

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023**

		The Group	
		30 September 2023	31 December 2022
	Notes	RM'000	RM'000
<b>Assets</b>			
Cash and short term funds		3,396,449	308,042
Reverse repurchase agreements		187,330	243,391
Deposits and placements with banks and other financial institutions		10	10
Equity instruments at fair value through other comprehensive income	A7	824	824
Other assets	A8	37,452	27,151
Amounts due from ultimate holding company		4	188
Amounts due from related companies		22,261	15,258
Tax recoverable		21,021	21,367
Deferred taxation		9,236	14,642
Statutory deposits with Bank Negara Malaysia		-	50
Investment in associates		4,397	3,573
Property, plant and equipment		2,024	5,178
Right-of-use assets		2,446	3,542
Intangible assets		30,708	30,063
<b>Total assets</b>		<b>3,714,162</b>	<b>673,279</b>
<b>Liabilities</b>			
Deposits from customers	A9	1,100	-
Other liabilities	A10	3,103,714	61,782
Lease liabilities		2,682	3,865
Amounts due to related companies		11,607	11,877
Provision for taxation		-	3
<b>Total liabilities</b>		<b>3,119,103</b>	<b>77,527</b>
<b>Capital and reserves attributable to equity holder of the Bank</b>			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		495,049	495,742
<b>Total equity</b>		<b>595,059</b>	<b>595,752</b>
<b>Total equity and liabilities</b>		<b>3,714,162</b>	<b>673,279</b>
<b>Commitments and contingencies</b>	A16	-	87,500
<b>Net assets per ordinary share (RM)</b>		<b>5.95</b>	<b>5.96</b>

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

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023**

	Notes	The Bank	
		30 September 2023 RM'000	31 December 2022 RM'000
<b>Assets</b>			
Cash and short term funds		3,392,131	303,736
Reverse repurchase agreements		187,330	243,391
Other assets	A8	36,641	26,339
Amounts due from ultimate holding company		4	188
Amounts due from related companies		22,246	15,258
Tax recoverable		21,021	21,367
Deferred taxation		9,236	14,642
Statutory deposits with Bank Negara Malaysia		-	50
Investment in subsidiaries		30	30
Property, plant and equipment		2,024	5,178
Right-of-use assets		2,446	3,542
Intangible assets		30,708	30,063
<b>Total assets</b>		<b>3,703,817</b>	<b>663,784</b>
<b>Liabilities</b>			
Deposits from customers	A9	1,100	-
Other liabilities	A10	3,103,676	61,769
Lease liabilities		2,682	3,865
Amounts due to related companies		11,607	11,850
<b>Total liabilities</b>		<b>3,119,065</b>	<b>77,484</b>
<b>Capital and reserves attributable to equity holder of the Bank</b>			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		484,742	486,290
<b>Total equity</b>		<b>584,752</b>	<b>586,300</b>
<b>Total equity and liabilities</b>		<b>3,703,817</b>	<b>663,784</b>
<b>Commitments and contingencies</b>	A16	-	87,500
<b>Net assets per ordinary share (RM)</b>		<b>5.85</b>	<b>5.86</b>

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

## CIMB INVESTMENT BANK BERHAD

Registration No: 197401001266 (18417-M)

## CONDENSED INTERIM FINANCIAL STATEMENTS

## UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023

	Notes	The Group			
		3rd quarter ended		Nine months ended	
		30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Interest income	A11	4,433	2,579	11,105	7,439
Interest expense	A12	(32)	(218)	(128)	(782)
Net interest income		4,401	2,361	10,977	6,657
Income from Islamic Banking operations	A19b	20,317	9,194	37,834	25,527
Fee and commission income	A13(a)	39,630	31,360	131,030	91,645
Fee and commission expense	A13(b)	(1,586)	(1,358)	(9,787)	(4,556)
Net fee and commission income		38,044	30,002	121,243	87,089
Other non-interest income	A13(c)	1,965	22,266	5,864	32,723
Net income		64,727	63,823	175,918	151,996
Overheads	A14	(53,422)	(50,710)	(156,372)	(129,292)
Profit before expected credit losses		11,305	13,113	19,546	22,704
Other expected credit losses and impairment allowances	A15	964	1,607	1,068	(3,642)
		12,269	14,720	20,614	19,062
Share of results of associates		314	4	825	108
Profit before taxation		12,583	14,724	21,439	19,170
Taxation		(2,927)	(1,974)	(5,765)	(4,248)
<b>Profit and total comprehensive income for the financial period, attributable to the equity holder of the Bank</b>		<b>9,656</b>	<b>12,750</b>	<b>15,674</b>	<b>14,922</b>
<b>Basic and diluted earnings per share (sen), attributable to equity holder of the Bank</b>	B3	<b>9.66</b>	<b>12.75</b>	<b>15.67</b>	<b>14.92</b>

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

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	Notes	The Bank			
		3rd quarter ended		Nine months ended	
		30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Interest income	A11	4,407	2,560	11,030	7,387
Interest expense	A12	(32)	(218)	(128)	(782)
Net interest income		4,375	2,342	10,902	6,605
Income from Islamic Banking operations	A19b	20,317	9,194	37,834	25,527
Fee and commission income	A13(a)	39,630	31,360	131,030	91,645
Fee and commission expense	A13(b)	(1,586)	(1,358)	(9,787)	(4,556)
Net fee and commission income		38,044	30,002	121,243	87,089
Other non-interest income	A13(c)	1,965	22,266	5,864	32,723
Net income		64,701	63,804	175,843	151,944
Overheads	A14	(53,412)	(50,707)	(156,338)	(129,280)
Profit before expected credit losses		11,289	13,097	19,505	22,664
Other expected credit losses and impairment allowances	A15	964	1,607	1,068	(3,642)
Profit before taxation		12,253	14,704	20,573	19,022
Taxation		(2,922)	(1,969)	(5,754)	(4,235)
<b>Profit and total comprehensive income for the financial period,</b>		<b>9,331</b>	<b>12,735</b>	<b>14,819</b>	<b>14,787</b>
<b>Basic and diluted earnings per share (sen), attributable to equity holder of the Bank</b>	B3	<b>9.33</b>	<b>12.74</b>	<b>14.82</b>	<b>14.79</b>

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

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

The Group	← Attributable to Equity Holder of The Bank →								Total
	Ordinary share capital	Redeemable preference shares	Reserve - equity instruments at fair value through other comprehensive income	Share-based payment reserve	Capital contribution by ultimate holding company	Regulatory reserve	Retained profits		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>30 September 2023</b>									
<b>At 1 January 2023</b>	100,000	10	(6,011)	126	2,282	-	499,345	595,752	
Net profit and total comprehensive income for the financial period	-	-	-	-	-	-	15,674	15,674	
Share-based payment expense	-	-	-	189	1,272	-	-	1,461	
Shares released under Equity Ownership Plan	-	-	-	(108)	-	-	-	(108)	
Interim dividend paid in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(17,720)	(17,720)	
<b>At 30 September 2023</b>	<b>100,000</b>	<b>10</b>	<b>(6,011)</b>	<b>207</b>	<b>3,554</b>	<b>-</b>	<b>497,299</b>	<b>595,059</b>	

The Group	← Attributable to Equity Holder of The Bank →								Total
	Ordinary share capital	Redeemable preference shares	Reserve - equity instruments at fair value through other comprehensive income	Share-based payment reserve	Capital contribution by ultimate holding company	Regulatory reserve	Retained profits		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>30 September 2022</b>									
<b>At 1 January 2022</b>	100,000	10	(5,968)	1,237	643	93	514,693	610,708	
Net profit for the financial period	-	-	-	-	-	-	14,922	14,922	
Other comprehensive expense (net of tax) - Equity instruments at fair value through other comprehensive income	-	-	101	-	-	-	-	101	
<b>Total comprehensive income for the financial period</b>	<b>-</b>	<b>-</b>	<b>101</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>14,922</b>	<b>15,023</b>	
Share-based payment expense	-	-	-	1,684	1,216	-	-	2,900	
Shares released under Equity Ownership Plan	-	-	-	(2,232)	-	-	-	(2,232)	
Transfer to regulatory reserve	-	-	-	-	-	(93)	93	-	
Interim dividend paid in respect of financial year ended 31 December 2021	-	-	-	-	-	-	(30,480)	(30,480)	
<b>At 30 September 2022</b>	<b>100,000</b>	<b>10</b>	<b>(5,867)</b>	<b>689</b>	<b>1,859</b>	<b>-</b>	<b>499,228</b>	<b>595,919</b>	

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

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

*Strictly Private & Confidential*

<b>The Bank</b>	← Attributable to Equity Holder of The Bank →							<b>Total</b>
	<b>Ordinary share capital</b>	<b>Redeemable preference shares</b>	<b>Share-based payment reserve</b>	<b>Capital contribution by ultimate holding company</b>	<b>Reserve - equity instruments at fair value through other comprehensive income</b>	<b>Regulatory reserve</b>	<b>Retained profits</b>	
<b>30 September 2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2023</b>	<b>100,000</b>	<b>10</b>	<b>126</b>	<b>2,282</b>	<b>(6,331)</b>	<b>-</b>	<b>490,213</b>	<b>586,300</b>
Net profit and total comprehensive income for the financial period	-	-	-	-	-	-	14,819	14,819
Share-based payment expense	-	-	189	1,272	-	-	-	1,461
Shares released under Equity Ownership Plan	-	-	(108)	-	-	-	-	(108)
Interim dividend paid in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(17,720)	(17,720)
<b>At 30 September 2023</b>	<b>100,000</b>	<b>10</b>	<b>207</b>	<b>3,554</b>	<b>(6,331)</b>	<b>-</b>	<b>487,312</b>	<b>584,752</b>

<b>The Bank</b>	← Attributable to Equity Holder of The Bank →							<b>Total</b>
	<b>Ordinary share capital</b>	<b>Redeemable preference shares</b>	<b>Share-based payment reserve</b>	<b>Capital contribution by ultimate holding company</b>	<b>Reserve - equity instruments at fair value through other comprehensive income</b>	<b>Regulatory reserve</b>	<b>Retained profits</b>	
<b>30 September 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>At 1 January 2022</b>	<b>100,000</b>	<b>10</b>	<b>1,237</b>	<b>643</b>	<b>(6,331)</b>	<b>93</b>	<b>502,871</b>	<b>598,523</b>
Net profit/total comprehensive income for the financial period	-	-	-	-	-	-	14,787	14,787
Share-based payment expense	-	-	1,684	1,216	-	-	-	2,900
Share released under Equity Ownership Plan	-	-	(2,232)	-	-	-	-	(2,232)
Transfer to regulatory reserve	-	-	-	-	-	(93)	93	-
Interim dividend paid in respect of financial year ended 31 December 2021	-	-	-	-	-	-	(30,480)	(30,480)
<b>At 30 September 2022</b>	<b>100,000</b>	<b>10</b>	<b>689</b>	<b>1,859</b>	<b>(6,331)</b>	<b>-</b>	<b>487,271</b>	<b>583,498</b>

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

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2023**

	The Group		The Bank	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
<b>Operating activities</b>				
Profit before taxation	21,439	19,170	20,573	19,022
Adjustments for non-operating and non-cash items	6,338	(1,549)	7,163	(1,440)
Cash flow from operating profit before changes in operating assets and liabilities	27,777	17,621	27,736	17,582
Net changes in operating assets	58,358	(17,654)	58,373	(17,653)
Net changes in operating liabilities	3,042,761	(38,385)	3,042,762	(38,364)
Cash generated from/(used in) operating activities	3,128,896	(38,418)	3,128,871	(38,435)
Taxation paid	(13)	(6,505)	-	(6,500)
Net cash generated from/(used in) operating activities	3,128,883	(44,923)	3,128,871	(44,935)
<b>Investing activities</b>				
Net purchase of property, plant and equipment	(482)	(1,665)	(482)	(1,665)
Net purchase of intangible assets	(4,423)	(1,457)	(4,423)	(1,457)
Net addition of right-of-use	-	(2,269)	-	(2,269)
Payment of deposit in relation to Proposed Acquisition	(14,794)	-	(14,794)	-
Proceeds from disposal of non-current held for sale	-	32,000	-	32,000
Net cash (used in)/generated from investing activities	(19,699)	26,609	(19,699)	26,609
<b>Financing activities</b>				
Net repayment of lease liabilities	(1,556)	458	(1,556)	458
Dividends paid	(17,720)	(30,480)	(17,720)	(30,480)
Net cash used in financing activities	(19,276)	(30,022)	(19,276)	(30,022)
Net increase/(decrease) in cash and cash equivalents during the financial period	3,089,908	(48,336)	3,089,896	(48,348)
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>308,043</b>	593,251	<b>303,737</b>	588,973
<b>Effects of exchange rate changes</b>	<b>(1,502)</b>	(1,398)	<b>(1,502)</b>	(1,398)
<b>Cash and cash equivalents at the end of the financial period</b>	<b>3,396,449</b>	543,517	<b>3,392,131</b>	539,227
<b>Cash and cash equivalents comprise the following:</b>				
Cash and short term funds	3,396,449	543,517	3,392,131	539,227
Deposits and placements with banks and other financial institutions	10	10	-	-
	3,396,459	543,527	3,392,131	539,227
Less : Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(10)	(10)	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	<b>3,396,449</b>	543,517	<b>3,392,131</b>	539,227

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

**A1. Basis of preparation**

The unaudited condensed interim financial statements for the financial period ended 30 September 2023 have been prepared under the historical cost convention, except for equity instruments at fair value through other comprehensive income that are 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 IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

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

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 financial statements for the financial year ended 31 December 2022, except for adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRS") which are effective for annual periods beginning on or after 1 January 2023:

- Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendments to MFRS 101, MFRS Practice Statement 2 and MFRS 108 on disclosure of accounting policies and definition of accounting estimates

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

The unaudited condensed interim financial statements include those activities relating to the Islamic banking business which have been undertaken by the Group. Islamic banking business refers generally to the provision of investment banking and related financial services which comply with Shariah principles.

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's and Bank'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 in estimates during the second quarter ended 30 September 2023.

**A3. Dividends paid and proposed**

An interim dividend of 17.72 sen per ordinary share, amounting to RM17,720,000 in respect of the financial year ended 31 December 2022, which was approved by the Board of Directors on 27 January 2023, was paid on 16 March 2023.

No dividend has been proposed during the financial period ended 30 September 2023.



**PART A - EXPLANATORY NOTES (CONTINUED)****A4. Significant events during the financial period**

Other than that disclosed in Note A6 Status of Corporate Proposal, there were no other significant events that had occurred during the current reporting period.

**A5. Significant events after the financial period**

There were no significant events that had occurred between 30 September 2023 and the date of this announcement.

**A6. Status of Corporate Proposal****Proposed acquisition of 80,000,000 ordinary shares in KAF Equities Sdn Bhd (“KESB”), representing 100% equity interest in KESB (“Proposed Acquisition”)**

On 7 April 2023, the Bank entered into a conditional Share Purchase Agreement (“SPA”) with KAF-Seagroatt & Campbell Berhad (“KAFSC”) for a proposed acquisition by the Bank of 80,000,000 ordinary shares in KESB, representing 100% of the equity interest in KESB, from KAFSC, for an indicative cash consideration of RM147.936 million subject to, amongst others, certain price adjustments at the completion date as well as the terms and conditions of the SPA.

The completion of the SPA is subject to fulfilment of certain conditions precedent, including but not limited to, obtaining written approvals of Bank Negara Malaysia (“BNM”) and the Securities Commission of Malaysia. On 2 August 2023, the Bank received an approval from BNM for the Proposed Acquisition.

The Proposed Acquisition is not expected to have any effect on the earnings and earnings per share of the Group for the financial period ended 30 September 2023 as the Proposed Acquisition is expected to be completed by the 4th quarter of 2023. Upon completion of the Proposed Acquisition, KESB will be a wholly owned subsidiary of the Bank.

**A7. Equity instruments at fair value through other comprehensive income**

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>At fair value</u></b>				
<b>Unquoted securities :</b>				
<i>Outside Malaysia</i>				
Shares	<b>824</b>	824	-	-
Total equity instruments at fair value through other comprehensive income	<b>824</b>	824	-	-

**PART A - EXPLANATORY NOTES (CONTINUED)**

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A8. Other assets</b>				
Trade and other receivables, net of expected credit losses of RM11,498,000 (2022: RM13,509,000)	<b>13,620</b>	23,351	<b>13,620</b>	23,351
Deposits, prepayments and others #	<b>23,832</b>	3,800	<b>23,021</b>	2,988
	<b>37,452</b>	27,151	<b>36,641</b>	26,339

# Included within deposits, prepayment and others is a deposit of RM14,794,000 paid by the Bank to an escrow account in relation to the Proposed Acquisition.

	<b>The Group and the Bank</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>A9. Deposits from customers</b>		
<u>(i) By type of deposits</u>		
Short term money market deposits	<b>1,100</b>	-
<u>(ii) By type of customers</u>		
Business enterprises	<b>1,100</b>	-

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September</b>	<b>31 December</b>	<b>30 September</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A10. Other liabilities</b>				
Trade and sundry creditors	<b>18,706</b>	10,458	<b>18,706</b>	10,458
Expenditure payable	<b>40,950</b>	45,001	<b>40,912</b>	44,989
Monies-in-transit	<b>3,040,012</b>	-	<b>3,040,012</b>	-
Others	<b>4,046</b>	6,323	<b>4,046</b>	6,322
	<b>3,103,714</b>	61,782	<b>3,103,676</b>	61,769

Monies-in-transit represents the obligation of the Bank as a facility agent, on behalf of the holders/ subscribers, in respect of an issuance of a financial instrument.

**PART A - EXPLANATORY NOTES (CONTINUED)**

	3rd quarter ended		Nine months ended	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
<b>A11. Interest income</b>				
<b><u>The Group</u></b>				
Money at call and deposits placements with banks and other financial institutions	3,065	2,579	6,996	7,439
Reverse repurchase agreements	1,368	-	4,109	-
	<b>4,433</b>	<b>2,579</b>	<b>11,105</b>	<b>7,439</b>
<b><u>The Bank</u></b>				
Money at call and deposits placements with banks and other financial institutions	3,039	2,560	6,921	7,387
Reverse repurchase agreements	1,368	-	4,109	-
	<b>4,407</b>	<b>2,560</b>	<b>11,030</b>	<b>7,387</b>
<b>A12. Interest expense</b>				
<b><u>The Group and The Bank</u></b>				
Deposits and placements of banks and other financial institutions	12	59	58	172
Deposits from customers	-	130	-	515
Lease liabilities	20	29	70	95
	<b>32</b>	<b>218</b>	<b>128</b>	<b>782</b>

**PART A - EXPLANATORY NOTES (CONTINUED)**

	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
<b>A13. Non-interest income</b>				
<b><u>The Group and the Bank</u></b>				
a) <b>Fee and commission income</b>				
Commissions	8,213	6,959	23,510	25,896
Service charges and fees	26,395	10,105	65,458	40,769
Advisory and arrangement fees	1,656	11,505	16,927	16,839
Placement, book running and related fees	617	2,578	18,385	6,352
Other fee income	2,749	213	6,750	1,789
	<b>39,630</b>	<b>31,360</b>	<b>131,030</b>	<b>91,645</b>
b) <b>Fee and commission expense</b>				
Less : Fee, commission expense and direct expenses	(1,586)	(1,358)	(9,787)	(4,556)
<b>Net fee and commission income</b>	<b>38,044</b>	<b>30,002</b>	<b>121,243</b>	<b>87,089</b>
c) <b>Other non-interest income</b>				
i) <b>Net gain arising from derivative financial instrument :</b>				
- realised gain	-	-	8	-
ii) <b>Other income:</b>				
Income from securities services	1,839	1,854	4,859	4,975
Foreign exchange gain and other non-operating income	126	4,245	997	11,581
Gain on disposal of non-current asset held for sale	-	16,167	-	16,167
	<b>1,965</b>	<b>22,266</b>	<b>5,856</b>	<b>32,723</b>
Total other non-interest income	<b>1,965</b>	<b>22,266</b>	<b>5,864</b>	<b>32,723</b>
<b>Total non-interest income</b>	<b>40,009</b>	<b>52,268</b>	<b>127,107</b>	<b>119,812</b>

## A14. Overheads

<b>The Group</b>	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>	30 September	<b>30 September</b>	30 September
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Personnel costs</b>				
- Salaries, allowances and bonus	<b>29,898</b>	29,620	<b>86,881</b>	67,230
- Pension cost (defined contribution plan)	<b>2,972</b>	2,729	<b>9,464</b>	8,329
- Transformation initiative expenses	-	1,176	<b>835</b>	2,534
- Share-based expenses <sup>1</sup>	<b>424</b>	424	<b>1,272</b>	1,216
- Others	<b>1,744</b>	1,256	<b>4,426</b>	3,948
	<b>35,038</b>	35,205	<b>102,878</b>	83,257
<b>Establishment costs</b>				
- Depreciation of property, plant and equipment	<b>1,203</b>	1,202	<b>3,634</b>	3,595
- Depreciation of right-of-use assets	<b>467</b>	439	<b>1,398</b>	1,393
- Amortisation of intangible assets	<b>1,192</b>	1,215	<b>3,778</b>	4,454
- Equipment and other rental	<b>1,288</b>	938	<b>3,601</b>	2,917
- Others	<b>2,175</b>	2,408	<b>6,356</b>	5,562
	<b>6,325</b>	6,202	<b>18,767</b>	17,921
<b>Marketing expenses</b>				
- Advertisement and entertainment expenses	<b>495</b>	811	<b>1,723</b>	1,644
- Others	<b>216</b>	123	<b>568</b>	342
	<b>711</b>	934	<b>2,291</b>	1,986
<b>Administration and general expenses</b>				
- Legal and professional fees	<b>379</b>	280	<b>890</b>	942
- Service expenses	<b>8,939</b>	6,411	<b>24,617</b>	19,735
- Others	<b>2,030</b>	1,678	<b>6,929</b>	5,451
	<b>11,348</b>	8,369	<b>32,436</b>	26,128
<b>Total overhead expenses</b>	<b>53,422</b>	50,710	<b>156,372</b>	129,292

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

## A14. Overheads (Continued)

	3rd quarter ended		Nine months ended	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
<b>The Bank</b>				
<b>Personnel costs</b>				
- Salaries, allowances and bonus	29,898	29,620	86,881	67,230
- Pension cost (defined contribution plan)	2,972	2,729	9,464	8,329
- Transformation initiative expenses	-	1,176	835	2,534
- Share-based expenses <sup>1</sup>	424	424	1,272	1,216
- Others	1,744	1,256	4,426	3,948
	<b>35,038</b>	<b>35,205</b>	<b>102,878</b>	<b>83,257</b>
<b>Establishment costs</b>				
- Depreciation of property, plant and equipment	1,203	1,202	3,634	3,595
- Depreciation of right-of-use assets	467	439	1,398	1,393
- Amortisation of intangible assets	1,192	1,215	3,778	4,454
- Equipment and other rental	1,288	938	3,601	2,917
- Others	2,175	2,408	6,356	5,562
	<b>6,325</b>	<b>6,202</b>	<b>18,767</b>	<b>17,921</b>
<b>Marketing expenses</b>				
- Advertisement and entertainment expenses	495	811	1,723	1,644
- Others	216	123	568	342
	<b>711</b>	<b>934</b>	<b>2,291</b>	<b>1,986</b>
<b>Administration and general expenses</b>				
- Legal and professional fees	375	272	880	930
- Service expenses	8,933	6,406	24,593	19,715
- Others	2,030	1,688	6,929	5,471
	<b>11,338</b>	<b>8,366</b>	<b>32,402</b>	<b>26,116</b>
Total overhead expenses	<b>53,412</b>	<b>50,707</b>	<b>156,338</b>	<b>129,280</b>

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

## A15. Other expected credit losses and impairment allowances

**The Group and the Bank**

Other expected credit losses and impairment allowances (written back)/made on:

- Other assets	(964)	(1,607)	(1,068)	3,642
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**PART A - EXPLANATORY NOTES (CONTINUED)**

**A16. Commitment and contingencies**

In the normal course of business, the Group and the Bank enter into various commitments and incur certain contingent liabilities with legal recourse to their customers.

These commitments and contingencies are not secured over the assets of the Group and the Bank.

**The notional or principal amount of the commitments and contingencies constitute the following:**

	<b>The Group and the Bank</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<b>Principal</b>	<b>Principal</b>
	<b>amount</b>	<b>amount</b>
	<b>RM'000</b>	<b>RM'000</b>
<u>Credit-related</u>		
Obligations under underwriting agreement	-	87,500
	-	87,500

**A17. Capital Adequacy**

The capital adequacy ratios of the Bank and the Group are calculated based on BNM's Capital Adequacy Framework (Capital Components) of which the latest revision was issued on 9 December 2020. The revised guidelines took effect on 9 December 2020. The revised guideline sets up the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

The risk-weighted assets of the 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 Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk.

a) The capital adequacy ratios of the Group and the Bank are as follows:

	The Group		The Bank	
	30 September 2023	31 December 2022	30 September 2023	31 December 2022
<b>Before deducting proposed dividend</b>				
Common Equity Tier 1 ("CET") ratio	98.904%	97.816%	98.469%	97.235%
Tier 1 ratio	98.904%	97.816%	98.469%	97.235%
Total capital ratio	98.904%	97.816%	98.469%	97.235%
<b>After deducting proposed dividend</b>				
CET 1 ratio	98.904%	94.645%	98.469%	94.053%
Tier 1 ratio	98.904%	94.645%	98.469%	94.053%
Total capital ratio	98.904%	94.645%	98.469%	94.053%

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

	The Group		The Bank	
	30 September 2023 RM'000	31 December 2022 RM'000	30 September 2023 RM'000	31 December 2022 RM'000
Credit risk	101,551	134,947	99,755	133,164
Market risk	25,222	24,341	25,222	24,341
Operational risk	413,360	399,559	413,244	399,482
Total risk-weighted assets	540,133	558,847	538,221	556,987

c) Components of the Group and the Bank capital are as follows :

	The Group		The Bank	
	30 September 2023 RM'000	31 December 2022 RM'000	30 September 2023 RM'000	31 December 2022 RM'000
<b>CET 1 capital</b>				
Ordinary share capital	100,000	100,000	100,000	100,000
Other reserves	479,375	495,742	469,923	486,290
Less : Proposed dividends	-	(17,720)	-	(17,720)
CET 1 capital before regulatory adjustments	579,375	578,022	569,923	568,570
<u>Less: Regulatory adjustments</u>				
Deferred tax assets	(12,516)	(14,642)	(12,516)	(14,642)
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	(5,220)	(4,395)	-	-
Intangible assets	(27,428)	(30,063)	(27,428)	(30,063)
<b>CET 1 capital/Total Tier 1 Capital</b>	<b>534,211</b>	<b>528,922</b>	<b>529,979</b>	<b>523,865</b>
<b>Total capital</b>	<b>534,211</b>	<b>528,922</b>	<b>529,979</b>	<b>523,865</b>



**PART A - EXPLANATORY NOTES (CONTINUED)**

**A18. 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 rate 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 Group Market Risk Committee 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 Group Market Risk Committee;
- 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

**PART A - EXPLANATORY NOTES (CONTINUED)****A18. FAIR VALUE ESTIMATION (CONTINUED)**

The following table represents the Group's and the Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 September 2023 and 31 December 2022.

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Group</u></b>				
<b>30 September 2023</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	824	824
<b>Total</b>	<b>-</b>	<b>-</b>	<b>824</b>	<b>824</b>

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Group</u></b>				
<b>31 December 2022</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	824	824
<b>Total</b>	<b>-</b>	<b>-</b>	<b>824</b>	<b>824</b>

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A18. FAIR VALUE ESTIMATION (CONTINUED)**

The following represents the changes in Level 3 instruments for the financial period/year ended 30 September 2023 and 31 December 2022 for the Group and the Bank.

<b>The Group</b>	<b><u>Financial Investments - Equity instruments at fair value through other comprehensive income</u></b>	<b>Total</b>
<b><u>30 September 2023</u></b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2023/30 September 2023	<b>824</b>	<b>824</b>

<b>The Group</b>	<b><u>Financial Investments - Equity instruments at fair value through other comprehensive income</u></b>	<b>Total</b>
<b><u>31 December 2022</u></b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2022	867	867
Total loss recognised in other comprehensive income	(43)	(43)
At 31 December 2022	<b>824</b>	<b>824</b>

**PART A - EXPLANATORY NOTES (CONTINUED)***Strictly Private & Confidential***A19. The operations of Islamic Banking****A19a. Unaudited Statements of Financial Position as at 30 September 2023**

	<b>The Group and The Bank</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2023</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>		
Cash and short-term funds	<b>79,785</b>	92,812
Other assets	<b>6,889</b>	1,996
Amount due from ultimate holding company	<b>1</b>	-
Amount due from related companies	<b>30</b>	264
Deferred tax assets	<b>428</b>	169
Property, plant and equipment	-	1
Intangible assets	-	-
<b>Total assets</b>	<b>87,133</b>	95,242
<b>Liabilities and Islamic Banking capital funds</b>		
Other liabilities	<b>924</b>	10,872
Amount due to related companies	<b>3,557</b>	5,100
<b>Total liabilities</b>	<b>4,481</b>	15,972
Islamic Banking capital funds	<b>55,696</b>	55,696
Reserves	<b>26,956</b>	23,574
<b>Total Islamic Banking capital funds</b>	<b>82,652</b>	79,270
	<b>87,133</b>	95,242

**PART A - EXPLANATORY NOTES (CONTINUED)***Strictly Private & Confidential***A19. The operations of Islamic Banking (Continued)****A19b. Unaudited Statements of Comprehensive Income for the financial period ended 30 September 2023**

	<b>The Group and The Bank</b>			
	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>	30 September	<b>30 September</b>	30 September
	<b>2023</b>	2022	<b>2023</b>	2022
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Income derived from investment of depositors' funds and others	-	315	-	874
Income derived from investment of shareholder's funds	<b>20,317</b>	8,894	<b>37,834</b>	24,682
Expected credit losses (made)/written back on trade receivables	<b>(608)</b>	(9)	<b>(933)</b>	2
<b>Total attributable income</b>	<b>19,709</b>	9,200	<b>36,901</b>	25,558
Income attributable to the depositors and others	-	(15)	-	(29)
<b>Total net income</b>	<b>19,709</b>	9,185	<b>36,901</b>	25,529
Personnel expenses	<b>(18)</b>	(78)	<b>(114)</b>	(222)
Other overheads and expenditures	<b>(4,606)</b>	(3,194)	<b>(12,420)</b>	(9,951)
<b>Profit before taxation</b>	<b>15,085</b>	5,913	<b>24,367</b>	15,356
Taxation	<b>(3,705)</b>	(1,427)	<b>(5,985)</b>	(3,725)
<b>Profit after taxation/total comprehensive income for the period</b>	<b>11,380</b>	4,486	<b>18,382</b>	11,631
<u>Income from Islamic operations (per page 3 and page 4)</u>				
<b>Total net income</b>	<b>19,709</b>	9,185	<b>36,901</b>	25,529
Less : Expected credit losses on other assets made/(written back)	<b>608</b>	9	<b>933</b>	(2)
	<b>20,317</b>	9,194	<b>37,834</b>	25,527

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A19c. Capital Adequacy**

a) The capital adequacy ratios of the Group and the Bank are as follows:

	<b>The Group and The Bank</b>	
	<b>30 September 2023</b>	<b>31 December 2022</b>
<b>Before deducting proposed dividend</b>		
CET 1 Ratio	<b>69.979%</b>	106.987%
Tier 1 ratio	<b>69.979%</b>	106.987%
Total capital ratio	<b>69.979%</b>	106.987%
<b>After deducting proposed dividend</b>		
CET 1 Ratio	<b>69.979%</b>	86.699%
Tier 1 ratio	<b>69.979%</b>	86.699%
Total capital ratio	<b>69.979%</b>	86.699%

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

	<b>The Group and The Bank</b>	
	<b>30 September 2023 RM'000</b>	<b>31 December 2022 RM'000</b>
Credit risk	<b>18,786</b>	18,702
Operational risk	<b>72,444</b>	55,233
Total risk-weighted assets	<b>91,230</b>	73,935

c) Components of capital for the Group and the Bank are as follows :

	<b>The Group and The Bank</b>	
	<b>30 September 2023 RM'000</b>	<b>31 December 2022 RM'000</b>
<b>Tier 1 capital</b>		
Islamic Banking capital funds	<b>55,696</b>	55,696
Other reserves	<b>8,574</b>	23,574
Less : Proposed dividends	<b>-</b>	(15,000)
CET 1 capital before regulatory adjustments	<b>64,270</b>	64,270
<u>Less: Regulatory adjustments</u>		
Deferred Tax Assets	<b>(428)</b>	(169)
CET 1 capital / Total Tier 1 capital	<b>63,842</b>	64,101
Total capital base	<b>63,842</b>	64,101

**B1. Group Performance Review**

The Group reported a profit before taxation of RM21.4 million for the financial period ended 30 September 2023 compared to RM19.2 million for the same period in the preceding year. The higher profit before tax was mainly due to higher fee income, net interest income and share of results of associates, offset by higher overhead expenses during the current period.

**B2. Prospects for the Current Financial Year**

The Bank is maintaining a cautious stance for the rest of 2023 in view of renewed geopolitical tensions, deceleration of global economic growth, a sustained high policy rate environment and volatility in global financial markets. Nevertheless, the Bank expects to continue generating ideas, curating Investment Banking solutions for our clients and expanding the Private Banking proposition in line with the Group's Forward23+ focus on wealth management.

**B3. COMPUTATION OF EARNINGS PER SHARE (EPS)****a) Basic EPS**

Basic earnings per share of the Group and the Bank are calculated by dividing the net profit attributable to owners of the Group and the Bank by the weighted average number of ordinary shares issued during the financial period.

	<b>The Group</b>			
	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September 2023</b>	<b>30 September 2022</b>	<b>30 September 2023</b>	<b>30 September 2022</b>
Net profit (RM '000)	<u>9,656</u>	<u>12,750</u>	<u>15,674</u>	<u>14,922</u>
Weighted average number of ordinary shares in issue ( '000)	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Total basic earnings per share for profit attributable to equity holder of the Bank (expressed in sen per share)	<u><b>9.66</b></u>	<u>12.75</u>	<u><b>15.67</b></u>	<u>14.92</u>

**PART B - EXPLANATORY NOTES (CONTINUED)**

**B3. COMPUTATION OF EARNINGS PER SHARE (EPS) (Continued)**

**a) Basic EPS (Continued)**

Basic earnings per share of the Group and the Bank are calculated by dividing the net profit attributable to owners of the Group and the Bank by the weighted average number of ordinary shares issued during the financial period. (Continued)

	<b>The Bank</b>			
	<b>3rd quarter ended 30 September 2023</b>	<b>30 September 2022</b>	<b>Nine months ended 30 September 2023</b>	<b>30 September 2022</b>
Net profit (RM '000)	<b>9,331</b>	12,735	<b>14,819</b>	14,787
Weighted average number of ordinary shares in issue ( '000)	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Total basic earnings per share for profit attributable to equity holder of the Bank (expressed in sen per share)	<b>9.33</b>	12.74	<b>14.82</b>	14.79

**b) Diluted EPS**

There were no dilutive potential ordinary shares outstanding as at 30 September 2023 and 30 September 2022 respectively.