498,117	99,543,270	83,661,684	85,942,516
Commitments and contingencies	30	123,631,423	117,466,765	119,765,621	113,725,526

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2022 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

**UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023**

	Note	Group		Bank	
		Year to date ended		Year to date ended	
		31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Interest/Finance income		831,474	592,306	861,430	607,953
Interest income for financial assets at FVTPL		13,139	12,536	13,139	12,536
Interest/Finance expense		(395,895)	(213,899)	(422,025)	(225,633)
Net interest/finance income	22	448,718	390,943	452,544	394,856
Income from Islamic banking operations	23	131,912	110,729	-	-
Net fee and commission income	24	81,263	95,208	80,725	93,758
Net trading income	25	115,815	66,005	115,815	66,005
Other operating income/(expense)	26	15,159	(6,825)	45,188	19,118
Operating income		792,867	656,060	694,272	573,737
Operating expenses	27	(354,466)	(291,806)	(339,323)	(278,291)
Operating profit before impairment allowances and provisions		438,401	364,254	354,949	295,446
Impairment allowances and provisions writeback	28	55,529	75,371	44,864	66,803
Profit before income tax and zakat		493,930	439,625	399,813	362,249
Income tax expense	29	(119,691)	(136,330)	(97,090)	(120,892)
Zakat		(13)	(12)	-	-
Profit for the period		374,226	303,283	302,723	241,357
Items that will not be reclassified to profit or loss					
Change in fair value reserve (equity instruments)		-	4,686	-	4,686
Items that are or may be reclassified subsequently to profit or loss					
Fair value reserve (debt instruments)					
- Change in fair value		135,312	(94,404)	113,419	(86,622)
- Amount transferred to profit or loss		(8,400)	12,202	(8,000)	13,952
- Related tax		(30,458)	19,728	(25,300)	17,441
Change in expected credit loss ("ECL") reserve on debt instruments at FVOCI		127	(89)	153	(73)
Other comprehensive income/(expense) for the period		96,581	(57,877)	80,272	(50,616)
Total comprehensive income for the period		470,807	245,406	382,995	190,741
Profit attributable to owner of the Bank		374,226	303,283	302,723	241,357
Total comprehensive income attributable to owner of the Bank		470,807	245,406	382,995	190,741
Basic earnings per ordinary share (sen)		130.2	105.5	105.3	84.0

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2022 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

<u>Group</u>	<i>Non-distributable</i>			<i>Distributable</i>		Total equity RM'000
	Share capital RM'000	Regulatory reserve RM'000	ECL reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
At 1 January 2023	754,000	600,000	671	(52,598)	7,974,906	9,276,979
Fair value reserve						
- Change in fair value	-	-	-	135,312	-	135,312
- Transferred to profit or loss	-	-	-	(8,400)	-	(8,400)
- Related tax	-	-	-	(30,458)	-	(30,458)
Change in ECL reserve	-	-	127	-	-	127
Total other comprehensive income for the period	-	-	127	96,454	-	96,581
Profit for the period	-	-	-	-	374,226	374,226
Total comprehensive income for the period	-	-	127	96,454	374,226	470,807
At 31 March 2023	754,000	600,000	798	43,856	8,349,132	9,747,786
At 1 January 2022	754,000	600,000	446	30,069	7,542,579	8,927,094
Fair value reserve						
- Change in fair value	-	-	-	(89,718)	-	(89,718)
- Transferred to profit or loss	-	-	-	12,202	-	12,202
- Related tax	-	-	-	19,728	-	19,728
Change in ECL reserve	-	-	(89)	-	-	(89)
Total other comprehensive expense for the period	-	-	(89)	(57,788)	-	(57,877)
Profit for the period	-	-	-	-	303,283	303,283
Total comprehensive (expense)/income for the period	-	-	(89)	(57,788)	303,283	245,406
Transfer upon disposal of equity investment designated at FVOCI	-	-	-	(10,150)	10,150	-
At 31 March 2022	754,000	600,000	357	(37,869)	7,856,012	9,172,500

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Share capital RM'000	Non-distributable			Distributable	Total equity RM'000
		Regulatory reserve RM'000	ECL reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	
Bank						
At 1 January 2023	754,000	509,000	524	(25,441)	6,627,798	7,865,881
Fair value reserve						
- Change in fair value	-	-	-	113,419	-	113,419
- Transferred to profit or loss	-	-	-	(8,000)	-	(8,000)
- Related tax	-	-	-	(25,300)	-	(25,300)
Change in ECL reserve	-	-	153	-	-	153
Total other comprehensive income for the period	-	-	153	80,119	-	80,272
Profit for the period	-	-	-	-	302,723	302,723
Total comprehensive income for the period	-	-	153	80,119	302,723	382,995
At 31 March 2023	754,000	509,000	677	54,678	6,930,521	8,248,876
At 1 January 2022	754,000	509,000	392	35,539	6,389,841	7,688,772
Fair value reserve						
- Change in fair value	-	-	-	(81,936)	-	(81,936)
- Transferred to profit or loss	-	-	-	13,952	-	13,952
- Related tax	-	-	-	17,441	-	17,441
Change in ECL reserve	-	-	(73)	-	-	(73)
Total other comprehensive expense for the period	-	-	(73)	(50,543)	-	(50,616)
Profit for the period	-	-	-	-	241,357	241,357
Total comprehensive (expense)/income for the period	-	-	(73)	(50,543)	241,357	190,741
Transfer upon disposal of equity investment designated at FVOCI	-	-	-	(10,150)	10,150	-
At 31 March 2022	754,000	509,000	319	(25,154)	6,641,348	7,879,513

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OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before income tax and zakat	493,930	439,625	399,813	362,249
<i>Adjustments for:</i>				
Depreciation of property and equipment	5,058	5,616	4,719	5,255
Depreciation of right-of-use assets	2,937	3,358	2,564	2,985
Impairment allowances and provisions writeback	(37,166)	(55,871)	(30,537)	(53,436)
Finance expense on lease liabilities	114	145	102	127
Net (gain)/loss on disposal of:				
- Financial investments at FVOCI	(8,400)	12,202	(8,000)	13,952
- Property and equipment	3	-	3	-
Share-based expense	3,764	3,254	3,675	3,165
Unrealised (gain)/loss on:				
- Financial assets at FVPTL	(3,620)	(1,273)	(3,620)	(1,266)
- Hedging derivatives	898	(44)	898	(44)
- Trading derivatives	(375,755)	(58,250)	(375,732)	(58,049)
- Subordinated bonds (foreign exchange)	-	9,541	-	9,541
Operating profit/(loss) before changes in working capital	81,763	358,303	(6,115)	284,479
<i>Changes in operating assets and operating liabilities:</i>				
Deposits and placements with banks and other financial institutions	497,906	(46,289)	625,638	124,587
Investment account placements	-	-	(414,884)	11,135
Financial assets at FVTPL	(1,828,741)	277,149	(1,828,734)	277,149
Loans, advances and financing	696,284	1,339,112	271,921	1,017,278
Other assets	54,185	2,036	60,585	(106,636)
Statutory deposits with Bank Negara Malaysia	(8,539)	(39,762)	461	(39,762)
Derivative financial assets and liabilities	16,053	4,817	15,819	4,788
Deposits from customers	(6,639,472)	(885,005)	(5,802,430)	(576,353)
Deposits and placements of banks and other financial institutions	3,276,828	488,489	3,296,359	478,024
Obligations on securities sold under repurchase agreements	295,478	-	295,478	-
Bills and acceptances payable	(49,120)	10,767	(57,929)	13,570
Other liabilities	183,748	207,736	182,837	185,209
Cash (used in)/generated from operations	(3,423,627)	1,717,353	(3,360,994)	1,673,468
Income tax and zakat paid	(148,931)	(77,945)	(122,923)	(71,356)
Net cash (used in)/generated from operating activities	(3,572,558)	1,639,408	(3,483,917)	1,602,112
Cash flows from investing activities				
Acquisition of financial investments at FVOCI	(8,226,776)	(3,389,076)	(6,986,396)	(2,183,356)
Acquisition of property and equipment	(1,289)	(1,746)	(1,261)	(1,684)
Proceeds from disposal of financial investments at FVOCI	7,547,260	3,741,267	6,909,862	2,369,354
Proceeds from disposal of property and equipment	18	-	-	-
Net cash (used in)/generated from investing activities	(680,787)	350,445	(77,795)	184,314

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023 (continued)

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Redemption of subordinated bonds	-	(468,820)	-	(468,820)
Payment of lease liabilities	(3,404)	(3,430)	(3,013)	(3,040)
Net cash used in financing activities	(3,404)	(472,250)	(3,013)	(471,860)
Net (decrease)/increase in cash and cash equivalents	(4,256,749)	1,517,603	(3,564,725)	1,314,566
Cash and cash equivalents at 1 January	6,952,345	4,828,528	5,591,793	2,916,893
Cash and cash equivalents at 31 March	2,695,596	6,346,131	2,027,068	4,231,459

Details of cash and cash equivalents are disclosed in Note 9 to the unaudited condensed interim financial statements.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS
STATEMENTS OF CASH FLOWS FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2023 (continued)

Changes in liabilities arising from financing activities

	At 1 January RM'000	Net Cash outflows RM'000	Foreign exchange movement RM'000	Acquisition of new leases* RM'000	Finance cost RM'000	At 31 March RM'000
2023						
<u>Group</u>						
Subordinated bonds	1,050,000	-	-	-	-	1,050,000
Lease liabilities	13,286	(3,404)	-	6,543	114	16,539
Total liabilities from financing activities	<u>1,063,286</u>	<u>(3,404)</u>	<u>-</u>	<u>6,543</u>	<u>114</u>	<u>1,066,539</u>
<u>Bank</u>						
Subordinated bonds	1,050,000	-	-	-	-	1,050,000
Lease liabilities	11,205	(3,013)	-	5,438	102	13,732
Total liabilities from financing activities	<u>1,061,205</u>	<u>(3,013)</u>	<u>-</u>	<u>5,438</u>	<u>102</u>	<u>1,063,732</u>
2022						
<u>Group</u>						
Subordinated bonds	1,509,279	(468,820)	9,541	-	-	1,050,000
Lease liabilities	24,429	(3,430)	-	418	145	21,562
Total liabilities from financing activities	<u>1,533,708</u>	<u>(472,250)</u>	<u>9,541</u>	<u>418</u>	<u>145</u>	<u>1,071,562</u>
<u>Bank</u>						
Subordinated bonds	1,509,279	(468,820)	9,541	-	-	1,050,000
Lease liabilities	21,620	(3,040)	-	463	127	19,170
Total liabilities from financing activities	<u>1,530,899</u>	<u>(471,860)</u>	<u>9,541</u>	<u>463</u>	<u>127</u>	<u>1,069,170</u>

* Acquisition of new leases includes changes in lease terms.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and Bank for the financial year ended 31 December 2022 and the accompanying explanatory notes to the unaudited condensed interim financial statements.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023

GENERAL INFORMATION

The Bank is principally engaged in banking and related financial services, whilst its subsidiaries are principally engaged in the businesses of Islamic Banking, corporate finance and related advisory services, and the provision of nominee services. The Bank and its subsidiaries are collectively referred to as the "Group". There has been no significant change in the nature of these activities during the financial period.

FINANCIAL PERFORMANCE

The Group recorded net profit of RM374 million for the financial period ended 31 March 2023; an increase of RM71 million or 23% compared to the corresponding period last year, largely contributed by higher operating profit by RM74 million or 20%. The Group generated better net interest income and income from Islamic banking operations by 15% and 19% respectively as well as gain on disposal of FVOCI securities of RM8 million against loss of RM14 million in previous year.

The Group and the Bank remained well capitalised with Common Equity Tier 1 capital ratios of 15.812% and 14.781%, Tier 1 capital ratios of 15.812% and 14.781% and Total Capital ratios of 18.396% and 17.800%, respectively.

ECONOMIC PERFORMANCE AND PROSPECTS

Malaysia's gross domestic product is projected by Bank Negara Malaysia to grow between 4% and 5% in 2023, supported by firm domestic demand. Improvements in employment and income levels, continued implementation of multi-year investment projects and higher tourism activity are expected to support private consumption and investment growth. Economic growth will, however, be affected by slower external demand, turbulent global financial markets as well as higher cost of living and input costs.

Demand for financing is expected to be sustained in 2023 due to continued expansion of economic activity and improvement in labour market conditions. The lending capacity of banks remains strong due to sound risk management practices, coupled with healthy capital and liquidity buffers. Importantly, banks continue to support financial intermediation activities to meet the needs of the economy.

1 BASIS OF PREPARATION

The accounting policies set out below have been applied consistently to the periods presented in these unaudited condensed interim financial statements and have been applied consistently, unless otherwise stated.

The unaudited condensed interim financial statements of the Group and the Bank have been prepared under the historical cost convention except for the assets and liabilities which are stated at fair values as disclosed in the notes to the unaudited condensed interim financial statements: financial assets at FVTPL, financial investments at FVOCI and derivative financial instruments. The unaudited condensed interim financial statements are presented in Ringgit Malaysia ("RM"), which is the Bank's functional currency. All financial information presented in RM have been rounded to the nearest thousand, unless otherwise stated.

(a) Statement of compliance

The unaudited condensed interim financial statements have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134, *Interim Financial Reporting*, International Accounting Standard 34, *Interim Financial Reporting* and applicable Shariah requirements (operations of Islamic Banking).

The unaudited condensed interim financial statements incorporate all activities relating to Islamic Banking which have been undertaken by the Group and the Bank in compliance with Shariah principles. Islamic Banking refers generally to the acceptance of deposits and granting of financing under Shariah principles.

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

1 BASIS OF PREPARATION (continued)

(a) Statement of compliance (continued)

The following accounting standards and amendments have been adopted by the Group and the Bank during the current period:

- Amendments to MFRS 101, *Presentation of Financial Statements and MFRS Practice Statement 2, Making Materiality Judgements - Disclosure of Accounting Policies*
- Amendments to MFRS 108, *Accounting Policies, Changes in Accounting Estimates and Errors - Definition of Accounting Estimates*
- Amendments to MFRS 112, *Income Taxes - Deferred Tax related to Assets and Liabilities arising from a Single Transaction*

The adoption of the abovementioned amendments to accounting standards did not have any material impact on the financial statements of the Group and the Bank.

The Group and the Bank have not adopted the following amendments to accounting standards issued by the Malaysian Accounting Standards Board ("MASB") as they are not yet effective:

Effective for annual periods commencing on or after 1 January 2024

- Amendments to MFRS 16, *Leases - Lease Liability in a Sale and Leaseback*
- Amendments to MFRS 101, *Presentation of Financial Statements - Non-current Liabilities with Covenants*

The Group and the Bank plan to apply the abovementioned accounting standards and amendments, which are relevant to the Group and the Bank, when they become effective in the respective financial periods. The initial application of the abovementioned accounting standards and amendments are not expected to have any material impact to the financial statements of the Group and the Bank.

(b) Use of estimates and judgements

The preparation of the unaudited condensed interim financial statements in conformity with MFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these unaudited condensed interim financial statements, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those applied to the audited financial statements as at and for the financial year ended 31 December 2022.

2 SIGNIFICANT ACCOUNTING POLICIES

The accounting policies applied by the Group and the Bank in these unaudited condensed interim financial statements are the same as those applied by the Group and the Bank in its audited financial statements as at 31 December 2022 and for the financial year then ended, except as disclosed in Note 1(a).

3 SEASONALITY OF OPERATIONS

The business operations of the Group and the Bank are not materially affected by any seasonal factors.

4 SHARE CAPITAL

There were no changes in the share capital of the Bank during the financial period ended 31 March 2023.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

5 CHANGES IN COMPOSITION OF THE GROUP

There were no changes in the composition of the Group during the financial period ended 31 March 2023.

6 DIVIDENDS

No dividend has been proposed for the financial period ended 31 March 2023.

7 SUBSEQUENT EVENTS

There was no material event subsequent to the end of the reporting period that requires disclosure or adjustments to the unaudited condensed interim financial statements.

8 UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank for the financial period ended 31 March 2023.

9 CASH AND CASH EQUIVALENTS

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Cash and balances with banks and other financial institutions	589,094	542,616	463,153	433,049
Money at call and deposit placements with financial institutions maturing within one month	214,066	892,873	318,976	1,185,591
Deposit placements with Bank Negara Malaysia	1,892,502	5,516,914	1,245,000	3,973,200
	2,695,662	6,952,403	2,027,129	5,591,840
Stage 1 ECL allowance	(66)	(58)	(61)	(47)
	2,695,596	6,952,345	2,027,068	5,591,793

Included in the Bank's cash and cash equivalents are deposits and placements with its Islamic Banking subsidiary, OCBC Al-Amin Bank Berhad, of RM105 million (31 December 2022: RM293 million), which are unsecured and profit bearing.

(i) Movements in ECL allowance

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Stage 1 ECL				
At 1 January	58	31	47	31
New financial assets originated or purchased	-	16	-	16
Financial assets derecognised	-	(4)	-	(4)
Net remeasurement during the period/year	8	15	14	4
At 31 March/31 December	66	58	61	47

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

10 DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Licensed banks	1,365,754	1,863,660	1,482,025	2,107,663
ECL allowance	(60)	(60)	(60)	(60)
	1,365,694	1,863,600	1,481,965	2,107,603

Included in the Bank's deposits and placements with licensed banks are deposits and placements with its Islamic Banking subsidiary, OCBC Al-Amin Bank Berhad, of RM116 million (31 December 2022: RM244 million), which are unsecured and profit bearing.

(i) Movements in ECL allowance

Group and Bank	31 March 2023			31 December 2022		
	Stage 1 12 months RM'000	Stage 2 Lifetime RM'000	Total ECL non credit- impaired RM'000	Stage 1 12 months RM'000	Stage 2 Lifetime RM'000	Total ECL non credit- impaired RM'000
At 1 January	60	-	60	8	-	8
Transferred to Stage 2	(9)	9	-	-	-	-
New financial assets originated or purchased	50	-	50	92	-	92
Financial assets derecognised	(10)	-	(10)	(15)	-	(15)
Net remeasurement during the period/year	(52)	12	(40)	(25)	-	(25)
At 31 March/31 December	39	21	60	60	-	60

11 INVESTMENT ACCOUNT PLACEMENTS

	31 March 2023 RM'000	31 December 2022 RM'000
Bank		
Restricted Profit Sharing Investment Accounts	3,549,540	3,134,656
ECL allowance	(38,734)	(40,710)
	3,510,806	3,093,946

The exposures to Restricted Profit Sharing Investment Accounts ("RPSIA") is an arrangement with its Islamic Banking subsidiary, OCBC Al-Amin Bank Berhad, which the contract is based on Mudharabah principle to fund a specific business venture where the Bank solely provides capital and the business venture is managed solely by OCBC Al-Amin Bank Berhad. The profit of the business venture arrangement is shared with the Bank as mudarib based on a pre-agreed ratio, and losses borne by the Bank.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

11 INVESTMENT ACCOUNT PLACEMENTS (continued)

(i) Movements in ECL allowance

Bank	<i>Non credit-impaired</i>		<i>Credit-</i>	Total
	Stage 1	Stage 2	Stage 3	
	12 months	Lifetime	Lifetime	
	RM'000	RM'000	RM'000	RM'000
2023				
At 1 January	3,326	12,378	25,006	40,710
New financial assets originated or purchased	1,598	-	-	1,598
Net remeasurement during the period	457	(923)	(3,149)	(3,615)
Other Movements	3	38	-	41
At 31 March	5,384	11,493	21,857	38,734
2022				
At 1 January	2,970	701	32,769	36,440
New financial assets originated or purchased	906	10,156	-	11,062
Financial assets derecognised	(605)	-	-	(605)
Net remeasurement during the year	16	1,521	(7,763)	(6,226)
Other Movements	39	-	-	39
At 31 December	3,326	12,378	25,006	40,710

12 FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At fair value				
Malaysian Government Investment Issues	352,090	68,761	352,090	68,761
Malaysian Government Securities	363,745	477,196	363,745	477,196
Malaysian Government Treasury Bills	1,562,553	-	1,562,553	-
Corporate Bonds and Sukuk	120,071	20,141	115,025	15,102
	2,398,459	566,098	2,393,413	561,059

13 FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
At fair value				
Malaysian Government Investment Issues	7,164,859	5,758,688	5,084,643	3,773,562
Malaysian Government Securities	5,360,119	6,155,399	5,360,119	6,155,399
Malaysian Treasury Bills and Islamic Treasury Bills	1,561,087	1,547,820	1,194,542	1,184,615
Malaysian Government Debt Securities and Sukuk	30,018	30,077	30,018	30,077
Foreign Government Debt Securities and Sukuk	7,530	-	7,530	-
Negotiable Instruments of Deposit and Islamic				
Negotiable Instruments of Deposit	6,240,195	6,995,336	6,040,636	6,596,563
Corporate and Islamic Corporate Bonds, Sukuk and Sanadat Mudharabah Cagamas	3,247,285	2,304,486	2,069,512	1,852,372
Unquoted shares in Malaysia				
- Cagamas Holdings Berhad	85,595	85,595	85,595	85,595
- Others	23,945	23,945	23,945	23,945
	23,720,633	22,901,346	19,896,540	19,702,128

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

13 FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (continued)

ECL allowance for financial investments at FVOCI is recognised in the ECL reserve.

	31 March 2023			31 December 2022		
	Stage 1 12 months RM'000	Stage 2 Lifetime RM'000	Total ECL non credit- impaired RM'000	Stage 1 12 months RM'000	Stage 2 Lifetime RM'000	Total ECL non credit- impaired RM'000
Group						
At 1 January	632	39	671	415	31	446
Transferred to Stage 2	(24)	24	-	(26)	26	-
New financial assets originated or purchased	270	-	270	895	-	895
Financial assets derecognised	(43)	-	(43)	(341)	(16)	(357)
Net remeasurement during the period/year	(135)	35	(100)	(325)	(2)	(327)
Other movements	-	-	-	14	-	14
At 31 March/31 December	<u>700</u>	<u>98</u>	<u>798</u>	<u>632</u>	<u>39</u>	<u>671</u>
Bank						
At 1 January	485	39	524	361	31	392
Transferred to Stage 2	(24)	24	-	(26)	26	-
New financial assets originated or purchased	256	-	256	671	-	671
Financial assets derecognised	(22)	-	(22)	(275)	(16)	(291)
Net remeasurement during the period/year	(116)	35	(81)	(260)	(2)	(262)
Other movements	-	-	-	14	-	14
At 31 March/31 December	<u>579</u>	<u>98</u>	<u>677</u>	<u>485</u>	<u>39</u>	<u>524</u>

14 LOANS, ADVANCES AND FINANCING

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
At amortised cost				
Overdrafts	2,591,069	2,530,791	2,098,713	2,035,037
Term loans/financing:				
- Housing loans/financing	19,317,097	19,752,258	17,694,229	18,095,328
- Syndicated term loans/financing	7,383,413	7,417,938	5,482,380	5,578,093
- Hire purchase receivables	285,800	284,183	55,420	47,156
- Other term loans/financing	20,358,720	20,737,068	15,599,931	15,849,279
Credit cards	492,321	522,666	492,321	522,666
Bills receivable	162,318	180,673	61,901	113,281
Trust receipts	32,026	32,793	31,603	32,309
Claims on customers under acceptance credits	2,650,965	2,843,233	2,361,944	2,554,259
Revolving credit	9,649,763	9,487,215	6,391,813	5,877,252
Staff loans/financing	40,960	42,022	40,960	42,022
Other loans/financing	1,877,582	1,736,751	1,785,787	1,645,649
Gross loans, advances and financing	<u>64,842,034</u>	<u>65,567,591</u>	<u>52,097,002</u>	<u>52,392,331</u>
ECL allowance	<u>(1,228,722)</u>	<u>(1,268,593)</u>	<u>(801,352)</u>	<u>(828,617)</u>
Net loans, advances and financing	<u>63,613,312</u>	<u>64,298,998</u>	<u>51,295,650</u>	<u>51,563,714</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

14 LOANS, ADVANCES AND FINANCING (continued)

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
(a) By type of customer				
Domestic non-bank financial institutions	3,078,340	3,266,364	1,473,504	1,358,622
Domestic business enterprises				
- Small and medium enterprises	12,195,199	12,328,093	9,880,345	9,989,121
- Others	25,982,730	25,814,507	19,160,244	18,947,544
Individuals	21,415,445	21,948,651	19,658,734	20,149,035
Foreign entities	2,170,320	2,209,976	1,924,175	1,948,009
	64,842,034	65,567,591	52,097,002	52,392,331
(b) By interest/profit rate sensitivity				
Fixed rate				
- Housing loans/financing	113,092	92,830	10,080	12,446
- Hire purchase receivables	186,436	186,643	38,492	32,472
- Other fixed rate loans/financing	6,873,550	7,432,400	5,946,554	6,180,938
Variable rate				
- Base rate/base lending rate/base financing rate plus/Standardised base rate	31,078,883	31,736,883	27,483,449	28,030,303
- Cost plus	25,545,649	25,197,049	17,656,697	17,265,592
- Other variable rates	1,044,424	921,786	961,730	870,580
	64,842,034	65,567,591	52,097,002	52,392,331
(c) By sector				
Agriculture, hunting, forestry and fishing	1,793,939	1,861,704	1,526,630	1,574,281
Mining and quarrying	115,243	159,646	64,120	66,127
Manufacturing	6,768,605	6,754,012	5,651,864	5,527,020
Electricity, gas and water	640,299	600,182	464,442	468,170
Construction	1,401,380	1,365,812	958,026	934,739
Real estate	7,063,098	6,739,612	5,839,420	5,645,109
Wholesale & retail trade and restaurants & hotels	7,111,760	7,213,726	6,032,459	6,154,067
Transport, storage and communication	1,543,543	1,548,505	803,810	808,762
Finance, insurance and business services	13,521,785	13,907,495	8,327,127	8,297,900
Community, social and personal services	1,926,237	1,897,893	1,326,370	1,294,762
Household				
- Purchase of residential properties	20,053,845	20,547,323	18,422,924	18,882,491
- Purchase of non-residential properties	672,374	692,624	625,567	646,004
- Others	2,229,926	2,279,057	2,054,243	2,092,899
	64,842,034	65,567,591	52,097,002	52,392,331
(d) By geography based on where the credit risk resides				
Malaysia	62,856,760	63,532,347	50,335,350	50,592,639
Singapore	1,187,317	1,214,290	1,125,523	1,152,043
Other ASEAN countries	237,584	238,387	231,185	231,954
Rest of the world	560,373	582,567	404,944	415,695
	64,842,034	65,567,591	52,097,002	52,392,331

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

14 LOANS, ADVANCES AND FINANCING (continued)

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
e) By residual contractual maturity				
Up to one year	18,464,712	18,647,546	14,186,434	14,008,300
Over one year to three years	6,401,812	6,179,765	5,337,064	5,144,936
Over three years to five years	8,442,899	8,562,621	5,480,016	5,510,390
Over five years	31,532,611	32,177,659	27,093,488	27,728,705
	<u>64,842,034</u>	<u>65,567,591</u>	<u>52,097,002</u>	<u>52,392,331</u>

15 IMPAIRED LOANS, ADVANCES AND FINANCING

(i) Movements in impaired loans, advances and financing

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
At 1 January	2,960,361	2,443,262	2,227,933	1,898,710
Impaired during the period/year	233,238	1,825,968	209,208	1,485,174
Reclassified as unimpaired	(103,550)	(321,501)	(91,379)	(276,099)
Amount recovered	(144,556)	(849,238)	(112,826)	(772,528)
Amount written off	(20,058)	(138,130)	(15,241)	(107,324)
At 31 March/31 December	<u>2,925,435</u>	<u>2,960,361</u>	<u>2,217,695</u>	<u>2,227,933</u>
Stage 3 ECL allowance	<u>(826,018)</u>	<u>(816,365)</u>	<u>(518,508)</u>	<u>(499,066)</u>
Net impaired loans, advances and financing	<u>2,099,417</u>	<u>2,143,996</u>	<u>1,699,187</u>	<u>1,728,867</u>

(a) By sector

Agriculture, hunting, forestry and fishing	18,128	23,113	16,821	21,542
Mining and quarrying	12,393	13,023	12,393	13,023
Manufacturing	444,560	447,198	347,207	346,973
Electricity, gas and water	86,162	89,492	85,995	89,296
Construction	104,563	109,818	42,263	45,815
Real estate	182,833	193,751	151,745	158,428
Wholesale & retail trade and restaurants & hotels	581,587	608,587	381,466	403,323
Transport, storage and communication	36,602	39,052	7,626	6,429
Finance, insurance and business services	148,161	127,047	76,530	51,733
Community, social and personal services	17,179	18,030	15,335	16,137
Household				
- Purchase of residential properties	1,130,202	1,131,856	943,552	943,551
- Purchase of non-residential properties	30,202	30,642	28,653	28,653
- Others	132,863	128,752	108,109	103,030
	<u>2,925,435</u>	<u>2,960,361</u>	<u>2,217,695</u>	<u>2,227,933</u>

(b) By geography based on where the credit risk resides

Malaysia	2,812,433	2,856,964	2,118,088	2,134,502
Singapore	66,684	69,205	62,266	64,725
Rest of the world	46,318	34,192	37,341	28,706
	<u>2,925,435</u>	<u>2,960,361</u>	<u>2,217,695</u>	<u>2,227,933</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

15 IMPAIRED LOANS, ADVANCES AND FINANCING (continued)

(ii) Movements in ECL allowance on loans, advances and financing

<u>Group</u>	<i>Non credit-impaired</i>			<i>Credit-</i>	31 March	<i>Non credit-impaired</i>			<i>Credit-</i>	31 December
	Stage 1	Stage 2	Stage 3	<i>impaired</i>	2023	Stage 1	Stage 2	Stage 3	<i>impaired</i>	2022
	RM'000	RM'000	RM'000		RM'000	RM'000	RM'000	RM'000		RM'000
At 1 January	112,411	339,817	816,365		1,268,593	164,509	1,226,893	531,926		1,923,328
Transferred to Stage 1	76,262	(71,077)	(5,185)		-	361,351	(344,599)	(16,752)		-
Transferred to Stage 2	(12,944)	25,929	(12,985)		-	(20,317)	58,185	(37,868)		-
Transferred to Stage 3	(115)	(30,403)	30,518		-	(344)	(317,848)	318,192		-
New financial assets originated or purchased	26,209	28,170	-		54,379	121,505	181,891	-		303,396
Financial assets derecognised	(19,966)	(39,229)	(3,812)		(63,007)	(51,535)	(151,227)	(52,845)		(255,607)
Net remeasurement during the period/year	(82,639)	50,073	30,390		(2,176)	(422,644)	(108,793)	248,686		(282,751)
Written off	-	-	(20,058)		(20,058)	-	-	(138,130)		(138,130)
Reclassified to Other Liabilities	-	-	-		-	(41,323)	(207,290)	-		(248,613)
Other movements	67	139	(9,215)		(9,009)	1,209	2,605	(36,844)		(33,030)
At 31 March/31 December	99,285	303,419	826,018		1,228,722	112,411	339,817	816,365		1,268,593
Bank										
At 1 January	91,539	238,012	499,066		828,617	130,289	1,007,717	311,031		1,449,037
Transferred to Stage 1	58,474	(53,846)	(4,628)		-	311,456	(298,147)	(13,309)		-
Transferred to Stage 2	(11,335)	21,820	(10,485)		-	(11,796)	41,295	(29,499)		-
Transferred to Stage 3	(71)	(26,820)	26,891		-	(162)	(237,149)	237,311		-
New financial assets originated or purchased	20,445	24,969	-		45,414	108,033	140,041	-		248,074
Financial asset derecognised	(18,404)	(35,110)	(3,430)		(56,944)	(42,448)	(114,454)	(46,469)		(203,371)
Net remeasurement during the period/year	(61,132)	34,208	34,502		7,578	(366,796)	(126,479)	176,538		(316,737)
Written off	-	-	(15,241)		(15,241)	-	-	(107,324)		(107,324)
Reclassified to Other Liabilities	-	-	-		-	(38,150)	(176,117)	-		(214,267)
Other movements	59	36	(8,167)		(8,072)	1,113	1,305	(29,213)		(26,795)
At 31 March/31 December	79,575	203,269	518,508		801,352	91,539	238,012	499,066		828,617

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

16 DERIVATIVE FINANCIAL ASSETS AND LIABILITIES

<u>Group</u>	31 March 2023			31 December 2022		
	Contract or underlying principal amount RM'000	Fair value		Contract or underlying principal amount RM'000	Fair value	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
Trading						
Foreign exchange derivatives						
- Forwards	5,566,355	49,242	26,675	5,540,884	41,230	99,394
- Swaps	34,183,356	616,394	442,113	33,373,090	660,279	793,290
- Options	787,254	5,076	130	1,459,862	18,804	494
Interest rate derivatives						
- Swaps	44,150,409	384,828	389,448	39,674,806	450,672	441,809
- Futures	494,820	87	-	35,202	-	11
Equity and other derivatives						
- Swaps	581,676	19,397	19,397	400,574	17,387	17,387
- Exchange traded futures	176	-	70	4,444	38	-
- Options	1,066,693	50,708	50,708	1,062,796	87,532	87,532
- Commodity related contracts	42,532	608	621	9,008	1,090	1,090
- Credit linked notes	1,402,830	3,260	3,260	1,341,773	3,894	3,894
- Credit default swaps	388,788	373	373	387,224	883	883
	88,664,889	1,129,973	932,795	83,289,663	1,281,809	1,445,784
Hedging						
Interest rate derivatives						
- Swaps	1,035,000	19,806	2,251	1,085,000	25,843	1,480
	89,699,889	1,149,779	935,046	84,374,663	1,307,652	1,447,264
Bank						
Trading						
Foreign exchange derivatives						
- Forwards	5,567,100	49,109	26,632	5,541,525	41,009	99,392
- Swaps	34,275,027	616,605	442,455	33,438,290	660,510	793,695
- Options	787,254	5,076	130	1,459,862	18,804	494
Interest rate derivatives						
- Swaps	44,150,409	384,909	389,451	39,674,806	450,673	441,771
- Futures	494,820	87	-	35,202	-	11
Equity and other derivatives						
- Swaps	581,676	19,397	19,397	400,574	17,387	17,387
- Exchange traded futures	176	-	70	4,444	38	-
- Options	1,066,693	50,708	50,708	1,062,796	87,532	87,532
- Commodity related contracts	42,532	608	621	9,008	1,090	1,090
- Credit linked notes	1,402,830	3,260	3,260	1,341,773	3,894	3,894
- Credit default swaps	388,788	373	373	387,224	883	883
	88,757,305	1,130,132	933,097	83,355,504	1,281,820	1,446,149
Hedging						
Interest rate derivatives						
- Swaps	1,035,000	19,806	2,251	1,085,000	25,843	1,480
	89,792,305	1,149,938	935,348	84,440,504	1,307,663	1,447,629

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

17 OTHER ASSETS

	Note	Group		Bank	
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Amount due from subsidiaries	(a)	-	-	74,718	76,201
Interest/Profit receivable		165,990	137,642	143,840	120,747
Other receivables, deposits and prepayments		140,281	225,773	137,327	222,565
Amount due from holding company		3,981	1,055	3,524	521
		<u>310,252</u>	<u>364,470</u>	<u>359,409</u>	<u>420,034</u>

(a) The amount due from subsidiaries is unsecured, interest/profit free and repayable on demand.

18 DEPOSITS FROM CUSTOMERS

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
(a) By type of deposit				
Demand deposits	23,268,240	24,261,679	17,610,322	18,157,074
Saving deposits	12,557,948	13,438,063	11,705,055	12,573,718
Fixed/Term deposits	32,000,631	32,126,180	27,735,765	27,407,129
Negotiable instruments of deposits	-	4,444,278	-	4,444,278
Short-term money market deposits	3,250,972	3,447,063	2,894,099	3,165,472
	<u>71,077,791</u>	<u>77,717,263</u>	<u>59,945,241</u>	<u>65,747,671</u>
(b) By type of customer				
Government and statutory bodies	215,960	210,292	31,296	109,125
Non-bank financial institutions	2,676,037	3,047,330	1,485,935	1,845,413
Business enterprises	27,366,962	28,089,634	21,568,408	21,734,236
Individuals	35,205,313	36,368,556	31,612,614	32,408,180
Foreign entities	4,814,137	9,264,626	4,513,373	8,985,285
Others	799,382	736,825	733,615	665,432
	<u>71,077,791</u>	<u>77,717,263</u>	<u>59,945,241</u>	<u>65,747,671</u>
(c) By residual maturity structure for fixed/term/general investment deposits, negotiable instruments of deposit and short-term money market deposits				
Up to six months	28,510,132	32,193,659	24,842,010	28,238,961
Over six months to one year	5,977,034	7,495,515	5,163,967	6,479,186
Over one year to three years	762,305	325,644	622,755	297,179
Over three years to five years	2,132	2,703	1,132	1,553
	<u>35,251,603</u>	<u>40,017,521</u>	<u>30,629,864</u>	<u>35,016,879</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

19 DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	31 March	31 December	31 March	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Licensed banks and other financial institutions	8,997,062	5,720,234	8,973,228	5,676,869

20 OTHER LIABILITIES

	Note	Group		Bank	
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		RM'000	RM'000	RM'000	RM'000
Amount due to subsidiaries	(a)	-	-	2,119	2,113
Equity compensation benefits		29,607	25,371	28,898	24,759
Interest/Profit payable		334,675	321,504	301,075	288,881
Structured investments		3,113,984	2,893,894	3,113,984	2,893,894
Lease liabilities		16,539	13,286	13,732	11,205
Other payables and accruals		533,842	583,827	486,021	535,938
ECL allowance for loan commitments and financial guarantees	(b)	235,448	262,158	165,239	190,117
		4,264,095	4,100,040	4,111,068	3,946,907

(a) The amount due to subsidiaries is unsecured, interest/profit free and repayable on demand.

(b) ECL allowance for loan commitments and financial guarantees

The movements in ECL allowance for loan commitments and financial guarantees are as follows:

	<i>Non credit-impaired</i>		<i>Credit-impaired</i>	Total
	Stage 1	Stage 2	Stage 3	
	RM'000	RM'000	RM'000	RM'000
Group				
31 March 2023				
At 1 January	40,145	177,094	44,919	262,158
Transferred to Stage 1	25,679	(25,679)	-	-
Transferred to Stage 2	(1,987)	1,987	-	-
Transferred to Stage 3	(4)	(940)	944	-
New financial assets originated or purchased	4,046	3,531	-	7,577
Financial assets derecognised	(2,207)	(9,737)	-	(11,944)
Net remeasurement during the year	(30,819)	26,542	(18,121)	(22,398)
Other movements	24	31	-	55
At 31 March	34,877	172,829	27,742	235,448

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

20 OTHER LIABILITIES (continued)

(b) ECL allowance for loan commitments and financial guarantees (continued)

	<i>Non credit-impaired</i>		<i>Credit-</i>	Total
	Stage 1	Stage 2	Stage 3	
	RM'000	RM'000	RM'000	RM'000
<u>Group (continued)</u>				
31 December 2022				
At 1 January	-	-	31,990	31,990
Transferred to Stage 1	48,066	(48,066)	-	-
Transferred to Stage 2	(5,836)	5,836	-	-
Transferred to Stage 3	(28)	(5,056)	5,084	-
New financial assets originated or purchased	21,122	27,478	-	48,600
Financial assets derecognised	(7,995)	(40,406)	(2,034)	(50,435)
Net remeasurement during the year	(56,874)	29,758	9,879	(17,237)
Reclassified from ECL allowance on				-
Loans, Advances and Financing	41,323	207,290	-	248,613
Other movements	367	260	-	627
At 31 December	40,145	177,094	44,919	262,158
	<i>Non credit-impaired</i>		<i>Credit-</i>	Total
	Stage 1	Stage 2	Stage 3	
	RM'000	RM'000	RM'000	RM'000
<u>Bank</u>				
31 March 2023				
At 1 January	36,888	136,052	17,177	190,117
Transferred to Stage 1	22,616	(22,616)	-	-
Transferred to Stage 2	(1,848)	1,848	-	-
Transferred to Stage 3	(4)	(940)	944	-
New financial assets originated or purchased	3,459	2,120	-	5,579
Financial assets derecognised	(1,635)	(9,137)	-	(10,772)
Net remeasurement during the year	(27,512)	25,930	(18,121)	(19,703)
Other movements	21	(3)	-	18
At 31 March	31,985	133,254	-	165,239
31 December 2022				
At 1 January	-	-	17,211	17,211
Transferred to Stage 1	43,272	(43,272)	-	-
Transferred to Stage 2	(4,793)	4,793	-	-
Transferred to Stage 3	(28)	(3,030)	3,058	-
New financial assets originated or purchased	18,457	19,654	-	38,111
Financial assets derecognised	(6,853)	(37,362)	-	(44,215)
Net remeasurement during the year	(51,664)	19,100	(3,092)	(35,656)
Reclassified from ECL allowance on				-
Loans, Advances and Financing	38,150	176,117	-	214,267
Other movements	347	52	-	399
At 31 December	36,888	136,052	17,177	190,117

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

21 SUBORDINATED BONDS

	Group and Bank	
	31 March 2023 RM'000	31 December 2022 RM'000
RM550 million Redeemable Subordinated Bond 2020/2030	550,000	550,000
RM500 million Redeemable Subordinated Bond 2022/2032	500,000	500,000
	1,050,000	1,050,000

22 NET INTEREST/FINANCE INCOME

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Interest/Finance income				
Loans, advances and financing				
- Interest income other than recoveries	597,186	442,811	597,186	442,811
- Recoveries from impaired loans, advances and financing	27,167	25,547	27,167	25,547
- Discount unwind from impaired loans, advances and financing	8,167	6,954	8,167	6,954
Money at call and deposit placements with banks and other financial institutions	28,953	15,866	58,909	29,146
Financial investments at FVOCI	160,437	97,457	160,437	97,457
Unquoted Islamic subordinated sukuk of subsidiary	-	-	-	2,367
Others	9,564	3,671	9,564	3,671
	831,474	592,306	861,430	607,953
Financial assets at FVTPL	13,139	12,536	13,139	12,536
	844,613	604,842	874,569	620,489
Interest/Finance expense				
Deposits from customers	(314,646)	(193,734)	(314,594)	(193,709)
Deposits and placements of banks and other financial institutions	(54,247)	(927)	(63,411)	(5,043)
Subordinated bonds	(9,986)	(14,523)	(9,986)	(14,523)
Lease liabilities	(102)	(129)	(102)	(127)
Others	(16,914)	(4,586)	(33,932)	(12,231)
	(395,895)	(213,899)	(422,025)	(225,633)
Net interest/Finance income	448,718	390,943	452,544	394,856

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

23 INCOME FROM ISLAMIC BANKING OPERATIONS

	Group	
	Year to date ended	
	31 March	31 March
	2023	2022
	RM'000	RM'000
Income derived from investment of depositors' funds and others	132,700	115,026
Income derived from investment of specific investment account funds	37,402	16,323
Income derived from investment of shareholder's funds	38,565	32,382
Income attributable to depositors	(50,573)	(41,244)
Income attributable to investment account holder	(26,182)	(11,758)
	<u>131,912</u>	<u>110,729</u>

24 NET FEE AND COMMISSION INCOME

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Commission	47,093	51,208	46,555	49,758
Service charges and fees	32,458	42,636	32,458	42,636
Guarantee fees	6	43	6	43
Other fee income	1,706	1,321	1,706	1,321
	<u>81,263</u>	<u>95,208</u>	<u>80,725</u>	<u>93,758</u>

25 NET TRADING INCOME

	Group and Bank	
	31 March	31 March
	2023	2022
	RM'000	RM'000
Foreign exchange loss	(51,013)	(30,421)
Realised gain/(loss) on financial assets at FVTPL	8,644	(8,677)
Realised (loss)/gain on trading derivatives	(221,168)	45,788
Unrealised gain on financial assets at FVTPL	3,620	1,266
Unrealised gain on trading derivatives	375,732	58,049
	<u>115,815</u>	<u>66,005</u>

26 OTHER OPERATING INCOME/(EXPENSE)

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March	31 March	31 March	31 March
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Gain/(Loss) on disposal of financial investments at FVOCI	8,000	(13,952)	8,000	(13,952)
Loss from disposal of property and equipment	(3)	-	(3)	-
Rental of premises	985	1,039	998	1,052
Rental of safe deposit boxes	1,694	1,713	1,694	1,713
Shared services income received from subsidiaries	-	-	30,122	25,985
Shared services income received from related companies	5,149	3,907	5,149	3,907
Unrealised (loss)/gain on hedging derivatives	(898)	44	(898)	44
Others	232	424	126	369
	<u>15,159</u>	<u>(6,825)</u>	<u>45,188</u>	<u>19,118</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

27 OPERATING EXPENSES

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March 2023	31 March 2022	31 March 2023	31 March 2022
Note	RM'000	RM'000	RM'000	RM'000
Personnel expenses				
Wages, salaries and bonus	142,204	106,645	137,495	102,849
Employees Provident Fund contributions	21,853	16,474	21,086	15,796
Equity settled share-based payment transactions	3,764	3,254	3,675	3,165
Others	16,538	14,201	15,790	13,433
	184,359	140,574	178,046	135,243
Establishment expenses				
Depreciation of property and equipment	5,058	5,616	4,719	5,255
Depreciation of ROU assets	2,937	3,358	2,564	2,985
Rental of premises (a)	1	13	-	12
Repair and maintenance	2,700	3,369	2,565	3,201
Information technology costs	8,257	8,815	8,133	8,680
Hire of equipment (a)	449	233	438	210
Others	4,374	4,505	3,908	3,937
	23,776	25,909	22,327	24,280
Marketing expenses				
Advertisement and business promotion	2,751	2,229	2,658	2,129
Transport and travelling	984	341	970	327
Others	960	397	938	395
	4,695	2,967	4,566	2,851
General administrative expenses				
Transaction processing fees	101,983	86,457	96,544	81,357
Others	39,653	35,899	37,840	34,560
	141,636	122,356	134,384	115,917
Total operating expenses	354,466	291,806	339,323	278,291

(a) These expenses are in respect of short-term and/or leases of low-value items which the Group and the Bank elected not to recognise as ROU assets and lease liabilities under MFRS 16.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

28 IMPAIRMENT ALLOWANCES AND PROVISIONS WRITE BACK

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Loans, advances, financing and commitments				
Stage 1 and 2 ECL net write back during the period	59,057	138,612	54,408	107,561
Stage 3 ECL				
- Net charge during the period	(21,749)	(82,891)	(25,673)	(54,976)
- Recovered during the period	18,363	19,500	14,327	13,367
Investment account placements				
Stage 1 and 2 ECL net (charge)/ writeback during the period	-	-	(1,173)	717
Stage 3 ECL net write back during the period	-	-	3,149	-
Financial investments at FVOCI				
Stage 1 and 2 ECL net (charge)/ writeback during the period	(127)	89	(153)	73
Other financial assets				
Stage 1 and 2 ECL net (charge)/ writeback during the period	(8)	7	(14)	7
Stage 3 ECL net (charge)/write back during the period	(7)	54	(7)	54
	<u>55,529</u>	<u>75,371</u>	<u>44,864</u>	<u>66,803</u>

29 INCOME TAX EXPENSE

	Group		Bank	
	Year to date ended		Year to date ended	
	31 March 2023 RM'000	31 March 2022 RM'000	31 March 2023 RM'000	31 March 2022 RM'000
Malaysian income tax				
- Current period	97,121	115,134	75,738	95,854
- Prior years (over)/under provision	-	(5,167)	-	1,878
Expenses not deductible for tax purposes				
- Origination and reversal of temporary differences	22,570	26,363	21,352	23,160
	<u>119,691</u>	<u>136,330</u>	<u>97,090</u>	<u>120,892</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

30 COMMITMENTS AND CONTINGENCIES

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

The credit equivalent and risk weighted amounts were computed using the credit conversion factors and risk weights as defined in BNM's Capital Adequacy Framework (Basel II) - Internal Ratings Approach.

<u>Group</u>	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
31 March 2023			
Direct credit substitutes	61,556	61,556	72,511
Transaction-related contingent items	3,582,866	1,830,638	991,972
Short-term self-liquidating trade-related contingencies	312,061	68,732	37,638
Forward asset purchases, forward deposits, partly paid shares and securities	421,012	421,012	45,548
Foreign exchange related contracts			
- One year or less	35,682,427	367,778	184,615
- Over one year to five years	4,833,369	770,863	257,889
- Over five years	21,169	3,906	3,966
Interest rate contracts			
- One year or less	12,274,686	6,585	3,519
- Over one year to five years	30,384,842	382,556	63,476
- Over five years	3,020,701	70,650	45,056
Equity and commodity related contracts	1,691,077	94,840	28,955
Credit derivative contracts	1,791,618	98	7
Formal standby facilities and credit lines			
- Maturity not exceeding one year	567,179	425,384	405,094
- Original maturity exceeding one year	4,052,401	3,466,339	2,193,100
Other unconditionally cancellable commitments	24,934,459	2,211,772	265,229
Total	<u>123,631,423</u>	<u>10,182,709</u>	<u>4,598,575</u>
31 December 2022			
Direct credit substitutes	109,820	109,820	134,220
Transaction-related contingent items	3,631,151	1,856,232	1,007,593
Short-term self-liquidating trade-related contingencies	351,092	78,308	44,161
Foreign exchange related contracts			
- One year or less	35,921,175	221,776	103,450
- Over one year to five years	4,430,978	834,168	391,185
- Over five years	21,683	3,693	3,750
Interest rate contracts			
- One year or less	9,247,422	366	179
- Over one year to five years	28,333,779	452,047	65,132
- Over five years	3,213,807	71,704	42,768
Equity and commodity related contracts	1,476,822	126,759	31,031
Credit derivative contracts	1,728,997	70	5
Formal standby facilities and credit lines			
- Maturity not exceeding one year	762,522	571,892	522,078
- Original maturity exceeding one year	4,226,697	3,578,914	2,121,821
Other unconditionally cancellable commitments	24,010,820	2,208,317	375,084
Total	<u>117,466,765</u>	<u>10,114,066</u>	<u>4,842,457</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

30 COMMITMENTS AND CONTINGENCIES (continued)

<u>Bank</u>	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
31 March 2023			
Direct credit substitutes	15,522	15,522	1,736
Transaction-related contingent items	3,079,282	1,575,190	828,891
Short-term self-liquidating trade-related contingencies	246,776	54,848	29,275
Forward asset purchases, forward deposits, partly paid shares and securities	421,012	421,012	45,548
Foreign exchange related contracts			
- One year or less	35,775,266	367,492	184,383
- Over one year to five years	4,832,946	770,863	229,280
- Over five years	21,169	3,906	3,966
Interest rate contracts			
- One year or less	12,274,686	6,585	3,519
- Over one year to five years	30,384,842	382,556	63,476
- Over five years	3,020,701	70,650	45,927
Equity and commodity related contracts	1,691,077	94,840	28,955
Credit derivative contracts	1,791,618	98	7
Formal standby facilities and credit lines			
- Maturity not exceeding one year	557,179	417,884	404,384
- Original maturity exceeding one year	3,547,121	3,066,704	1,800,678
Other unconditionally cancellable commitments	22,106,424	2,044,429	247,864
Total	<u>119,765,621</u>	<u>9,292,579</u>	<u>3,917,889</u>
31 December 2022			
Direct credit substitutes	63,776	63,776	62,804
Transaction-related contingent items	3,127,846	1,601,421	849,283
Short-term self-liquidating trade-related contingencies	281,148	63,504	33,704
Foreign exchange related contracts			
- One year or less	35,986,195	221,148	102,828
- Over one year to five years	4,431,799	834,168	363,147
- Over five years	21,683	3,693	3,750
Interest rate contracts			
- One year or less	9,247,422	366	179
- Over one year to five years	28,333,779	452,047	65,132
- Over five years	3,213,807	71,704	43,673
Equity and commodity related contracts	1,476,822	126,759	31,031
Credit derivative contracts	1,728,997	70	5
Formal standby facilities and credit lines			
- Maturity not exceeding one year	752,522	564,392	521,368
- Original maturity exceeding one year	3,687,080	3,154,870	1,779,245
Other unconditionally cancellable commitments	21,372,650	2,040,962	346,943
Total	<u>113,725,526</u>	<u>9,198,880</u>	<u>4,203,092</u>

(b) Litigation

On 25 January 2019, a Borrower of the Bank, with outstanding credit facilities comprising loans of RM6.7 million and banker's acceptances of RM11.6 million including accrued interest at the time, filed a suit against the Bank alleging, inter alia, that the Bank had breached its contract and its duty of care towards the Borrower. On 22 January 2021, the High Court awarded the Borrower with RM289 million as damages together with statutory interest as well as aggravated and exemplary damages which amounts were to be assessed. On 30 January 2023, the Court of Appeal upheld the Bank's appeal and dismissed the Borrower's suit, with a cost of RM80,000 in favour of the Bank. The Borrower has applied to the Federal Court for leave to appeal. The Federal Court has fixed 20 June 2023 to hear the application for leave to appeal.

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

31 CAPITAL COMMITMENTS

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Capital expenditure commitments in respect of property and equipment contracted but not provided for	4,197	3,873	4,156	3,835

32 FAIR VALUES OF FINANCIAL INSTRUMENTS

Fair value hierarchy of financial instruments

The Group and the Bank measure the fair value of financial assets and liabilities using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements.

The valuation hierarchy and the types of instruments classified into each level within that hierarchy, are set out below:

	Level 1	Level 2	Level 3
Fair value determined	Level 1 fair value is derived from quoted price (unadjusted) in active markets for identical financial assets and financial liabilities that the entity can access at the measurement date.	Level 2 fair value is estimated using inputs other than quoted prices included within Level 1 that are observable for the financial assets and liabilities, either directly or indirectly.	Level 3 fair value is estimated using unobservable inputs for the financial assets and liabilities.
Type of financial assets	Actively traded government and agency securities Actively traded quoted equity securities of corporations Over-the-counter ("OTC") derivatives	Corporate and other government bonds/sukuk and loans OTC derivatives Cash and cash equivalents Deposits and placements with banks and other financial institutions Investment account placements Other assets	Private debt equity investments Corporate bonds/sukuk with illiquid markets Loans, advances and financing OTC derivatives Unquoted equity instruments
Type of financial liabilities	OTC derivatives	OTC derivatives Deposits from customers Deposits and placement of banks and other financial institutions Subordinated bonds/sukuk Other liabilities	OTC derivatives

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

32 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy of financial instruments (continued)

Fair value hierarchy of financial instruments carried at fair value

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
31 March 2023				
Financial assets at fair value				
Financial assets at FVTPL	2,398,459	-	-	2,398,459
Financial investments at FVOCI	17,370,899	6,240,194	109,540	23,720,633
Derivative financial assets	1,572	1,113,291	34,916	1,149,779
	<u>19,770,930</u>	<u>7,353,485</u>	<u>144,456</u>	<u>27,268,871</u>
Financial liabilities at fair value				
Derivative financial liabilities	1,516	906,923	26,607	935,046

31 December 2022

Financial assets at fair value

Financial assets at FVTPL	566,098	-	-	566,098
Financial investments at FVOCI	15,796,470	6,995,336	109,540	22,901,346
Derivative financial assets	1,201	1,272,986	33,465	1,307,652
	<u>16,363,769</u>	<u>8,268,322</u>	<u>143,005</u>	<u>24,775,096</u>

Financial liabilities at fair value

Derivative financial liabilities	968	1,416,216	30,080	1,447,264
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Bank

31 March 2023

Financial assets at fair value

Financial assets at FVTPL	2,393,413	-	-	2,393,413
Financial investments at FVOCI	13,746,365	6,040,635	109,540	19,896,540
Derivative financial assets	1,584	1,113,452	34,902	1,149,938
	<u>16,141,362</u>	<u>7,154,087</u>	<u>144,442</u>	<u>23,439,891</u>

Financial liabilities at fair value

Derivative financial liabilities	1,531	907,211	26,606	935,348
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31 December 2022

Financial assets at fair value

Financial assets at FVTPL	561,059	-	-	561,059
Financial investments at FVOCI	12,996,025	6,596,563	109,540	19,702,128
Derivative financial assets	1,352	1,272,893	33,418	1,307,663
	<u>13,558,436</u>	<u>7,869,456</u>	<u>142,958</u>	<u>21,570,850</u>

Financial liabilities at fair value

Derivative financial liabilities	968	1,416,581	30,080	1,447,629
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OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

32 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy of financial instruments (continued)

Fair value hierarchy of financial instruments carried at fair value (continued)

Movements in the Group's and the Bank's Level 3 financial assets and liabilities are as follows:

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Financial assets at fair value				
At 1 January	143,005	119,726	142,958	119,690
Purchased	-	43	-	43
Settled/disposed	-	(350)	-	(350)
Transferred to Level 3	-	120,796	-	120,796
Realised loss				
- Recognised in net trading income	(20,528)	(115,297)	(20,528)	(115,297)
Unrealised gain				
- Recognised in net trading income	21,979	24,233	22,012	24,233
- Recognised in other comprehensive income	-	(6,146)	-	(6,157)
At 31 March/31 December	<u>144,456</u>	<u>143,005</u>	<u>144,442</u>	<u>142,958</u>
Financial liabilities at fair value				
At 1 January	30,080	6,124	30,080	6,123
Issued	-	43	-	43
Transferred to Level 3	-	120,796	-	120,796
Realised gain				
- Recognised in net trading income	(18,965)	(117,634)	(18,965)	(117,634)
Unrealised loss				
- Recognised in net trading income	15,492	20,751	15,491	20,752
At 31 March/31 December	<u>26,607</u>	<u>30,080</u>	<u>26,606</u>	<u>30,080</u>

The following table shows the valuation techniques used in the determination of fair value within Level 3, as well as the unobservable inputs used in the valuation model:

Group	31 March 2023 Fair RM'000	31 December 2022 Fair value RM'000	Classification	Valuation technique	Unobservable input
Assets					
Financial investments at FVOCI	109,540	109,540	FVOCI	Net asset value approach	Net asset value
Derivative financial assets	34,916	33,465	Hedge for trading	Option pricing model	Standard deviation
	<u>144,456</u>	<u>143,005</u>			
Liabilities					
Derivative financial liabilities	26,607	30,080	Hedge for trading	Option pricing model	Standard deviation

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

32 FAIR VALUES OF FINANCIAL INSTRUMENTS (continued)

Fair value hierarchy of financial instruments (continued)

Fair value hierarchy of financial instruments carried at fair value (continued)

The following table shows the valuation techniques used in the determination of fair value within Level 3, as well as the unobservable inputs used in the valuation model:

Bank	31 March 2023 Fair value RM'000	31 December 2022 Fair value RM'000	Classification	Valuation technique	Unobservable input
Assets					
Financial investments at FVOCI	109,540	109,540	FVOCI	Net asset value approach	Net asset value
Derivative financial assets	34,902	33,418	Hedge for trading	Option pricing model	Standard deviation
	<u>144,442</u>	<u>142,958</u>			
Liabilities					
Derivative financial liabilities	26,606	30,080	Hedge for trading	Option pricing model	Standard deviation

The Group and the Bank consider that any reasonably possible changes to the unobservable input will not result in a significant financial impact.

33 CAPITAL ADEQUACY

The capital ratios are computed in accordance with BNM's Capital Adequacy Framework (Capital Components) whereby recognition of the Group's and the Bank's Additional Tier 1 and Tier 2 capital instruments are subject to a gradual phase out.

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
CET 1 capital				
Paid-up ordinary share capital	754,000	754,000	754,000	754,000
Retained earnings	7,974,906	7,974,906	6,627,798	6,627,798
Other reserves	643,856	547,402	563,678	483,559
Regulatory adjustment for CET 1 capital	(842,047)	(836,683)	(1,279,905)	(1,290,368)
Tier 1 capital	<u>8,530,715</u>	<u>8,439,625</u>	<u>6,665,571</u>	<u>6,574,989</u>
Stage 1 and Stage 2 ECL and qualifying regulatory reserves under the Standardised Approach	14,679	13,676	12,422	11,419
Surplus eligible provisions over expected losses	258,489	268,246	210,528	218,557
Subordinated bonds	1,050,000	1,050,000	1,050,000	1,050,000
Tier 2 capital	<u>1,323,168</u>	<u>1,331,922</u>	<u>1,272,950</u>	<u>1,279,976</u>
Capital base	<u>9,853,883</u>	<u>9,771,547</u>	<u>7,938,521</u>	<u>7,854,965</u>

OCBC BANK (MALAYSIA) BERHAD
AND ITS SUBSIDIARY COMPANIES
(Incorporated in Malaysia)

NOTES TO THE UNAUDITED CONDENSED INTERIM FINANCIAL STATEMENTS - 31 MARCH 2023 (continued)

33 CAPITAL ADEQUACY (continued)

	Group		Bank	
	31 March 2023 RM'000	31 December 2022 RM'000	31 March 2023 RM'000	31 December 2022 RM'000
Before deducting proposed dividend				
CET 1 capital ratio	16.660%	16.146%	15.811%	15.313%
Tier 1 capital ratio	16.660%	16.146%	15.811%	15.313%
Total capital ratio	19.244%	18.694%	18.830%	18.294%
After deducting proposed dividend				
CET 1 capital ratio	15.812%	15.315%	14.781%	14.302%
Tier 1 capital ratio	15.812%	15.315%	14.781%	14.302%
Total capital ratio	18.396%	17.863%	17.800%	17.283%

The Bank has elected to apply the transitional arrangements for regulatory capital treatment of accounting provisions for four financial years commencing in 2020. Had the transitional arrangements not been applied, the capital adequacy ratios of the Group and the Bank would be as follows:

After deducting proposed dividend				
CET 1 capital ratio	15.795%	15.206%	14.781%	14.235%
Tier 1 capital ratio	15.795%	15.206%	14.781%	14.235%
Total capital ratio	18.379%	17.754%	17.800%	17.217%

Breakdown of risk-weighted assets ("RWA") in the various categories of risk-weights:

Total RWA for credit risk	44,255,825	45,801,679	36,081,785	37,339,687
Total RWA for market risk	1,389,739	1,015,989	1,407,700	1,019,125
Total RWA for operational risk	5,559,987	5,454,005	4,669,065	4,578,109
	51,205,551	52,271,673	42,158,550	42,936,921

The capital adequacy ratios of OCBC Al-Amin, OCBC Malaysia's Islamic Banking subsidiary, are computed in accordance with BNM's Capital Adequacy Framework for Islamic Banks (Capital Components). OCBC Al-Amin has adopted the Internal Ratings Based Approach for Credit Risk for its major credit portfolios, whilst the other credit portfolios are on the Standardised Approach. For market and operational risks, OCBC Al-Amin has adopted the Standardised Approach and the Basic Indicator Approach respectively.

The capital adequacy ratios of OCBC Al-Amin are as follows:

	31 March 2023	31 December 2022
CET 1/Tier 1 capital ratio	20.372%	19.667%
Total capital ratio	20.929%	20.226%

Had the transitional arrangements not been applied, OCBC Al-Amin Bank Berhad capital adequacy ratios would be as follows:

CET 1/Tier 1 capital ratio	20.195%	19.364%
Total capital ratio	20.753%	19.923%