

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	The Group		The Company	
		31 March 2022 RM'000	31 December 2021 RM'000	31 March 2022 RM'000	31 December 2021 RM'000
ASSETS					
Cash and short-term funds	A8	42,262,308	45,669,511	1,241,967	93,674
Reverse repurchase agreements		6,762,581	5,885,498	-	-
Deposits and placements with banks and other financial institutions	A8	3,282,615	4,613,720	18,200	-
Financial investments at fair value through profit or loss	A9	43,649,558	40,279,244	-	-
Debt instruments at fair value through other comprehensive income	A10	61,353,586	60,119,486	1,797,215	1,778,168
Equity instruments at fair value through other comprehensive income	A11	316,138	323,105	-	-
Debt instruments at amortised cost	A12	57,184,031	56,006,340	6,830,603	6,798,814
Derivative financial instruments	A26	12,259,226	11,989,597	-	-
Loans, advances and financing	A13	371,137,034	364,684,772	-	-
Other assets	A14	13,261,938	11,256,072	85,928	84,101
Tax recoverable		662,287	674,935	185,168	185,354
Deferred tax assets		1,869,163	1,670,475	-	-
Statutory deposits with central banks		4,744,661	4,676,200	-	-
Amount due from a subsidiary		-	-	183	183
Investment in subsidiaries		-	-	33,466,217	32,873,956
Investment in associates and joint ventures		2,945,013	2,952,146	-	-
Property, plant and equipment		2,026,272	2,068,976	376	413
Right-of-use assets		618,207	679,582	430	430
Investment properties		-	-	341	345
Goodwill		6,448,900	6,444,100	-	-
Intangible assets		1,768,391	1,857,470	-	-
		632,551,909	621,851,229	43,626,628	41,815,438
Non-current assets held for sale		49,848	55,829	3,768	3,768
TOTAL ASSETS		632,601,757	621,907,058	43,630,396	41,819,206
LIABILITIES AND EQUITY					
Deposits from customers	A15	420,849,048	422,418,092	-	-
Investment accounts of customers	A16	11,727,598	10,427,167	-	-
Deposits and placements of banks and other financial institutions	A17	32,931,048	30,701,895	-	-
Repurchase agreements/Collateralised Commodity Murabahah		32,970,869	29,184,383	-	-
Financial liabilities designated at fair value through profit or loss	A18	7,593,150	6,856,782	-	-
Derivative financial instruments	A26	10,480,939	10,895,455	-	-
Bills and acceptances payable		1,775,361	2,035,009	-	-
Other liabilities	A19	19,893,579	15,830,825	7,965	3,158
Lease liabilities		534,996	575,805	-	-
Recourse obligation on loans and financing sold to Cagamas		996,998	998,246	-	-
Amount due to subsidiaries		-	-	7,286	13,389
Provision for taxation and zakat		297,352	214,336	-	-
Deferred tax liabilities		45,029	44,149	227	227
Bonds, Sukuk and debentures	B5(i)	13,529,202	13,379,042	-	-
Other borrowings	B5(ii)	7,786,210	8,108,472	4,722,916	4,707,895
Subordinated obligations	B5(iii)	10,127,546	10,128,585	9,664,637	9,609,761
		571,538,925	561,798,243	14,403,031	14,334,430
Non-current liabilities held for sale		47	67	-	-
TOTAL LIABILITIES		571,538,972	561,798,310	14,403,031	14,334,430
Ordinary share capital		27,099,681	27,099,681	27,099,681	27,099,681
Reserves		32,688,696	31,764,188	2,127,727	385,138
Less: Shares held under trust		(563)	(563)	-	-
Treasury shares, at cost		(43)	(43)	(43)	(43)
		59,787,771	58,863,263	29,227,365	27,484,776
Perpetual preference shares		200,000	200,000	-	-
Non-controlling interests		1,075,014	1,045,485	-	-
TOTAL EQUITY		61,062,785	60,108,748	29,227,365	27,484,776
TOTAL EQUITY AND LIABILITIES		632,601,757	621,907,058	43,630,396	41,819,206
COMMITMENTS AND CONTINGENCIES	A27	1,269,155,364	1,213,155,193	-	-
Net assets per share attributable to owners of the Parent (RM)		5.85	5.76	2.86	2.69

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	Note	The Group			
		1st quarter ended 31 March 2022	31 March 2021	Three months ended 31 March 2022	31 March 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	3,839,174	3,885,620	3,839,174	3,885,620
Interest income for financial assets at fair value through profit or loss	A20(b)	147,312	145,366	147,312	145,366
Interest expense	A21, A32	<u>(1,264,511)</u>	(1,371,717)	<u>(1,264,511)</u>	(1,371,717)
Net interest income (before modification loss)		2,721,975	2,659,269	2,721,975	2,659,269
Modification (loss)/gain	A22	<u>(1,764)</u>	4,287	<u>(1,764)</u>	4,287
Net interest income (after modification loss)		2,720,211	2,663,556	2,720,211	2,663,556
Income from Islamic Banking operations	A31(c), A32	947,110	888,976	947,110	888,976
Net non-interest income	A23	<u>1,068,783</u>	1,200,673	<u>1,068,783</u>	1,200,673
		4,736,104	4,753,205	4,736,104	4,753,205
Gain on disposal and deemed disposal of subsidiaries and joint venture		<u>265</u>	1,155,549	<u>265</u>	1,155,549
		4,736,369	5,908,754	4,736,369	5,908,754
Overheads	A24, A32	<u>(2,277,538)</u>	(2,290,474)	<u>(2,277,538)</u>	(2,290,474)
Profit before expected credit losses		2,458,831	3,618,280	2,458,831	3,618,280
Expected credit losses on loans, advances and financing	A25(a)	<u>(287,146)</u>	(715,686)	<u>(287,146)</u>	(715,686)
Expected credit losses made for commitments and contingencies		<u>(32,706)</u>	(22,654)	<u>(32,706)</u>	(22,654)
Other expected credit losses and impairment allowances made	A25(b)	<u>(104,235)</u>	(17,427)	<u>(104,235)</u>	(17,427)
		2,034,744	2,862,513	2,034,744	2,862,513
Share of results of joint ventures		4,658	35,198	4,658	35,198
Share of results of associates		<u>8,264</u>	28	<u>8,264</u>	28
Profit before taxation and zakat		2,047,666	2,897,739	2,047,666	2,897,739
Taxation and zakat	B3	<u>(580,259)</u>	(422,850)	<u>(580,259)</u>	(422,850)
Profit for the financial period		<u>1,467,407</u>	2,474,889	<u>1,467,407</u>	2,474,889
Profit for the financial period attributable to :					
Owners of the Parent		1,426,984	2,457,233	1,426,984	2,457,233
Non-controlling interests		<u>40,423</u>	17,656	<u>40,423</u>	17,656
		<u>1,467,407</u>	2,474,889	<u>1,467,407</u>	2,474,889
Earnings per share (sen):					
- Basic	B7(a)	13.96	24.76	13.96	24.76
- Fully diluted	B7(b)	N/A	N/A	N/A	N/A

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2022

	The Group			
	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	1,467,407	2,474,889	1,467,407	2,474,889
Other comprehensive expense:				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation	40	526	40	526
- Actuarial (loss)/gain	(3)	26	(3)	26
- Currency translation difference	43	500	43	500
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(41,674)	(10,297)	(41,674)	(10,297)
- Net loss from change in fair value attributable to own credit risk	(41,210)	(10,443)	(41,210)	(10,443)
- Currency translation difference	(464)	146	(464)	146
Equity instruments at fair value through other comprehensive income	(7,948)	3,265	(7,948)	3,265
- Net (loss)/gain from change in fair value	(7,164)	3,305	(7,164)	3,305
- Income tax effects	88	2,608	88	2,608
- Currency translation difference	(872)	(2,648)	(872)	(2,648)
	(49,582)	(6,506)	(49,582)	(6,506)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(612,126)	(1,052,617)	(612,126)	(1,052,617)
- Net loss from change in fair value	(653,128)	(1,109,217)	(653,128)	(1,109,217)
- Realised gain transferred to statement of income on disposal	(122,255)	(161,944)	(122,255)	(161,944)
- Changes in expected credit losses	691	(15,077)	691	(15,077)
- Income tax effects	162,630	231,246	162,630	231,246
- Currency translation difference	(64)	2,375	(64)	2,375
Net investment hedge	(48,027)	(164,522)	(48,027)	(164,522)
Hedging reserve - cash flow hedge	(521)	2,076	(521)	2,076
- Net (loss)/gain from change in fair value	(3,218)	3,044	(3,218)	3,044
- Income tax effects	2,697	(968)	2,697	(968)
Deferred hedging cost	17,205	1,599	17,205	1,599
- Net gain from change in fair value	21,378	2,109	21,378	2,109
- Income tax effects	(4,173)	(510)	(4,173)	(510)
Exchange fluctuation reserve	147,560	177,576	147,560	177,576
Share of other comprehensive income of associates and joint ventures	4,548	1,217	4,548	1,217
	(491,361)	(1,034,671)	(491,361)	(1,034,671)
Total other comprehensive expense for the financial period, net of tax	(540,943)	(1,041,177)	(540,943)	(1,041,177)
Total comprehensive income for the financial period	926,464	1,433,712	926,464	1,433,712
Total comprehensive income for the financial period attributable to:				
Owners of the Parent	903,595	1,444,242	903,595	1,444,242
Non-controlling interests	22,869	(10,530)	22,869	(10,530)
	926,464	1,433,712	926,464	1,433,712

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	Note	The Company			
		1st quarter ended		Three months ended	
		31 March	31 March	31 March	31 March
		2022	2021	2022	2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	89,478	109,278	89,478	109,278
Interest expense	A21	(134,403)	(152,689)	(134,403)	(152,689)
Net interest expense		(44,925)	(43,411)	(44,925)	(43,411)
Net non-interest income	A23	1,200,148	52,232	1,200,148	52,232
		1,155,223	8,821	1,155,223	8,821
Gain on disposal of a subsidiary	A5(a)	581,774	-	581,774	-
		1,736,997	8,821	1,736,997	8,821
Overheads	A24	(12,500)	(6,034)	(12,500)	(6,034)
Profit before expected credit losses		1,724,497	2,787	1,724,497	2,787
Other expected credit losses and impairment allowances written back	A25(b)	11,460	4,408	11,460	4,408
Profit before taxation		1,735,957	7,195	1,735,957	7,195
Taxation	B3	(388)	(191)	(388)	(191)
Profit for the financial period		1,735,569	7,004	1,735,569	7,004

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	The Company				
	1st quarter ended		Three months ended		
	31 March	31 March	31 March	31 March	
	2022	2021	2022	2021	
		RM'000	RM'000	RM'000	RM'000
Profit for the financial period		1,735,569	7,004	1,735,569	7,004
Other comprehensive income/(expense):					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Debt instruments at fair value through other comprehensive income		(3,466)	(60,925)	(3,466)	(60,925)
- Net loss from change in fair value		(1,122)	(59,587)	(1,122)	(59,587)
- Changes in expected credit losses		(2,344)	(1,338)	(2,344)	(1,338)
Other comprehensive expense		(3,466)	(60,925)	(3,466)	(60,925)
Total comprehensive income/(expense) for the financial period		1,732,103	(53,921)	1,732,103	(53,921)

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

Attributable to owners of the Parent

The Group
31 March 2022

	Ordinary share capital RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Fair value reserve		Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve * RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non- controlling interests RM'000	Total RM'000
							Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000								
At 1 January 2022	27,099,681	152,997	207,419	462,900	(563)	(43)	(556,531)	(217,545)	(1,315,309)	86,595	129,286	32,814,376	58,863,263	200,000	1,045,485	60,108,748
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	1,426,984	1,426,984	-	40,423	1,467,407
Other comprehensive income/(expense) (net of tax)	-	-	-	152,918	-	-	(595,804)	(8,100)	(72,475)	72	-	-	(523,389)	-	(17,554)	(540,943)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(595,804)	-	-	-	-	-	(595,804)	-	(16,322)	(612,126)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(8,100)	-	-	-	-	(8,100)	-	152	(7,948)
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(41,563)	-	-	-	(41,563)	-	(111)	(41,674)
- net investment hedge	-	-	-	-	-	-	-	-	(48,027)	-	-	-	(48,027)	-	-	(48,027)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	(273)	-	-	-	(273)	-	(248)	(521)
- deferred hedging cost	-	-	-	-	-	-	-	-	17,205	-	-	-	17,205	-	-	17,205
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	40	-	-	-	40	-	-	40
- currency translation difference	-	-	-	148,391	-	-	-	-	122	72	-	-	148,585	-	(1,025)	147,560
- share of other comprehensive income of associates and joint ventures	-	-	-	4,527	-	-	-	-	21	-	-	-	4,548	-	-	4,548
Total comprehensive income/ (expense) for the financial period	-	-	-	152,918	-	-	(595,804)	(8,100)	(72,475)	72	-	1,426,984	903,595	-	22,869	926,464
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(5)	(5)
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	-	171,325	(171,325)	-	-	-	-
Transfer to capital reserve	-	-	33,547	-	-	-	-	-	-	-	-	(33,547)	-	-	-	-
Contributions by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,846	5,846
Net non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	882	882
Share-based payment expense	-	-	-	-	-	-	-	-	-	19,203	-	-	19,203	-	-	19,203
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	28,933	(27,223)	-	-	1,710	-	(63)	1,647
At 31 March 2022	27,099,681	152,997	240,966	615,818	(563)	(43)	(1,152,335)	(225,645)	(1,358,851)	78,647	300,611	34,036,488	59,787,771	200,000	1,075,014	61,062,785

* The regulatory reserve is maintained by the banking subsidiaries in Malaysia to meet the local regulatory requirement.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

Attributable to owners of the Parent

The Group
31 March 2021

	Ordinary share capital RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Fair value reserve		Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve * RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
							Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000								
At 1 January 2021	25,843,808	148,117	207,419	421,265	(563)	(43)	465,293	(248,084)	(1,171,120)	75,612	233,441	29,950,496	55,925,641	200,000	1,048,481	57,174,122
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,457,233	2,457,233	-	17,656	2,474,889
Other comprehensive (expense)/income (net of tax)	-	(6)	-	183,850	-	-	(1,028,911)	3,139	(171,148)	85	-	-	(1,012,991)	-	(28,186)	(1,041,177)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(1,028,914)	-	-	-	-	-	(1,028,914)	-	(23,703)	(1,052,617)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	3,139	-	-	-	-	3,139	-	126	3,265
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(9,765)	-	-	-	(9,765)	-	(532)	(10,297)
- net investment hedge	-	-	-	-	-	-	-	-	(164,522)	-	-	-	(164,522)	-	-	(164,522)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	2,294	-	-	-	2,294	-	(218)	2,076
- deferred hedging cost	-	-	-	-	-	-	-	-	1,599	-	-	-	1,599	-	-	1,599
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	500	-	-	-	500	-	26	526
- currency translation difference	-	-	-	181,783	-	-	-	-	(408)	86	-	-	181,461	-	(3,885)	177,576
- share of other comprehensive (expense)/ income of associate and joint venture	-	(6)	-	2,067	-	-	3	-	(846)	(1)	-	-	1,217	-	-	1,217
Total comprehensive (expense)/income for the financial period	-	(6)	-	183,850	-	-	(1,028,911)	3,139	(171,148)	85	-	2,457,233	1,444,242	-	(10,530)	1,433,712
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	-	(105,467)	105,467	-	-	-	-
Disposal and deemed disposal of subsidiaries	-	-	-	(34)	-	-	-	-	-	(2,858)	-	-	(2,892)	-	(46,890)	(49,782)
Share-based payment expense	-	-	-	-	-	-	-	-	-	14,764	-	-	14,764	-	-	14,764
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	45,489	(42,581)	-	-	2,908	-	(107)	2,801
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(14,256)	-	-	-	(14,256)	-	-	(14,256)
At 31 March 2021	25,843,808	148,111	207,419	605,081	(563)	(43)	(563,618)	(244,945)	(1,311,035)	45,022	127,974	32,513,196	57,370,407	200,000	990,954	58,561,361

* The regulatory reserve is maintained to meet the local regulatory requirement of the foreign branch's general provision and the Malaysian subsidiary of the Group.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	← Non-distributable →				Distributable		Total RM'000
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	
The Company							
At 1 January 2022	27,099,681	55,982	(43)	28,228	33,487	267,441	27,484,776
Profit for the financial period	-	-	-	-	-	1,735,569	1,735,569
Other comprehensive expense (net of tax)	-	-	-	(3,466)	-	-	(3,466)
- Debt instruments at fair value through other comprehensive income	-	-	-	(3,466)	-	-	(3,466)
Total comprehensive (expense)/income for the financial period	-	-	-	(3,466)	-	1,735,569	1,732,103
Capital contribution to subsidiaries	-	-	-	-	10,486	-	10,486
At 31 March 2022	27,099,681	55,982	(43)	24,762	43,973	2,003,010	29,227,365

	← Non-distributable →				Distributable		Total RM'000
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Retained earnings RM'000		
The Company							
At 1 January 2021	25,843,808	55,982	(43)	103,514	1,398,626		27,401,887
Profit for the financial period	-	-	-	-	7,004		7,004
Other comprehensive expense (net of tax)	-	-	-	(60,925)	-		(60,925)
- Debt instruments at fair value through other comprehensive income	-	-	-	(60,925)	-		(60,925)
Total comprehensive (expense)/income for the financial period	-	-	-	(60,925)	7,004		(53,921)
At 31 March 2021	25,843,808	55,982	(43)	42,589	1,405,630		27,347,966

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	The Group		The Company	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Profit before taxation and zakat	2,047,666	2,897,739	1,735,957	7,195
Adjustments for non-operating and non-cash items	(197,528)	(1,052,094)	(1,748,125)	(7,853)
Operating profit/(loss) before changes in working capital	1,850,138	1,845,645	(12,168)	(658)
Net changes in operating assets	(12,824,774)	(4,018,120)	573,842	750,021
Net changes in operating liabilities	10,430,831	7,767,961	(13,207)	1,529
	(2,393,943)	3,749,841	560,635	751,550
Cash flows generated from operations	(543,805)	5,595,486	548,467	750,892
Taxation paid	(523,340)	(344,147)	(201)	(451)
Net cash flows (used in)/generated from operating activities	(1,067,145)	5,251,339	548,266	750,441
Cash flows from investing activities				
Dividend income from subsidiaries	-	-	1,200,000	50,820
Interest income received from financial investments	909,709	851,489	136,383	43,539
Net purchase of financial investments	(3,711,809)	(4,310,692)	-	(750,000)
Net (purchase)/proceed from disposal of property, plant and equipment	(10,246)	132,211	-	(110)
Net purchase of intangible assets	(83,951)	(184,966)	-	-
Other investing activities	41,761	(355,315)	(671,774)	(103,675)
Net cash flows (used in)/generated from investing activities	(2,854,536)	(3,867,273)	664,609	(759,426)
Cash flows from financing activities				
Interest paid on bonds, Sukuk and debentures	(36,064)	(32,585)	-	-
Interest paid on subordinated obligations	(61,233)	(59,586)	(46,382)	(46,382)
Interest paid on term loan facility and other borrowings	(18,642)	(36,448)	-	(17,631)
Proceeds from issuance of bonds, Sukuk and debentures	3,401,848	178,688	-	-
Proceeds from term loan facility and other borrowings	552,868	55,784	-	-
Redemption of bonds, Sukuk and debentures	(3,202,822)	(187,311)	-	-
Repayment of term loan facility and other borrowings	(911,373)	-	-	-
Other financing activities	(56,251)	74,344	-	-
Net cash flows used in financing activities	(331,669)	(7,114)	(46,382)	(64,013)
Net (decrease)/increase in cash and cash equivalents during the financial period	(4,253,350)	1,376,952	1,166,493	(72,998)
Effects of exchange rate changes	187,006	314,638	-	-
Cash and cash equivalents at beginning of the financial period	46,106,715	39,563,368	93,674	344,603
	42,040,371	41,254,958	1,260,167	271,605
Monies held in trust	(675,713)	(619,779)	-	-
Cash and cash equivalents at end of the financial period	41,364,658	40,635,179	1,260,167	271,605
Cash and cash equivalents comprise:				
Cash and short-term funds	42,262,308	38,932,992	1,241,967	253,722
Deposits and placements with banks and other financial institutions	3,282,615	4,186,843	18,200	17,883
	45,544,923	43,119,835	1,260,167	271,605
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(3,504,552)	(1,864,877)	-	-
Monies held in trust	(675,713)	(619,779)	-	-
Cash and cash equivalents at end of financial period	41,364,658	40,635,179	1,260,167	271,605

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

(a) The unaudited condensed interim financial statements for the financial period ended 31 March 2022 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, debt instruments at fair value through other comprehensive income, equity instruments at fair value through other comprehensive income, derivative financial instruments and non-current assets/disposal groups held for sale and financial liabilities designated at fair value through profit or loss, that have been measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board and paragraph 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements.

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Company's audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Company since the financial year ended 31 December 2021.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2021, and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 January 2022:

- Amendment to MFRS 16 "COVID-19-Related Rent Concessions beyond 30 June 2021"
- Amendments to MFRS 116 "Proceeds before intended use"
- Amendments to MFRS 3 "Reference to Conceptual Framework"
- Amendments to MFRS 137 "Onerous Contracts – Cost of Fulfilling a Contract"
- Annual improvements to MFRS 9 "Fees in the 10% test for derecognition of financial liabilities"
- Annual Improvements to MFRS 1 "Subsidiary as First-time Adopter"
- Annual Improvements to Illustrative Example accompanying MFRS 16 Leases: Lease Incentives

The adoption of the above amendments to published standards did not give rise to material financial impact to the Group's financial statements.

The unaudited condensed interim financial statements incorporate those activities relating to Islamic banking which have been undertaken by the Group. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under Shariah principles.

(b) Covid-19 cases continued to rise at the start of 2022. However, given high vaccination rates, the spread of the Omicron variant has had much reduced impact as most countries eased their movement restrictions. In 2022, governments are expected to begin tapering from the expansionary fiscal and monetary policies implemented during the first two years of the pandemic. Nevertheless, geopolitical tensions and the threat of new Covid-19 mutations may disrupt the recovery momentum.

The Group has supported its customers impacted by the economic downturn over the pandemic by providing targeted assistance programs. As customers migrate out of these programs, the various prevailing uncertainties will continue to be monitored and the Group will continue to keep track of asset quality.

The preparation of unaudited condensed interim financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and Company's accounting policies. Although these estimates and assumptions are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

A2. CHANGES IN ESTIMATES

There were no material changes to financial estimates made in respect of the current financial period that had previously been announced or disclosed other than those disclosed under the basis of preparation.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Other than detailed below, there were no other new shares issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the financial period ended 31 March 2022:-

(a) On 9 March 2022, the Company announced that it will seek its shareholders' approval at its 65th Annual General Meeting ("AGM") to be convened on a later announced date for the proposed renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up capital of the Company. Shareholders' approval was subsequently obtained at the AGM which was held on 21 April 2022.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES (Continued)

(b) The entitlement date pursuant to Single Tier Second Interim Dividend for financial year ended 31 December 2021 and the corresponding Dividend Reinvestment Scheme ("DRS") was fixed for 28 March 2022. The Group had, on 25 April 2022, issued and allotted 252,801,642 new ordinary shares ("New CIMB Shares"). The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Tuesday, 26 April 2022. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMB Group Holdings Berhad ("CIMBGH") is 10,474,258,225 shares.

(c) During the financial period, Merdeka Kapital Berhad ("MKB"), a special purpose vehicle consolidated by CIMB Bank Berhad ("CIMB Bank"), undertook a partial redemption of the Medium Term Note amounting to RM18.6 million.

(d) On 14 January 2022, CIMB Islamic redeemed RM70 million Basel II Additional Tier 1 Perpetual Preference Shares from CIMB Bank.

(e) On 20 January 2022, CIMB Bank issued USD500.0 million 5-year fixed rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of 2.125% per annum payable semi-annually, will mature on 20 July 2027.

(f) On 8 March 2022, CIMB Bank redeemed its USD15 million 5-year senior floating rate notes issued under its USD5 billion Euro Medium Term Note Programme established on 15 August 2014.

(g) On 15 March 2022, CIMB Bank redeemed its USD500 million 5-year senior fixed rate notes issued under its USD5 billion Euro Medium Term Note Programme established on 15 August 2014.

A4. DIVIDENDS PAID AND PROPOSED

A single-tier second interim dividend of 12.55 sen per ordinary share, on 10,221,451,675 ordinary shares amounting to RM1,282,792,194 in respect of the financial year ended 31 December 2021 was approved by the Board of Directors on 28 January 2022. The dividend consists of an electible portion of 12.55 sen which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Scheme ("DRS"). Following the completion of DRS, a total cash dividend of RM198,273,150 was paid on 25 April 2022.

A5. STATUS OF CORPORATE PROPOSAL

(a) On 13 December 2021, the Company entered into Share Purchase Agreement with CIMB Group Sdn Bhd, a direct wholly-owned subsidiary of the Company and CIMB Digital Assets Sdn Bhd (formerly known as CIMB SI 1 Sdn Bhd) ("CDA"), an indirect wholly-owned subsidiary of the Company, to dispose the entire issued and paid-up share capital of Touch 'N Go Sdn Bhd ("TNG") to CDA. The objective is to facilitate the internal restructuring exercise to consolidate the shareholding of TNG in CDA ("Proposed Internal Restructuring"). Upon the completion of the internal restructuring on 26 January 2022, TnG become the direct wholly-owned subsidiary of CDA and indirect wholly-owned subsidiary of the Company. There is no financial impact at the Group arising from the internal restructuring.

A6. EVENTS DURING THE REPORTING PERIOD

Other than those disclosed under Issuance and Repayment of Debts and Equity Securities, Status of Corporate Proposal and detailed below, there was no significant events that had occurred during the current reporting period:-

In January 2022, the Group identified errors that was related to a specific third party financial remittance service, which led to a limited number of customers receiving duplicate credits in their accounts. The Group has since addressed and remedied these processing errors. After careful assessment of the incident, the Group has also implemented additional controls to prevent similar errors from occurring in the future. At the same time, the Group is embarking on a holistic review of preventive and detective controls and policies and procedures, surrounding its transaction processing infrastructure. In addition, the Group is committed to ensure and to enhance operational resilience.

The Group will take all necessary measures available to it to recover the duplicate payments, and these have commenced in 1Q FY2022. The Group had provided for the majority of the exposure, amounting to an ECL of RM280.9 million during the financial year ended 31 December 2021 and a full and final provision has been made in 1Q FY2022. This provision does not impair the Group's ability to pursue recovery measures. The financial impact are disclosed in A14 and A25(b).

A7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There is no significant events that had occurred between 31 March 2022 and the date of this announcement.

A8. CASH AND SHORT-TERM FUNDS AND DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER

As at 31 March 2022, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM2,516,000 (2021: RM2,484,000) and RM1,930,000 (2021: RM1,963,000) respectively. The 12-month expected credit losses written back in the income statement during the financial year is amounting to RM54,000 (2021: RM30,000).

A9. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Money market instruments:		
Unquoted		
Malaysian Government Securities	2,992,852	2,063,110
Cagamas bonds	901,638	865,744
Khazanah bonds	63,965	63,381
Malaysian Government treasury bills	1,288,408	151,173
Bank Negara Malaysia monetary notes	2,508,871	2,290,759
Negotiable instruments of deposit	2,908,382	3,909,653
Other Government securities	4,978,706	5,405,014
Government Investment Issues	2,825,316	2,611,716
Other Government treasury bills	12,182,397	9,884,399
Commercial papers	1,441,008	1,479,300
Promissory Notes	402,105	398,711
	32,493,648	29,122,960
Quoted securities:		
<i>In Malaysia:</i>		
Shares	1,061,358	1,115,967
<i>Outside Malaysia:</i>		
Shares	335,410	290,468
	1,396,768	1,406,435
Unquoted securities:		
<i>In Malaysia:</i>		
Corporate bond and Sukuk	2,823,404	3,030,818
Shares	1,001,003	1,001,003
Unit trusts	85,572	85,627
<i>Outside Malaysia:</i>		
Corporate bond	3,292,715	3,822,467
Shares	3,081	1,960
Private equity funds	166,751	175,649
Other Government bonds	2,386,616	1,632,325
	9,759,142	9,749,849
	43,649,558	40,279,244

A10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Fair value				
Money market instruments:				
Unquoted				
Malaysian Government Securities	5,105,599	4,832,000	-	-
Cagamas bonds	289,475	270,955	-	-
Negotiable instruments of deposit	513,594	470,384	-	-
Other Government securities	6,108,242	5,114,067	-	-
Government investment Issues	5,810,382	5,712,395	-	-
Commercial Papers	4,880	-	-	-
	17,832,172	16,399,801	-	-
Unquoted securities:				
<i>In Malaysia:</i>				
Corporate bond and Sukuk	21,655,611	21,951,483	1,797,215	1,778,168
<i>Outside Malaysia:</i>				
Corporate bond and Sukuk	11,401,883	10,371,627	-	-
Bank Indonesia certificates	196,537	194,652	-	-
Other Government bonds	10,267,383	11,201,923	-	-
	43,521,414	43,719,685	1,797,215	1,778,168
	61,353,586	60,119,486	1,797,215	1,778,168

Expected credit losses movement for debt instruments at fair value through other comprehensive income:

The carrying amount of debt instruments at fair value through other comprehensive income is equivalent to their fair value. The loss allowance is recognised in other comprehensive income and does not reduce the carrying amount in the statement of financial position.

	The Group			
	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses - credit impaired	Total
	(Stage 1)	(Stage 2)	(Stage 3)	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	41,798	1,748	20,849	64,395
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 2	(170)	170	-	-
Total charge to Statement of Income:	422	269	-	691
New financial assets purchased	16,590	-	-	16,590
Financial assets that have been derecognised	(2,272)	-	-	(2,272)
Change in credit risk	(13,896)	269	-	(13,627)
Exchange fluctuation	260	1	-	261
At 31 March 2022	42,310	2,188	20,849	65,347
At 1 January 2021	40,076	24,223	20,849	85,148
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 2	(527)	527	-	-
Total charge to Statement of Income:	(11,698)	(23,369)	-	(35,067)
New financial assets purchased	105,563	-	-	105,563
Financial assets that have been derecognised	(28,081)	(24,584)	-	(52,665)
Change in credit risk	(89,180)	1,215	-	(87,965)
Exchange fluctuation	13,947	367	-	14,314
At 31 December 2021	41,798	1,748	20,849	64,395

A10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

Expected credit losses movement for debt instruments at fair value through other comprehensive income (Continued):

The following expected credit losses is not recognised in the statement of financial position as the carrying amount of debt instruments at fair value through other comprehensive income is equivalent to their fair value. (continued)

The Company

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2022	12,328	-	-	12,328
Total charge to Statement of Income:	(2,344)	-	-	(2,344)
Change in credit risk	(2,344)	-	-	(2,344)
At 31 March 2022	9,984	-	-	9,984
At 1 January 2021	25,947	-	-	25,947
Total charge to Statement of Income:	(13,619)	-	-	(13,619)
Change in credit risk	(13,619)	-	-	(13,619)
At 31 December 2021	12,328	-	-	12,328

Gross carrying amount movement for debt instruments at fair value through other comprehensive income classified as credit impaired:

	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January/31 March 2022	20,849	20,849
At 1 January / 31 December 2021	20,849	20,849

A11. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Quoted securities		
<u>In Malaysia</u>		
Shares	31,099	30,039
<u>Outside Malaysia</u>		
Shares	1,661	1,981
Property fund	5,441	5,492
	38,201	37,512
Unquoted securities		
<u>In Malaysia</u>		
Shares	265,418	265,418
Property funds	189	189
<u>Outside Malaysia</u>		
Shares	12,260	12,759
Private equity funds	70	7,227
	277,937	285,593
	316,138	323,105

A12. DEBT INSTRUMENTS AT AMORTISED COST

	The Group		The Company	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Money market instruments:				
Unquoted				
Malaysian Government securities	7,404,752	7,086,208	-	-
Cagamas bonds	372,885	245,668	-	-
Other Government treasury bills	3,313,807	3,834,187	-	-
Other Government securities	2,215,699	2,022,944	-	-
Malaysian Government investment issue	15,696,958	15,617,821	-	-
Khazanah bonds	235,345	235,345	-	-
Negotiable instruments of deposit	64,494	127,679	-	-
	29,303,940	29,169,852	-	-
Unquoted securities				
<i>In Malaysia</i>				
Corporate bond and Sukuk	17,635,595	18,195,695	6,869,454	6,846,781
<i>Outside Malaysia</i>				
Corporate bond and Sukuk	4,568,865	4,166,266	-	-
Other Government bonds	6,139,843	5,091,327	-	-
	28,344,303	27,453,288	6,869,454	6,846,781
Total	57,648,243	56,623,140	6,869,454	6,846,781
Amortisation of premium, net of accretion of discount	100,426	30,445	-	-
Less : Expected credit losses	(564,638)	(647,245)	(38,851)	(47,967)
	57,184,031	56,006,340	6,830,603	6,798,814

Expected credit losses movement for debt instruments at amortised cost:

	The Group			
	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses - credit impaired	Total
	(Stage 1)	(Stage 2)	(Stage 3)	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	1,878	31,265	614,102	647,245
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	490	(490)	-	-
Transferred to Stage 2	(243)	243	-	-
Transferred to Stage 3	-	(3,177)	3,177	-
Total charge to Statement of Income:	7,572	(10,195)	(80,033)	(82,656)
New financial assets purchased	1,849	-	-	1,849
Financial assets that have been derecognised	(1,089)	-	-	(1,089)
Change in credit risk	6,812	(10,195)	(80,033)	(83,416)
Exchange fluctuation	40	1	8	49
At 31 March 2022	9,737	17,647	537,254	564,638
At 1 January 2021	9,096	735,922	11,471	756,489
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	228	(228)	-	-
Transferred to Stage 2	(144)	144	-	-
Transferred to Stage 3	-	(453,524)	453,524	-
Total charge to Statement of Income:	(7,363)	39,210	156,042	187,889
New financial assets purchased	12,819	-	-	12,819
Financial assets that have been derecognised	(615)	-	-	(615)
Change in credit risk	(19,567)	39,210	156,042	175,685
Write-offs	-	-	(7,020)	(7,020)
Exchange fluctuation	61	-	85	146
Other movements	-	(290,259)	-	(290,259)
At 31 December 2021	1,878	31,265	614,102	647,245

A12. DEBT INSTRUMENTS AT AMORTISED COST (Continued)

Expected credit losses movement for debt instruments at amortised cost (Continued):

	The Company				
	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000	
	At 1 January 2022	47,967	-	-	47,967
	Total charge to Statement of Income:	(9,116)	-	-	(9,116)
Change in credit risk	(9,116)	-	-	(9,116)	
At 31 March 2022	38,851	-	-	38,851	
At 1 January 2021	55,022	-	-	55,022	
Total charge to Statement of Income:	(7,055)	-	-	(7,055)	
Change in credit risk	(7,055)	-	-	(7,055)	
At 31 December 2021	47,967	-	-	47,967	

Gross carrying amount movement for debt instruments at amortised cost classified as credit impaired:

	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
	At 1 January 2022	1,231,144
Other changes in debts instruments	(628)	(628)
Exchange fluctuation	3,885	3,885
At 31 March 2022	1,234,401	1,234,401
At 1 January 2021	11,471	11,471
Transfer within stages	1,226,546	1,226,546
Write-offs	(7,020)	(7,020)
Other changes in debts instruments	5,578	5,578
Exchange fluctuation	(5,431)	(5,431)
At 31 December 2021	1,231,144	1,231,144

A13. LOANS, ADVANCES AND FINANCING

(i) By type

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
At amortised cost		
Overdrafts	4,793,282	4,745,193
Term loans/financing		
- Housing loans/financing	124,266,624	121,680,843
- Syndicated term loans	17,857,344	17,205,940
- Hire purchase receivables	24,783,275	24,098,907
- Lease receivables	165,753	149,074
- Factoring receivables	106,340	108,698
- Other term loans/financing	149,742,964	150,407,952
Bills receivable	7,768,844	6,884,735
Trust receipts	2,758,540	2,701,349
Claims on customers under acceptance credits	3,530,667	3,463,342
Staff loans *	1,728,673	1,710,211
Credit card receivables	8,330,382	8,379,069
Revolving credits	38,645,643	36,075,522
Share margin financing	64,065	63,946
Gross loans, advances and financing at amortised cost	384,542,396	377,674,781
Fair value changes arising from fair value hedges	(67,921)	(24,781)
	384,474,475	377,650,000
Less:		
- Expected credit losses	(13,515,595)	(13,323,081)
Net loans, advances and financing at amortised cost	370,958,880	364,326,919
At fair value through profit or loss		
Term loans/financing		
- Syndicated term loan	178,154	357,853
Gross loans, advances and financing at fair value through profit or loss	178,154	357,853
Total net loans, advances and financing	371,137,034	364,684,772
Total gross loans, advances and financing:		
- At amortised cost	384,542,396	377,674,781
- At fair value through profit or loss	178,154	357,853
	384,720,550	378,032,634

* Included in staff loans of the Group are loans to Directors amounting to RM3,106,193 (2021: RM3,062,694).

(a) Included in the Group's loans, advances and financing balances are RM23,268,000 (2021: RM23,684,000) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

(b) The Group has undertaken fair value hedge on the interest rate risk of loans, advances and financing with RM1,437,481,000 (2021: RM1,353,719,000), using interest rate swaps.

(c) Included in the loans, advances and financing of the Group at 31 March 2022 are financing which are disclosed as "Restricted Agency Investment Account" ("RAIA") in the financial statements of CIMB Islamic amounting to RM11,308,847,000 (2021: RM10,248,754,000). RAIA arrangement is with CIMB Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where CIMB Bank solely provide the funds, whilst the assets are managed by CIMB Islamic (as the Wakeel or agent). In the arrangement, CIMB Islamic has transferred substantially all the risk and rewards of ownership of the Investment (i.e the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and expected credit losses arising thereon, if any, are recognised and accounted for by CIMB Bank.

(ii) By type of customers

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Domestic banking institutions	569,048	331,689
Domestic non-bank financial institutions		
- Stockbroking companies	8,004	8,005
- Others	6,057,458	5,757,202
Domestic business enterprises		
- Small medium enterprises	51,260,183	50,591,611
- Others	63,682,870	61,916,846
Government and statutory bodies	10,089,952	10,043,045
Individuals	203,228,899	199,982,760
Other domestic entities	12,243,437	11,877,650
Foreign entities	37,580,699	37,523,826
Gross loans, advances and financing	384,720,550	378,032,634

A13. LOANS, ADVANCES AND FINANCING (Continued)**(iii) By interest/profit rate sensitivity**

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Fixed rate		
- Housing loans/financing	6,169,065	5,318,245
- Hire-purchase receivables	19,387,437	18,920,957
- Other fixed rate loans	45,260,377	43,301,652
Variable rate		
- BLR plus/BFR plus	124,182,376	125,868,417
- Cost plus	53,252,501	49,707,733
- Other variable rates	136,468,794	134,915,630
Gross loans, advances and financing	384,720,550	378,032,634

(iv) By economic purpose

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Personal use	22,306,901	22,018,829
Credit card	8,330,382	8,379,069
Purchase of consumer durables	278,966	242,000
Construction	14,002,139	14,039,720
Residential property (Housing)	124,415,009	122,156,586
Non-residential property	32,765,008	31,956,554
Purchase of fixed assets other than land and building	12,258,834	12,641,424
Mergers and acquisitions	2,429,264	3,164,943
Purchase of securities	21,313,764	23,610,624
Purchase of transport vehicles	25,035,964	24,085,306
Working capital	91,182,690	85,909,439
Other purposes	30,401,629	29,828,140
Gross loans, advances and financing	384,720,550	378,032,634

(v) By geographical distribution

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Malaysia	242,324,677	238,014,490
Indonesia	57,371,399	56,576,930
Thailand	29,457,519	30,727,520
Singapore	34,999,749	33,079,131
United Kingdom	3,801,384	3,799,797
Hong Kong	1,790,529	1,309,610
China	4,000,926	3,310,490
Other countries	10,974,367	11,214,666
Gross loans, advances and financing	384,720,550	378,032,634

(vi) By economic sector

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Primary agriculture	10,100,325	10,138,258
Mining and quarrying	4,842,779	4,768,308
Manufacturing	25,918,850	27,183,545
Electricity, gas and water supply	7,899,036	6,435,297
Construction	13,289,941	12,740,224
Transport, storage and communications	11,436,164	11,374,141
Education, health and others	18,015,175	18,447,390
Wholesale and retail trade, and restaurants and hotels	32,913,295	32,730,035
Finance, insurance/takaful, real estate and business activities	48,161,460	45,592,524
Household	191,007,280	188,211,528
Others	21,136,245	20,411,384
Gross loans, advances and financing	384,720,550	378,032,634

A13. LOANS, ADVANCES AND FINANCING (Continued)

(vii) By residual contractual maturity

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Within one year	87,163,088	87,723,465
One year to less than three years	25,593,434	24,148,032
Three years to less than five years	39,228,281	36,701,434
Five years and more	232,735,747	229,459,703
Gross loans, advances and financing	384,720,550	378,032,634

(viii) Credit impaired loans, advances and financing by economic purpose

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Personal use	453,762	444,434
Credit card	196,959	210,939
Purchase of consumer durables	2,300	2,490
Construction	1,453,167	1,464,882
Residential property (Housing)	1,963,397	1,791,582
Non-residential property	571,894	579,525
Purchase of fixed assets other than land and building	1,149,562	1,217,569
Mergers and acquisitions	307,504	308,533
Purchase of securities	190,323	185,663
Purchase of transport vehicles	203,607	285,425
Working capital	6,072,503	6,162,103
Other purpose	678,419	639,390
Gross credit impaired loans, advances and financing	13,243,397	13,292,535

(ix) Credit impaired loans, advances and financing by geographical distribution

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Malaysia	4,960,483	5,060,265
Indonesia	4,739,699	4,652,460
Thailand	1,353,151	1,288,608
Singapore	1,397,866	1,515,551
United Kingdom	7,594	7,658
Hong Kong	10	9
China	4,014	5,429
Other countries	780,580	762,555
Gross credit impaired loans, advances and financing	13,243,397	13,292,535

(x) Credit impaired loans, advances and financing by economic sector

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Primary agriculture	151,138	139,674
Mining and quarrying	1,324,760	1,418,398
Manufacturing	1,323,047	1,280,355
Electricity, gas and water supply	250,725	250,530
Construction	237,899	249,330
Transport, storage and communications	1,613,431	1,637,326
Education, health and others	203,674	207,436
Wholesale and retail trade, and restaurants and hotels	3,059,202	3,167,724
Finance, insurance/takaful, real estate and business activities	1,082,240	1,079,208
Household	2,563,889	2,489,810
Others	1,433,392	1,372,744
Gross credit impaired loans, advances and financing	13,243,397	13,292,535

A13. LOANS, ADVANCES AND FINANCING (Continued)

(xi) Movements in the expected credit losses for loans, advances and financing are as follows:

	The Group				Total RM'000
	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	
Loans, advances and financing at amortised cost					
At 1 January 2022	1,534,517	4,063,053	7,722,465	3,046	13,323,081
Changes in expected credit losses due to transfer within stages:	140,235	(186,173)	45,938	-	-
Transferred to Stage 1	239,581	(212,371)	(27,210)	-	-
Transferred to Stage 2	(95,044)	191,601	(96,557)	-	-
Transferred to Stage 3	(4,302)	(165,403)	169,705	-	-
Total charge to Statement of Income:	(175,289)	382,273	249,691	-	456,675
New financial assets originated	212,537	29,695	16,901	-	259,133
Financial assets that have been derecognised	(109,928)	(42,311)	-	-	(152,239)
Writeback in respect of full recoveries	-	-	(49,146)	-	(49,146)
Change in credit risk	(277,898)	394,889	281,936	-	398,927
Write-offs	(690)	(3,224)	(268,231)	-	(272,145)
Disposal of loans, advances and financing	-	-	(26,223)	-	(26,223)
Exchange fluctuation	3,569	3,120	31,040	24	37,753
Other movements	247	(24)	(3,769)	-	(3,546)
At 31 March 2022	1,502,589	4,259,025	7,750,911	3,070	13,515,595

A13. LOANS, ADVANCES AND FINANCING (Continued)

(xi) Movements in the expected credit losses for loans, advances and financing are as follows: (Continued)

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	The Group Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Loans, advances and financing at amortised cost					
At 1 January 2021	2,284,597	2,789,443	6,857,633	3,259	11,934,932
Changes in expected credit losses due to transfer within stages:	847,790	(1,493,530)	645,740	-	-
Transferred to Stage 1	1,782,005	(1,644,562)	(137,443)	-	-
Transferred to Stage 2	(921,438)	1,862,332	(940,894)	-	-
Transferred to Stage 3	(12,777)	(1,711,300)	1,724,077	-	-
Total charge to Statement of Income:	(1,612,815)	2,391,331	2,490,054	-	3,268,570
New financial assets originated	744,572	489,262	102,212	-	1,336,046
Financial assets that have been derecognised	(457,468)	(636,753)	-	-	(1,094,221)
Writeback in respect of full recoveries	-	-	(201,055)	-	(201,055)
Change in credit risk	(1,899,919)	2,538,822	2,588,897	-	3,227,800
Write-offs	(1,181)	(1,223)	(1,665,621)	-	(1,668,025)
Disposal of loans, advances and financing	(540)	(390)	(749,022)	-	(749,952)
Exchange fluctuation	10,496	21,528	82,010	(213)	113,821
Other movements	6,170	355,894	61,671	-	423,735
At 31 December 2021	1,534,517	4,063,053	7,722,465	3,046	13,323,081

For the financial year ended 31 December 2021, the overlays and post-model adjustments have been applied to determine a sufficient overall level of ECL. These overlays and post-model adjustments were taken to reflect the latest macroeconomic outlook not captured in the modelled outcome and the potential impact to delinquencies and defaults arising from the escalation of credit risk on certain segments of the targeted repayment assistance loans.

A13. LOANS, ADVANCES AND FINANCING (Continued)

(xii) Movements in credit impaired loans, advances and financing

Gross carrying amount movement of loans, advances and financing at amortised cost classified as credit impaired:

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	RM'000	RM'000	RM'000
At 1 January 2022	13,285,278	7,257	13,292,535
Transfer within stages	584,495	-	584,495
New financial assets originated	44,232	-	44,232
Write-offs	(268,231)	-	(268,231)
Amount fully recovered	(212,931)	-	(212,931)
Other changes in loans, advances and financing	(215,206)	(4)	(215,210)
Disposal of loans, advances and financing	(26,223)	-	(26,223)
Exchange fluctuation	44,674	56	44,730
At 31 March 2022	13,236,088	7,309	13,243,397

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	RM'000	RM'000	RM'000
At 1 January 2021	13,019,243	7,816	13,027,059
Transfer within stages	3,523,772	-	3,523,772
New financial assets originated	292,748	-	292,748
Write-offs	(1,668,494)	-	(1,668,494)
Amount fully recovered	(783,341)	-	(783,341)
Other changes in loans, advances and financing	(153,527)	(49)	(153,576)
Disposal of loans, advances and financing	(1,033,755)	-	(1,033,755)
Exchange fluctuation	88,632	(510)	88,122
At 31 December 2021	13,285,278	7,257	13,292,535

	The Group	
	31 March 2022	31 December 2021
Ratio of credit impaired loans to total loans, advances and financing	3.44%	3.52%

A14. OTHER ASSETS

	The Group		The Company	
	31 March 2022 RM'000	31 December 2021 RM'000	31 March 2022 RM'000	31 December 2021 RM'000
Due from brokers	4,402	146,389	-	-
Other debtors net of expected credit losses of RM685,883,000 (2021: RM522,551,000), deposits and prepayments	4,063,140	3,597,592	85,928	84,101
Treasury related receivables	3,405,152	1,702,413	-	-
Due from joint ventures	2,240,361	2,120,975	-	-
Structured financing	601,530	601,812	-	-
Foreclosed assets net of allowance for impairment losses of RM63,202,000 (2021: RM63,307,000)	172,039	188,909	-	-
Collateral pledged for derivative transactions	2,775,314	2,897,982	-	-
	13,261,938	11,256,072	85,928	84,101

Included in Other debtors net of expected credit losses, deposits and prepayments is related to receivables of settlement debit card balances. See A6.

A15. DEPOSITS FROM CUSTOMERS

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
<u>By type of deposit</u>		
Demand deposits	115,890,284	113,715,182
Savings deposits	74,749,371	72,337,231
Fixed deposits	148,031,370	151,957,865
Negotiable instruments of deposit	264,619	517,515
Others	81,913,404	83,890,299
	420,849,048	422,418,092
<u>By type of customer</u>		
Government and statutory bodies	15,072,375	12,260,870
Business enterprises	162,853,917	160,383,062
Individuals	173,161,860	174,607,407
Others	69,760,896	75,166,753
	420,849,048	422,418,092

The maturity structure of fixed deposits and negotiable instruments of deposit is as follows:

Due within six months	120,995,739	125,376,609
Six months to less than one year	25,805,324	25,724,027
One year to less than three years	1,419,301	1,286,007
Three years to five years	75,625	88,737
	148,295,989	152,475,380

A16. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Unrestricted investment accounts	11,727,598	10,427,167

A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Licensed banks	25,871,636	24,391,150
Licensed finance companies	2,534,047	2,387,433
Licensed investment banks	517,396	426,340
Bank Negara Malaysia	1,494,286	1,452,698
Other financial institutions	2,513,683	2,044,274
	32,931,048	30,701,895

The maturity structure of deposits and placements of banks and other financial institutions is as follows:

Due within six months	29,290,109	27,059,164
Six months to less than one year	1,855,510	1,618,555
One year to less than three years	178,551	423,543
Three years to less than five years	756,878	158,580
Five years and more	850,000	1,442,053
	32,931,048	30,701,895

A18. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Deposits from customers - structured investments	5,491,038	4,632,373
Bills payable	2,102,112	2,224,409
	7,593,150	6,856,782

The Group has issued structured investments, bills payable and debentures, and has designated them at fair value in accordance with MFRS 9. The Group has the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of financial liabilities designated at fair value of the Group at 31 March 2022 were RM282,941,000 lower (2021: RM129,118,000 lower) than the contractual amount at maturity for the structured investments and RM307,498,000 (2021: RM366,350,000) higher than the contractual amount at maturity for the bills payable.

A19. OTHER LIABILITIES

	The Group		The Company	
	31 March	31 December	31 March	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Due to brokers	38,793	24,579	-	-
Expenditure payable	2,649,294	2,956,183	7,896	3,089
Provision for legal claims	50,583	51,384	-	-
Sundry creditors	1,586,918	1,088,366	69	69
Treasury related payables	4,197,269	1,673,213	-	-
Structured deposits	3,712,883	3,810,335	-	-
Post employment benefit obligations	563,104	470,116	-	-
Credit card expenditure payable	182,241	168,065	-	-
Collateral pledged for derivative transactions	3,547,458	3,028,037	-	-
Expected credit losses for loan commitments and financial guarantee contracts	816,087	781,501	-	-
Prepayment	518,363	539,312	-	-
Others	2,030,586	1,239,734	-	-
	19,893,579	15,830,825	7,965	3,158

A19. OTHER LIABILITIES (Continued)

(a) Movements in the expected credit losses for loan commitments and financial guarantee contracts are as follows:

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	408,101	169,537	203,863	781,501
Changes in expected credit losses due to transfer within stages:	25,887	(27,494)	1,607	-
Transferred to Stage 1	31,806	(29,849)	(1,957)	-
Transferred to Stage 2	(5,854)	9,102	(3,248)	-
Transferred to Stage 3	(65)	(6,747)	6,812	-
Total charge to Statement of Income:	(64,317)	4,159	92,864	32,706
New exposures	66,833	3,014	-	69,847
Exposures derecognised or matured	(36,866)	(5,407)	(33,216)	(75,489)
Change in credit risk	(94,284)	6,552	126,080	38,348
Exchange fluctuation	723	194	941	1,858
Other movements	303	(60)	(221)	22
At 31 March 2022	370,697	146,336	299,054	816,087

	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	364,382	137,978	166,261	668,621
Changes in expected credit losses due to transfer within stages:	124,233	(132,434)	8,201	-
Transferred to Stage 1	170,005	(150,110)	(19,895)	-
Transferred to Stage 2	(45,348)	75,082	(29,734)	-
Transferred to Stage 3	(424)	(57,406)	57,830	-
Total charge to Statement of Income:	(91,734)	166,077	35,879	110,222
New exposures	218,156	4,272	931	223,359
Exposures derecognised or matured	(133,971)	(34,739)	(8,502)	(177,212)
Change in credit risk	(175,919)	196,544	43,450	64,075
Exchange fluctuation	1,626	(2,809)	(6,311)	(7,494)
Other movements	9,594	725	(167)	10,152
At 31 December 2021	408,101	169,537	203,863	781,501

As at 31 March 2022, the gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM489,041,000 (2021: RRM479,523,000) .

A20(a). INTEREST INCOME

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Group				
Loans, advances and financing				
- Interest income other than recoveries	2,869,001	2,960,283	2,869,001	2,960,283
- Unwinding income [^]	44,049	34,050	44,049	34,050
Money at call and deposit placements with financial institutions	84,831	78,851	84,831	78,851
Reverse repurchase agreements	31,510	29,717	31,510	29,717
Debt instruments at fair value through other comprehensive income	497,212	414,254	497,212	414,254
Debt instruments at amortised cost	412,498	437,236	412,498	437,236
Others	9,390	7,633	9,390	7,633
	3,948,491	3,962,024	3,948,491	3,962,024
Accretion of discounts less amortisation of premiums	(109,317)	(76,404)	(109,317)	(76,404)
	3,839,174	3,885,620	3,839,174	3,885,620

The Company

Money at call and deposit placements with financial institutions	252	1,150	252	1,150
Debt instruments at fair value through other comprehensive income	20,170	39,896	20,170	39,896
Debt instruments at amortised cost	69,056	68,231	69,056	68,231
	89,478	109,277	89,478	109,277
Accretion of discounts less amortisation of premiums	-	1	-	1
	89,478	109,278	89,478	109,278

[^] Included in unwinding income is interest income earned on credit impaired financial assets

A20(b) INTEREST INCOME FOR FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Group				
Financial investments at fair value through profit or loss	154,410	175,038	154,410	175,038
Loan, advances and financing at fair value through profit or loss	2,648	3,930	2,648	3,930
	157,058	178,968	157,058	178,968
Accretion of discounts, net of amortisation of premiums	(9,746)	(33,602)	(9,746)	(33,602)
	147,312	145,366	147,312	145,366

A21. INTEREST EXPENSE

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Group				
Deposits and placements of banks and other financial institutions	47,409	54,161	47,409	54,161
Deposits from customers	834,894	919,929	834,894	919,929
Repurchase agreements	84,213	79,598	84,213	79,598
Bonds, Sukuk and debentures	74,104	71,070	74,104	71,070
Subordinated obligations	89,277	121,793	89,277	121,793
Financial liabilities designated at fair value through profit or loss	49,334	7,233	49,334	7,233
Negotiable certificates of deposits	11,548	1,919	11,548	1,919
Other borrowings	49,914	49,062	49,914	49,062
Recourse obligation on loan and financing sold to Cagamas	5,934	12,486	5,934	12,486
Structured deposits	9,154	44,178	9,154	44,178
Lease liabilities	4,768	5,647	4,768	5,647
Others	3,962	4,641	3,962	4,641
	1,264,511	1,371,717	1,264,511	1,371,717
The Company				
Subordinated obligations	101,259	120,048	101,259	120,048
Other borrowings	33,144	32,641	33,144	32,641
	134,403	152,689	134,403	152,689

A22. MODIFICATION LOSS

In light of the Covid-19 outbreak, the Central Bank and Ministry of Finance of respective countries have introduced several relief measures to assist customer/ borrowers. These measures aim to ensure that the financial intermediation function of the financial sector remains intact, access to financial continues to be available, and banking institutions remain focused on supporting the economy during these exceptional circumstances.

Modification loss is the Day-1 loss arising from granting the payment relief on all loans/ financing repayment.

A23. NET NON-INTEREST INCOME

	1st quarter ended		Three months ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
The Group				
(a) Net fee income and commission income:				
Commissions	284,719	381,802	284,719	381,802
Fee on loans, advances and financing	130,865	111,594	130,865	111,594
Service charges and fees	159,116	129,372	159,116	129,372
Corporate advisory and arrangement fees	3,501	6,218	3,501	6,218
Guarantee fees	25,892	22,855	25,892	22,855
Other fee income	59,926	62,125	59,926	62,125
Placement fees	7,846	2,002	7,846	2,002
Underwriting commission	13,249	11,190	13,249	11,190
Fee and commission income	685,114	727,158	685,114	727,158
Fee and commission expense	(148,152)	(148,966)	(148,152)	(148,966)
Net fee and commission income	536,962	578,192	536,962	578,192
(b) Gross dividend income from:				
<i>In Malaysia</i>				
- Financial investments at fair value through profit or loss	11,222	14,518	11,222	14,518
<i>Outside Malaysia</i>				
- Equity instruments at fair value through other comprehensive income	189	314	189	314
	11,411	14,832	11,411	14,832
(c) Net loss arising from financial investments at fair value through profit or loss	(538,469)	(756,258)	(538,469)	(756,258)
- Realised	(302,202)	(86,494)	(302,202)	(86,494)
- Unrealised	(236,267)	(669,764)	(236,267)	(669,764)
(d) Net gain arising from derivative financial instruments	1,246,444	1,945,386	1,246,444	1,945,386
- Realised	730,163	494,530	730,163	494,530
- Unrealised	516,281	1,450,856	516,281	1,450,856
(e) Net gain arising from financial liability designated at fair value through profit or loss	186,162	104,282	186,162	104,282
- Realised	(10,036)	(11,125)	(10,036)	(11,125)
- Unrealised	196,198	115,407	196,198	115,407
(f) Net gain arising from hedging activities	23,471	2,919	23,471	2,919
(g) Net gain from sale of investment in debt instruments at fair value through other comprehensive income	92,028	129,537	92,028	129,537
(h) Net gain from redemption of debt instruments at amortised cost	12,740	-	12,740	-
(i) Net (loss)/gain arising from loans, advances and financing at fair value through profit or loss:	(853)	487	(853)	487
- Unrealised (loss)/gain	(853)	487	(853)	487
(j) Income from assets management and securities services	4,944	5,545	4,944	5,545
(k) Brokerage income	366	578	366	578
(l) Other non-interest income:				
Foreign exchange loss	(551,027)	(852,577)	(551,027)	(852,577)
Rental income	6,452	5,752	6,452	5,752
Gain on disposal of property, plant and equipment/ assets held for sale	12,177	3,056	12,177	3,056
Gain on disposal of loans, advances and financing	4,909	-	4,909	-
Gain/(loss) on disposal of foreclosed assets	2,456	(2,890)	2,456	(2,890)
Other non-operating income	18,610	21,832	18,610	21,832
	(506,423)	(824,827)	(506,423)	(824,827)
	1,068,783	1,200,673	1,068,783	1,200,673

A23. NET NON-INTEREST INCOME (CONTINUED)

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Company				
(a) Gross dividend income from:				
<u>In Malaysia</u>				
- Subsidiaries	1,200,000	50,820	1,200,000	50,820
(b) Other non-interest income:				
Foreign exchange gain	79	355	79	355
Rental income	69	77	69	77
Other non-operating income	-	980	-	980
	148	1,412	148	1,412
	1,200,148	52,232	1,200,148	52,232

A24. OVERHEADS

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Group				
Personnel costs				
- Salaries, allowances and bonus	1,111,588	1,063,949	1,111,588	1,063,949
- Pension cost	112,825	120,704	112,825	120,704
- Share-based expense ¹	10,486	-	10,486	-
- Overtime	4,316	3,634	4,316	3,634
- Staff incentives and other staff payments	57,338	137,414	57,338	137,414
- Medical expenses	22,045	21,777	22,045	21,777
- Others	45,104	71,813	45,104	71,813
	1,363,702	1,419,291	1,363,702	1,419,291
Establishment costs				
- Depreciation of property, plant and equipment	76,322	69,431	76,322	69,431
- Depreciation of right-of-use assets	52,914	58,621	52,914	58,621
- Amortisation of intangible assets	176,733	98,750	176,733	98,750
- Intangible assets written off	1,038	-	1,038	-
- Rental	20,663	19,149	20,663	19,149
- Repair and maintenance	169,552	177,632	169,552	177,632
- Outsourced services	3,748	13,914	3,748	13,914
- Security expenses	25,864	31,117	25,864	31,117
- Others	76,488	68,695	76,488	68,695
	603,322	537,309	603,322	537,309
Marketing expenses				
- Advertisement	24,473	27,708	24,473	27,708
- Others	9,516	2,982	9,516	2,982
	33,989	30,690	33,989	30,690
Administration and general expenses				
- Legal and professional fees	35,844	49,833	35,844	49,833
- Stationery	5,995	6,023	5,995	6,023
- Communication	22,460	24,380	22,460	24,380
- Incidental expenses on banking operations	28,869	23,322	28,869	23,322
- Insurance	24,144	17,042	24,144	17,042
- Others	159,213	182,584	159,213	182,584
	276,525	303,184	276,525	303,184
	2,277,538	2,290,474	2,277,538	2,290,474

¹ The long term incentive plan ("LTIP") was implemented by CIMBGH in June 2021. The LTIP awards ordinary shares and share options of the Company to eligible employees of the Group. The eligibility of participation in the LTIP shall be at the discretion of the LTIP Committee of CIMBGH, and the awarded shares and share options will be vested in stages at predetermined dates subject to continued employment and performance conditions.

A24. OVERHEADS (CONTINUED)

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Company				
- Others	16	-	16	-
	16	-	16	-
Establishment costs				
- Depreciation of property, plant and equipment	37	148	37	148
- Depreciation of investment properties	5	5	5	5
- Depreciation of right-of-use assets	-	3	-	3
- Repair and maintenance	26	-	26	-
- Others	25	20	25	20
	93	176	93	176
Administration and general expenses				
- Legal and professional fees	1,373	1,514	1,373	1,514
- Insurance	2,720	869	2,720	869
- Others	8,298	3,475	8,298	3,475
	12,391	5,858	12,391	5,858
	12,500	6,034	12,500	6,034

A25(a). EXPECTED CREDIT LOSSES ON LOANS, ADVANCES AND FINANCING

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Group				
Expected credit losses on loans, advances and financing at amortised cost	456,675	916,485	456,675	916,485
Credit impaired loans, advances and financing:				
- Recovered	(174,312)	(202,906)	(174,312)	(202,906)
- Written off	4,783	2,107	4,783	2,107
	287,146	715,686	287,146	715,686

A25(b). OTHER EXPECTED CREDIT LOSSES AND IMPAIRMENT ALLOWANCES

	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
The Group				
Other expected credit losses and impairment allowances (written back)/made:				
- Debt instrument at fair value through other comprehensive income	691	(15,077)	691	(15,077)
- Debt instrument at amortised cost	(82,656)	(1,661)	(82,656)	(1,661)
- Money at call and deposits and placements with banks and other financial institutions	(54)	(30)	(54)	(30)
Other impairment allowances made:				
- Other assets	186,254	34,195	186,254	34,195
	104,235	17,427	104,235	17,427

Included in the other impairment allowance made for other assets during the financial period is ECL related to settlement of debit card balances. See A6.

The Company

Other expected credit losses and impairment allowances written back:				
- Debt instrument at fair value through other comprehensive income	(2,344)	(1,338)	(2,344)	(1,338)
- Debt instrument at amortised cost	(9,116)	(3,070)	(9,116)	(3,070)
	(11,460)	(4,408)	(11,460)	(4,408)

A26. DERIVATIVE FINANCIAL INSTRUMENTS

The following tables summarise the contractual or underlying principal amounts of trading derivatives and financial instruments held for hedging purposes. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at the end of the reporting period, and do not represent amounts at risk.

Trading derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Derivative Financial Instruments" Assets and Liabilities respectively.

	The Group		
	Principal	Fair values	
	amount	Assets	Liabilities
At 31 March 2022	RM'000	RM'000	RM'000
<u>Trading derivatives</u>			
<u>Foreign exchange derivatives</u>			
Currency forward	47,465,910	192,946	(324,592)
- Less than 1 year	43,726,004	167,485	(211,253)
- 1 year to 3 years	3,245,222	24,113	(72,065)
- More than 3 years	494,684	1,348	(41,274)
Currency swaps	511,963,864	5,058,303	(4,546,486)
- Less than 1 year	508,808,075	5,022,743	(4,505,814)
- 1 year to 3 years	3,077,957	34,341	(39,568)
- More than 3 years	77,832	1,219	(1,104)
Currency spots	8,841,787	6,762	(6,517)
- Less than 1 year	8,841,787	6,762	(6,517)
Currency options	11,087,155	83,025	(93,374)
- Less than 1 year	7,472,313	30,847	(41,621)
- 1 year to 3 years	2,458,328	37,291	(39,106)
- More than 3 years	1,156,514	14,887	(12,647)
Cross currency interest rate swaps	98,797,482	2,034,330	(2,061,566)
- Less than 1 year	25,740,561	412,419	(498,784)
- 1 year to 3 years	37,432,012	833,648	(677,199)
- More than 3 years	35,624,909	788,263	(885,583)
	678,156,198	7,375,366	(7,032,535)
<u>Interest rate derivative</u>			
Interest rate swaps	393,610,497	3,302,549	(2,717,829)
- Less than 1 year	140,601,112	238,547	(237,595)
- 1 year to 3 years	132,750,347	816,890	(744,011)
- More than 3 years	120,259,038	2,247,112	(1,736,223)
Interest rate futures	11,340,939	60,256	(5,438)
- Less than 1 year	5,745,953	48,311	(5,438)
- 1 year to 3 years	3,070,932	9,296	-
- More than 3 years	2,524,054	2,649	-
Interest rate options	578,267	-	-
- Less than 1 year	578,267	-	-
	405,529,703	3,362,805	(2,723,267)
<u>Equity related derivatives</u>			
Equity futures	12,413	10	(70)
- Less than 1 year	12,413	10	(70)
Index futures	88,718	737	(504)
- Less than 1 year	88,718	737	(504)
Equity options	3,495,997	234,070	(118,902)
- Less than 1 year	3,246,323	229,001	(110,917)
- 1 year to 3 years	159,803	3,676	(6,592)
- More than 3 years	89,871	1,393	(1,393)
Equity swaps	320,193	16,519	(31,934)
- Less than 1 year	72,326	2,331	(1,634)
- 1 year to 3 years	247,681	14,188	(30,300)
- More than 3 years	186	-	-
	3,917,321	251,336	(151,410)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 March 2022	The Group		
	Principal amount RM'000	Fair values Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Commodity related derivatives</u>			
Commodity swaps	1,037,023	118,948	(117,200)
- Less than 1 year	1,037,023	118,948	(117,200)
Commodity futures	297,950	37,706	(20,943)
- Less than 1 year	297,950	37,706	(20,943)
Commodity options	7,647,740	44,907	(38,747)
- Less than 1 year	7,647,740	44,907	(38,747)
	8,982,713	201,561	(176,890)
<u>Credit related contract</u>			
Credit default swaps	3,314,014	30,651	(26,733)
- Less than 1 year	340,670	400	(5)
- 1 year to 3 years	154,508	1,584	(197)
- More than 3 years	2,818,836	28,667	(26,531)
Total return swaps	20,500	-	(774)
- More than 3 years	20,500	-	(774)
	3,334,514	30,651	(27,507)
<u>Bond contract</u>			
Bond Forward	2,987,718	298,898	(37,305)
- Less than 1 year	1,041,127	47,824	(32,450)
- 1 year to 3 years	1,299,862	170,182	(3,553)
- More than 3 years	646,729	80,892	(1,302)
<u>Hedging derivatives</u>			
Interest rate swaps	32,337,651	635,567	(267,776)
- Less than 1 year	5,145,129	62,275	(20,505)
- 1 year to 3 years	6,691,816	83,609	(35,962)
- More than 3 years	20,500,706	489,683	(211,309)
Currency swaps	4,592,915	17,051	(7,976)
- Less than 1 year	4,592,915	17,051	(7,976)
Cross currency interest rate swaps	3,344,972	85,991	(56,273)
- Less than 1 year	529,163	28,348	(211)
- 1 year to 3 years	1,234,698	37,091	(15,076)
- More than 3 years	1,581,111	20,552	(40,986)
	40,275,538	738,609	(332,025)
Total derivative assets/(liabilities)	1,143,183,705	12,259,226	(10,480,939)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2021	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	48,268,030	273,110	(504,818)
- Less than 1 year	44,880,812	255,157	(375,141)
- 1 year to 3 years	2,744,734	12,317	(75,023)
- More than 3 years	642,484	5,636	(54,654)
Currency swaps	462,821,680	5,105,674	(4,362,735)
- Less than 1 year	461,052,106	5,071,526	(4,328,502)
- 1 year to 3 years	1,674,882	33,322	(33,138)
- More than 3 years	94,692	826	(1,095)
Currency spots	3,567,881	2,411	(2,683)
- Less than 1 year	3,567,881	2,411	(2,683)
Currency options	9,957,690	85,491	(107,761)
- Less than 1 year	5,025,423	21,894	(41,606)
- 1 year to 3 years	3,763,207	40,733	(35,420)
- More than 3 years	1,169,060	22,864	(30,735)
Cross currency interest rate swaps	103,324,627	2,217,248	(2,448,209)
- Less than 1 year	30,266,673	450,747	(819,096)
- 1 year to 3 years	35,233,715	915,623	(680,226)
- More than 3 years	37,824,239	850,878	(948,887)
	627,939,908	7,683,934	(7,426,206)
<u>Interest rate derivative</u>			
Interest rate swaps	390,444,647	3,180,687	(2,666,625)
- Less than 1 year	135,607,771	246,056	(234,571)
- 1 year to 3 years	128,331,197	791,777	(786,651)
- More than 3 years	126,505,679	2,142,854	(1,645,403)
Interest rate futures	10,776,877	5,097	(11,590)
- Less than 1 year	4,985,334	4,451	(10,773)
- 1 year to 3 years	3,916,583	646	(231)
- More than 3 years	1,874,960	-	(586)
Interest rate options	573,385	-	(4)
- Less than 1 year	573,385	-	(4)
	401,794,909	3,185,784	(2,678,219)
<u>Equity related derivatives</u>			
Equity futures	6,635	25	(1)
- Less than 1 year	6,635	25	(1)
Index futures	86,994	949	(344)
- Less than 1 year	86,994	949	(344)
Equity options	3,573,508	239,628	(97,392)
- Less than 1 year	3,341,932	234,979	(88,474)
- 1 year to 3 years	141,574	2,445	(6,714)
- More than 3 years	90,002	2,204	(2,204)
Equity swaps	318,757	4,168	(37,814)
- Less than 1 year	11,742	-	(228)
- 1 year to 3 years	214,663	4,029	(37,586)
- More than 3 years	92,352	139	-
	3,985,894	244,770	(135,551)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2021	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Commodity related derivatives</u>			
Commodity swaps	845,600	46,861	(52,785)
- Less than 1 year	818,500	45,692	(51,124)
- 1 year to 3 years	27,100	1,169	(1,661)
Commodity futures	379,825	15,422	(6,619)
- Less than 1 year	379,825	15,422	(6,619)
Commodity options	8,351,321	146,506	(153,068)
- Less than 1 year	8,351,321	146,506	(153,068)
	9,576,746	208,789	(212,472)
<u>Credit related contract</u>			
Credit default swaps	3,564,557	47,678	(35,529)
- Less than 1 year	338,534	799	(12)
- 1 year to 3 years	143,061	1,969	(503)
- More than 3 years	3,082,962	44,910	(35,014)
Total return swaps	20,500	-	(1,248)
- More than 3 years	20,500	-	(1,248)
	3,585,057	47,678	(36,777)
Bond contract			
Bond forward	3,033,180	164,834	(115,204)
- Less than 1 year	1,178,155	23,382	(92,431)
- 1 year to 3 years	1,262,148	99,231	(18,664)
- More than 3 years	592,877	42,221	(4,109)
Hedging derivatives			
Interest rate swaps	30,246,111	333,317	(248,412)
- Less than 1 year	7,540,968	72,435	(24,417)
- 1 year to 3 years	6,422,345	60,052	(49,702)
- More than 3 years	16,282,798	200,830	(174,293)
Currency swaps	4,543,474	43,058	(8,797)
- Less than 1 year	4,543,474	43,058	(8,797)
Cross currency interest rate swaps	3,375,973	77,433	(33,817)
- Less than 1 year	104,740	6,583	(894)
- 1 year to 3 years	1,416,719	55,693	(4,033)
- More than 3 years	1,854,514	15,157	(28,890)
	38,165,558	453,808	(291,026)
Total derivative assets/(liabilities)	1,088,081,252	11,989,597	(10,895,455)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

The Group's derivative financial instruments are subject to market risk, credit risk and liquidity risk, as follows:

Market Risk

Market risk is defined as any fluctuation in the value arising from changes in value of market risk factors such as interest rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility. The contractual amounts provide only a measure of involvement in these types of transactions and do not represent the amounts subject to market risk. The Group's risk management department monitors and manages market risk exposure via stress testing of the Group's Value-at-Risk (VaR) model, in addition to reviewing and analysing its treasury trading strategy, positions and activities vis-à-vis changes in the financial market, monitoring limit usage, assessing limit adequacy, and verifying transaction prices.

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 March 2022, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM12,259,226,000 (2021: RM11,989,597,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.

Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 March 2022, the Group has posted cash collateral of RM2,775,314,000 (2021: RM2,897,982,000) on their derivative contracts.

There have been no changes since the end of the previous financial year in respect of the following:

- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts;
- c) the hedging policies in respect of foreign exchange and interest/profit rate exposures; and
- d) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group are disclosed in the audited financial statements for the financial year ended 31 December 2021 and the Risk Management section of the 2021 Annual Report.

A27. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group enter into various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured over the Group's assets except for certain financial assets at fair value through profit or loss being pledged as credit support assets for certain over-the-counter derivative contracts.

	31 March 2022 Principal Amount RM'000	31 December 2021 Principal Amount RM'000
The Group		
<u>Credit-related</u>		
Direct credit substitutes	7,032,563	7,032,364
Certain transaction-related contingent items	6,775,588	6,652,316
Short-term self-liquidating trade-related contingencies	4,681,768	3,315,027
Obligations under underwriting agreement	-	14,044
Irrevocable commitments to extend credit		
- maturity not exceeding one year	72,503,577	72,060,271
- maturity exceeding one year	33,489,889	33,989,202
Miscellaneous commitments and contingencies	1,488,274	2,010,717
Total credit-related commitments and contingencies	125,971,659	125,073,941
<u>Treasury-related</u>		
<u>Foreign exchange related contracts</u>		
- less than one year	599,710,818	549,441,109
- one year to five years	68,588,278	68,560,764
- more than five years	17,794,989	17,857,482
	686,094,085	635,859,355
<u>Interest rate related contracts</u>		
- less than one year	152,070,461	148,707,460
- one year to five years	214,602,822	219,275,894
- more than five years	71,194,071	64,057,666
	437,867,354	432,041,020
<u>Equity related contracts</u>		
- less than one year	3,419,780	3,447,303
- one year to five years	407,670	448,589
- more than five years	89,871	90,002
	3,917,321	3,985,894
<u>Credit related contracts</u>		
- less than one year	340,670	338,534
- one year to five years	1,772,868	3,170,347
- more than five years	1,220,976	76,176
	3,334,514	3,585,057
<u>Commodity related contracts</u>		
- less than one year	8,982,713	9,549,646
- one year to five years	-	27,100
	8,982,713	9,576,746
<u>Bond contracts</u>		
- less than one year	1,041,127	1,178,155
- one year to five years	1,936,591	1,825,025
- more than five years	10,000	30,000
	2,987,718	3,033,180
Total treasury-related commitments and contingencies	1,143,183,705	1,088,081,252
	1,269,155,364	1,213,155,193
Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account, as follows:		
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	1,500,000	2,500,000

A28. CAPITAL ADEQUACY

The capital adequacy ratios of the Group and its banking subsidiaries are computed as follows:

The capital adequacy framework applicable to the Malaysian banking entities is based on the Bank Negara Malaysia (“BNM”) Capital Adequacy Framework (“CAF”) (Capital Components)/Capital Adequacy Framework for Islamic Banks (“CAFIB”) (Capital Components), of which the latest revision was issued on 9 December 2020. The revised guidelines took effect on 9 December 2020 for all banking institutions and financial holding companies and sets up the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

On 5 February 2020, BNM issued the policy document on Domestic Systemically Important Banks (D-SIB) Framework, which sets out BNM’s assessment methodology to identify D-SIBs in Malaysia, following which CIMB Group Holdings Berhad has been identified as a D-SIB. A D-SIB is required to maintain additional capital buffers to regulatory capital requirements that include a higher loss absorbency (HLA) requirement which came into effect on 31 January 2021. The applicable HLA requirements will be in accordance to the list of D-SIBs published and updated by BNM on an annual basis.

The risk-weighted assets of the Bank Group and the Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets), of which the latest revision was issued on 3 May 2019.

The Internal Ratings Based (“IRB”) Approach adopted by CIMB Bank and CIMB Islamic Bank is applied for the major credit exposures with retail exposures on Advanced IRB approach and non-retail exposures on Foundation IRB approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on the Basic Indicator Approach. As for CIMB Investment Bank Group, the Standardised Approach is applied for Credit Risk and Market Risk while Operational Risk is based on the Basic Indicator Approach.

The capital adequacy ratios of CIMB Thai Bank is based on the Bank of Thailand (BOT) Notification No. SorNorSor. 12/2555 Re: Regulations on Supervision of Capital for Commercial Banks, dated 8 November 2012. Credit Risk and Market Risk are based on Standardised Approach while Operational Risk is based on Basic Indicator Approach.

The capital adequacy ratios of Bank CIMB Niaga is based on Otoritas Jasa Keuangan (OJK)’s requirements. The approach for Credit Risk and Market Risk is based on the Standardised Approach while Operational Risk is based on the Basic Indicator Approach.

The regulatory compliance ratio of CIMB Bank PLC refers to the Solvency Ratio. The Solvency ratio is computed in accordance with Prakas B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived from CIMB Bank PLC’s net worth divided by its risk-weighted assets.

The capital adequacy ratio of CIMB Bank (Vietnam) Ltd. is calculated and managed according to local regulations as per the requirement of State Bank of Vietnam (SBV) in Circular 41/2016/TT-NHNN (dated 30 December 2016), which requires banks and branches of foreign banks to maintain the minimum CAR at 8% which covers credit, market and operational risk.

A28. CAPITAL ADEQUACY (Continued)**31 March 2022**

(a) The capital adequacy ratios of the Group is as follows:

	The Group
Common equity tier 1 ratio	13.830%
Tier 1 ratio	14.704%
Total capital ratio	<u>17.551%</u>

The Group implemented a Dividend Reinvestment Scheme (“DRS”) for the single-Tier Second Interim dividend in respect of the financial year ended 31 December 2021, which would increase the capital adequacy ratios of the Group above those stated above.

(b) The breakdown of risk-weighted assets (“RWA”) by each major risk category is as follows:

	The Group RM*000
Credit risk ⁽¹⁾	269,856,889
Market risk	19,813,178
Large exposure risk requirements	842,205
Operational risk	<u>32,548,087</u>
Total risk-weighted assets	<u>323,060,359</u>

⁽¹⁾ The RWA for credit risk relating to the Restricted Agency Investment Account are as follows:

	The Group RM*000
Under Restricted Agency Investment Account arrangement	<u>792,652</u>

(c) Components of Common Equity Tier 1, Additional Tier 1 and Tier 2 capital are as follows:

	The Group RM*000
Common Equity Tier 1 capital	
Ordinary share capital	27,099,681
Other reserves	30,183,188 *
Qualifying non-controlling interests	<u>468,024</u>
Common Equity Tier 1 capital before regulatory adjustments	57,750,893
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,448,900)
Intangible assets	(1,768,391)
Deferred tax assets	(1,824,134)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,850,299)
Regulatory reserve	(300,611)
Others	<u>122,279</u>
Common Equity Tier 1 capital after regulatory adjustments	<u>44,680,837</u>
Additional Tier 1 capital	
Perpetual subordinated capital securities	2,750,000
Qualifying capital instruments held by third parties	<u>70,974</u>
	2,820,974
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,820,974</u>
Total Tier 1 capital	<u>47,501,811</u>

A28. CAPITAL ADEQUACY (Continued)

(c) Components of Common Equity Tier 1, Additional Tier 1 and Tier 2 capital are as follows (Continued):

	The Group RM'000
Tier 2 capital	
Subordinated notes	6,800,000
Qualifying capital instruments held by third parties	70,540
Surplus eligible provisions over expected loss	964,852
General provisions [√]	<u>1,363,104</u>
Tier 2 capital before regulatory adjustments	<u>9,198,496</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	<u>-</u>
Total Tier 2 capital	<u>9,198,496</u>
 Total capital	 <u>56,700,307</u>

(d) The capital adequacy of the banking subsidiary companies of the Group are as follows:

	CIMB Bank Group	CIMB Bank **	CIMB Islamic Bank	CIMB Investment Bank Group	CIMB Thai Bank	Bank CIMB Niaga	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
Common equity tier 1 ratio	14.764%	14.091%	14.045%	94.182%	15.291%	21.740%	N/A	N/A
Tier 1 ratio	15.456%	14.912%	14.748%	94.182%	15.291%	21.740%	N/A	N/A
Total capital ratio	<u>18.846%</u>	<u>18.063%</u>	<u>17.341%</u>	<u>94.196%</u>	<u>21.373%</u>	<u>22.823%</u>	<u>18.928%</u>	<u>78.531%</u>

* Includes the proposed single-tier second interim dividend of RM1,283 million in respect of the financial year ended 31 December 2021 which was paid on 25 April 2022.

** Includes the operations of CIMB Bank (L) Limited.

[√] Total Capital of CIMB Group as at 31 March 2022 has excluded general provisions restricted from Tier 2 capital of RM1,322 million.

A28. CAPITAL ADEQUACY (Continued)**31 December 2021**

(a) The capital adequacy ratios of the Group is as follows:

	The Group
Before deducting proposed dividend	
Common equity tier 1 ratio	14.596%
Tier 1 ratio	15.481%
Total capital ratio	<u>18.373%</u>
After deducting proposed dividend	
Common equity tier 1 ratio	14.194%
Tier 1 ratio	15.079%
Total capital ratio	<u>17.970%</u>

The Group implemented a Dividend Reinvestment Scheme ("DRS") for the single-Tier Second Interim dividend in respect of the financial year ended 31 December 2021, which would increase the capital adequacy ratios of the Group above those stated above.

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is as follows:

	The Group RM'000
Credit risk ⁽¹⁾	266,883,396
Market risk	18,638,489
Large exposure risk requirements	891,987
Operational risk	<u>32,221,575</u>
Total risk-weighted assets	<u>318,635,447</u>
⁽¹⁾ The RWA for credit risk relating to the Restricted Agency Investment Account are as follows:	The Group RM'000
Under Restricted Agency Investment Account arrangement	<u>1,227,746</u>

(c) Components of Common Equity Tier 1, Additional Tier 1 and Tier 2 capital are as follows:

	The Group RM'000
Common Equity Tier 1 capital	
Ordinary share capital	27,099,681
Other reserves	31,763,582
Qualifying non-controlling interests	460,905
Less: Proposed dividends	<u>(1,282,792)</u>
Common Equity Tier 1 capital before regulatory adjustments	58,041,376
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,444,100)
Intangible assets	(1,857,470)
Deferred tax assets	(1,626,326)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,839,107)
Regulatory reserve	(129,286)
Others	80,941
Common Equity Tier 1 capital after regulatory adjustments	<u>45,226,028</u>
Additional Tier 1 capital	
Perpetual subordinated capital securities	2,750,000
Qualifying capital instruments held by third parties	69,650
	<u>2,819,650</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,819,650</u>
Total Tier 1 capital	<u>48,045,678</u>

A28. CAPITAL ADEQUACY (Continued)

(c) Components of Common Equity Tier 1, Additional Tier 1 and Tier 2 capital are as follows (Continued):

	The Group RM'000
Tier 2 capital	
Subordinated notes	6,800,000
Qualifying capital instruments held by third parties	69,341
Surplus eligible provisions over expected loss	915,176
General provisions √	<u>1,429,425</u>
Tier 2 capital before regulatory adjustments	9,213,942
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	<u>-</u>
Total Tier 2 capital	<u>9,213,942</u>
Total capital	<u>57,259,620</u>

(d) The capital adequacy of the banking subsidiary companies of the Group are as follows:

	CIMB Bank Group	CIMB Bank **	CIMB Islamic Bank	CIMB Investment Bank Group	CIMB Thai Bank	Bank CIMB Niaga	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
<u>Before deducting proposed dividend</u>								
Common equity tier 1 ratio	15.443%	14.919%	15.109%	93.350%	15.701%	21.216%	N/A	N/A
Tier 1 ratio	16.228%	15.834%	15.875%	93.350%	15.701%	21.216%	N/A	N/A
Total capital ratio	<u>19.690%</u>	<u>19.051%</u>	<u>18.853%</u>	<u>93.365%</u>	<u>21.797%</u>	<u>22.294%</u>	<u>17.525%</u>	<u>112.477%</u>
<u>After deducting proposed dividend</u>								
Common equity tier 1 ratio	15.185%	14.530%	15.109%	88.272%	15.701%	21.216%	N/A	N/A
Tier 1 ratio	15.970%	15.445%	15.875%	88.272%	15.701%	21.216%	N/A	N/A
Total capital ratio	<u>19.432%</u>	<u>18.662%</u>	<u>18.853%</u>	<u>88.288%</u>	<u>21.797%</u>	<u>22.294%</u>	<u>17.525%</u>	<u>112.477%</u>

** Includes the operations of CIMB Bank (L) Limited.

√ Total Capital of CIMB Group as at 31 December 2021 has excluded general provisions restricted from Tier 2 capital of RM1,317 million.

A29. SEGMENTAL REPORT

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Group Executive Committee as its chief operating decision-maker.

Segment information is presented in respect of the Group's business segment and geographical segment.

All inter-segment transactions are conducted on an arm's length basis and on normal commercial terms not more favourable than those generally available to the public.

The business segment results are prepared based on the Group's internal management reporting, which reflect the organisation's management reporting structure.

Business segment reporting

Definition of segments:

The Group has four major operation divisions that forms the basis on which the Group reports its segment information.

Consumer Banking

Consumer Banking provides everyday banking solutions to individual customers covering both conventional and Islamic financial products and services such as residential property loans, non-residential property loans, secured personal loans, motor vehicle financing, credit cards, unsecured personal financing, wealth management, bancassurance, remittance and foreign exchange, deposits and internet banking services.

Commercial Banking

Commercial Banking offers products and services for customer segments comprising small and medium-scale enterprises ("SMEs") and mid-sized corporations. Their products and services include banking credit facilities, trade financing, cash management, online business banking platform, remittance and foreign exchange, as well as general deposit products.

Wholesale Banking

Wholesale Banking comprises Investment Banking, Corporate Banking, Treasury and Markets, Transaction Banking, Equities and Private Banking.

Investment Banking includes end-to-end client coverage and advisory services. Client coverage focuses on marketing and delivering solutions to corporate and financial institutional clients whereas advisory offers financial advisory services to corporations on issuance of equity and equity-linked products, debt restructuring, initial public offerings, secondary offerings and general corporate advisory.

Corporate Banking offers a broad spectrum of both conventional and Islamic funding solutions ranging from trade, working capital lines and capital expenditure to leveraging, merger and acquisition, leveraged and project financing. Corporate Banking's client managers partner with product specialists within the Group to provide a holistic funding solution, from cash management, trade finance, foreign exchange, custody and corporate loans, to derivatives, structured products and debt capital market.

Treasury focuses on treasury activities and services which include foreign exchange, money market, derivatives and trading of capital market instruments. It includes the Group's equity derivatives which develops and issues new equity derivatives instruments such as structured warrants and over-the-counter options to provide investors with alternative investment avenues.

Transaction Banking comprises Trade Finance and Cash Management which provide various trade facilities and cash management solutions.

A29. SEGMENTAL REPORT (Continued)

Wholesale Banking (Continued)

Equities provides broking services to corporate, institutional and retail clients.

Private Banking offers a full suite of wealth management solutions to high net worth individuals with access to a complete range of private banking services, extending from investment to securities financing to trust services.

CIMB Digital Assets & Group Funding

CIMB Digital Assets drives all strategic partnerships across business lines Group-wide and explores strategic equity joint ventures in the ecosystem space. Group Funding encompasses a wide range of activities from capital, balance sheet and fixed income investments and management, as well as the funding and incubation of corporate ventures and projects.

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 March 2022					
Net interest income - after modification loss					
- external income	1,201,538	439,604	764,005	315,064	2,720,211
- inter-segment income/(expense)	646	106,848	23,518	(131,012)	-
	1,202,184	546,452	787,523	184,052	2,720,211
Income from Islamic Banking operations	469,460	200,257	164,200	113,193	947,110
Net non-interest income	440,108	137,465	430,231	60,979	1,068,783
Gain on disposal of a joint venture	-	-	-	265	265
Net income	2,111,752	884,174	1,381,954	358,489	4,736,369
Overheads	(1,081,369)	(447,445)	(516,428)	(232,296)	(2,277,538)
of which:					
- Depreciation of property, plant and equipment	(28,275)	(1,124)	(4,509)	(42,414)	(76,322)
- Amortisation of intangible assets	(33,514)	(2,845)	(23,865)	(116,509)	(176,733)
Profit before expected credit losses	1,030,383	436,729	865,526	126,193	2,458,831
Expected credit losses (made)/written back on loans, advances and financing	(115,069)	13,455	(165,141)	(20,391)	(287,146)
Expected credit losses written back/(made) for commitments and contingencies	60,951	(4,604)	(89,059)	6	(32,706)
Other expected credit losses and impairment allowances (made)/written back	(262,185)	(598)	153,640	4,908	(104,235)
Segment results	714,080	444,982	764,966	110,716	2,034,744
Share of results of joint ventures	6,239	-	-	(1,581)	4,658
Share of results of associates	-	-	8,242	22	8,264
Profit before taxation and zakat	720,319	444,982	773,208	109,157	2,047,666
% of profit before taxation and zakat	35.2	21.7	37.8	5.3	100.0
Taxation and zakat					(580,259)
Profit for the financial period					1,467,407

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 March 2021					
Net interest income - after net modification gain					
- external income	1,172,225	492,052	722,592	276,687	2,663,556
- inter-segment income/(expense)	26,174	63,896	16,269	(106,339)	-
	1,198,399	555,948	738,861	170,348	2,663,556
Income from Islamic Banking operations	399,770	173,119	158,257	157,830	888,976
Net non-interest income	497,628	126,422	487,138	89,485	1,200,673
Gain on disposal and deemed disposal of subsidiaries	-	-	-	1,155,549	1,155,549
Net income	2,095,797	855,489	1,384,256	1,573,212	5,908,754
Overheads	(1,121,272)	(445,961)	(497,436)	(225,805)	(2,290,474)
of which:					
- Depreciation of property, plant and equipment	(27,302)	(1,227)	(3,434)	(37,468)	(69,431)
- Amortisation of intangible assets	(22,668)	(1,249)	(8,669)	(66,164)	(98,750)
Profit before expected credit losses	974,525	409,528	886,820	1,347,407	3,618,280
Expected credit losses made back on loans, advances and financing	(330,180)	(116,349)	(264,530)	(4,627)	(715,686)
Expected credit losses (made)/written back for commitments and contingencies	(5,353)	35	(17,340)	4	(22,654)
Other expected credit losses and impairment allowances (made)/written back	(33,858)	(446)	(1,683)	18,560	(17,427)
Segment results	605,134	292,768	603,267	1,361,344	2,862,513
Share of results of joint ventures	9,371	-	19,515	6,312	35,198
Share of results of associates	-	-	-	28	28
Profit before taxation and zakat	614,505	292,768	622,782	1,367,684	2,897,739
% of profit before taxation and zakat	21.2	10.1	21.5	47.2	100.0
Taxation and zakat					(422,850)
Profit for the financial period					2,474,889

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 March 2022 Group					
Segment assets	200,789,043	60,985,978	259,226,793	91,873,588	612,875,402
Investment in associates and joint ventures	152,396	-	673,706	2,118,911	2,945,013
	200,941,439	60,985,978	259,900,499	93,992,499	615,820,415
Unallocated assets	-	-	-	-	16,781,342
Total assets	200,941,439	60,985,978	259,900,499	93,992,499	632,601,757
Segment liabilities	163,059,334	78,488,041	269,307,170	39,068,797	549,923,342
Unallocated liabilities	-	-	-	-	21,615,630
Total liabilities	163,059,334	78,488,041	269,307,170	39,068,797	571,538,972
Other segment items					
Capital expenditure	52,612	3,062	19,877	47,512	123,063
Investment in joint ventures	152,396	-	-	2,031,817	2,184,213
Investment in associates	-	-	673,706	87,094	760,800

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2021 Group					
Segment assets	192,293,384	60,119,398	258,852,115	92,073,779	603,338,676
Investment in associates and joint ventures	151,157	-	673,706	2,127,283	2,952,146
	192,444,541	60,119,398	259,525,821	94,201,062	606,290,822
Unallocated assets	-	-	-	-	15,616,236
Total assets	192,444,541	60,119,398	259,525,821	94,201,062	621,907,058
Segment liabilities	161,268,385	78,564,205	257,604,225	47,519,805	544,956,620
Unallocated liabilities	-	-	-	-	16,841,690
Total liabilities	161,268,385	78,564,205	257,604,225	47,519,805	561,798,310
Other segment items					
Capital expenditure	223,479	14,031	79,509	727,102	1,044,121
Investment in joint ventures	151,157	-	-	2,030,188	2,181,345
Investment in associates	-	-	673,706	97,095	770,801

A30. FAIR VALUE ESTIMATION

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

Determination of fair value and fair value hierarchy

The fair value hierarchy has the following levels:

Level 1 - Inputs to the valuation methodology are quoted prices (unadjusted) for identical assets or liabilities in active markets.

Level 2 - Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets; or
- Quoted prices for identical or similar assets and liabilities in non-active markets; or
- Inputs that are observable for the asset or liability, either directly or indirectly, for substantially the full term of the financial instrument.

Level 3 - One or more inputs to the valuation methodology are unobservable and significant to the fair value measurement.

Assets/liabilities are classified as Level 1 when the valuation is based on quoted prices for identical assets or liabilities in active markets.

Assets/liabilities are regarded as being quoted in an active market if the prices are readily available from a published and reliable source and those prices represent actual and regularly occurring market transactions on an arm's length basis.

When fair value is determined using quoted prices of similar assets/liabilities in active markets or quoted prices of identical or similar assets and liabilities in non-active markets, such assets/liabilities are classified as Level 2. In cases where quoted prices are generally not available, the Group determines fair value based upon valuation techniques that use market parameters as inputs. Most valuation techniques employ observable market data, including but not limited to yield curves, equity prices, volatilities and foreign exchange rates.

Assets/liabilities are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data. Such inputs are determined based on observable inputs of a similar nature, historical observations or other analytical techniques.

If prices or quotes are not available for an instrument or a similar instrument, fair value will be established by using valuation techniques or Mark-to-Model. Judgment may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters. The valuation models shall also consider relevant transaction data such as maturity. The inputs are then benchmarked and extrapolated to derive the fair value.

Valuation Model Review and Approval

- Fair valuation of financial instruments is determined either through Mark-to-Market or Mark-to-Model methodology, as appropriate;
- Market Risk Management is mandated to perform mark-to-market, mark-to-model and rate reasonableness verification. Market price and/or rate sources for Mark-to-Market are validated by Market Risk Management as part and parcel of market data reasonableness verification;
- Valuation methodologies for the purpose of determining Mark-to-Model prices will be verified by Group Risk Management Quantitative analysts before submitting to the GMRC for approval;
- Mark-to-Model process shall be carried out by Market Risk Management in accordance with the approved valuation methodologies. Group Risk Management Quantitative analysts are responsible for independent evaluation and validation of the Group's financial models used for valuation;
- Group Risk Management Quantitative analysts are the guardian of the financial models and valuation methodologies. Market rate sources and model inputs for the purpose of Mark-to-Model must be verified by Group Risk Management Quantitative analysts and approved by Regional Head, Market Risk Management and/or the GMRC;
- Model risk and unobservable parameter reserve must be considered to provide for the uncertainty of the model assumptions;
- The Group's policy is to recognise transfers into and transfers out of fair value hierarchy levels as of the date of the event or change in circumstances that caused the transfer; and
- Independent price verification process shall be carried out by Market Risk Management to ensure that financial assets/liabilities are recorded at fair value.

A30. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and the Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 March 2022 and 31 December 2021 .

The Group	Fair Value			Total
	Level 1	Level 2	Level 3	
31 March 2022	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
Financial assets				
Financial investments at fair value through profit or loss				
- Money market instruments	-	32,091,543	402,105	32,493,648
- Quoted securities	1,396,768	-	-	1,396,768
- Unquoted securities	-	8,588,304	1,170,838	9,759,142
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	17,832,172	-	17,832,172
- Unquoted securities	-	43,521,414	-	43,521,414
Equity instruments at fair value through other comprehensive income				
- Quoted securities	38,201	-	-	38,201
- Unquoted securities	-	-	277,937	277,937
Derivative financial instruments				
- Trading derivatives	120,682	11,168,869	231,066	11,520,617
- Hedging derivatives	-	738,609	-	738,609
Loans, advances and financing at fair value through profit or loss				
-	-	178,154	-	178,154
Total	1,555,651	114,119,065	2,081,946	117,756,662
Financial liabilities				
Derivative financial instruments				
- Trading derivatives	71,300	10,007,966	69,648	10,148,914
- Hedging derivatives	-	332,025	-	332,025
Financial liabilities designated at fair value through profit or loss				
-	-	7,593,150	-	7,593,150
Total	71,300	17,933,141	69,648	18,074,089

The Group	Fair Value			Total
	Level 1	Level 2	Level 3	
31 December 2021	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
Financial assets				
Financial investments at fair value through profit or loss				
- Money market instruments	-	28,724,249	398,711	29,122,960
- Quoted securities	1,406,435	-	-	1,406,435
- Unquoted securities	-	8,571,237	1,178,612	9,749,849
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	16,399,801	-	16,399,801
- Unquoted securities	-	43,719,685	-	43,719,685
Equity instruments at fair value through other comprehensive income				
- Quoted securities	37,512	-	-	37,512
- Unquoted securities	-	-	285,593	285,593
Derivative financial instruments				
- Trading derivatives	146,868	11,154,526	234,395	11,535,789
- Hedging derivatives	-	453,808	-	453,808
Loans, advances and financing at fair value through profit or loss				
-	-	357,853	-	357,853
Total	1,590,815	109,381,159	2,097,311	113,069,285
Financial liabilities				
Derivative financial instruments				
- Trading derivatives	91,701	10,472,969	39,759	10,604,429
- Hedging derivatives	-	291,026	-	291,026
Financial liabilities designated at fair value through profit or loss				
-	-	6,856,782	-	6,856,782
Total	91,701	17,620,777	39,759	17,752,237

A30. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 March 2022 and 31 December 2021 (Continued)

The Company 31 March 2022	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	1,797,215	-	1,797,215
Total	-	1,797,215	-	1,797,215

The Company 31 December 2021	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	1,778,168	-	1,778,168
Total	-	1,778,168	-	1,778,168

A30. FAIR VALUE ESTIMATION (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial period ended 31 March 2022 and 31 December 2021 for the Group.

	Financial Assets				Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Derivative financial instruments Trading derivatives		Derivative financial instruments Trading derivatives	Total
	Money market instruments and unquoted securities	Unquoted securities					
2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	1,577,323	-	285,593	234,395	2,097,311	(39,759)	(39,759)
Total (losses)/gains recognised in Statement of Income	(4,612)	-	-	(2,608)	(7,220)	1,294	1,294
Total losses recognised in Other Comprehensive Income	-	-	(7,775)	-	(7,775)	-	-
Purchases	1,172	-	-	1,053	2,225	(39,873)	(39,873)
Sales and redemptions	(5,804)	-	-	-	(5,804)	-	-
Settlements	-	-	-	(1,991)	(1,991)	8,883	8,883
Exchange fluctuation	4,864	-	119	217	5,200	(193)	(193)
At 31 March	1,572,943	-	277,937	231,066	2,081,946	(69,648)	(69,648)
Total (losses)/gains recognised in Statement of Income for the financial period ended 31 March 2022 under:							
- net non-interest income	(4,612)	-	-	(2,608)	(7,220)	1,294	1,294
Total losses recognised in Other Comprehensive Income for the financial period ended 31 March 2022 under "revaluation reserves"	-	-	(7,775)	-	(7,775)	-	-
Change in unrealised (losses)/gains recognised in Statement of Income relating to assets held on 31 March 2022 under "net non-interest income"	(4,258)	-	-	122,979	118,721	(22,479)	(22,479)

A30. FAIR VALUE ESTIMATION (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial period ended 31 March 2022 and 31 December 2021 for the Group. (Continued)

	Financial Assets				Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income Unquoted securities	Equity instruments at fair value through other comprehensive income	Derivative financial instruments Trading derivatives		Derivative financial instruments Trading derivatives	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2021							
At 1 January	1,659,307	1	271,036	157,301	2,087,645	(8,313)	(8,313)
Total gains/(losses) recognised in Statement of Income	29,631	-	-	79,805	109,436	(26,474)	(26,474)
Total gains recognised in Other Comprehensive Income	-	-	29,140	-	29,140	-	-
Purchases	4,236	-	52	6,076	10,364	(28,630)	(28,630)
Sales and redemptions	(141,336)	(1)	(14,767)	-	(156,104)	-	-
Settlements	-	-	-	(8,885)	(8,885)	23,740	23,740
Exchange fluctuation	25,485	-	132	98	25,715	(82)	(82)
At 31 December	1,577,323	-	285,593	234,395	2,097,311	(39,759)	(39,759)
Total gains/(losses) recognised in Statement of Income for the financial year ended 31 December 2021 under:							
- net non-interest income	29,631	-	-	79,805	109,436	(26,474)	(26,474)
Total gains recognised in Other Comprehensive Income for the financial year ended 31 December 2021 under "revaluation reserves"							
	-	-	29,140	-	29,140	-	-
Change in unrealised gains/(losses) recognised in Statement of Income relating to assets held on 31 December 2021 under "net non-interest income"							
	26,821	-	-	395,810	422,631	(83,282)	(83,282)

A30. FAIR VALUE ESTIMATION (Continued)

The following represents the Group's and the Company's non-financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 March 2022 and 31 December 2021.

Investment properties (Recurring)

The investment properties of the Group are valued annually at fair value based on market values determined by independent qualified valuers. The fair values are within level 2 of the fair value hierarchy. The fair values have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size.

Non-current assets held for sales (Non-recurring)

In accordance with MFRS 5, the non-current assets held for sales were stated at the lower of carrying amount and fair value less cost to sell. As at 31 March 2022, the property plant and equipment held for sale of the Group that were stated at fair value less cost to sell was RM13,758,000 (2021: RM17,195,000). This is a non-recurring fair value which has been measured using observable inputs under sales comparison approach performed by independent valuers. Sales prices of comparable land and building in close proximity are adjusted for differences in key attributes such as property size. Therefore, it is within level 2 of the fair value hierarchy.

A31. OPERATIONS OF ISLAMIC BANKING**A31a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022**

		The Group	
		31 March 2022	31 December 2021
	Note	RM'000	RM'000
ASSETS			
Cash and short-term funds		15,407,920	15,576,658
Reverse Collateralised Commodity Murabahah		101,309	-
Deposits and placements with banks and other financial institutions		1,225,536	1,263,401
Financial investments at fair value through profit or loss		5,793,341	5,254,902
Debt instruments at fair value through other comprehensive income		5,995,393	7,082,534
Debt instruments at amortised cost		9,400,957	10,118,573
Islamic derivative financial instruments		219,708	264,327
Financing, advances and other financing/loans	A31d	107,327,378	103,797,100
Other assets		5,122,737	2,718,901
Deferred tax assets		175,847	166,320
Tax recoverable		1,761	1,761
Amount due from conventional operations		8,439,058	8,953,813
Statutory deposits with central banks		311,444	915,756
Property, plant and equipment		4,113	3,765
Right-of-use assets		3,574	3,956
Goodwill		136,000	136,000
Intangible assets		13,278	22,661
TOTAL ASSETS		159,679,354	156,280,428
LIABILITIES AND ISLAMIC BANKING			
CAPITAL FUNDS			
Deposits from customers	A31e	108,917,672	112,433,852
Investment accounts of customers	A31f	11,727,598	10,427,167
Deposits and placements of banks and other financial institutions		8,135,497	4,444,554
Collateralised Commodity Murabahah		682,059	328,821
Investment accounts due to designated financial institutions	A31g	3,685,771	3,919,753
Financial liabilities designated at fair value through profit or loss	A31h	1,167,240	799,686
Islamic derivative financial instruments		287,138	292,760
Bills and acceptances payable		1,193	26,397
Other liabilities		9,466,628	8,267,790
Lease liabilities		4,298	4,398
Amount due to conventional operations		2,033,353	2,024,744
Provision for taxation		69,175	51,434
Sukuk		601,075	600,044
Subordinated Sukuk		1,104,207	1,108,045
TOTAL LIABILITIES		147,882,904	144,729,445
Ordinary share capital		1,000,000	1,000,000
Islamic banking funds		55,696	55,696
Perpetual preference shares		350,000	420,000
Reserves		10,254,764	9,946,608
		11,660,460	11,422,304
Non-controlling interests		135,990	128,679
TOTAL ISLAMIC BANKING CAPITAL FUNDS		11,796,450	11,550,983
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		159,679,354	156,280,428
RESTRICTED AGENCY INVESTMENT ACCOUNT(*)		12,808,847	12,748,755
TOTAL ISLAMIC BANKING ASSETS		172,488,201	169,029,183

* The disclosure is in accordance with the requirements of Bank Negara Malaysia's Guideline on Financial Reporting for Islamic Banking Institutions

**A31b. UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED
31 MARCH 2022**

	The Group			
	1st quarter ended 31 March 2022 RM'000	31 March 2021 RM'000	Three months ended 31 March 2022 RM'000	31 March 2021 RM'000
Income derived from investment of depositors' funds and others	1,127,086	1,133,342	1,127,086	1,133,342
Income derived from investment of investment account	170,270	72,216	170,270	72,216
Net income derived from investment of shareholders' funds	187,577	209,326	187,577	209,326
Modification loss (Note A22)	(2,707)	-	(2,707)	-
Expected credit losses made on financing, advances and other financing/loans	(81,564)	(45,336)	(81,564)	(45,336)
Expected credit losses written back for commitments and contingencies	22,708	9,543	22,708	9,543
Other expected credit losses and impairment allowances written back/(made)	2,294	(231)	2,294	(231)
Total distributable income	1,425,664	1,378,860	1,425,664	1,378,860
Income attributable to depositors and others	(482,950)	(534,459)	(482,950)	(534,459)
Profit distributed to investment account holder	(82,790)	(35,038)	(82,790)	(35,038)
Total net income	859,924	809,363	859,924	809,363
Other operating expenses	(338,593)	(282,581)	(338,593)	(282,581)
Profit before taxation and zakat	521,331	526,782	521,331	526,782
Taxation and zakat	(127,430)	(77,370)	(127,430)	(77,370)
Profit for the financial period	393,901	449,412	393,901	449,412
Profit for the financial period attributable to:				
Owners of the Parent	386,792	439,981	386,792	439,981
Non-controlling interests	7,109	9,431	7,109	9,431
	393,901	449,412	393,901	449,412

A31c. UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	The Group			
	1st quarter ended		Three months ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	393,901	449,412	393,901	449,412
Other comprehensive (expense)/income:				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(3)	-	(3)	-
	(3)	-	(3)	-
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(67,578)	(122,259)	(67,578)	(122,259)
- Net loss from change in fair value	(57,504)	(111,519)	(57,504)	(111,519)
- Realised gain transferred to statement of income on disposal	(21,910)	(27,396)	(21,910)	(27,396)
- Changes in expected credit losses	(1,758)	306	(1,758)	306
- Income tax effects	13,594	16,350	13,594	16,350
Exchange fluctuation reserve	4,046	7,204	4,046	7,204
Other comprehensive expense for the financial period, net of tax	(63,535)	(115,055)	(63,535)	(115,055)
Total comprehensive income for the financial period	330,366	334,357	330,366	334,357
Total comprehensive income for the financial period attributable to:				
Owners of the Parent	323,055	325,019	323,055	325,019
Non-controlling interests	7,311	9,338	7,311	9,338
	330,366	334,357	330,366	334,357
<u>Income from Islamic operations (per page 2)</u>				
Total net income	859,924	809,363	859,924	809,363
Add: Expected credit losses made on financing, advances and other financing/loans	81,564	45,336	81,564	45,336
Add: Expected credit losses written back for commitments and contingencies	(22,708)	(9,543)	(22,708)	(9,543)
Add: Other expected credit losses and impairment allowances (written back)/made	(2,294)	231	(2,294)	231
	916,486	845,387	916,486	845,387
Elimination for transaction with conventional operations	30,624	43,589	30,624	43,589
	947,110	888,976	947,110	888,976

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS

(i) By type and Shariah contract

31 March 2022

The Group

	Sale-based contracts					Lease-based contracts		Profit sharing contracts		Loan contract	Others			Total
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Rahnu	Ujrah	Kafalah	
At amortised cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line [^]	-	261	597	-	1,142,441	-	-	-	-	6,324	-	-	-	1,149,623
Term financing														
House Financing	198,668	4,383,430	-	-	28,950,643	1,130,510	-	-	4,982,293	-	-	-	-	39,645,544
Syndicated Financing	-	-	20,263	-	1,559,884	-	-	463	-	-	-	-	-	1,580,610
Hire purchase receivables	427,682	-	-	-	-	-	13,474,088	-	-	-	-	-	-	13,901,770
Other term financing	344,618	996,229	1,593,249	-	36,471,935	38,936	-	69,607	4,906,065	63,853	-	-	-	44,484,492
Lease receivable	-	-	-	-	-	164,246	-	-	-	-	-	-	-	164,246
Bills receivable	545,535	-	-	1,094,111	-	-	-	-	-	-	-	-	-	1,639,646
Islamic Trust receipts	48,032	-	-	-	-	-	-	-	-	7,579	-	-	-	55,611
Claims on customers under acceptance credits	752,710	-	-	114,591	-	-	-	-	-	-	-	-	1,193	868,494
Staff financing	-	-	-	-	239,068	-	-	-	26,381	-	-	-	-	265,449
Revolving credits	-	-	-	-	4,756,555	-	-	-	4,389	-	-	-	-	4,760,944
Credit card receivables	-	-	-	-	-	-	-	-	-	298,278	-	150,337	-	448,615
Gross financing, advances and other financing/loans, at amortised cost	2,317,245	5,379,920	1,614,109	1,208,702	73,120,526	1,333,692	13,474,088	70,070	9,919,128	376,034	-	150,337	1,193	108,965,044
Fair value changes arising from fair value hedge														(229)
Less: Expected credit losses														(1,637,437)
Net financing, advances and other financing/loans														107,327,378

[^] Includes current account in excess

* The beneficial owner of the asset belongs to the subsidiaries of CIMB Group. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

CIMB Islamic is the owner of the asset. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(i) By type and Shariah contract (Continued)

31 December 2021

The Group

	Sale-based contracts					Lease-based contracts		Profit sharing contracts		Loan contract	Others			Total
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Rahnu	Ujrah	Kafalah	
At amortised cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line^	-	295	866	-	1,119,109	-	-	-	-	8,118	-	-	-	1,128,388
Term financing														
House Financing	206,562	4,498,841	-	-	27,289,680	1,150,034	-	-	4,734,509	-	-	-	-	37,879,626
Syndicated Financing	-	-	20,275	-	1,694,829	-	-	478	-	-	-	-	-	1,715,582
Hire purchase receivables	327,802	-	-	-	-	-	12,935,554	-	-	-	-	-	-	13,263,356
Other term financing	645,029	1,030,219	1,654,204	-	35,453,047	39,989	-	72,644	4,934,888	48,376	-	-	-	43,878,396
Lease receivable	-	-	-	-	-	147,053	-	-	-	-	-	-	-	147,053
Bills receivable	641,132	-	-	496,935	-	-	-	-	-	458	-	-	-	1,138,525
Islamic Trust receipts	34,970	-	-	-	-	-	-	-	-	-	-	-	-	34,970
Claims on customers under acceptance credits	688,423	-	-	71,233	-	-	-	-	-	-	-	-	26,397	786,053
Staff financing	-	-	-	-	225,183	-	-	-	24,911	-	-	-	-	250,094
Revolving credits	-	-	-	-	4,705,217	-	-	-	6,810	-	-	-	-	4,712,027
Credit card receivables	-	-	-	-	-	-	-	-	-	289,517	-	145,587	-	435,104
Gross financing, advances and other financing/loans, at amortised cost	2,543,918	5,529,355	1,675,345	568,168	70,487,065	1,337,076	12,935,554	73,122	9,701,118	346,469	-	145,587	26,397	105,369,174
Fair value changes arising from fair value hedge														1,565
														105,370,739
Less: Expected credit losses														(1,573,639)
Net financing, advances and other financing/loans														103,797,100

^ Includes current account in excess

* The beneficial owner of the asset belongs to the subsidiaries of CIMB Group. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

CIMB Islamic is the owner of the asset. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)**(i) By type and Shariah contract (Continued)**

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Gross financing, advances and other financing/loans		
- At amortised cost	108,965,044	105,369,174

(a) During the financial period, the Group has undertaken fair value hedges on RM62,208,000 (2021: RM65,935,000) financing using profit rate swaps.

(b) Included in financing, advances and other financing/loans are exposures to Restricted Profit Sharing Investment Accounts (“RPSIA”), as part of an arrangement between CIMB Islamic Bank and CIMB Bank Berhad. CIMB Bank Berhad is exposed to risks and rewards on RPSIA financing and will account for all the expected credit losses arising thereon.

As at 31 March 2022, the gross exposure and expected credit losses relating to RPSIA financing are RM3,687,120,000 (2021: RM3,844,040,000) and RM1,254,000 (2021: RM1,506,000) respectively, which are recognised in the Financial Statements of CIMB Bank Berhad.

c) Movement of Qard financing

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
At 1 January	346,469	254,869
New disbursement	128,043	182,685
Repayment	(99,019)	(97,265)
Exchange fluctuation	541	6,180
At 31 March / 31 December	376,034	346,469
Sources of Qard fund:		
Depositors' fund	375,579	345,921
Shareholders' fund	455	548
	376,034	346,469
Uses of Qard fund:		
Personal use	370,121	338,513
Business use	5,913	7,956
	376,034	346,469

(ii) By geographical distribution

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Malaysia	94,544,437	91,821,666
Indonesia	11,315,702	10,910,334
Singapore	1,851,306	1,615,488
Hong Kong	59,533	-
China	601,962	292,999
Other countries	592,104	728,687
Gross financing, advances and other financing/loans	108,965,044	105,369,174

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)**(iii) By economic sector**

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Primary agriculture	3,438,635	3,398,745
Mining and quarrying	804,324	847,692
Manufacturing	4,490,860	4,406,354
Electricity, gas and water supply	1,446,680	1,450,378
Construction	3,036,171	2,770,811
Transport, storage and communications	2,229,517	2,242,568
Education, health and others	2,249,577	2,263,923
Wholesale and retail trade, and restaurants and hotels	5,779,207	4,861,994
Finance, insurance/takaful, real estate and business activities	10,579,104	10,765,315
Household	68,863,561	66,685,002
Others	6,047,408	5,676,392
	108,965,044	105,369,174

(iv) Credit impaired financing, advances and other financing/loans by geographical distribution

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Malaysia	663,794	645,986
Indonesia	251,523	249,749
Singapore	11,243	11,662
Gross impaired financing, advances and other financing/loans	926,560	907,397

(v) Credit impaired financing, advances and other financing by economic sector

	The Group	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Primary agriculture	20,722	21,506
Mining and quarrying	2,509	4,868
Manufacturing	28,472	57,800
Construction	24,239	20,267
Transport, storage and communications	18,601	12,759
Education, health and others	5,995	6,268
Wholesale and retail trade, and restaurants and hotels	121,360	116,376
Finance, insurance/takaful, real estate and business activities	68,136	69,087
Household	482,578	470,782
Others	153,948	127,684
	926,560	907,397

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(vi) Movements in the expected credit losses for financing, advances and other financing/loans are as follows:

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
Financing, advances and other financing/loans at amortised cost				
At 1 January 2022	295,183	940,324	338,132	1,573,639
Changes in expected credit losses due to transfer within stages:	36,343	(26,252)	(10,091)	-
Transferred to Stage 1	56,386	(50,523)	(5,863)	-
Transferred to Stage 2	(18,985)	53,527	(34,542)	-
Transferred to Stage 3	(1,058)	(29,256)	30,314	-
Total charge to Statement of Income:	(56,542)	124,123	37,978	105,559
New financial assets originated	23,339	412	3,779	27,530
Financial assets that have been derecognised	(10,313)	(6,928)	-	(17,241)
Writeback in respect of full recoveries	-	-	(7,574)	(7,574)
Change in credit risk	(69,568)	130,639	41,773	102,844
Write-offs	-	(1)	(38,995)	(38,996)
Exchange fluctuation	1,017	473	(1,953)	(463)
Transfer from/(to) related companies	(990)	(133)	(2,716)	(3,839)
Other movements	2	1	1,534	1,537
At 31 March 2022	275,013	1,038,535	323,889	1,637,437

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	489,055	436,159	399,437	1,324,651
Changes in expected credit losses due to transfer within stages:	318,576	(168,564)	(150,012)	-
Transferred to Stage 1	562,231	(529,668)	(32,563)	-
Transferred to Stage 2	(242,175)	549,989	(307,814)	-
Transferred to Stage 3	(1,480)	(188,885)	190,365	-
Total charge to Statement of Income:	(523,921)	669,781	257,904	403,764
New financial assets originated	80,287	4,738	47,193	132,218
Financial assets that have been derecognised	(44,069)	(30,609)	-	(74,678)
Writeback in respect of full recoveries	-	-	(71,198)	(71,198)
Change in credit risk	(560,139)	695,652	281,909	417,422
Write-offs	-	(4)	(197,986)	(197,990)
Exchange fluctuation	10,535	2,750	1,973	15,258
Transfer from related companies	984	132	2,698	3,814
Other movements	(46)	70	24,118	24,142
At 31 December 2021	295,183	940,324	338,132	1,573,639

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(vii) Movements in impaired financing, advances and other financing/loans:

Gross carrying amount movement of financing, advances and other financing at amortised cost classified as credit impaired:

	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2022	907,397	907,397
Transfer within stages	124,242	124,242
New financial assets originated	5,463	5,463
Write-offs	(41,391)	(41,391)
Amount fully recovered	(36,659)	(36,659)
Other changes in financing, advances and other financing/loans	(33,217)	(33,217)
Exchange fluctuation	725	725
At 31 March 2022	926,560	926,560
	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	1,621,340	1,621,340
Transfer within stages	(362,570)	(362,570)
New financial assets originated	193,876	193,876
Write-offs	(197,986)	(197,986)
Amount fully recovered	(335,549)	(335,549)
Other changes in financing, advances and other financing/loans	(14,341)	(14,341)
Exchange fluctuation	2,627	2,627
At 31 December 2021	907,397	907,397
	The Group	
	31 March 2022	31 December 2021
Ratio of credit impaired financing to total financing, advances and other financing	0.85%	0.86%

A31e. DEPOSITS FROM CUSTOMERS

(i) By type of deposits

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Savings deposit	10,877,343	10,773,162
Wadiah	834,503	847,570
Mudharabah	2,466,452	2,312,875
Commodity Murabahah (via Tawarruq arrangement) *	7,576,388	7,612,717
Demand deposit	21,409,547	21,200,735
Wadiah	1,365,018	1,120,097
Qard	14,536,573	14,512,297
Mudharabah	450,996	305,352
Commodity Murabahah (via Tawarruq arrangement) *	5,056,960	5,262,989
Term deposit	69,651,862	72,629,090
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	43,833,304	45,604,331
Fixed Return Income Account-i (via Tawarruq arrangement)*	25,668,947	26,576,472
Negotiable Islamic Debt Certificate (NIDC)		
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	149,611	448,287
Fixed Deposit-i	6,825,422	7,683,047
Wadiah	125	123
Mudharabah	6,825,297	7,682,924
Specific investment account	99,975	99,600
Mudharabah	99,975	99,600
Others	53,523	48,218
Qard	53,523	48,218
	108,917,672	112,433,852

*included Qard contract of RM359,332,000 (2021: RM4,314,834,000)

(ii) By maturity structures of term deposits, investment accounts and Islamic negotiable instruments

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Due within six months	63,422,061	69,969,746
Six months to less than one year	12,963,992	10,268,016
One year to less than three years	161,112	144,843
Three years to less than five years	6,126	5,473
Five years and more	23,968	23,659
	76,577,259	80,411,737

(iii) By type of customer

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
Government and statutory bodies	5,447,156	4,880,194
Business enterprises	44,374,982	44,663,839
Individuals	33,075,207	33,810,686
Others	26,020,327	29,079,133
	108,917,672	112,433,852

A31f. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Unrestricted investment accounts (Mudharabah)		
- without maturity		
Special Mudharabah Investment Account	970,562	892,710
- with maturity		
Term Investment Account-i	10,265,904	9,023,282
Unrestricted investment accounts (Wakalah)		
- without maturity		
Daily Investment Account-i	22,480	48,844
Restricted investment accounts (Mudharabah)		
- with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	468,652	462,331
	11,727,598	10,427,167

A31g. INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Restricted investment accounts		
Mudharabah	3,685,771	3,919,753
By type of counterparty		
Licensed banks	3,685,771	3,919,753

The underlying assets for the investments are deposit placement with financial institutions, syndicated term financing, revolving credit and other term financing.

A31h. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 March 2022	31 December 2021
	RM'000	RM'000
Deposits from customers - structured investments	1,167,240	799,686

The Group has issued structured investments, and have designated them at fair value in accordance with MFRS 9. The Group has the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of the financial liabilities designated at fair value of the Group as at 31 March 2022 was RM101,356,000 (2021: RM39,988,000) lower than the contractual amount at maturity. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

A32. CHANGE IN COMPARATIVES

The Group has adjusted certain expenses which are considered as incremental and directly attributable to the acquisition of a financial liability and treated as an integral part of the effective interest/profit rate. These expenses were previously included under overheads and is now recognised as interest expense. The adjustment has no impact to the profit before taxation and zakat, profit after taxation, consolidated statements of financial position, cash flows and changes in equity of the Group for the financial period ended 31 March 2021.

		1st quarter ended			Three months ended		
	Note	31 March 2021 RM'000	Reclassification RM000	31 March 2021 (Restated) RM'000	31 March 2021 RM'000	Reclassification RM000	31 March 2021 (Restated) RM'000
Interest expense	A21	(1,333,101)	(38,616)	(1,371,717)	(1,333,101)	(38,616)	(1,371,717)
Income from Islamic Banking operations	A31(c)	898,271	(9,295)	888,976	898,271	(9,295)	888,976
Overheads	A24	(2,338,385)	47,911	(2,290,474)	(2,338,385)	47,911	(2,290,474)

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. GROUP PERFORMANCE REVIEW

(i) CIMB Group 1Q22 Y-o-Y Performance

	31 March 2022 RM'mil	The Group Three months ended 31 March		
		2021 RM'mil	Variance RM'mil	%
Key Profit or Loss Items:				
Operating income	4,736	4,753 ^{^^}	(17)	(0.4)
Profit before taxation and zakat	2,101 ^{**}	1,788 [^]	313	17.5
Net profit for the financial year attributable to Owners of the Parent	1,550 [*]	1,336 [^]	214	16.0

^{**} Excludes exceptional expenses of RM53 million before taxation

^{*} Excludes exceptional expenses of RM45 million net of taxation and cukai makmur of RM78 million

^{^^} Excludes Gain on deconsolidation of Touch 'n Go Digital of RM1,156 million

[^] Excludes Gain on deconsolidation of Touch 'n Go Digital of RM1,156 million and exceptional expenses of RM46 million (before taxation)/RM35 million (net of taxation)

CIMB Group Holdings Berhad (“CIMB Group” or “the Group”) announced that the Group achieved a core¹ profit before tax (“PBT”) of RM2.10 billion for the first quarter ended 31 March 2022 (“1Q22”), up 17.5% year-on-year (“YoY”) from RM1.79 billion recorded in the first quarter ended 31 March 2021 (“1Q21”). The Group sustained its core pre-provisioning operating profit (“PPOP”) YoY to reach RM2.51 billion whilst core net profit positively grew by 16.0% YoY to hit RM1.55 billion. The performance translates to a core annualised return on average equity (“ROE”) of 10.5% and core earnings per share (“EPS”) of 15.2 sen.

1Q22 core operating income was flat YoY but grew 2.9% QoQ reaching RM4.74 billion. Out of this, net interest income (“NII”) grew by 3.8% YoY to RM3.55 billion, despite a marginally lower net interest margin (“NIM”) of 2.45% mainly due to the Group’s Indonesia business. Core non-interest income (“NOII”) declined by 10.9% YoY to RM1.19 billion due to weaker global investment environment.

Loan growth regained momentum, increasing by 4.9% YoY on the back of economic recovery positively impacting most markets and segments, especially in Consumer Banking where loans grew 6.9% YoY. Deposits also increased by 7.0% driven by strong CASA growth of 9.9% YoY, which translates to an improvement in CASA ratio from 42.3% recorded in Mar-21 to 43.5% in Mar-22. The Group’s capital position remains strong and above target with its common equity tier 1 (“CET1”) ratio at 14.5%[^] as at Mar-22, up from 12.9% as at Mar-21 and 14.5% as at Dec-21.

The Group’s cost-to-income ratio (“CIR”) improved to 47.0% compared to 51.6% in 4Q21 and 47.2% in 1Q21 as core operating expenses decreased by 0.8% YoY from continued stringent cost controls. Total provisions also declined significantly by 43.9% YoY from RM756 million recorded in 1Q21 to RM424 million in 1Q22. This was due to improved asset quality on the back of positive migration of customers from repayment assistance programmes, as well as writebacks from the recovery of legacy credits.

On a reported basis that includes one-off non-recurring exceptional items, CIMB Group’s operating income and net profit declined by 19.8% and 41.9% YoY to RM4.74 billion and RM1.43 billion respectively. The contraction was mainly due to the revaluation gain of RM1.16 billion on the deconsolidation of TNG Digital in 1Q21 as well as the impact of Cukai Makmur in 1Q22. On a QoQ basis, CIMB recorded stronger performance with reported operating income increasing by 3.3% to RM4.74 billion whilst reported net profit grew by 66.9% QoQ to RM1.43 billion from RM855 million. This translates to a reported ROE in 1Q22 of 9.6%, restoring the Group back to pre-pandemic levels of performance.

The strong performance seen in the first quarter is a positive reflection of the economic recovery across the Group’s markets, as well as the growing momentum in all segments of its business. Steady topline growth, sustained cost controls and reduction in provisions contributed to improved profitability. This was achieved despite the challenging investment environment as the world adjusts to geopolitical developments which have created macroeconomic headwinds and financial market volatility.

CIMB Group’s capital and liquidity positions as well as asset quality continue to strengthen, demonstrating the strength and resilience of its business franchise amidst the current operating environment. The Group is particularly encouraged to see the positive traction in loan growth as the strategy to reshape its portfolio is starting to bear results. At the same time, ongoing cost optimisation efforts have contributed to lower operating expenses and improvement in CIR, notwithstanding higher expenses related to technology and operational investments. The Group expects to spend RM1 billion in FY22 to drive further digitalisation as well as improve technology and operational resiliency.

CIMB Group’s total gross loans increased by 4.9% to RM384.7 billion YoY while total deposits grew by 7.0% YoY to RM441.1 billion. The Group registered a loan-to-deposit (“LDR”) ratio of 87.2% as at Mar-22, an improvement of 1.4% from 85.8% in the preceding quarter. Moreover, CASA continued to grow steadily by 9.9% YoY, with the CASA ratio growing further to 43.5% as at Mar-22.

Total provisions decreased by 43.9% YoY to RM424 million. The decline in total provisions was primarily attributable to a 59.9% drop in loan impairments YoY.

The Group’s allowance coverage maintained at 102.1%, while the gross impaired loans (“GIL”) ratio stood at 3.4%, with an annualised 1Q22 loan loss charge of 34bps.

¹ Core figures exclude all one-off non-recurring exceptional items.

[^] Includes unaudited profits, FY2021 Second Interim Dividend and actual corresponding Dividend Reinvestment Scheme (“DRS”).

B1. GROUP PERFORMANCE REVIEW (CONTINUED)

(i) CIMB Group 1Q22 Y-o-Y Performance (Continued)

The Group remains well-capitalised with its CET1 ratio comfortably above target at 14.5%[^] as at Mar-22, compared 12.9% as at Mar-21. Total capital ratio stood at 18.3% as at Mar-22. The liquidity coverage ratio (“LCR”) remains comfortably above the regulatory requirement of 100% for all banking entities within the Group.

Group Consumer Banking 1Q22 operating income grew by 0.8% YoY whilst PBT grew by 17.1% from loan growth in all core markets and higher fee income. NII increased by 4.3% YoY, while NOII saw an 8.8% contraction due to exceptionally strong wealth management income in 1Q21. Consumer loans grew by 6.9% while deposits grew by 1.0%.

Group Commercial Banking 1Q22 operating income grew by 3.3% YoY whilst PBT improved by 51.9% mainly driven by loan expansion and provision writebacks from Singapore. NII increased by 1.4%, while NOII increased by 12.2% from higher fees in Malaysia and Singapore. Commercial loans grew by 2.4% while deposits grew by 10.1%.

Group Wholesale Banking 1Q22 operating income declined marginally by 0.7% YoY while PBT grew by 24.1% due to lower corporate provisions in Malaysia and Indonesia. NII increased by 3.6% YoY, while NOII declined by 8.5% due to trading income volatility. Wholesale loans were higher by 3.0%, while deposits grew strongly by 11.9%.

CIMB Digital Assets & Group Funding 1Q22 core operating income declined by 12.7% YoY, whilst core PBT contracted by 36.6% due to lower NOII and higher operating expenses. NII grew by 7.0% but core NOII declined 56.7% due to lower realised gains in the fixed income portfolio in line with rising bond yields. The Group’s digital businesses continue to grow on an upward trajectory with CIMB Philippines capturing 5.5 million customers as at Mar-22, up 57.1% YoY, and a deposit book of RM1.37 billion, up 39.6% YoY. TNG Digital continued to maintain its momentum, reaching 17.3 million registered users and 630,000 merchants as at Mar-22.

[^] Includes unaudited profits, FY2021 Second Interim Dividend and actual corresponding Dividend Reinvestment Scheme (“DRS”).

(ii) CIMB Group 1Q22 vs. 4Q21 Performance

	The Group Quarter ended			
	31 March 2022	31 December 2021	Variance	
	RM'mil	RM'mil	RM'mil	%
Key Profit or Loss Items:				
Operating income	4,736	4,604 [@]	132	2.9
Profit before taxation and zakat	2,101 ^{**}	1,083 [@]	1,018	94.0
Net profit for the financial period attributable to Owners of the Parent	1,550 [*]	811 [@]	739	91.1
^{**} Excludes exceptional expenses of RM53 million before taxation				
[*] Excludes exceptional expenses of RM45 million net of taxation and cukai makmur of RM78 million				
[@] Excludes non-cash accounting gain of RM17 million from loss on disposal of a 25% stake in CGS-CIMB Securities (CGS-CIMB Securities International Pte Ltd and CGS-CIMB Holdings Sdn Bhd)				
[°] Excludes exceptional expenses of RM101 million before taxation and RM44 million net of taxation				

Operating income rose by 2.9% Quarter on Quarter (“QoQ”) to RM4.74 billion from RM4.60 billion in 4Q21, underpinned by a marginal increase of 0.2% in NII from NIM expansion and strong NOII growth of 11.9% from strong trading income. Consumer Banking Profit Before Tax (“PBT”) rose 176.9% to RM720 million compared to RM260 million in 4Q21 attributed to robust operating income from loans growth and higher fee income, with lower provisions. Commercial Banking PBT improved by 30.1% to RM445 million, compared to RM342 million in 4Q21 driven by provision writebacks from Singapore. Wholesale Banking PBT grew 140.8% QoQ on the back strong trading income and lower Corporate provisions in Malaysia and Indonesia. As a result, the Group’s 1Q22 net profit grew by 91.1% QoQ.

CIMB Islamic

CIMB Islamic 1Q22 operating income grew by 7.5% YoY while PBT saw a marginal decrease of 1.1% due to higher non-retail provisions. Net financing income (“NFI”) grew by 10.8% from growth in financing while non-financing income (“NOFI”) fell by 10.4% due to fluctuations in trading income. Islamic financing grew by 9.5%, whilst deposits grew by 4.8%.

B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group is optimistic of an improved financial performance in 2022 in view of business expansion on the back of anticipated regional economic recovery. The Group remains cognisant of the threat of new Covid-19 mutations, upward pressure on interest rates in response to rising inflation, heightened geopolitical risks from the Russia-Ukraine conflict and risks of prolonged global supply disruptions. The Group’s direction will continue to be guided by the Forward 23+ strategic plan with targeted segment loan growth, sustained focus on CASA and Risk-Adjusted Return On Capital (RAROC) optimisation, as well as wealth management and capital market activity. This is expected to be achieved with the Sustainability agenda providing guideposts. Cost management remains a focus coupled with investment in technology to strengthen digital capabilities and operational resiliency. The Group will continue to emphasise asset quality and credit risk management across segments and geographies particularly within pandemic-impacted customers and sectors.

B3. TAXATION AND ZAKAT

	1st quarter ended		Three months ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
The Group				
Major components of tax expense and zakat:				
Current tax expense	613,850	676,873	613,850	676,873
Deferred tax income	(33,506)	(283,539)	(33,506)	(283,539)
(Over)/under provision in prior years	(57)	29,516	(57)	29,516
	580,287	422,850	580,287	422,850
Zakat	(28)	-	(28)	-
	580,259	422,850	580,259	422,850
Reconciliation				
Profit before taxation and zakat	2,047,666	2,897,739	2,047,666	2,897,739
Less: Share of results of joint venture	(4,658)	(35,198)	(4,658)	(35,198)
Share of results of associates	(8,264)	(28)	(8,264)	(28)
	2,034,744	2,862,513	2,034,744	2,862,513
Tax at statutory income tax rate of 24% on chargeable income below and equal RM100.0 million and 33% on chargeable income above RM100.0 million (2021: 24%)				
	605,602	687,003	605,602	687,003
Effect of different tax rates in other countries and change in tax rates				
	(18,131)	(8,299)	(18,131)	(8,299)
Due to expenses not deductible for tax purposes and income not subject to income tax				
	(7,127)	(285,370)	(7,127)	(285,370)
(Over)/under provision in prior years	(57)	29,516	(57)	29,516
Tax expenses	580,287	422,850	580,287	422,850
The Company				
Major components of tax expense:				
Current tax expense	29	191	29	191
Under provision in prior years	359	-	359	-
	388	191	388	191
Reconciliation				
Profit before taxation	1,735,957	7,195	1,735,957	7,195
Tax at statutory income tax rate of 24%	416,630	1,727	416,630	1,727
Due to expenses not deductible for tax purposes and income not subject to income tax				
	(416,601)	(1,536)	(416,601)	(1,536)
Under provision in prior years	359	-	359	-
Tax expenses	388	191	388	191

B4. PARTICULARS OF PURCHASE AND SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no material gains or losses on disposal of investments or properties during the period under review other than in the ordinary course of business.

B5. BORROWINGS AND DEBT SECURITIES

	The Group	
	31 March 2022 RM'000	31 December 2021 RM'000
(i) Bonds, sukuk and debentures		
Unsecured		
One year or less (short term)		
- USD	168,428	2,339,057
- RM	1,018,131	1,010,887
- IDR	1,081,167	1,079,511
- THB	1,696,134	1,405,920
More than one year (medium/long term)		
- USD	2,764,463	741,990
- RM	2,599,704	2,622,017
- HKD	3,686,837	3,680,298
- IDR	500,143	499,362
- THB	14,195	-
	13,529,202	13,379,042

B5. BORROWINGS AND DEBT SECURITIES (Continued)

	The Group		The Company	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
(ii) Other borrowing				
Unsecured				
One year or less (short term)				
- USD	2,176,276	2,713,798	-	-
- RM	758,871	751,546	758,871	751,546
- IDR	359,605	266,453	-	-
- KHR	49,561	104,404	-	-
More than one year (medium/long term)				
- RM	3,964,044	3,956,347	3,964,045	3,956,349
- USD	6,057	3,131	-	-
- IDR	471,796	311,315	-	-
- KHR	-	1,478	-	-
	7,786,210	8,108,472	4,722,916	4,707,895
(iii) Subordinated obligations				
Unsecured				
One year or less (short term)				
- RM	3,859,561	3,035,363	1,524,567	1,506,444
More than one year (medium/long term)				
- RM	6,201,027	7,026,490	8,140,070	8,103,317
- IDR	66,958	66,732	-	-
	10,127,546	10,128,585	9,664,637	9,609,761

B6. MATERIAL LITIGATION

At the date of this report, there are no pending material litigation not in the ordinary course of business which would have materially affected the Group's financial position.

B7. COMPUTATION OF EARNINGS PER SHARE (EPS)**a) Basic EPS**

The Group's basic EPS is calculated by dividing the net profit attributable to equity holders of the Parent by the weighted average number of ordinary shares in issue during the financial period.

	The Group			
	1st quarter ended		Three months ended	
	31 March 2022	31 March 2021	31 March 2022	31 March 2021
Net profit for the financial period				
after non-controlling interests (RM'000)	1,426,984	2,457,233	1,426,984	2,457,233
Weighted average number of ordinary shares in issue ('000)	10,221,452	9,922,966	10,221,452	9,922,966
Basic earnings per share (expressed in sen per share)	13.96	24.76	13.96	24.76

b) Diluted EPS

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