

Registration No.

199401030666 (316347-D)

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

BASEL 2 PILLAR 3 DISCLOSURES

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

Registration No.

199401030666 (316347-D)

J.P. MORGAN CHASE BANK BERHAD

(Incorporated in Malaysia)

BASEL 2 PILLAR 3 DISCLOSURES

FOR THE FINANCIAL YEAR ENDED 30 JUNE 2025

1 CAPITAL STRUCTURE AND ADEQUACY

The capital adequacy ratios of the Bank are computed in accordance with Bank Negara Malaysia's revised Risk-Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk, and Basic Indicator Approach for Operational Risk (Basel II).

The capital adequacy ratios of the Bank are as follows:

	<u>30.06.2025</u>	<u>31.12.2024</u>
	RM'000	RM'000
<u>Tier-I capital</u>		
Paid-up share capital	437,500	437,500
Retained earnings	2,017,803	2,017,803
Fair value reserve through other comprehensive income	-	64
Option reserve	11,953	11,953
	<u>2,467,256</u>	<u>2,467,320</u>
Deferred tax assets	(3,285)	(5,879)
Financial Assets at fair value through other comprehensive income	-	(35)
	<u>2,463,971</u>	<u>2,461,406</u>
<u>Tier-II capital</u>		
Regulatory reserve	9,191	7,665
ECL not credit impaired	6,767	7,364
	<u>15,958</u>	<u>15,029</u>
Total capital	<u>2,479,929</u>	<u>2,476,435</u>
Common Equity Tier 1 capital ratio	24.605%	28.009%
Tier 1 capital ratio	24.605%	28.009%
Total capital ratio	<u>24.764%</u>	<u>28.180%</u>

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1 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Total risk weighted assets and capital requirements as at 30 June 2025:

<u>Exposure Class</u>	<u>Gross exposures</u> RM'000	<u>Net exposures</u> RM'000	<u>Risk weighted assets</u> RM'000	<u>Capital requirements</u> RM'000
(a) <u>Credit Risk</u>				
On-balance sheet exposures				
Sovereigns/central banks	8,428,767	8,286,786	737,534	59,003
Banks	10,811,046	528,017	108,856	8,708
Insurance companies, securities firms and fund managers	728,885	728,885	402,748	32,220
Corporates	525,529	525,529	525,225	42,018
Regulatory retail	301	301	301	24
Residential mortgages	151	151	58	5
Other assets	27,310	27,310	20,889	1,671
Defaulted exposures	103	103	52	4
	<hr/>	<hr/>	<hr/>	<hr/>
Total on-balance sheet exposures	20,522,092	10,097,082	1,795,663	143,653
	<hr/>	<hr/>	<hr/>	<hr/>
Off-balance sheet exposures				
Over-the-counter ('OTC') derivatives	5,314,197	5,314,197	2,076,778	166,142
Off balance sheet exposures other than OTC derivatives	239,952	239,952	226,791	18,143
	<hr/>	<hr/>	<hr/>	<hr/>
Total off-balance sheet exposures	5,554,149	5,554,149	2,303,569	184,285
	<hr/>	<hr/>	<hr/>	<hr/>
Total on and off-balance sheet exposures	26,076,241	15,651,231	4,099,232	327,938
	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>
		<u>Long position</u>	<u>Short position</u>	
(b) <u>Market Risk</u>				
Interest rate risk	199,650,007	187,790,099	4,642,070	371,366
Foreign currency risk	109,195	212,459	212,459	16,997
Options risk			240,613	19,249
			<hr/>	<hr/>
(c) <u>Operational Risk</u>			819,771	65,582
			<hr/>	<hr/>
Total risk weighted assets and capital requirements			10,014,145	801,131
			<hr/> <hr/>	<hr/> <hr/>

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1 CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

Total risk weighted assets and capital requirements as at 31 December 2024:

<u>Exposure Class</u>	<u>Gross exposures</u> RM'000	<u>Net exposures</u> RM'000	<u>Risk weighted assets</u> RM'000	<u>Capital requirements</u> RM'000
(a) <u>Credit Risk</u>				
On-balance sheet exposures				
Sovereigns/central banks	9,432,326	9,200,458	554,840	44,387
Banks	11,842,093	1,112,198	225,131	18,010
Insurance companies, securities firms and fund managers	635,954	635,954	145,025	11,602
Corporates	585,529	585,529	585,005	46,800
Regulatory retail	311	311	311	25
Residential mortgages	221	221	94	8
Other assets	21,617	21,617	18,066	1,445
Defaulted exposures	111	111	55	4
Total on-balance sheet exposures	22,518,162	11,556,399	1,528,527	122,281
Off-balance sheet exposures				
Over-the-counter ('OTC') derivatives	4,719,523	4,719,523	1,838,538	147,083
Off balance sheet exposures other than OTC derivatives	250,109	250,109	234,008	18,721
Total off-balance sheet exposures	4,969,632	4,969,632	2,072,546	165,804
Total on and off-balance sheet exposures	27,487,794	16,526,031	3,601,073	288,085
	<u>Long position</u>	<u>Short position</u>		
(b) <u>Market Risk</u>				
Interest rate risk	194,376,808	187,632,356	3,778,338	302,267
Foreign currency risk	43,857	48,946	48,946	3,916
Option risk			349,838	27,987
(c) <u>Operational Risk</u>			1,009,568	80,765
Total risk weighted assets and capital requirements			8,787,763	703,020

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2 CREDIT RISK

2.1 Distribution of Credit Exposures

(i) Geographical Distribution

Credit risk exposure analysed by country in respect of the Bank's financial assets, including off-balance sheet financial instruments, are set out in the following table.

The country exposure analysis is based on the residency of the borrowers and counterparties. In respect of derivatives financial instruments, the amount subject to, and hence disclosed as, credit risk is limited to the current fair value of the instruments that are favourable to the Bank (i.e. assets).

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(i) Geographical Distribution (continued)

30.06.2025

	Short-term funds and placements RM'000	Securities purchased under resale agreement RM'000	Financial assets held at fair value through profit and loss RM'000	Derivative financial instruments RM'000	Financial assets held at fair value through other comprehensive income RM'000	Loans and advances RM'000	Amount due from related parties RM'000	Other assets*	On balance sheet total RM'000	Commitments and contingencies RM'000
Malaysia	8,224,677	10,478,634	4,226,296	1,149,885	-	525,004	8,495	14,576	24,627,567	4,178,798
United Kingdom	-	-	-	229,266	-	-	142,593	44,408	416,267	663,947
USA	-	-	-	71,531	-	608	80,167	1,124	153,430	275,380
Hong Kong	-	-	-	3,548	-	-	2,833	-	6,381	12,602
Singapore	4,389	-	-	141,337	-	426	526	321,114	467,792	356,643
Others	51,655	-	-	16,895	-	-	74,172	10	142,732	66,779
	<u>8,280,721</u>	<u>10,478,634</u>	<u>4,226,296</u>	<u>1,612,462</u>	<u>-</u>	<u>526,038</u>	<u>308,786</u>	<u>381,232</u>	<u>25,814,169</u>	<u>5,554,149</u>
Assets not subject to credit risk	393	-	7,299	-	-	(5,078)	-	19,029	21,643	-
	<u><u>8,281,114</u></u>	<u><u>10,478,634</u></u>	<u><u>4,233,595</u></u>	<u><u>1,612,462</u></u>	<u><u>-</u></u>	<u><u>520,960</u></u>	<u><u>308,786</u></u>	<u><u>400,261</u></u>	<u><u>25,835,812</u></u>	<u><u>5,554,149</u></u>

*Other assets include statutory deposits with Bank Negara Malaysia, tax recoverable, deferred tax assets, right-of-use assets, fixed assets and other assets.

Risk concentrations for commitments and contingencies are based on the credit equivalent balances.

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(i) Geographical Distribution (continued)

31.12.2024

	Short-term funds and placements	Securities purchased under resale agreement	Financial assets held at fair value through profit and loss	Derivative financial instruments	Financial assets held at fair value through other comprehensive income	Loans and advances	Amount due from related parties	Other assets*	On balance sheet total	Commitments and contingencies
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Malaysia	9,024,650	11,535,887	3,559,021	1,093,622	197,650	584,626	8,371	163,792	26,167,619	3,766,598
United Kingdom	-	-	-	121,672	-	-	390,147	-	511,819	620,615
USA	-	-	-	25,331	-	1,046	152,714	376	179,467	176,261
Hong Kong	-	-	-	23,427	-	-	15,528	-	38,955	53,240
Singapore	6,052	-	-	81,115	-	487	550	22,086	110,290	266,831
Others	13,580	-	-	38,761	-	1	55,838	8	108,188	86,087
	<u>9,044,282</u>	<u>11,535,887</u>	<u>3,559,021</u>	<u>1,383,928</u>	<u>197,650</u>	<u>586,160</u>	<u>623,148</u>	<u>186,262</u>	<u>27,116,338</u>	<u>4,969,632</u>
Assets not subject to credit risk	393	-	6,420	-	-	(6,655)	-	22,677	22,835	-
	<u><u>9,044,675</u></u>	<u><u>11,535,887</u></u>	<u><u>3,565,441</u></u>	<u><u>1,383,928</u></u>	<u><u>197,650</u></u>	<u><u>579,505</u></u>	<u><u>623,148</u></u>	<u><u>208,939</u></u>	<u><u>27,139,173</u></u>	<u><u>4,969,632</u></u>

*Other assets include statutory deposits with Bank Negara Malaysia, deferred tax assets, right-of-use assets, fixed assets and other assets.

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(ii) Industry Distribution

Credit risk exposure analysed by industry sectors in respect of the Bank's financial assets, including off-balance sheet financial instruments, are set out in the following table.

The industry sector exposure analysis is based on the industry sector of the borrowers and counterparties. In respect of derivatives financial instruments, the amount subject to, and hence disclosed as, credit risk is limited to the current fair value of the instruments that are favourable to the Bank (i.e. assets).

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(ii) Industry Distribution (continued)

30.06.2025

	Short-term funds and placements	Securities purchased under resale agreement	Financial assets held at fair value through profit and loss	Derivative financial instruments	Financial assets held at fair value through other comprehensive income	Loans and advances	Amount due from related parties	Other assets*	On balance sheet total	Commitments and contingencies
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Manufacturing	-	-	-	27,417	-	410,477	-	58	437,952	213,642
Wholesale and retail	-	-	-	147,128	-	43,254	-	-	190,382	251,807
Finance, insurance and business services	133,117	10,324,398	2,124,026	1,408,453	-	41,931	308,786	377,352	14,718,063	4,768,377
Government and Government Agencies	8,147,604	154,236	2,102,270	12,143	-	-	-	3,189	10,419,442	179,279
Electricity, gas and water	-	-	-	3,032	-	-	-	1	3,033	10,881
Mining and Quarrying	-	-	-	7,980	-	1,604	-	-	9,584	81,392
Information and Communication	-	-	-	-	-	614	-	-	614	-
Accommodation and food service activities	-	-	-	-	-	27,571	-	-	27,571	-

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(ii) Industry Distribution (continued)

30.06.2025

	Short-term funds and placements	Securities purchased under resale agreement	Financial assets held at fair value through profit and loss	Derivative financial instruments	Financial assets held at fair value through other comprehensive income	Loans and advances	Amount due from related parties	Other assets*	On balance sheet total	Commitments and contingencies
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Individual/Purchase of landed property										
- residential	-	-	-	-	-	587	-	-	587	21
Others	-	-	-	6,309	-	-	-	632	6,941	48,750
	<u>8,280,721</u>	<u>10,478,634</u>	<u>4,226,296</u>	<u>1,612,462</u>	<u>-</u>	<u>526,038</u>	<u>308,786</u>	<u>381,232</u>	<u>25,814,169</u>	<u>5,554,149</u>
Assets not subject to credit risk	393	-	7,299	-	-	(5,078)	-	19,029	21,643	-
	<u>8,281,114</u>	<u>10,478,634</u>	<u>4,233,595</u>	<u>1,612,462</u>	<u>-</u>	<u>520,960</u>	<u>308,786</u>	<u>400,261</u>	<u>25,835,812</u>	<u>5,554,149</u>

*Other assets include statutory deposits with Bank Negara Malaysia, tax recoverable, deferred tax assets, right-of-use assets, fixed assets and other assets.

Risk concentrations for commitments and contingencies are based on the credit equivalent balances.

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(ii) Industry Distribution (continued)

31.12.2024

	Short-term funds and placements	Securities purchased under resale agreement	Financial assets held at fair value through profit and loss	Derivative financial instruments	Financial assets held at fair value through other comprehensive income	Loans and advances	Amount due from related parties	Other assets*	On balance sheet total	Commitments and contingencies
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Manufacturing	-	-	-	80,236	-	373,991	-	117	454,344	345,341
Wholesale and retail	46	-	-	49,894	-	136,327	-	-	186,267	176,422
Finance, insurance and business services	62,304	11,303,763	2,392,113	1,025,068	-	44,599	623,148	176,427	15,627,422	3,977,909
Government and Government Agencies	8,981,932	232,124	1,166,908	205,092	197,650	-	-	8,401	10,792,107	365,739
Electricity, gas and water	-	-	-	7,706	-	1	-	1	7,708	28,995
Mining and Quarrying	-	-	-	4,875	-	-	-	-	4,875	38,957
Information and Communication	-	-	-	-	-	1,050	-	-	1,050	-
Accommodation and food service activities	-	-	-	-	-	27,561	-	-	27,561	-

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(ii) Industry Distribution (continued)

31.12.2024

	Short-term funds and placements	Securities purchased under resale agreement	Financial assets held at fair value through profit and loss	Derivative financial instruments	Financial assets held at fair value through other comprehensive income	Loans and advances	Amount due from related parties	Other assets*	On balance sheet total	Commitments and contingencies
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Individual/Purchase of landed property										
- residential	-	-	-	-	-	678	-	13	691	21
Others	-	-	-	11,057	-	1,953	-	1,303	14,313	36,248
	<u>9,044,282</u>	<u>11,535,887</u>	<u>3,559,021</u>	<u>1,383,928</u>	<u>197,650</u>	<u>586,160</u>	<u>623,148</u>	<u>186,262</u>	<u>27,116,338</u>	<u>4,969,632</u>
Assets not subject to credit risk	393	-	6,420	-	-	-6,655	-	22,677	22,835	-
	<u><u>9,044,675</u></u>	<u><u>11,535,887</u></u>	<u><u>3,565,441</u></u>	<u><u>1,383,928</u></u>	<u><u>197,650</u></u>	<u><u>579,505</u></u>	<u><u>623,148</u></u>	<u><u>208,939</u></u>	<u><u>27,139,173</u></u>	<u><u>4,969,632</u></u>

* Other assets include deferred tax assets, fixed assets, right-of-use assets, statutory deposits with Bank Negara Malaysia and other assets.

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(iii) Residual Contractual Maturity

Credit risk exposure analysed by residual contractual maturity in respect of the Bank's financial assets, including off-balance sheet financial instruments, are set out in the following table.

	Less than <u>1 year</u> RM'000	1 – 5 <u>years</u> RM'000	Over 5 <u>years</u> RM'000	<u>Total</u> RM'000
<u>30.06.2025</u>				
<i>On-balance sheet exposures</i>				
Cash and short-term funds	8,281,114	-	-	8,281,114
Securities purchased under resale agreement	10,478,634	-	-	10,478,634
Financial assets held at fair value through profit and loss ("FVTPL")	2,334,139	1,228,397	671,059	4,233,595
Derivative financial instruments	1,054,767	516,621	41,074	1,612,462
Financial assets held at fair value through other comprehensive income ("FVOCI")	-	-	-	-
Loans and advances	520,528	131	301	520,960
Amount due from related parties	308,786	-	-	308,786
Other Assets*	400,261	-	-	400,261
Total on-balance sheet exposures	<u>23,378,229</u>	<u>1,745,149</u>	<u>712,434</u>	<u>25,835,812</u>
<i>Off-balance sheet exposures</i>				
Over-the-counter ('OTC') derivatives	2,306,640	2,748,472	259,085	5,314,197
Off balance sheet exposures other than OTC derivatives	226,307	13,645	-	239,952
Total off-balance sheet exposures	<u>2,532,947</u>	<u>2,762,117</u>	<u>259,085</u>	<u>5,554,149</u>
Total on and off-balance sheet exposure	<u><u>25,911,176</u></u>	<u><u>4,507,266</u></u>	<u><u>971,519</u></u>	<u><u>31,389,961</u></u>

*Other assets include statutory deposits with Bank Negara Malaysia, deferred tax assets, right-of-use assets, fixed assets and other assets.

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2 CREDIT RISK (CONTINUED)

2.1 Distribution of Credit Exposures (continued)

(iii) Residual Contractual Maturity (continued)

	Less than 1 year RM'000	1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
<u>31.12.2024</u>				
<i>On-balance sheet exposures</i>				
Cash and short-term funds	9,044,675	-	-	9,044,675
Securities purchased under resale agreement	11,535,887	-	-	11,535,887
Financial assets held at fair value through profit and loss ("FVTPL")	2,567,066	751,841	246,534	3,565,441
Derivative financial instruments	948,105	386,399	49,424	1,383,928
Financial assets held at fair value through other comprehensive income ("FVOCI")	197,650	-	-	197,650
Loans and advances	578,980	314	211	579,505
Amount due from related parties	623,148	-	-	623,148
Other Assets*	208,939	-	-	208,939
Total on-balance sheet exposures	<u>25,704,450</u>	<u>1,138,554</u>	<u>296,169</u>	<u>27,139,173</u>
<i>Off-balance sheet exposures</i>				
Over-the-counter ('OTC') derivatives	2,186,102	2,292,108	241,313	4,719,523
Off balance sheet exposures other than OTC derivatives	226,103	24,006	-	250,109
Total off-balance sheet exposures	<u>2,412,205</u>	<u>2,316,114</u>	<u>241,313</u>	<u>4,969,632</u>
Total on and off-balance sheet exposure	<u><u>28,116,655</u></u>	<u><u>3,454,668</u></u>	<u><u>537,482</u></u>	<u><u>32,108,805</u></u>

*Other assets include statutory deposits with Bank Negara Malaysia, deferred tax assets, right-of-use assets, fixed assets and other assets.

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2 CREDIT RISK (CONTINUED)

2.2 Past Due and Impaired Loans and Advances

(i) Industry Distribution

The sectoral analysis of past due and impaired loans and advances and the ECL allowance by sectors are set out in the following table:

	Stage 2 credit not impaired loans and <u>advances</u> RM'000	Stage 3 credit impaired loans and <u>advances</u> RM'000	ECL credit impaired <u>allowance</u> RM'000	ECL not credit impaired <u>allowance</u> RM'000	ECL credit impaired written-back during the <u>year</u> RM'000	Write offs during the <u>year</u> RM'000
<u>30 Jun 2025.</u>						
Individual/Purchase of landed property - residential	-	135	32	-	(2)	-
	-	135	32	-	(2)	-
<u>31 Dec 2024</u>						
Individual/Purchase of landed property - residential	-	144	34	-	-	-
	-	144	34	-	-	-

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2 CREDIT RISK (CONTINUED)

2.2 Past Due and Impaired Loans and Advances (continued)

(ii) Geographical Distribution

The geographical analysis of past due and impaired loans and advances and the ECL allowance are set out in the following table:

	Stage 2 credit not impaired loans and <u>advances</u> RM'000	Stage 3 credit impaired loans and <u>advances</u> RM'000	ECL credit impaired <u>allowance</u> RM'000	ECL not credit impaired <u>allowance</u> RM'000
<u>30 Jun 2025</u>				
Malaysia	-	135	32	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
	Stage 2 credit not impaired loans and <u>advances</u> RM'000	Stage 3 credit impaired loans and <u>advances</u> RM'000	ECL credit impaired <u>allowance</u> RM'000	credit impaired <u>allowance</u> RM'000
<u>31 Dec 2024</u>				
Malaysia	-	144	34	-
	<u> </u>	<u> </u>	<u> </u>	<u> </u>

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2 CREDIT RISK (CONTINUED)

2.2 Past Due and Impaired Loans and Advances (continued)

(iii) Movement in expected credit losses for loans and advances

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	
	12 months ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
As at 1 January 2025	1,631	4,990	34	6,655
Loans derecognised or repaid	(140)	(11)	(8)	(159)
Changes due to change in credit risk	45	(1,463)	-	(1,418)
Transfer:				-
Transfer from Stage 2 to Stage 3	-	(6)	6	-
Transfer from Stage 2 to Stage 1	7	(7)	-	-
	<u>1,543</u>	<u>3,503</u>	<u>32</u>	<u>5,078</u>

	<u>Stage 1</u>	<u>Stage 2</u>	<u>Stage 3</u>	
	12 months ECL	Lifetime ECL not credit impaired	Lifetime ECL credit impaired	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	10,654	4,730	54	15,438
Loans derecognised or repaid	(445)	(21)	(9)	(475)
New originated	762	-	-	762
Changes due to change in credit risk	(4,974)	(4,095)	(1)	(9,070)
Transfers:				
Transfers from Stage 2 to Stage 3	(4,366)	4,366	-	-
Transfers from Stage 3 to Stage 2	-	10	(10)	-
	<u>1,631</u>	<u>4,990</u>	<u>34</u>	<u>6,655</u>

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2 CREDIT RISK (CONTINUED)

2.3 Credit Risk Exposures under Standardised Approach

The Bank applies external ratings assigned by recognised External Credit Assessment Institutions (“ECAIs”) in determining risk weight for credit exposure classes and are recognised by BNM in RWCAF. The Bank uses ratings assigned by Standard & Poor’s (“S&P”), Moody’s Investors Service (“Moody’s”) and Fitch Ratings (“Fitch”).

The following tables set out the credit exposures by risk weights and after credit risk mitigation (CRM):

Risk weight as at 30 June 2025 for credit risk exposures :

<u>Weighted</u>	<u>Sovereigns & Central bank</u> RM'000	<u>PSE</u> RM'000	<u>Banks</u> RM'000	<u>Insurance companies, securities firms and funds managers</u> RM'000	<u>Corporates</u> RM'000	<u>Regulatory Retail</u> RM'000	<u>Residential mortgages</u> RM'000	<u>Other assets</u> RM'000	<u>Total exposures after CRM</u> RM'000	<u>Total risk weighted assets</u> RM'000
0%	4,628,366	-	-	-	-	-	-	392	4,628,758	-
20%	3,707,897	133,294	2,760,619	614,098	-	-	-	7,535	7,223,443	1,444,689
35%	-	-	-	-	-	-	115	-	115	40
50%	-	-	2,276,944	252	11,488	-	140	-	2,288,824	1,144,412
100%	-	-	-	367,252	1,123,155	301	1	19,382	1,510,091	1,510,091
Total	8,336,263	133,294	5,037,563	981,602	1,134,643	301	256	27,309	15,651,231	4,099,232

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2 CREDIT RISK (CONTINUED)

2.3 Credit Risk Exposures under Standardised Approach (continued)

Risk weight as at 31 December 2024 for credit risk exposures:

<u>Weighted</u>	<u>Sovereigns & Central bank</u> RM'000	<u>PSE</u> RM'000	<u>Banks</u> RM'000	<u>Insurance companies, securities firms and funds managers</u> RM'000	<u>Corporates</u> RM'000	<u>Regulatory Retail</u> RM'000	<u>Residential mortgages</u> RM'000	<u>Other assets</u> RM'000	<u>Total exposures after CRM</u> RM'000	<u>Total risk weighted assets</u> RM'000
0%	6,426,665	-	-	-	-	-	-	393	6,427,058	-
20%	2,945,012	194,519	3,083,286	780,078	-	-	-	6,474	7,009,369	1,401,872
35%	-	-	-	-	-	-	117	-	117	41
50%	-	-	1,756,503	588	27,388	-	216	-	1,784,695	892,347
100%	-	-	-	102,511	1,187,220	311	-	14,574	1,304,616	1,304,616
150%	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	-	-	-	176	176	2,197
Total	9,371,677	194,519	4,839,789	883,177	1,214,608	311	333	21,617	16,526,031	3,601,073

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2 CREDIT RISK (CONTINUED)

2.3 Credit Risk Exposures under Standardised Approach (continued)

The following tables set out the rated exposures according to rating by ECAs:

(i) Ratings of corporate by approved ECAs

<u>Exposure class</u>	<u>Moody</u>	<u>Aaa to Aa3</u>	<u>A1 to A3</u>	<u>Baa1 to Ba3</u>	<u>B1 to C</u>	<u>Unrated</u>
	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	A1 to A-	BBB1 to BB3	B to D	Unrated
	<u>MARC</u>	<u>AAA to AA-</u>	<u>A+ to A-</u>	<u>BBB+ to BB-</u>	<u>B+ to D</u>	<u>Unrated</u>
		RM'000	RM'000	RM'000	RM'000	RM'000

30.06.2025

On and Off:

Balance Sheet

Exposures

Public Sector Entities	-	-	133,294	-	-
Insurance companies, securities firms and fund managers	576,715	359,512	45,375	-	-
Corporates	-	379,387	492,437	262,661	158
	<u>576,715</u>	<u>738,899</u>	<u>671,106</u>	<u>262,661</u>	<u>158</u>

31.12.2024

On and Off:

Balance Sheet

Exposures

Public Sector Entities	-	-	194,519	-	-
Insurance companies, securities firms and fund managers	758,512	44,284	80,380	-	-
Corporates	-	373,596	552,857	288,118	37
	<u>758,512</u>	<u>417,880</u>	<u>827,756</u>	<u>288,118</u>	<u>37</u>

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2 CREDIT RISK (CONTINUED)

2.3 Credit Risk Exposures under Standardised Approach (continued)

(ii) Ratings of Sovereigns/Central Banks and Banking Institutions by approved ECAIs

<u>Exposure class</u>	<u>Moody</u>	<u>Aaa to Aa3</u>	<u>A1 to A3</u>	<u>Baa1 to Ba3</u>	<u>B1 to C</u>	<u>Unrated</u>
	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	A1 to A-	BBB1 to BB3	B to D	Unrated
	<u>MARC</u>	<u>AAA to AA-</u>	<u>A+ to A-</u>	<u>BBB+ to BB-</u>	<u>B+ to D</u>	<u>Unrated</u>
		RM'000	RM'000	RM'000	RM'000	RM'000

30.06.2025

On and Off:

Balance Sheet

Exposures

Sovereigns/Central

Banks

Banks

-	8,336,263	-	-	-
192,830	4,844,369	267	97	-
<u>192,830</u>	<u>13,180,632</u>	<u>267</u>	<u>97</u>	<u>-</u>

31.12.2024

On and Off:

Balance Sheet

Exposures

Sovereigns/Central

Banks

Banks

-	9,371,678	-	-	-
59,327	4,780,108	259	95	-
<u>59,327</u>	<u>14,151,786</u>	<u>259</u>	<u>95</u>	<u>-</u>

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2 CREDIT RISK (CONTINUED)

2.4 Credit Risk Mitigation (“CRM”)

The following tables set out the credit exposures that are covered by eligible guarantees and collaterals as allowed under the RWCAF.

<u>30.06.2025</u>	<u>Exposures before CRM</u> RM'000	<u>Exposures covered by guarantees/ credit derivatives</u> RM'000	<u>Exposures covered by eligible financial collateral</u> RM'000	<u>Exposures covered by other eligible collateral</u> RM'000
<u>Exposure Class</u>				
On-balance sheet exposures				
Sovereigns/central banks	8,428,767	-	142,205	-
Banks	10,811,046	-	10,281,721	-
Insurance companies, securities firms and fund managers	728,885	-	-	-
Corporates	525,529	-	-	-
Regulatory retail	301	-	-	301
Residential mortgages	151	-	-	151
Other assets	27,310	-	-	-
Defaulted exposures	103	-	-	103
Total on-balance sheet exposures	20,522,092	-	10,423,926	555
Off-balance sheet exposures				
Over-the-counter ('OTC') derivatives	5,314,197	113,388	402,559	-
Off balance sheet exposures other than OTC derivatives	239,952	-	-	-
Total off-balance sheet exposures	5,554,149	113,388	402,559	-
Total on and off-balance sheet exposures	26,076,241	113,388	10,826,485	555

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2 CREDIT RISK (CONTINUED)

2.4 Credit Risk Mitigation (“CRM”) (continued)

<u>31.12.2024</u>	<u>Exposures before CRM</u> RM'000	<u>Exposures covered by guarantees/ credit derivatives</u> RM'000	<u>Exposures covered by eligible financial collateral</u> RM'000	<u>Exposures covered by other eligible collateral</u> RM'000
<u>Exposure Class</u>				
<i>On-balance sheet exposures</i>				
Sovereigns/central banks	9,432,326	-	231,870	-
Banks	11,842,093	-	11,243,148	-
Insurance companies, securities firms and fund managers	635,954	-	-	-
Corporates	585,529	-	-	-
Regulatory retail	311	-	-	311
Residential mortgages	221	-	-	221
		-	-	-
Other assets	21,617	-	-	-
Defaulted exposures	111	-	-	111
Total on-balance sheet exposures	22,518,162	-	11,475,018	643
<i>Off-balance sheet exposures</i>				
Over-the-counter ('OTC') derivatives	4,719,523	113,225	341,863	-
Off balance sheet exposures other than OTC derivatives	250,109	-	-	-
Total off-balance sheet exposures	4,969,632	113,225	341,863	-
Total on and off-balance sheet exposures	27,487,794	113,225	11,816,881	643

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2 CREDIT RISK (CONTINUED)

2.5 Off-Balance Sheet Exposures and Counterparty Credit Risk

The following tables set out the off-balance sheet exposures and counterparty credit risk.

	<u>Principal amount</u> RM'000	<u>Positive fair value of derivative contracts</u> RM'000	<u>Credit equivalent*</u> RM'000	<u>Risk weighted amount</u> RM'000
<u>30.06.2025</u>				
Direct credit substitutes	130,274	-	130,274	120,471
Transaction-related contingent items	38,112	-	19,056	15,698
Foreign exchange related contracts:				
- less than one year	71,976,586	952,283	2,033,310	946,571
- one year to less than five years	1,940,709	28,155	185,796	83,657
- more than five years	248,807	15,006	53,591	30,205
Interest rate related contracts:				
- less than one year	30,143,952	37,273	87,307	32,681
- one year to less than five years	78,289,639	460,383	2,334,037	783,566
- more than five years	2,170,390	25,952	174,780	80,830
Equity related contracts				
- less than one year	1,565,260	65,208	182,466	44,219
- one year to less than five years	820,673	1,275	120,273	32,591
Debt Security Contracts				
- less than one year	25,051	-	25	-
- one year to less than five years	8,536	-	164	-
- more than five years	296,230	-	29,060	-
Credit Derivative Contracts				
- less than one year	28,420	3	3,532	1,544
- one year to less than five years	492,757	26,808	108,202	40,583
- more than five years	10,250	116	1,654	331
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year				
	181,244	-	90,622	90,622
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in borrower's creditworthiness				
	1,436,600	-	-	-
	<u>189,803,490</u>	<u>1,612,462</u>	<u>5,554,149</u>	<u>2,303,569</u>

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

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2 CREDIT RISK (CONTINUED)

2.5 Off-Balance Sheet Exposures and Counterparty Credit Risk (continued)

	Principal amount RM'000	Positive fair value of derivative contracts RM'000	Credit equivalent amount* RM'000	Risk weighted amount RM'000
<u>31.12.2024</u>				
Direct credit substitutes	167,976	-	167,976	156,793
Transaction-related contingent items	40,342	-	20,171	15,253
Foreign exchange related contracts:				
- less than one year	71,614,465	858,252	1,924,485	852,717
- one year to less than five years	1,500,880	41,369	148,642	68,886
- more than five years	120,779	9,953	28,070	14,035
Interest rate related contracts:				
- less than one year	35,931,940	38,338	86,936	30,394
- one year to less than five years	65,484,839	316,816	1,908,006	653,455
- more than five years	2,440,705	39,415	212,541	100,468
Equity related contracts				
- less than one year	1,437,076	49,932	164,560	38,375
- one year to less than five years	817,858	2,393	132,354	34,917
Credit related contracts				
- less than one year	74,460	1,583	10,121	4,829
- one year to less than five years	452,316	25,821	103,104	40,403
- more than five years	1,600	56	296	59
Debt security Contracts				
- one year to less than five years	201	-	2	-
- more than five years	3,222	-	406	-
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year				
	123,924	-	61,962	61,962
Any commitments that are unconditionally cancelled at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in borrower's creditworthiness				
	1,555,736	-	-	-
	<u>181,768,319</u>	<u>1,383,928</u>	<u>4,969,632</u>	<u>2,072,546</u>

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

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2 CREDIT RISK (CONTINUED)

2.5 Off-Balance Sheet Exposures and Counterparty Credit Risk (continued)

The table below shows the credit derivative contracts for client intermediation activities:

	Principal <u>amount</u> RM'000	Credit equivalent <u>amount</u> RM'000	Risk weighted <u>assests</u> RM'000
<u>30.06.2025</u>			
Credit related contracts			
Credit default swap			
- Protection bought	299,484	47,798	9,663
- Protection sold	231,943	65,590	32,795
	<u>531,427</u>	<u>113,388</u>	<u>42,458</u>

	Principal <u>amount</u> RM'000	Credit equivalent <u>amount</u> RM'000	Risk weighted <u>assests</u> RM'000
<u>31.12.2024</u>			
Credit related contracts			
Credit default swap			
- Protection bought	234,053	38,231	7,646
- Protection sold	294,323	75,290	37,645
	<u>528,376</u>	<u>113,521</u>	<u>45,291</u>

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3 MARKET RISK

The risk weighted assets and capital requirements for the various categories of risk under Market risk are set out in the following table:

<u>30.06.2025</u>			Risk weighted assets RM'000	Capital requirements RM'000
	Long position	Short position		
Interest rate risk	199,650,007	187,790,099	4,642,070	371,366
Foreign currency risk	109,195	212,459	212,459	16,997
Options risk			240,613	19,249
			<u>5,095,142</u>	<u>407,611</u>
<u>31.12.2024</u>				
Interest rate risk	194,376,808	187,632,356	3,778,338	302,267
Foreign currency risk	43,857	48,946	48,946	3,916
Option risk			349,838	27,987
			<u>4,177,122</u>	<u>334,170</u>

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4 EQUITY EXPOSURES

The following tables present the equity exposures, stated at fair value, in the banking book and the gains and losses on equity exposures in the banking book of the Bank. There is no exposure to quoted equity as at 30 June 2025.

(a) Equity Exposures in the Banking Book

	<u>Gross Credit Exposure</u> RM'000	<u>Risk weighted Asset</u> RM'000
Jun 2025		
<u>Privately Held</u>		
For socio-economic purpose	7,299	1,463
	<u> </u>	<u> </u>
Dec 2024		
<u>Privately Held</u>		
For socio-economic purpose	6,420	1,459
	<u> </u>	<u> </u>

(b) Gains and Losses on Equity Exposures in the Banking Book

	<u>Jun 2025</u> RM'000	<u>Jun 2024</u> RM'000
Unrealised gain/(loss) recognised in profit or loss	879	(245)
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5 INTEREST RATE RISK/RATE OF RETURN RISK IN THE BANKING BOOK

The sensitivity of the Bank's positions in banking book to interest rate changes are set out in the following table:

<u>30.06.2025</u>	BCBS Parallel*	
	<u>Up</u>	<u>Down</u>
	RM'000	RM'000
<u>Impact in Earnings</u>		
MYR	79,636	(79,638)
USD	12,276	(18,628)
Other	1,876	(4,042)
	<u>93,788</u>	<u>(102,308)</u>

<u>31.12.2024</u>	BCBS Parallel*	
	<u>Up</u>	<u>Down</u>
	RM'000	RM'000
<u>Impact in Earnings</u>		
MYR	69,765	(69,769)
USD	21,478	(26,688)
Other	1,853	(3,974)
	<u>93,096</u>	<u>(100,431)</u>

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5 INTEREST RATE RISK/RATE OF RETURN RISK IN THE BANKING BOOK (CONTINUED)

The sensitivity of the Bank's positions in banking book to interest rate changes are set out in the following table (continued):

<u>30.06.2025</u>	BCBS Parallel*	
	<u>Up</u>	<u>Down</u>
	RM'000	RM'000
<u>Impact in Economic Value</u>		
MYR	88,030	(97,857)
USD	58,709	(102,833)
Other	7,580	(13,537)
	<u>154,319</u>	<u>(214,227)</u>

<u>31.12.2024</u>	BCBS Parallel*	
	<u>Up</u>	<u>Down</u>
	RM'000	RM'000
<u>Impact in Economic Value</u>		
MYR	65,418	(72,881)
USD	58,366	(95,327)
Other	12,032	(24,348)
	<u>135,816</u>	<u>(192,556)</u>

* Under BCBS Parallel Up and Down scenario, the Bank is applying 200 bps shock for both USD and MYR under Earning at Risk (EaR), while 200 bps shock for USD and 300 bps shock for MYR under Economic Value Sensitivity (EVS).