FINANCIAL STATEMENTS 2025

CIMB

CIMB GROUP HOLDINGS BERHAD

ADVANCING CUSTOMERS & SOCIETY

RECORD FINANCIAL PERFORMANCE

Delivering strong and resilient results driven by disciplined execution

INVESTING FOR FUTURE GROWTH

Investing in technology, digital innovation and talent to build a next-generation, future ready franchise

SHARING SUCCESS WITH CUSTOMERS AND SOCIETIES

Creating sustainable shareholder value while making positive social impact among customers and communities

CIMB

Cover Rationale

Advancing Customers and Society
Advancing Customers and Society is more than a theme. It is CIMB's purpose in action. As a leading ASEAN bank, we believe true progress is achieved when economic growth and social well-being advance in tandem. This backdrop highlights our strategic priorities and actions in creating lasting value, not only through strengthening the markets we operate in, but also in uplifting the communities we serve.

The cover design reflects our purpose through a panoramic composition of iconic landmarks from our key ASEAN markets. These visuals symbolise CIMB's deep-rooted presence and the interconnected strength of the region. The imagery represents the broader macroeconomic landscape that we actively help to shape, while the expansive horizon signals a forward-looking era defined by opportunity, resilience and shared growth.

The narrative then moves from the region to the people featured across the inside covers, who form the fabric of our communities and are placed at the heart of our story. The inclusion of students, professionals, small business owners and families from across ASEAN, signifies the diversity of our communities and the breadth of our impact. This human-centred perspective reinforces our commitment to delivering digital, inclusive and sustainable solutions that empower every segment we serve, positioning CIMB not merely as a financial institution, but as a force for positive societal impact.

Unified Visual Identity
While each report serves a distinct purpose, all are unified by a cohesive visual language that reflects an integrated Group strategy. The Integrated Annual Report employs CIMB's primary red to convey leadership, confidence and corporate strength. The Financial Statements adopt a clean, professional aesthetic that underscores transparency, clarity and fiscal discipline. The Sustainability Report reinforces our commitment to environmental stewardship, responsible banking and the delivery of our Economic, Environmental and Social (EES) ambitions.

Reducing the Environmental Impact of this Integrated Annual Report

We have taken steps to manage and minimise the environmental impact of this report and the processes involved in producing it.

Printing reports requires paper, which depends on responsibly managed forest resources. Did you know that, globally, the equivalent of a football field of forest is lost every one or two seconds?

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69th Annual General Meeting

Grand Ballroom, First Floor,
Sime Darby Convention Centre,
1A Jalan Bukit Kiara 1, 60000 Kuala Lumpur,
Wilayah Persekutuan Kuala Lumpur, Malaysia

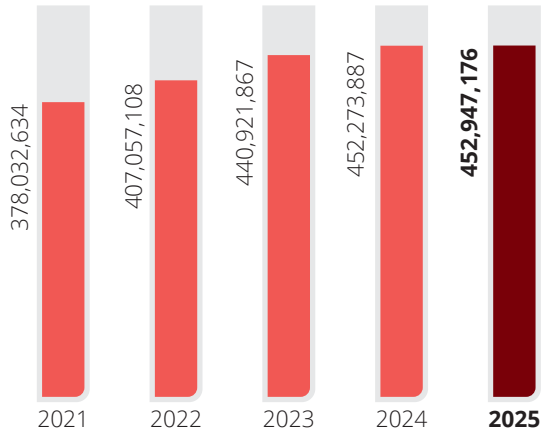
Wednesday, 29 April 2026

10.00 am

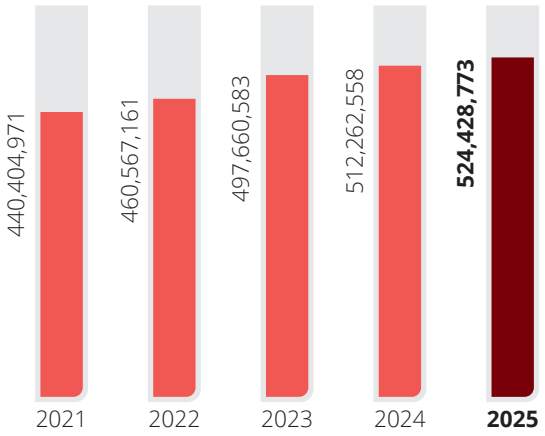
Our reports, awards, directory, news releases and investor updates are available on our corporate website at **www.cimb.com**

5-Year Group Financial Highlights

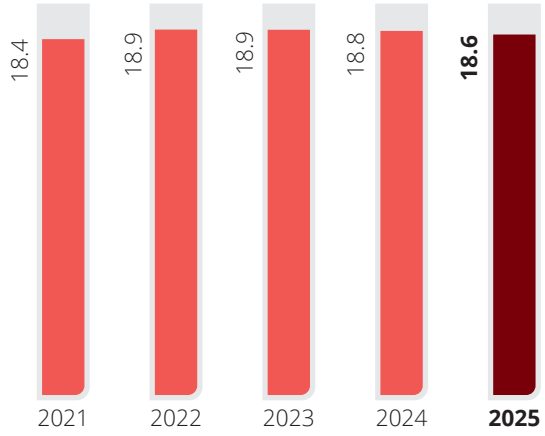
GROSS LOANS, ADVANCES AND FINANCING
(RM'000)



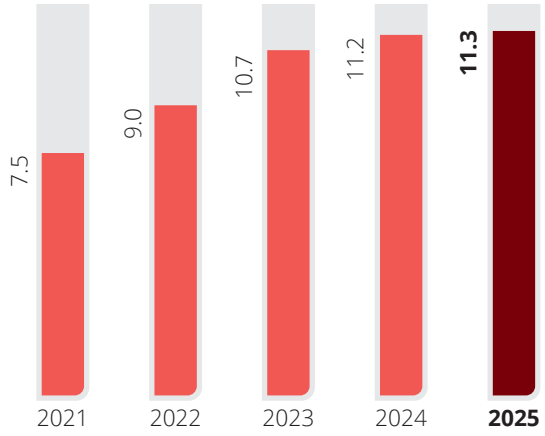
DEPOSITS FROM CUSTOMERS[1]
(RM'000)



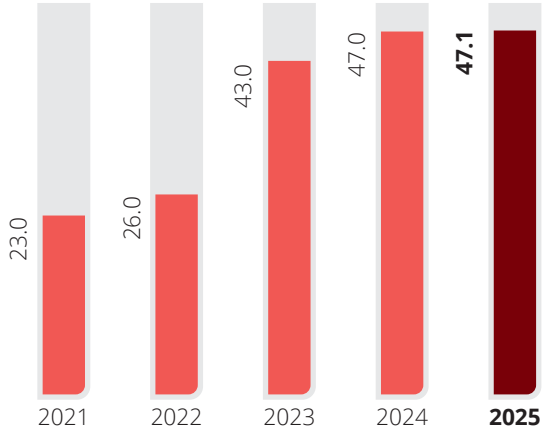
TOTAL CAPITAL RATIO[2]
(%)



ROE
(%)



DIVIDEND PER SHARE[3]
(Sen)



[1] *Include investment accounts of customers and structured investments classified as financial liabilities designated at fair value through profit or loss or at cost in other liabilities.*

[2] *Before deducting proposed dividend.*

[3] *2023, 2024 and 2025 includes single-tier special dividend of 7.00 sen per ordinary share in respect of the respective financial year.*

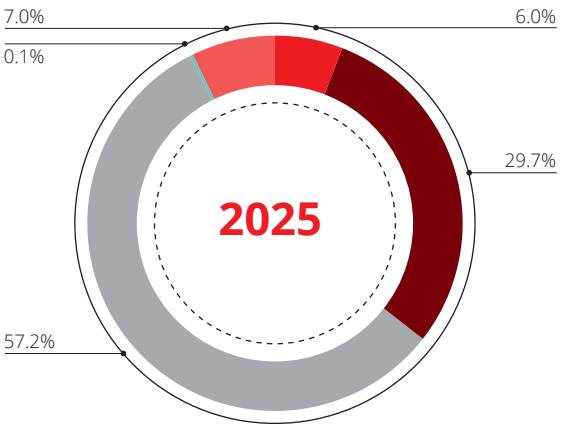
5-Year Group Financial Summary

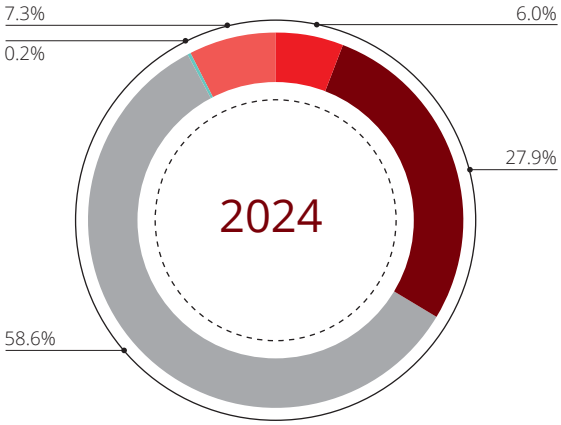
Key Highlights	Financial Year Ended 31 December				
	2025 RM'000	2024 RM'000	2023 RM'000	2022 RM'000	2021 RM'000
Consolidated Statement of Income					
Net income	**22,467,412**	22,301,154	21,014,482	19,837,516	19,512,940
Overheads	**10,626,916**	10,420,231	9,865,076	9,345,507	9,418,949
Profit before expected credit losses	**11,840,496**	11,880,923	11,149,406	10,492,009	10,093,991
Expected credit losses on loans, advances and financing	**1,382,329**	1,368,780	1,534,446	1,952,725	2,613,587
Profit before taxation and zakat	**10,680,036**	10,395,928	9,540,731	8,371,010	5,789,478
Net profit for the financial year	**7,859,552**	7,728,049	6,980,962	5,439,863	4,295,334
Consolidated Statement of Financial Position					
Gross loans, advances and financing	**452,947,176**	452,273,887	440,921,867	407,057,108	378,032,634
Total assets	**778,724,390**	755,130,703	733,572,152	666,721,225	621,907,058
Deposits from customers[1]	**524,428,773**	512,262,558	497,660,583	460,567,161	440,404,971
Total liabilities	**706,816,624**	684,291,813	663,733,261	602,937,372	561,798,310
Shareholders' funds	**70,361,115**	69,243,796	68,326,961	62,491,206	58,863,263
Commitments and contingencies	**2,074,517,599**	1,962,939,499	1,662,078,807	1,371,423,297	1,213,155,193
Financial Ratios (%)					
Common equity tier 1 ratio[2]	**14.9**	15.2	15.3	14.9	14.6
Tier 1 ratio[2]	**15.5**	15.8	15.9	15.8	15.5
Total capital ratio[2]	**18.6**	18.8	18.9	18.9	18.4
Return on average equity	**11.3**	11.2	10.7	9.0	7.5
Return on average total assets	**1.02**	1.04	1.00	0.84	0.70
Net interest margin	**2.13**	2.21	2.22	2.51	2.45
Cost to income ratio	**47.3**	46.7	46.9	47.1	48.3
Gross impaired loans to gross loans	**1.7**	2.1	2.7	3.3	3.5
Allowance coverage ratio	**103.2**	105.3	97.0	93.1	100.2
Loan loss charge	**0.30**	0.25	0.32	0.51	0.73
Loan deposit ratio	**86.4**	88.3	88.6	88.4	85.8
Net tangible assets per share (RM)	**5.77**	5.68	5.62	5.09	4.95
Book value per share (RM)	**6.52**	6.45	6.41	5.86	5.76
CASA ratio	**42.7**	43.1	41.2	39.9	42.5
Other Information					
Earnings per share (sen) – basic	**73.1**	72.3	65.5	52.2	42.9
Dividend per share (sen)[5]	**47.1**	47.0	43.0	26.0	23.0
Dividend payout ratio (%)[5]	**65**	65	66	51	50
Number of shares in issue ('000)[3]	**10,790,968**	10,728,902	10,665,102	10,665,102	10,221,452
Weighted average number of shares in issue ('000)	**10,754,212**	10,692,867	10,665,102	10,425,806	10,022,287
Non-Financial Highlights					
Share price at year-end (RM)	**8.25**	8.20	5.85	5.80	5.45
Number of employees[4]	**32,813**	33,512	33,632	32,696	33,265

[1] *Include investment accounts of customers and structured investments classified as financial liabilities designated at fair value through profit or loss or at cost in other liabilities.*
[2] *Before deducting proposed dividend.*
[3] *Excludes 4,908 ordinary shares held as treasury shares.*
[4] *Excludes headcount borne by third parties.*
[5] *2023, 2024 and 2025 includes single-tier special dividend of 7.00 sen per ordinary share in respect of the respective financial year.*

Simplified Statements of Financial Position

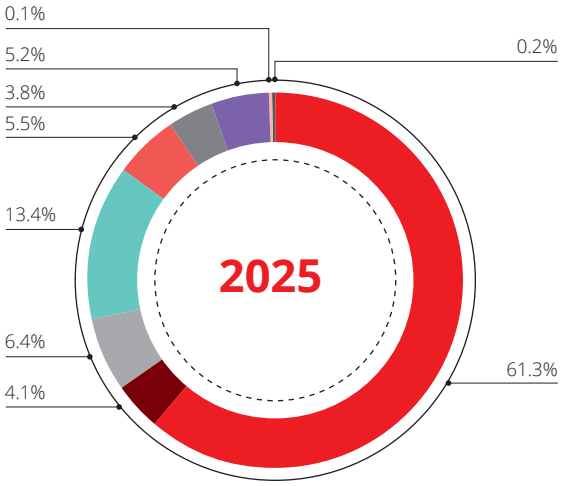
ASSETS

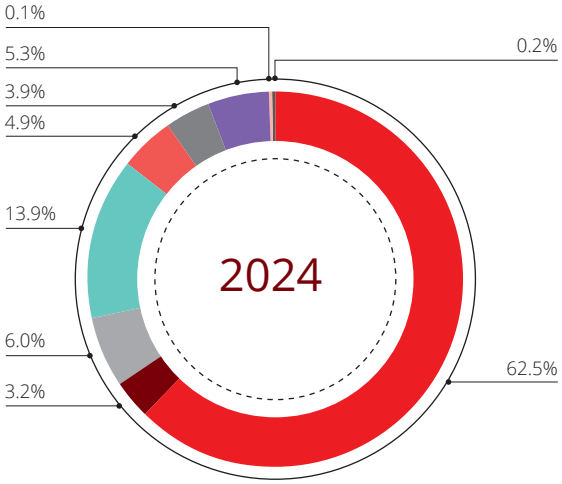




- Cash and short term funds, reverse repurchase agreements/ reverse Collateralised Commodity Murabahah and deposits and placements with banks and other financial institutions
- Portfolio of financial investments
- Loans, advances and financing
- Statutory deposits with central banks
- Other assets (including intangible assets)

EQUITY AND LIABILITIES





- Deposits from customers
- Investment accounts of customers
- Deposits and placements of banks and other financial institutions
- Bills and acceptances payable and other liabilities
- Debt securities issued and other borrowed funds
- Ordinary share capital
- Reserves
- Perpetual preference shares
- Non-controlling interests

Quarterly Financial Performance

	2025			
RM'000	**Q1**	**Q2**	**Q3**	**Q4**
Net income	**5,499,008**	**5,601,761**	**5,947,714**	**5,418,929**
Net interest income (after modification loss)	**2,816,590**	**2,787,986**	**2,793,136**	**2,865,464**
Net non-interest income and income from Islamic banking operations	**2,682,418**	**2,813,775**	**3,154,578**	**2,553,465**
Overheads	**(2,579,705)**	**(2,551,217)**	**(2,791,484)**	**(2,704,510)**
Profit before taxation and zakat	**2,627,037**	**2,647,592**	**2,842,539**	**2,562,868**
Net profit attributable to owners of the Parent	**1,973,380**	**1,888,742**	**2,077,960**	**1,919,470**
Earnings per share (sen)	**18.39**	**17.57**	**19.32**	**17.80**
Dividend per share (sen)	**–**	**19.75**	**7.00***	**20.35**

* *The dividend per share includes special dividend of 7.00 sen per share.*

	2024			
RM'000	**Q1**	**Q2**	**Q3**	**Q4**
Net income	5,628,959	5,602,540	5,741,589	5,328,066
Net interest income (after modification loss)	2,863,490	2,812,840	2,892,691	2,794,830
Net non-interest income and income from Islamic banking operations	2,765,469	2,789,700	2,848,898	2,533,236
Overheads	(2,551,955)	(2,573,400)	(2,670,353)	(2,624,523)
Profit before taxation and zakat	2,573,310	2,729,654	2,730,599	2,362,365
Net profit attributable to owners of the Parent	1,936,352	1,960,957	2,030,363	1,800,377
Earnings per share (sen)	18.16	18.35	18.98	16.78
Dividend per share (sen)	–	27.00*	–	20.00

* *The dividend per share includes special dividend of 7.00 sen per share.*

Key Interest Bearing Assets and Liabilities

Financial Year Ended 31 December 2025

	As at 31 December RM'million	Effective interest rate %	Interest income/ expense RM'million
Interest earning assets:			
Cash and short-term funds & deposits and placements with banks and other financial institutions	**32,842**	**3.05**	**1,137**
Total securities[1]	**230,158**	**3.64**	**8,240**
Loans, advances and financing	**444,920**	**5.48**	**24,140**
Interest bearing liabilities:			
Total deposits[2]	**578,893**	**2.68**	**15,231**
Bonds, Sukuk, debentures and other borrowings	**30,295**	**4.34**	**1,265**
Subordinated obligations	**12,291**	**4.00**	**486**

Financial Year Ended 31 December 2024

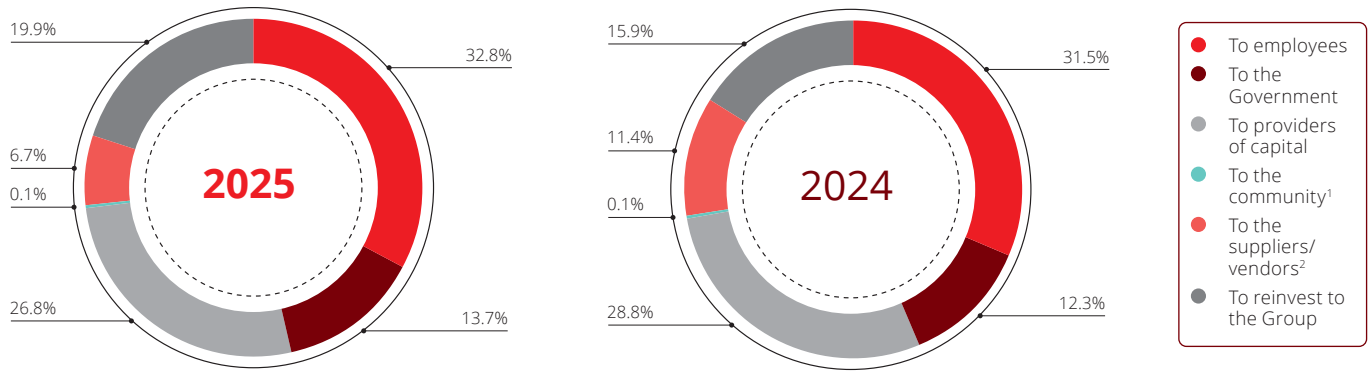
	As at 31 December RM'million	Effective interest rate %	Interest income/ expense RM'million
Interest earning assets:			
Cash and short-term funds & deposits and placements with banks and other financial institutions	34,776	3.20	1,250
Total securities[1]	210,228	4.01	8,367
Loans, advances and financing	442,163	5.89	25,538
Interest bearing liabilities:			
Total deposits[2]	560,047	3.00	16,494
Bonds, Sukuk, debentures and other borrowings	25,970	5.03	1,273
Subordinated obligations	11,304	4.11	464

[1] *Total securities include financial investments at fair value through profit or loss, debt instruments at fair value through other comprehensive income and debt instruments at amortised cost*

[2] *Total deposits include deposits from customers, investment accounts of customers, deposits and placements of banks and other financial institutions, financial liabilities designated at fair value through profit and loss and structured deposits*

Statement of Value Added and Value Distributed

	2025 RM'000	2024 RM'000
Value Added		
Net interest income (before modification loss)	**11,319,160**	11,366,569
Modification loss	**(55,984)**	(2,718)
Net interest income (after modification loss)	**11,263,176**	11,363,851
Income from Islamic banking operations	**4,958,783**	4,740,585
Net non-interest income	**6,245,453**	6,196,718
Overheads excluding personnel costs, depreciation and amortisation, and payments to community and suppliers/vendors	**(1,935,870)**	(658,023)
Expected credit losses on loans, advances and financing	**(1,382,329)**	(1,368,780)
Expected credit losses written back for commitments and contingencies	**26,163**	243,875
Other expected credit losses and impairment allowances written back/(made)	**102,110**	(378,852)
Share of results of joint ventures	**88,303**	16,555
Share of results of associates	**5,293**	2,207
Value added available for distribution	**19,371,082**	20,158,136
Distribution of Value Added		
To employees:		
Personnel costs	**6,343,661**	6,347,461
To the Government:		
Taxation and zakat	**2,651,606**	2,476,548
To providers of capital:		
Cash dividends paid to shareholders	**5,028,537**	5,611,582
Non-controlling interests	**168,878**	191,331
To the community[1]:		
Community investments	**28,700**	28,300
To the suppliers/vendors[2]:		
Suppliers/Vendors	**1,300,000**	2,300,000
To reinvest to the Group:		
Depreciation and amortisation	**1,018,685**	1,086,447
Retained earnings	**2,831,015**	2,116,467
Value added available for distribution	**19,371,082**	20,158,136



[1] *Community investments include contributions to charities, NGOs and research institutes (unrelated to the organisation's commercial research and development); funds to support community infrastructure, such as recreational facilities; and direct costs of developing and implementing social and environmental programmes, including arts, and educational events – all channelled through CIMB Foundation as well as respective business units. Community investments in 2023, 2022 and 2021 were RM32.9 million, RM34.0 million and RM28.7 million respectively.*

[2] *Suppliers/Vendors include payment made towards products or services or investments in any supplier education or development programmes. Payments made to suppliers/vendors in 2023, 2022 and 2021 were RM2,000.0 million, RM1,700.0 million and RM1,900.0 million respectively.*

Analysis of Financial Statements

ANALYSIS OF STATEMENT OF INCOME

	2025 RM'million	2024 RM'million	Increase/ (Decrease)
Net interest income^	**15,346**	15,397	(0.3%)
Net non-interest income^	**7,121**	6,904	3.1%
Operating income	**22,467**	22,301	0.7%
Overheads	**(10,627)**	(10,420)	2.0%
Profit before expected credit losses/allowances	**11,840**	11,881	(0.3%)
Expected credit losses on loans, advances and financing	**(1,382)**	(1,369)	0.9%
Expected credit losses written back for commitment and contingencies	**26**	244	(89.3%)
Other expected credit losses and impairment allowances written back/(made)	**102**	(379)	(126.9%)
Share of results of joint ventures and associates	**94**	19	394.7%
Profit before taxation and zakat	**10,680**	10,396	2.7%
Net profit attributable to owners of the Parent	**7,860**	7,728	1.7%
EPS (sen)	**73.1**	72.3	1.1%

^ *inclusive of income from Islamic banking operations*

NET INTEREST INCOME

The Group's Net Interest Income (NII) was marginally lower by 0.3% YoY at RM15.3 billion in FY25 primarily due to an 8bps compression in Net Interest Margin (NIM), partially offset by a 3.4% growth in interest earning assets with gross loans growing 0.2%. NIM declined to 2.13% from 2.21% in the previous year, reflecting the cumulative effect of multiple rate cuts across key markets over the 12-month period. However, the contraction was cushioned by the Group's Cash Strategy management under the new Forward30 strategic program which strengthened the Current Account and Savings Account (CASA) and deposit franchise across all target segments and geographies to optimise overall cost of funds. The Group's gross loan growth was relatively muted as the 2.2% and 0.5% respective loan growth in Consumer and Commercial Banking were partially offset by the softened Wholesale Banking loan book during the year. The loan book in CIMB Digital Assets and Others was relatively unchanged YoY. On a constant currency basis, gross loans were 3.1% higher YoY. By country, loan growth was driven by Indonesia +4.5%, Malaysia +3.6% and Singapore +3.1% while Thailand's gross loan balances declined 7.2% YoY.

NET NON-INTEREST INCOME

Total net Non-Interest Income (NOII) grew 3.1% YoY to RM7.1 billion compared to RM6.9 billion in FY24 on the back of robust and conducive market conditions, which translated to strong trading & foreign exchange (FX) income, as well as Consumer Banking fee income growth, although these were partially offset by the impact of FX translation in line with the strengthened Ringgit. The Group's Forward30 strategy to focus on cross-selling has shown results as client franchise income expanded by 4.8% over the year underpinned by a 3.3% YoY trading & FX income growth and robust fee income growth led by the wealth segment in Consumer Banking Singapore.

OVERHEADS

The Group's total overhead expenses were RM207 million higher YoY, or a 2.0% YoY rise to RM10.6 billion from RM10.4 billion in FY24. The growth was mainly attributed to Marketing cost expanding 35.0% YoY mainly from the Philippines, and higher Admin and General expenses of 15.2%. Personnel costs remained steady while Establishment and Technology expenses reduced by 9.4% and 1.1% YoY, respectively. The Group's cost-to-income ratio rose by 60bps to 47.3% attributed to the moderate growth in operating income.

EXPECTED CREDIT LOSSES

The Group's total expected credit losses (ECL) on loans, advances and financing rose moderately by 0.9% YoY at RM1.4 billion for FY25, attributed to lower overlay writebacks. The Group recorded a 5bps increase in total loan loss charge to 0.30%, compared to 0.25% in FY24. While the allowance coverage ratio was lower at 103.2% (-210bps), the gross impairment ratio improved by 40bps to 1.7%.

Analysis of Financial Statements

OTHER EXPECTED CREDIT LOSSES AND IMPAIRMENT ALLOWANCES

Other expected credit losses and impairment allowances stood at a positive RM102 million in FY25 compared to a RM379 million charge in FY24 due to writebacks in ECL on debt instruments at amortised cost of RM163 million and lower ECL and impairment allowances made on other assets by RM250 million.

NET PROFIT

The Group recorded a net profit of RM7.9 billion for FY25, a 1.7% YoY improvement from RM7.7 billion in FY24. The improved profitability was attributed to lower provisions and higher share of JV and associates. The Group's profit before expected credit losses/allowances was relatively muted for the year as the stronger NOII growth and disciplined cost management were offset by NIM compression and FX translation effects. In totality, the Group reported a higher net EPS of 73.1 sen for FY25.

SIGNIFICANT MOVEMENT IN STATEMENT OF FINANCIAL POSITION

	2025 RM'million	2024 RM'million	Increase/ (Decrease)
ASSETS			
Cash and short-term funds	**28,184**	29,609	(4.8%)
Deposits and placements with banks and other financial institutions	**4,658**	5,168	(9.9%)
Financial investment portfolio	**230,760**	210,620	9.6%
Loans, advances and financing	**444,920**	442,163	0.6%
Other assets (including intangible assets)	**70,202**	67,571	3.9%
Total assets	**778,724**	755,131	3.1%
LIABILITIES			
Deposits from customers^	**524,429**	512,263	2.4%
Deposits and placements of banks and other financial institutions	**49,908**	45,445	9.8%
Other borrowings	**13,175**	11,558	14.0%
Bonds, sukuk and debentures	**17,119**	14,412	18.8%
Subordinated obligations	**12,291**	11,304	8.7%
Other liabilities	**89,895**	89,310	0.7%
Total liabilities	**706,817**	684,292	3.3%

^ *Includes investment accounts of customers and structured investments classified as financial liabilities designated at fair value through profit or loss or at cost in other liabilities*

A) TOTAL ASSETS

As at 31 December 2025, CIMB Group's total assets stood at RM778.7 billion, a RM23.6 billion or 3.1% YoY increase. The growth was attributed to a RM20.1 billion or 9.6% rise in the financial investment portfolio, a 3.9% growth in other assets (including intangible assets), as well as a slight 0.6% growth in loans, advances and financing over the year to RM444.9 billion. Deposits and placement with banks and other financial institutions declined 9.9% YoY, while cash and short-term funds was 4.8% or RM1.4 billion lower.

B) TOTAL LOANS, ADVANCES AND FINANCING

The Group's loans, advances and financing stood at RM444.9 billion as at 31 December 2025, a growth of 0.6% YoY or RM2.8 billion. Malaysia loans rose 3.6% during the year, with loans in Indonesia and Singapore expanded by 4.5% and 3.1% YoY in Rupiah and Dollar-terms respectively, while Thailand loans fell 7.2% YoY on constant currency basis in Thai Baht. The Group's gross impaired loans ratio stood at 1.7% as at end-2025 compared to 2.1% as at end-2024. Consumer and Commercial Banking loans rose by 2.2% and 0.5% YoY respectively, while Wholesale Banking recorded a drop of 3.6% YoY with CIMB Digital Assets and Others recording a flat growth.

Analysis of Financial Statements

C) OTHER ASSETS (INCLUDING INTANGIBLE ASSETS)

The total amount of other assets including intangible assets were 3.9% YoY or RM2.63 billion higher at RM70.2 billion as at end-2025 compared to RM67.6 billion as at end-2024. The increase was largely due to higher reverse repurchase agreements and other assets amounting to RM3.3 billion and RM1.9 billion respectively. This was partially offset by a RM2.4 billion decline in Statutory deposits with Central banks.

D) TOTAL LIABILITIES

As at 31 December 2025, the Group's total liabilities stood at RM706.8 billion, an increase of 3.3% or RM22.5 billion YoY. The rise was largely driven by a RM12.2 billion or 2.4% YoY expansion in deposits from customers, as well as a RM4.5 billion or 9.8% YoY increase in deposits and placements of banks and other financial institutions. The growth in liabilities was also attributed to higher bonds, sukuk and debentures of 18.8% YoY, other borrowings rising 14.0% and subordinated obligations growing 8.7%, while other liabilities showed a minor increase 0.7% YoY.

E) TOTAL DEPOSITS FROM CUSTOMERS

Total Group deposits from customers rose by 2.4% YoY or RM13.1 billion to RM525.4 billion as at 31 December 2025. Commercial and Wholesale Banking reported an increase of 3.4% and 6.9%, respectively, while Consumer Banking and CIMB Digital Assets and others fell 1.2% and 25.5% respectively. In local currency terms, total deposits in Malaysia and Indonesia grew 10.4% and 3.8%, while Singapore and Thailand declined 7.0% and 9.1% in Ringgit, Rupiah, Dollar and Baht respectively. The Group's CASA ratio ended the year at 42.7%. The CASA growth of 1.6% YoY was contributed by all core markets as the Group strengthened its CASA franchise over the year.

Financial Calendar

14 February 2025
Additional listing of 10,000 new ordinary shares via ESOS

14 March 2025
Additional listing of 2,621,500 new ordinary shares via ESOS

27 March 2025
Issuance of Annual Report for the financial year ended 31 December 2024

15 April 2025
Additional listing of 2,735,500 new ordinary shares via ESOS

28 February 2025
Additional listing of 250,000 new ordinary shares via ESOS

14 March 2025
Notice of book closure for single tier second interim dividend of 20.00 sen per ordinary share in respect of the financial year ended 31 December 2024

28 March 2025
Notice of 68th Annual General Meeting

28 April 2025
Additional listing of 2,926,000 new ordinary shares via ESOS

28 February 2025
Announcement of the unaudited consolidated financial results for the fourth quarter and financial year ended 31 December 2024

17 March 2025
Date of entitlement for the single tier second interim dividend of 20.00 sen per ordinary share in respect of the financial year ended 31 December 2024

28 March 2025
Additional listing of 956,500 new ordinary shares via ESOS

29 April 2025
68th Annual General Meeting

13 March 2025
Announcement of the proposed renewal of the authority for CIMB Group Holdings Berhad to purchase its own share

27 March 2025
Payment of the single tier second interim dividend of 20.00 sen per ordinary share in respect of the financial year ended 31 December 2024

11 April 2025
Additional listing of 6,687,577 new ordinary shares via ESOS - Share Grant Plan

2 May 2025
Announcement on related party transaction in respect of sale and purchase of properties by CIMB Bank Berhad pursuant to Chapter 10 of the Main Market Listing Requirements

Financial Calendar

16 May 2025
Additional listing of 482,000 new ordinary shares via ESOS

28 May 2025
Additional listing of 1,510,000 new ordinary shares via ESOS

30 May 2025
Announcement of the unaudited consolidated financial results for the first quarter ended 31 March 2025

16 June 2025
Additional listing of 1,813,500 new ordinary shares via ESOS

30 June 2025
Additional listing of 1,148,500 new ordinary shares via ESOS

14 July 2025
Additional listing of 1,276,500 new ordinary shares via ESOS

28 July 2025
Additional listing of 1,730,000 new ordinary shares via ESOS

14 August 2025
Additional listing of 366,000 new ordinary shares via ESOS

28 August 2025
Additional listing of 3,697,000 new ordinary shares via ESOS

29 August 2025
Announcement of the unaudited consolidated financial results for the second quarter and half year ended 30 June 2025

17 September 2025
Additional listing of 5,701,000 new ordinary shares via ESOS

18 September 2025
Notice of book closure for single tier first interim dividend of 19.75 sen per ordinary share for the financial year ending 31 December 2025

19 September 2025
Date of entitlement for the single tier first interim dividend of 19.75 sen per ordinary share for the financial year ending 31 December 2025

30 September 2025
Payment of the single tier first interim dividend of 19.75 sen per ordinary share for the financial year ending 31 December 2025

30 September 2025
Additional listing of 1,809,500 new ordinary shares via ESOS

14 October 2025
Additional listing of 3,000,500 new ordinary shares via ESOS

Financial Calendar

29 October 2025

Additional listing of 752,000 new ordinary shares via ESOS

14 November 2025

Additional listing of 3,807,500 new ordinary shares via ESOS

27 November 2025

Additional listing of 5,867,333 new ordinary shares via ESOS

28 November 2025

Announcement of the unaudited consolidated financial results for the third quarter ended 30 September 2025

11 December 2025

Additional listing of 8,663,000 new ordinary shares via ESOS

12 December 2025

Notice of book closure for single tier special dividend of 7 sen per ordinary share for the financial year ending 31 December 2025

15 December 2025

Date of entitlement for the single tier special dividend of 7 sen per ordinary share for the financial year ending 31 December 2025

23 December 2025

Additional listing of 1,144,800 new ordinary shares via ESOS

24 December 2025

Payment of the single tier special dividend of 7 sen per ordinary share for the financial year ending 31 December 2025

15 January 2026

Additional listing of 2,675,000 new ordinary shares via ESOS

28 January 2026

Additional listing of 1,145,700 new ordinary shares via ESOS

16 February 2026

Additional listing of 1,859,500 new ordinary shares via ESOS

27 February 2026

Announcement of the unaudited consolidated financial results for the fourth quarter ended 31 December 2025

2026 TENTATIVE DATES

26 MAY 2026

1Q 2026

Financial Results

28 AUGUST 2026

2Q 2026

Financial Results

25 NOVEMBER 2026

3Q 2026

Financial Results

FEBRUARY 2027

4Q 2026

Financial Results

Capital Management

OVERVIEW

Capital management at CIMB Group remains focused on maintaining a strong capital position through building an efficient capital structure. The capital position and structure of the Group are designed to meet the requirements for our business and operational growth, as well as expectations of the Group's key stakeholders, i.e. shareholders, customers, regulators, external rating agencies and others. Guided by CIMB Group's Capital Management Policy and Procedure, the objectives of capital management are as follows:

To maintain a strong and efficient capital base for the Group and its entities to (a) meet regulatory capital requirements at all times; (b) realise returns for shareholders through sustainable return on equity and stable dividend payout; and (c) withstand stressed economic and market conditions.

To allocate capital efficiently across the business units and subsidiaries to (a) support the organic growth generation; (b) take advantage of strategic acquisitions and new businesses when opportunities arise; and (c) optimise the return on capital for the Group.

To maintain capital at optimal levels to meet the requirements for our business and operational growth, as well as expectations of other stakeholders of the Group, including rating agencies and customers through (a) Risk Adjusted Return on Capital (RAROC) driven capital deployment; (b) evaluation of options on optimising capital; (c) continued prudent liability management; and (d) capital-optimisation exercises.

The Group and its banking subsidiaries have always maintained a set of internal capital ratios that are above the minimum regulatory capital requirements. The following table shows the relevant capital ratios of each of the regulated banking entities of the Group.

Capital Ratios	Common Equity Tier 1 Capital	Tier 1 Capital	Total Capital
	As at 31 December 2025	As at 31 December 2025	As at 31 December 2025
CIMB Group	14.325%	14.909%	18.034%
CIMB Bank	13.383%	13.783%	17.803%
CIMB Islamic	14.863%	15.350%	18.105%
CIMB Investment Bank Group	69.535%	69.535%	69.535%
CIMB Niaga	23.441%	23.441%	24.542%
CIMB Thai	16.825%	16.825%	21.384%

The Group also monitors the leverage ratio which stood at 7.15% as at the financial year ended 31 December 2025. The leverage ratio is computed by dividing the Tier 1 capital of RM57.13 billion with Total Exposures* of RM798.67 billion. For reference, the leverage ratio for financial year ended 31 December 2024 was 7.16%, based on Tier 1 capital of RM56.39 billion with Total Exposures* of RM787.15 billion.

** Total Exposures computed in line with BNM Basel III Leverage ratio guideline.*

KEY INITIATIVES

Our goal is to continuously maintain a sustainable and robust capital position, whilst optimising its use fully to create shareholders' value. Tools that are employed to achieve this include but are not limited to the following:

(1) RAROC driven capital deployment;

(2) Continued prudent liability management; and

(3) Capital and Risk Weighted Assets (RWA) optimisation initiatives.

Key capital management initiatives that were undertaken during the 2025 calendar year include:

(1) CIMB Group redeemed RM2.5 billion Basel III Tier 2 Subordinated Debt and RM550 million Basel III Additional Tier 1 Capital Securities.

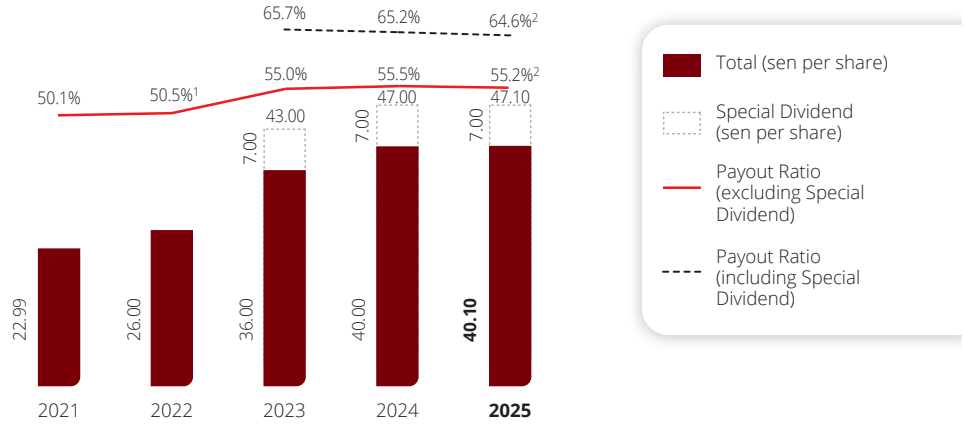
(2) CIMB Group issued RM3.5 billion Basel III Tier 2 Sukuk Wakalah. It also issued RM550 million Basel III Additional Tier 1 Sukuk Wakalah.

DIVIDEND POLICY

For the financial year ended 31 December 2025, the Board had declared a first interim dividend of 19.75 sen per ordinary share, a second interim dividend of 20.35 sen per ordinary share and a special dividend of 7.00 sen per ordinary share, bringing total FY25 dividend to a record of 47.10 sen per ordinary share totaling to about RM5.08 billion. The dividends declared for the financial year ended 31 December 2025 are all in cash.

DIVIDEND REINVESTMENT SCHEME ("DRS")

The DRS was implemented in 2013 to provide shareholders with an option to reinvest dividends into new ordinary shares of CIMB and at the same time to help preserve the Group's capital. It was first applied to the Group's second interim dividend for the financial year ended 31 December 2012. Since the FY2022 second interim dividend, the Group has not elected to employ DRS as the Group continues its efforts to manage and optimise its capital proactively as well as meet its stakeholders' expectations.



[1] *Payout ratio based on BAU PAT excluding exceptional items.*
[2] *Payout ratio is based on the issued and paid-up ordinary shares as at 31 December 2025.*

Statement of Directors' Responsibilities

In Relation to Financial Statements

The Directors are responsible for ensuring that the annual audited financial statements of the Group and of the Company are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, the requirements of the Companies Act, 2016, Bank Negara Malaysia's Guidelines and the Listing Requirements of Bursa Malaysia Securities Berhad.

The Directors are also responsible for ensuring that the annual audited financial statements of the Group and of the Company are prepared with reasonable accuracy from the accounting records of the Group and of the Company so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and cash flows for the financial year then ended.

The Directors consider that, in preparing the annual audited financial statements, the Group and the Company have used appropriate accounting policies, consistently applied and supported by reasonable and prudent judgements and estimates, and ensured that all applicable approved accounting standards have been followed and confirm that the financial statements have been prepared on a going concern basis.

The Directors also have a general responsibility to take reasonable steps to safeguard the assets of the Group and the Company to prevent and detect fraud and other irregularities.

Directors' Report

for the financial year ended 31 December 2025

The Directors have pleasure in submitting their Report and the Audited Financial Statements of the Group and the Company for the financial year ended 31 December 2025.

PRINCIPAL ACTIVITIES

The principal activity of the Company during the financial year is investment holding. The principal activities of the significant subsidiaries as set out in Note 14 to the Financial Statements, consist of commercial banking, investment banking, Islamic banking, offshore banking, debt factoring, trustee and nominee services, property ownership and management, and the provision of other related financial services. There was no significant change in the nature of these activities during the financial year.

FINANCIAL RESULTS

	The Group RM'000	The Company RM'000
Net profit after taxation attributable to:		
– Owners of the Parent	**7,859,552**	**4,621,461**
– Non-controlling interests	**168,878**	**–**
	8,028,430	**4,621,461**

DIVIDENDS

The dividends on ordinary shares paid or declared by the Company since 31 December 2024 were as follows:

	RM'000
In respect of the financial year ended 31 December 2024:	
Dividend on 10,734,893,705 ordinary shares, paid on 27 March 2025:	
– single-tier second interim dividend of 20.00 sen per ordinary share	**2,146,979**
In respect of the financial year ended 31 December 2025:	
Dividend on 10,765,923,782 ordinary shares, paid on 30 September 2025:	
– single-tier first interim dividend of 19.75 sen per ordinary share	**2,126,270**
Special dividend on 10,789,823,615 ordinary shares, paid on 24 December 2025:	
– single-tier special dividend of 7.00 sen per ordinary share	**755,288**

The Board of Directors have proposed a single-tier second interim dividend of 20.35 sen per ordinary share for the financial year ended 31 December 2025. Based on the issued and paid-up ordinary shares of 10,790,968,415 as at 31 December 2025, the proposed second interim dividend amounts to approximately RM2,196 million. Upon the full exercise of vested ESOS of up to 68,847,787 new ordinary shares under the LTIP scheme, the proposed single-tier second interim dividend of 20.35 sen per ordinary share for the financial year ended 31 December 2025 will amount up to approximately RM2,210 million. The single-tier second interim dividend was approved by the Board of Directors on 29 January 2026.

The Financial Statements for the current financial year do not reflect the above proposed dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the next financial year.

The Directors do not recommend the payment of any final dividend for the financial year ended 31 December 2025.

Directors' Report

for the financial year ended 31 December 2025

RESERVES, PROVISIONS AND ALLOWANCES

There were no material transfers to or from reserves or provisions or allowances during the financial year other than those disclosed in the Financial Statements and Notes to the Financial Statements.

ISSUANCE OF SHARES

On 31 December 2025, the Company increased its issued and paid-up capital from 10,728,906,596 to 10,790,973,323 shares via:

(i) Issuance of 6,687,577 new ordinary shares amounting to RM32.2 million, arising from the LTIP – Share Grant Plan ("SGP");

(ii) Issuance of 55,379,150 new ordinary shares amounting to RM302.5 million arising from the LTIP – ESOS.

SHARE BUY-BACK AND CANCELLATION

During the financial year, the Company did not buy back any of its issued share capital from the open market. As at 31 December 2025, there were 4,908 ordinary shares held as treasury shares. Accordingly, the adjusted issued and paid-up share capital of the Company with voting rights as at 31 December 2025 was 10,790,968,415 shares.

The shares purchased are held as treasury shares in accordance with the provisions of Section 127 of the Companies Act 2016.

SHARE-BASED EMPLOYEE BENEFIT PLAN

The Group's employee benefit schemes are explained in Note 49 to the Financial Statements.

BAD AND DOUBTFUL DEBTS, AND FINANCING

Before the Financial Statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that proper action had been taken in relation to the writing off of bad debts and financing and the making of allowance for doubtful debts and financing, and satisfied themselves that all known bad debts and financing had been written off and that adequate allowance had been made for doubtful debts and financing.

At the date of this Report, the Directors are not aware of any circumstances which would render the amounts written off for bad debts and financing, or the amount of the allowance for doubtful debts and financing in the Financial Statements of the Group and of the Company, inadequate to any substantial extent.

CURRENT ASSETS

Before the Financial Statements of the Group and of the Company were prepared, the Directors took reasonable steps to ascertain that any current assets, other than debts and financing, which were unlikely to realise in the ordinary course of business, including the values of current assets as shown in the accounting records of the Group and of the Company, had been written down to an amount which the current assets might be expected so to realise.

At the date of this Report, the Directors are not aware of any circumstances which would render the values attributed to current assets in the Financial Statements of the Group and of the Company misleading.

VALUATION METHODS

At the date of this Report, the Directors are not aware of any circumstances which have arisen which render adherence to the existing method of valuation of assets or liabilities of the Group and of the Company misleading or inappropriate.

Directors' Report
for the financial year ended 31 December 2025

CONTINGENT AND OTHER LIABILITIES

At the date of this Report, there does not exist:

(a) any charge on the assets of the Group or the Company which has arisen since the end of the financial year which secures the liability of any other person; or

(b) any contingent liability of the Group or the Company which has arisen since the end of the financial year other than in the ordinary course of business.

No contingent or other liability in the Group or the Company has become enforceable or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may substantially affect the ability of the Group and the Company to meet their obligations when they fall due.

CHANGE OF CIRCUMSTANCES

At the date of this Report, the Directors are not aware of any circumstances not otherwise dealt with in this Report or the Financial Statements of the Group and of the Company, that would render any amount stated in the Financial Statements misleading.

ITEMS OF AN UNUSUAL NATURE

In the opinion of the Directors:

(a) the results of the Group's and the Company's operations for the financial year have not been substantially affected by any item, transaction or event of a material and unusual nature other than those disclosed in Note 53.1 to the Financial Statements; and

(b) there has not arisen in the interval between the end of the financial year and the date of this Report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Group or the Company for the financial year in which this Report is made other than those disclosed in Note 53.2 to the Financial Statements.

DIRECTORS

The Directors of the Company who have held office during the financial year and during the period from the end of the financial year to the date of the report are:

Datuk Syed Zaid Syed Jaffar Albar (appointed on 18 June 2025)
Muhammad Novan Amirudin
Dato' Lee Kok Kwan
Didi Syafruddin Yahya
Shulamite N K Khoo
Ho Yuet Mee
Datin Azlina Mahmad
YM Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz
Lyn Therese McGrath
Selvendran Katheerayson (appointed on 1 August 2025)
Yasmin Aladad Khan (appointed on 1 December 2025)
Tan Sri Mohd Nasir Ahmad (retired on 19 July 2025)
Dato' Mohamed Ross Mohd Din (retired on 18 April 2025)
Afzal Abdul Rahim (retired on 31 January 2025)

In accordance with Article 81 of the Constitution, the following Directors will retire from the Board at the forthcoming Annual General Meeting ("AGM") and being eligible, offer themselves for re-election:

Dato' Lee Kok Kwan
Ho Yuet Mee
Datin Azlina Mahmad

Directors' Report

for the financial year ended 31 December 2025

DIRECTORS (CONTINUED)

In accordance with Article 88 of the Constitution, the following Directors will retire from the Board at the forthcoming AGM and being eligible, offer themselves for re-election:

Datuk Syed Zaid Syed Jaffar Albar
Selvendran Katheerayson
Yasmin Aladad Khan

The names of the Directors of the Company's subsidiaries in office since the beginning of the financial year up to the date of this report are disclosed in Note 59 to the financial statements.

DIRECTORS' INTERESTS IN SHARES, SHARE OPTIONS AND DEBENTURES

According to the Register of Directors' Shareholdings required to be kept under Section 59 of the Companies Act 2016, the beneficial interests of Directors who held office at the end of the financial year in the shares, share options and debentures of the Company or its subsidiaries during the financial year are as follows:

	No. of ordinary shares			
	As at 1 January 2025	Additions	Disposal	As at 31 December 2025
CIMB Group Holdings Berhad				
Direct interest				
Muhammad Novan Amirudin	637,220	1,482,484[a]	(1,445,984)[b]	673,720
* Dato' Lee Kok Kwan	481,208	–	–	481,208
^ Didi Syafruddin Yahya	46,791	–	–	46,791

Note: Includes shareholding of spouse/child, details of which are as follows:

	No. of ordinary shares			
	As at 1 January 2025	Additions	Disposal	As at 31 December 2025
* Datin Rosemary Yvonne Fong	95,498	–	–	95,498
^ Sarina Mahmood Merican	46,791	–	–	46,791

(a) Includes shares granted/released under Equity Ownership Plan ("EOP")/vested for ESOS and SGP under LTIP
(b) Includes shares released from EOP account and transferred into Director's personal accounts

	No. of ordinary shares			
	As at 1 January 2025	Additions	Disposal	As at 31 December 2025
PT Bank CIMB Niaga Tbk				
Direct interest				
* Dato' Lee Kok Kwan	427,305	–	–	427,305

Directors' Report
for the financial year ended 31 December 2025

DIRECTORS' INTERESTS IN SHARES, SHARE OPTIONS AND DEBENTURES (CONTINUED)

Note:
* Includes shareholding of spouse/child, details of which are as follows:

	No. of ordinary shares			
	As at 1 January 2025	Additions	Disposal	As at 31 December 2025
* Datin Rosemary Yvonne Fong	12,445	–	–	12,445

Other than as disclosed above, according to the Register of Directors' Shareholdings, the Directors in office at the end of the financial year did not hold any interest in shares, options over shares and debentures in the Company, or shares, options over shares and debentures of its related corporations during the financial year.

LONG TERM INCENTIVE PLAN ("LTIP")

The Group implemented a Long Term Incentive Plan ("LTIP") on 9 June 2021, which was approved by the shareholders at the Extraordinary General Meeting held on 15 April 2021. The LTIP is governed by the LTIP by-laws and is administered by the LTIP Committee.

The LTIP is awarded to employees who hold senior management positions and key roles within the CIMB Group and its subsidiary companies, and who fulfill the eligibility criteria and have been approved for participation by the LTIP Committee. Any LTIP awards made to Executive Directors (or any persons connected to the directors) is subject to the approval of the shareholders at a general meeting.

The LTIP, which is valid for 7 years from the implementation date, comprises of 2 performance-based plans – the Employee Share Option Scheme ("ESOS") and the Share Grant Plan ("SGP").

- The ESOS is a share option scheme with a premium on the exercise price, where vesting is subject to service conditions. The LTIP Committee may, at any time within the duration of the LTIP, grant an ESOS award to eligible employees, subject to the terms and conditions of the by-laws. The ESOS shares may be settled through issuance and transfer of new shares, or other modes of settlement as provided by the by-laws.

- The SGP is a restricted share unit scheme where vesting is subject to performance conditions (based on return on equity targets and individual performance), and the LTIP Committee may, at any time within the duration of the LTIP, grant an SGP award to eligible employees, subject to the terms and conditions of the by-laws. The SGP shares may be settled through issuance and transfer of new shares, or other modes of settlement as provided by the by-laws.

Details of LTIP are set out in Note 49 to the financial statements.

(i) Details of ESOS shares awarded:

Award Date	Fair Value RM	Awarded (Units'000)	Vesting Dates
9 June 2021 – First grant	0.45	216,758	31 March 2024 31 March 2025
31 March 2022 – Second grant	0.75	8,991	31 March 2024 31 March 2025
8 September 2022 – Third grant	0.74	3,430	31 March 2024 31 March 2025
8 December 2022 – Fourth grant	0.81	660	31 March 2024 31 March 2025

Directors' Report

for the financial year ended 31 December 2025

DIRECTORS' INTERESTS IN SHARES, SHARE OPTIONS AND DEBENTURES (CONTINUED)

LONG TERM INCENTIVE PLAN ("LTIP") (CONTINUED)

(i) Details of ESOS shares awarded: (Continued)

The following table indicates the number and movement of ESOS shares during the financial year ended 31 December 2025:

Award Date	As at 1 January 2025 (Units'000)	Movement during the year			Outstanding as at 31 December 2025 (Units'000)	Exercisable as at 31 December 2025 (Units'000)
		Awarded (Units'000)	Exercised (Units'000)	Expired/ Forfeited (Units'000)		
9 June 2021 – First grant	116,091	–	(52,558)	(644)	62,889	62,889
31 March 2022 – Second grant	6,407	–	(1,232)	–	5,175	5,175
8 September 2022 – Third grant	2,043	–	(1,259)	–	784	784
8 December 2022 – Fourth grant	330	–	(330)	–	–	–

(ii) Details of SGP shares awarded:

Award Date	Fair Value RM	Awarded (Units'000)	Vesting Dates*
9 June 2021 – First grant	4.65	15,748	31 March 2024 31 March 2025
31 March 2022 – Second grant	5.33	1,965	31 March 2024 31 March 2025
8 September 2022 – Third grant	5.40	736	31 March 2024 31 March 2025
8 December 2022 – Fourth grant	5.61	142	31 March 2024 31 March 2025
12 January 2024 – Fifth grant	5.92	250	31 March 2025

* *Subject to performance conditions*

The following table indicates the number and movement of SGP shares during the financial year ended 31 December 2025:

Award Date	As at 1 January 2025 (Units'000)	Movement during the year			As at 31 December 2025 (Units'000)
		Awarded (Units'000)	Vested (Units'000)	Forfeited (Units'000)	
9 June 2021 – First Grant	6,072	–	(5,258)	(814)	–
31 March 2022 – Second Grant	967	–	(840)	(127)	–
8 September 2022 – Third grant	364	–	(320)	(44)	–
8 December 2022 – Fourth grant	71	–	(60)	(11)	–
12 January 2024 – Fifth grant	250	–	(210)	(40)	–

Directors' Report
for the financial year ended 31 December 2025

DIRECTORS' INTERESTS IN SHARES, SHARE OPTIONS AND DEBENTURES (CONTINUED)

LONG TERM INCENTIVE PLAN ("LTIP") (CONTINUED)

(ii) Details of SGP shares awarded: (Continued)

Executive Director and Key Management Personnel who have been awarded with the ESOS and SGP during the financial year ended 31 December 2025 are listed below:

	2025	
Name	**No. of ESOS Awarded (Units'000)**	**No. of SGP Awarded (Units'000)**
Key Management Personnel	–	–

DIRECTORS' REMUNERATION

The remuneration in aggregate for Directors of the Group and the Company for the financial year is as follows:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Executive Directors				
– Salary and remuneration	**11,654**	13,588	**–**	–
– Benefits-in-kind	**89**	177	**–**	–
	11,743	13,765	**–**	–
Non–Executive Directors				
– Fees	**4,042**	2,649	**2,442**	1,317
– Other remuneration	**4,030**	4,115	**2,014**	2,359
– Benefits-in-kind	**57**	167	**21**	13
	8,129	6,931	**4,477**	3,689
	19,872	20,696	**4,477**	3,689

The Directors and Officers of the Group and the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year for the Group and the Company amounting to RM1,477,410 (2024: RM1,555,167) and RM Nil (2024: RM Nil).

DIRECTORS' BENEFITS

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than Directors' remuneration disclosed in Note 44 to the Financial Statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither at the end of the financial year, nor at any time during the financial year, did there subsist any other arrangements to which the Company is a party, with the object or objects of enabling Directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate, other than the Management Equity Scheme, Equity Ownership Plan and Long Term Incentive Plan (see Note 49 to the Financial Statements) as disclosed in this Report.

Directors' Report

for the financial year ended 31 December 2025

SUBSIDIARIES

(a) Details of subsidiaries

Details of subsidiaries are as set out in Note 14 to the Financial Statements.

(b) Subsidiaries' holding of shares in other related corporations

Details of subsidiaries' holding of shares in other related corporations are as set out in Note 14 to the Financial Statements.

AUDITORS' REMUNERATION

Auditors' remuneration of the Group and the Company are RM23,968,000 and RM1,318,000 respectively. Details of auditors' remuneration are as set out in Note 41 to the Financial Statements.

2025 BUSINESS PLAN AND STRATEGY

The 2025 global macroeconomic environment was dominated by tariff-related trade tensions and sustained heightened geopolitical uncertainty, which disrupted economic activity and trade flows. Nevertheless, financial markets exhibited stiff resilience amidst moderating inflation, lower interest rates and various fiscal measures undertaken by major economies, buoying trading and capital market activity across the region and globally. Despite the global headwinds, ASEAN countries generally recorded steady GDP growth over the year underpinned by strong liquidity and domestic consumption. The Malaysian economy performed strongly with a 5.4% GDP growth in 2025 on the back of a surge in exports, a strengthened Ringgit, gradual fiscal easing, strong foreign direct investments, resilient household spending and a conducive business investment climate.

The Group announced its new six-year Forward30 strategic plan in early 2025 following the conclusion of the Forward23+ program in end-2024. Forward30 aims to strengthen the Group's leadership position in ASEAN by leveraging on the regional footprint and franchise, optimising capital and resources and delivering sustainable financial performance to create long term shareholder value, guided by the 4Cs: Capital, Cash, Cross sell and Capabilities. In November 2025, the Group announced a 2-year capital return program of up to RM2 billion to shareholders by end-2027 (subject to market conditions and regulatory approvals) and concurrently declared a special cash dividend of RM755 million which was paid in December 2025. The Group continued to prioritise deposit-led growth with accelerated cross-selling initiatives particularly in wealth management by leveraging on the strong ASEAN network and customer franchise. Cost discipline was adhered to strictly as the Group continued to focus on strengthening its digital resilience and operational capabilities, while driving the sustainability agenda.

The Group posted a 0.7% year-on-year ("YoY") increase in operating income to RM22.5 billion. Net interest income ("NII") (inclusive of net finance income and hibah from Islamic Banking operations) was -0.3% YoY at RM15.3 billion on the back of a subdued gross loan growth of 0.2% YoY and an 8bps contraction in net interest margin ("NIM") to 2.13% over the year. The NIM pressure was attributed to the impact of interest rate cuts across the region over 2025 but was partially cushioned by the Group's successful Cash strategy under the Forward30 plan. Non-interest income ("NOII") expanded by 3.1% YoY underpinned by robust trading & foreign exchange ("FX") income in tandem with the elevated market volatility. Operating expenses rose by 2.0% to RM10.6 billion from RM10.4 billion a year ago as the Group exercised disciplined and prudent cost management initiatives. Expected credit losses ("ECL") on loans, advances and financing stood at RM1.4 billion (up 0.9% YoY) as lower overlay writebacks were offset by corporate recoveries in Malaysia and Indonesia. The Group's profit before tax ("PBT") of RM10.7 billion was 2.7% higher YoY attributed to significantly reduced other provisions and higher share of JV and associates, as pre-provision operating profit ("PPOP") was relatively flat for the year. Capital adequacy remained strong, with the Group ending the year with a total capital ratio of 18.0% and a Core Equity Tier 1 ("CET1") ratio of 14.3%, while the full-year net return on equity ("ROE") came in 10bps higher at 11.3%.

The regional Consumer PBT eased 0.8% YoY to RM2.8 billion, on the back of compressed NIM across most geographies and lower overlay writebacks. Nonetheless, the underlying performance remained steady as PPOP was 0.5% higher from robust fee and other income and disciplined cost management. Regional Commercial Banking PBT decreased 13.2% YoY to RM1.8 billion on the back of lower income as well as from higher expenses and overlays in Malaysia. Wholesale Banking posted a robust PBT growth of 17.2% YoY to RM4.5 billion buoyed by strong Treasury & Markets trading and sales income and higher writebacks & recoveries in Malaysia and Indonesia, partially offset by lower Corporate and Investment Banking income.

Directors' Report
for the financial year ended 31 December 2025

2025 BUSINESS PLAN AND STRATEGY (CONTINUED)

CIMB Niaga's PBT rose 1.1% YoY to IDR8,826 billion as the Bank saw higher NOII from Treasury & Markets and fees and commission income, as well as lower provisions. CIMB Thai's PBT decreased 20.5% YoY to THB2.8 billion in line with the subdued market conditions translating to lower NII and NOII for the year coupled with higher provisions. CIMB Singapore recorded a strong year with PBT rising 7.5% YoY underpinned by robust Treasury & Markets income despite NIM pressure from the sharp fall in Singapore's Overnight Rate Average ("SORA") over the year.

The Group's total gross loans registered a modest increase of 0.2% YoY (3.1% on constant currency basis), from growth across all core markets except Thailand. Consumer and Commercial Banking loans expanded by 2.2% and 0.5%, respectively, while loan growth in CIMB Digital Assets and Others remained subdued with Wholesale Banking loans declining by 3.6% YoY.

Total Group deposits increased by 2.4% YoY (5.4% on constant currency basis), driven primarily by Malaysia and Indonesia within the Commercial and Wholesale Banking segments. CASA ("Current Account & Savings Account") balances was 1.6% higher YoY, although the Group's CASA ratio moderated to 42.7% compared to 43.1% as at end 2024. NIM declined by 8bps over the 12-month period with the overall lower cost of funds cushioning the impact of lower interest rates across key markets over the year.

The Group's cost to income ("CIR") ratio rose to 47.3% compared to 46.7% in 2024 as the moderate operating income growth translated to negative JAWS. Loan loss provisions on loans, advances and financing was broadly stable, rising by a marginal 0.9% YoY to RM1.4 billion in 2025. This resulted in a higher total loan loss charge of 0.30% compared to 0.25% previously. Nevertheless, the Group's gross impairment ratio improved to 1.7% as at end-2025 compared to 2.1% as at end-2024, with an allowance coverage at 103.2%.

The Group declared a 55.2% dividend payout (excluding special dividends) for 2025 amounting to RM4.3 billion or 40.1 sen per share. This all-cash dividend was in two interim payouts of 19.75 sen (paid in September 2025) and 20.35 sen to be paid in March 2026. As part of the capital optimisation plan announced in November 2025, the Group declared a special dividend amounting to RM755.3 million or 7.00 sen per share which was paid fully in cash in December 2025.

OUTLOOK FOR 2026

The Group is cautiously optimistic on the macroeconomic and business outlook for 2026, underpinned by resilient ASEAN economies, sustained domestic consumption as well as the tapered global interest rate environment. Nevertheless, we continue to exercise a measured approach given the sustained global uncertainties surrounding tariffs and geopolitics, subdued global trade and heightened market volatility.

Building on the momentum of our Forward30 programme, which prioritises deposit-led growth, we aim to optimise capital allocation through a disciplined focus on Risk-Adjusted Return on Capital, while accelerating cross-selling opportunities particularly in wealth management by leveraging our ASEAN network and customer franchise. We are committed to broadening our digital capabilities and strengthening sustainability efforts to foster long-term value creation while maintaining high standards of operational resilience.

The Group will strive toward a stronger core financial performance in 2026, driven by prudent asset growth across all principal markets, targeted NIM management, strategies to increase NOII, disciplined credit risk oversight and sustained cost control measures. CIMB Malaysia's performance is expected to align with the nation's positive economic and investment outlook through NIM preservation and further development of digital capabilities. CIMB Niaga will focus on expanding the mass affluent and Shariah-compliant segments to stimulate growth. CIMB Singapore is projected to further benefit from its position as the Group's ASEAN Treasury hub in 2026, while CIMB Thai will continue to leverage ASEAN network flows and reshape its consumer finance operations.

Directors' Report

for the financial year ended 31 December 2025

RATINGS BY EXTERNAL RATING AGENCY

Details of the rating of the Company and its debt securities are as follows:

Rating Agency	Rating Date	Rating Classification	Rating Accorded	Outlook
Moody's Investors Service (Moody's)	August 2025	1. Long-term Issuer Rating 2. Short-term Issuer Rating	Baa1 P-2	Stable
Malaysian Rating Corporation Berhad (MARC)	May 2025	1. Long-term Corporate Credit Rating 2. Short-term Corporate Credit Rating 3. RM10.0 billion Tier 2 Subordinated Debt Programme	AA+ MARC-1 AA	Stable
RAM Rating Services Berhad (RAM)	May 2025	1. Long-term Corporate Credit Rating 2. Short-term Corporate Credit Rating 3. RM6.0 billion Conventional/Islamic Medium-term Notes Programme 4. RM10.0 billion Additional Tier I Capital Securities Programme 5. RM15 billion Senior Sukuk Wakalah Programme 6. RM15 billion Tier-2 Subordinated Sukuk Wakalah Programme 7. RM15 billion Additional Tier-1 Sukuk Wakalah Programme 8. RM3 billion Conventional Commercial Paper Programme	AA1 P1 AA1 A1 AA1 AA2 A1 P1	Stable

BOARD SHARIAH COMMITTEE

Pursuant to the enterprise wide Shariah governance framework as provided by Bank Negara Malaysia in its Policy Document on Shariah Governance and Islamic Financial Services Act 2013, the Board of Directors ("the Board") is ultimately responsible and accountable for the oversight and management of Shariah matters in the operation of the Group's Islamic banking and finance activities. In undertaking its duties and responsibilities relating to Shariah, the Board relies on the advice of the Board Shariah Committee ("BSC") of CIMB Group Holdings Berhad that it established under its core Islamic operating entity, CIMB Islamic Bank Berhad ("CIMB Islamic").

The main responsibility of the BSC is to assist the Board in the oversight and management of all Shariah matters relating to the Islamic banking and finance business of the CIMB Group Holdings Berhad. The BSC operates on the authority as delegated and empowered to it by the Board and as attributed to it under relevant financial regulations and legislations.

All decisions by the Board on Shariah matters relating to the Islamic banking business of CIMB Group Holdings Berhad shall be made based on the decisions, views and opinions of the BSC.

In due regard to the decisions and advice of the BSC on Shariah matters, the Board shall give sufficient attention to the facts and basis for the Shariah decisions as well as providing fair consideration to the implications of implementing the Shariah decisions made by the BSC.

Any decision of the Board on Shariah matter shall be made based on the final decisions, views and opinions of the BSC. All decisions of the Board and the BSC on Shariah matters shall at all times be subordinated to the decision of the Shariah Advisory Council of the relevant Malaysian financial regulators and shall take into consideration the relevant authority on Shariah matters in the relevant jurisdiction it is doing business.

The BSC shall at all times advise the Board to ensure that the Group's Islamic banking and finance business does not have elements or activities which are not permissible under Shariah.

Directors' Report

for the financial year ended 31 December 2025

BOARD SHARIAH COMMITTEE (CONTINUED)

The BSC members are as follows:

1. Dr. Mohamed Fairooz Abdul Khir (Chairman)
2. Professor Dr. Aishath Muneeza
3. Dr. Ahmad Sufian Che Abdullah
4. Dr. Mohammad Mahbubi Ali
5. En. Jalalullail Othman
6. Prof. Dr Yousef Abdullah Al-Shubaily (effective 1 August 2025)

The Board hereby affirms that based on advice of the BSC, the Group's Islamic banking and finance operations has been done in a manner that does not contradict with Shariah save and except for those that have been specifically disclosed in this financial report (if any). This affirmation by the Board is independently verified and confirmed by the BSC in a separate BSC Report made herein.

MEETINGS AND ATTENDANCE

BSC convened 10 meetings during the financial year 2025 including two special meetings to cater for urgent business proposals. All BSC members have satisfied the minimum 75% attendance requirement under BNM Shariah Governance Policy Document.

BOARD ENGAGEMENT AND TRAININGS ATTENDED

As part of the initiatives to strengthen the good governance and oversight function of the Board over Shariah matters, the following activities were carried out in 2025:

Two Joint Board and BSC meetings were held in June and November 2025 respectively.

The first meeting was held on 3 June 2025 deliberated the following topics:

i. Regulatory Updates: BNM Townhall on Ujrah-based Credit Card-i Transition and Hajah and Darurah PD Implementation

ii. Updates from Shariah Control Functions: Shariah Control Functions Initiatives 2025

iii. Updates from Board Shariah Committee / Shariah Advisory Council ("SAC") of BNM & SC and Product Development and Innovation

The second Joint Board and BSC meeting held on 17 November 2025 discussed the followings:

i. Regulatory Updates: BNM's Shariah-related Regulatory Documents

ii. Updates from Shariah Control Functions: Shariah Control Functions Updates 2025 & Initiatives 2026

iii. Updates from Board Shariah Committee / Shariah Advisory Council ("SAC") of BNM & SC and Product Development and Innovation

Management had invited Prof. Dr. Engku Rabiah Adawiyah, currently Professor at Institute of Islamic Banking & Finance (IIiBF) International Islamic University Malaysia (IIUM) to deliver a training on Shariah Decision Making Methodology with Reference to SAC's Resolution.

In addition, in December 2025 BSC had also organised an Off-Site Meeting.

As guided by Guidelines on Islamic Capital Market Products and Services, BSC members had fulfilled with the minimum three Securities Industry Development Corporation ('SIDC")'s Continuing Professional Education ("CPE") approved courses on capital market during the financial year 2025.

Directors' Report

for the financial year ended 31 December 2025

BOARD ENGAGEMENT AND TRAININGS ATTENDED (CONTINUED)

Among the training programs provided by SIDC which qualify for CPE points attended by BSC members were as follows:

- 3rd Nadwah of Shariah Advisers in Islamic Capital Market 2025
- Capital Market Director Programme ("CMDP") Module 3: Risk Oversight and Compliance – Action Plan for Board of Directors
- Capital Market Director Programme ("CMDP") Module 4: Emerging and Current Regulatory Issues in the Capital

In addition to the above training programs, the BSC members also attended and participated in the following events and training:

- The Cooler Earth Shariah Leadership in Sustainability Conference
- 20th International Shariah Scholars Forum in Islamic Finance
- Shariah Decision Making Methodology with reference to Shariah Advisory Council ("SAC")'s Resolution
- Muzakarah Nusantara 2025
- Dallah al-Barakah Forum 2025

BSC ASSESSMENT

In compliance with BNM Shariah Governance Policy Document, the BSC undergoes the process of assessing the effectiveness of each individual BSC members and the committee as a whole annually.

Pursuant to CIMB's Annual Evaluation Manual and BNM's Corporate Governance Policy Document, CIMB is to obtain an independent perspective on the Board's effectiveness to gain insights on the Board's performance against peer Boards and best practices, once every three years. While BSC Effectiveness Assessment ("BEA") is facilitated annually by Group Company Secretarial and assisted by Secretariat of Board Shariah Committee ("BSC Secretariat") as per the CIMB Group Annual Evaluation Manual where it was conducted in 2025.

ZAKAT OBLIGATIONS

CIMB Islamic pays business zakat by adopting the Adjusted Growth Method to state zakat authorities in line with the methodology approved by the BSC. However, the amount payable by the CIMB Islamic is at the discretion of the management of CIMB Islamic and it is the shareholder's responsibility to ensure that their own zakat obligations are fulfilled in relation to their ownership of the share.

For the Group's banking and asset management subsidiaries, the obligation and responsibility for payment of zakat on deposits and investments received from their customers lies with their respective Muslim customers only. The aforesaid is subject to the jurisdictional requirements on zakat payment as may be applicable from time to time on the Group and its subsidiaries arising from changes to local legislation, regulation, law or market convention as the case may be. Accrual of zakat expenses (if any) in the Financial Statements of the Group is reflective of this.

The beneficiaries of the zakat fund are determined by relevant internal CIMB policy and procedure and guideline as approved by the BSC.

Directors' Report

for the financial year ended 31 December 2025

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

Significant events during the financial year are disclosed in Note 53.1 to the Financial Statements.

SUBSEQUENT EVENTS AFTER THE FINANCIAL YEAR END

Significant events after the financial year are disclosed in Note 53.2 to the Financial Statements.

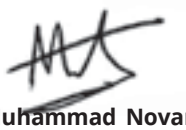
AUDITORS

The auditors, PricewaterhouseCoopers PLT (LLP0014401-LCA & AF 1146), have expressed their willingness to continue in office.

This report was approved by the Board of Directors on 13 March 2026.

Signed on behalf of the Board of Directors in accordance with their resolution.

Datuk Syed Zaid Syed Jaffar Albar
Chairman



Muhammad Novan Amirudin
Director

Kuala Lumpur
13 March 2026

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Datuk Syed Zaid Syed Jaffar Albar and Muhammad Novan Amirudin, being two of the Directors of CIMB Group Holdings Berhad, hereby state that, in the opinion of the Directors, the Financial Statements set out on pages 41 to 342 are drawn up so as to give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025 and financial performance of the Group and of the Company for the financial year ended 31 December 2025, in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Signed on behalf of the Board of Directors in accordance with their resolution.

Datuk Syed Zaid Syed Jaffar Albar
Chairman

Muhammad Novan Amirudin
Director

Kuala Lumpur
13 March 2026

Statutory Declaration

Pursuant to Section 251(1) of the Companies Act 2016

I, Khairulanwar bin Rifaie, being the officer primarily responsible for the financial management of CIMB Group Holdings Berhad, do solemnly and sincerely declare that the Financial Statements set out on pages 41 to 342 are, to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Khairulanwar bin Rifaie
(MIA No. CA 47164)

Subscribed and solemnly declared by the abovenamed Khairulanwar bin Rifaie at Kuala Lumpur before me, on 13 March 2026.

Commissioner for Oaths

PESURUHJAYA SUMPAH
PJS No: W 797
Name: AZIZAM BIN AZIZAN
01.01.2026 - 31.12.2026
MALAYSIA

1-30, Jalan Pandan Prima 2,
Dataran Pandan Prima,
55100 Kuala Lumpur.

Board Shariah Committee's Report

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

We, the members of the CIMB Group Board Shariah Committee ("BSC") as established under CIMB Islamic, are responsible to advise the Board in the oversight and management of Shariah matters in the operation of the Group's Islamic banking and finance activities. Although the Board is ultimately responsible and accountable for all Shariah matters under the Group, the Board relies on our independent advice on the same.

Our main responsibility and accountability is to assist the Board in ensuring that the Group's Islamic banking and finance businesses does not have elements or activities which are not permissible under Shariah. In undertaking our duties we shall follow and adhere to the decisions, views and opinions of the Shariah Advisory Council of the relevant Malaysian financial regulators for businesses undertaken in Malaysia and for businesses outside Malaysia. We shall take into consideration the decisions, views and opinions of the relevant authority on Shariah matters (if any, sanctioned by law or regulation to be followed by the Group) in the relevant jurisdiction that the Group is doing business.

As members of the BSC, we are responsible for providing an independent assessment and confirmation in this financial report that the operations of the Islamic banking and finance business of CIMB Group have been done in conformity with Shariah as has been decided and opined by us and with those Notices, Rules, Standards, Guidelines and Frameworks on Shariah matters as announced and implemented by relevant financial regulators in the relevant jurisdictions that the Group's Islamic banking and finance businesses were undertaken during the period being reported.

Our independent assessment and confirmation has been used as the basis for the Board's affirmation of the same in the Director's Report herein before.

In making our independent assessment and confirmation, we have always recognised the importance of CIMB Group maintaining and reinforcing the highest possible standards of conduct in all of its actions, including the preparation and dissemination of statements presenting fairly the Shariah compliant status of its Islamic banking and finance businesses.

In this regard sufficient internal controls are in place to ensure that any new Islamic financial transaction is properly authorised; the group's assets and liabilities under its statements of financial position are safeguarded against possible Shariah non-compliance; and, that the day to day conduct of its operations does not contradict with Shariah principles.

In addition to the necessary policies and procedures, the Group has a well-defined division of responsibility by Management and the communication of Shariah policies and guidelines of business conduct to all staff.

Effective Shariah governance is supported mainly by qualified Shariah officers consisting of Shariah researchers as well as the advisory and consultancy function under Shariah Advisory & Governance department of Group Islamic Banking Division that supports us in our decision and deliberations, providing check and balance for all Shariah matters as presented to us by the Management. Shariah Advisory and Board Shariah Committee Secretariat Policy and Procedure are two main documents in governing the daily function of Shariah Advisory & Governance department.

CIMB Group Shariah Review Policy and Procedure were established to set out the policies for Shariah review applicable to the Islamic financial services of CIMB Group in ensuring compliance to Shariah and Islamic regulatory requirements, and handling of Shariah Non-Compliance ("SNC") events. In addition, it also sets out the procedures for Shariah review planning, execution, and SNC events reporting.

In ensuring that the activities and operations of CIMB Group are Shariah-compliant, Shariah Review conducts post review of CIMB Group's activities and operations in accordance with the annual Shariah review work plan approved by us and the respective Boards of Directors of CIMB Group. Additionally, Shariah Review conducts verification on issues escalated by the stakeholders to determine whether any particular issue contain Shariah concerns and performs ad-hoc review as required from time to time by us and the regulators.

As for effective risk management and control, the Group adopted the strategic implementation of tiered model i.e. Three Lines of Risk Defense in governing and managing Shariah Non-Compliant risk. Under the Group Enterprise-Wide Risk Management ("EWRM") Framework, Shariah Non- Compliance ("SNC") risk is identified as one of the material risks for CIMB Group, specifically in relation to its Islamic banking business. To reflect the Group's seriousness in managing SNC risk, Group Risk Library captures SNC risk as Level 1 risk like credit, market and operational risks.

Board Shariah Committee's Report

In addition, CIMB Group has established the Shariah Risk Management Policy ("SRMP") in accordance with BNM's Shariah Governance Policy Document ("SGPD"), which articulates the objectives, mission, guiding principles, governance structure as well as methodology and approach adopted by the Group in managing SNC risk. Shariah Risk Management Procedure has also been developed to provide explanation/illustration that could facilitate Risk Control Unit ("RCU") and Designated Compliance & Operational Risk Officers ("DCORO") of Business Units ("BU"s) and Business Enablers ("BE"s) in identifying, assessing, controlling and monitoring SNC risk inherent in their Islamic products and day-to-day activities.

To ensure inherent SNC risk in Islamic banking products and business processes is adequately assessed, SRM also performs independent assessment and provides support to BU/BEs. SRM continued to conduct Shariah Risk Awareness program for RCUs and DCOROs as one of the SNC risk mitigation measures as well as to keep BU/BEs abreast with the latest development of SNC risk experience by the Group. In this regards, Shariah Risk Awareness is part of the On-Boarding Risk & Compliance Training and RCU Forum for RCUs and DCOROs that is conducted on a quarterly basis.

Regular report was submitted to the Senior Management and Board Committees to provide analysis and latest trend of SNC risk experience by the Group.

Lastly, there is also a team of internal auditors who conduct periodic Shariah audits of all the Bank's banking and finance operations on a scheduled basis. The Group Corporate Assurance Division ("GCAD"), headed by the Group Chief Internal Auditor ("GCIA"), reports independently to the CIMB Group Audit Committee ("AC") and the Banking Group Audit Committee ("Banking Group AC"). GCAD operates independent of the business activities and other support units. In addition, GCAD reports on matters related to Islamic Banking and Shariah audits to the BSC. The primary responsibility of GCAD is to independently assess the adequacy, efficiency and effectiveness of the risk management, control and governance processes implemented by Management. GCAD's scope of audit coverage encompasses all business and support units, including subsidiaries and overseas branches with independent audit units. The selection of audit areas within the audit universe is based on an annual audit plan approved by the CIMB Group AC and the Banking Group AC. The annual audit plan is developed based on assessment of risks, exposures and CIMB Group strategies using a risk-based assessment methodology. GCAD also undertakes investigations and ad-hoc reviews upon request from Management, the Board, or regulators. In addition, GCAD provides audit opinion on the state of governance, internal controls, risk management practices and audit conclusion based on Level of Conformance in relation to regulatory audit or reviews, and whether objectives were met for assignments that are based on specific audit or review objectives.

To strengthen the compliance towards Shariah, the Group has continuously instilled a Shariah-Compliance Culture by adopting a holistic top-down approach within the organisation. At the apex, the Group set an appropriate 'tone from the top', where the Board and BSC play their oversight role on the Shariah governance in the Group. The Group also held Board and BSC engagement sessions or Joint Board meeting between Board of Directors and BSC which serve as a platform for effective communication between Board, BSC and Senior Management on oversight over Shariah governance.

The Group also continues Shariah Capacity Building programs to inculcate strong Shariah knowledge within the Bank. The Group has supported CIMB Islamic and CIMB Bank staff to enroll in relevant certification programs such as, Certified Shariah Advisor ("CSA"), Certified Professional Shariah Auditor ("CPSA"), Associate Qualification in Islamic Finance ("AQIF"), Intermediate Qualification in Islamic Finance ("IQIF"), Islamic Financial Planner – Challenge Status Certification ("IFP-CS") and others. The Group had also organised a sharing session on Sustainability from Islamic Perspectives; Drawing insights from the book '40 Hadiths on Sustainability' published by the Securities Commission of Malaysia which was delivered by Dr. Mohamed Fairooz Abdul Khir.

All in all, the Management of the Group is responsible and accountable to the Board to ensure that the Islamic banking and finance businesses of CIMB Group are conducted in accordance with the requirement of Shariah. It is our responsibility to form an independent opinion of the state of Shariah compliance of the business and its operations and advise the Board accordingly. Based on the internal controls that have been put in place by the Management, in our opinion, to the best of our knowledge, the Group has complied with the Shariah rulings issued by the Shariah Advisory Council of Bank Negara Malaysia and by all other financial regulators (where relevant), as well as Shariah decisions made by us (excluding PT Bank CIMB Niaga Tbk), and the overall aims and operations, business, affairs and activities of CIMB Islamic are in compliance with Shariah but it has come to the BSC's attention that a material Shariah Non-Compliant event(s) has occurred within the Group and in the process of being rectified. Details of the Shariah Non-Compliant events is as follows:

1. Collection of "Profit" arising from Incidental Qard, due to non-execution of Tawarruq (renewal) for Accepted Bill-i ("AB-i") & Multi Currency Trade Financing ("MCTF-i") at facility level. The rectification measures to address the event are currently ongoing. The measures include, among others, execution of Tawarruq for the impacted account and income earned from the transactions amounting to approximately RM269,309.97 will be channeled to the charitable bodies.

Board Shariah Committee's Report

Apart from the above, the Group has instituted several rectification measures relating to processes and procedures to enhance control mechanism and minimise recurrence of Shariah Non-Compliant incidents.

Details of the SNC income are set out in Note 58(al) to the Financial Statements.

In our opinion:

1. The contracts, transactions and dealings entered into by the Group during the financial year ended 31 December 2025 that were presented to us were done in compliance with Shariah save and except for the contracts involved in the two Shariah Non-Compliant events;
2. The allocation of profit and charging of losses relating to investment accounts conformed to the basis that were approved by us in accordance with Shariah;
3. All earnings that were realised from sources or by means prohibited by Shariah will purified according to Shariah principle; and
4. The zakat calculation is in compliance with Shariah principles.

We have actively monitored and overseen the independent work carried out for Shariah review and Shariah audit functions by the relevant functionaries under the established system of internal control, which included the examination, on a test basis, of each type of transaction, of relevant documentation and procedures adopted by the Group. We are satisfied that the Management has planned and performed the necessary review and audit so as to obtain all the information and explanations which are considered necessary to provide us with sufficient evidence to give reasonable assurance that the Group has not violated Shariah.

We, the members of the BSC, are of the opinion that the operations of the Group's Islamic banking and finance business for the financial year ended 31 December 2025 were conducted in conformity with Shariah.

On behalf of the Board Shariah Committee

Dr. Mohamed Fairooz Abdul Khir
Chairman

Dr. Ahmad Sufian Che Abdullah
Member

Kuala Lumpur
13 March 2026

Independent Auditors' Report

to the members of CIMB Group Holdings Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

OUR OPINION

In our opinion, the financial statements of CIMB Group Holdings Berhad ("the Company") and its subsidiaries ("the Group") give a true and fair view of the financial position of the Group and of the Company as at 31 December 2025, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

WHAT WE HAVE AUDITED

We have audited the financial statements of the Group and of the Company, which comprise the statements of financial position as at 31 December 2025 of the Group and of the Company, and the statements of income, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Company for the financial year then ended, and notes to the financial statements, including a summary of material Group accounting policies, as set out on pages 41 to 342.

BASIS FOR OPINION

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the financial statements" section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

INDEPENDENCE AND OTHER ETHICAL RESPONSIBILITIES

We are independent of the Group and of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

OUR AUDIT APPROACH

As part of designing our audit, we determined materiality and assessed the risks of material misstatement in the financial statements of the Group and of the Company. In particular, we considered where the Directors made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters, consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the financial statements as a whole, taking into account the structure of the Group and of the Company, the accounting processes and controls, and the industry in which the Group and the Company operate.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Company for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Company as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Independent Auditors' Report
to the members of CIMB Group Holdings Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)
GROUP KEY AUDIT MATTERS

Key audit matters	How our audit addressed the key audit matters
Expected credit losses for loans, advances and financing and debt instruments measured at amortised cost Refer to accounting policies I(i) and Notes 8, 10, 42, 43, 55(a), of the financial statements We focused on this area due to the size of the carrying value of loans, advances and financing and debt instruments measured at amortised cost ("AC"). In addition, the expected credit loss ("ECL") impairment model under MFRS 9 "Financial Instruments" requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. The significant judgements in applying the accounting requirements for measuring ECL include the following: • Building the appropriate collective assessment models used to calculate ECL. The models are inherently complex and judgement is applied in determining the appropriate construct of the model; • Identification of loans, advances and financing and debt instruments at amortised cost that have experienced a significant increase in credit risk; and • Assumptions used in the ECL models such as expected future cash flows, forward-looking macroeconomic factors, probability weighted multiple scenarios and ECL overlay adjustments made.	We performed the following audit procedures: • Understood and tested the relevant controls over identification of loans, advances and financing and debt instruments measured at AC that have experienced significant increase in credit risk or objective evidence of impairment and the calculation of the impairment loss. • Examined a sample of loans, advances and financing and debt instruments measured at AC identified by the Group as having lower credit quality, rescheduled and restructured accounts, borrowers in high risk industries, and formed our own judgement as to whether there was a significant increase in credit risk or any objective evidence of impairment. • Where objective evidence of impairment was identified by the Group and impairment loss was individually calculated, we assessed the adequacy of impairment allowance by examining both the quantum and timing of future cash flows used by the Group in the impairment loss calculation, challenging the assumptions and comparing estimates to external evidence where available. We also re-performed the calculations of the discounted cash flows. • Assessed and tested the methodologies and significant modelling assumptions inherent within the ECL models against the requirements of MFRS 9. • Tested the design and operating effectiveness of the controls relating to: – Governance over ECL model development and model refinements, including model build, model approval, model monitoring, model validation and model overlay; and – Data used to determine the allowances for credit losses including the completeness and accuracy of the key inputs and assumptions used into respective ECL models. • Assessed and considered the reasonableness of forward-looking forecasts assumptions. • Assessed the reasonableness and tested the identification and calculation of the overlay or in-model adjustment to the ECL due to the impact of novel risks. • Checked the accuracy of data and calculation of the ECL amount, on a sample basis. • Involved our financial risk modelling experts and IT specialists in areas such as reviewing appropriateness of the ECL models and data reliability. Based on the procedures above, we did not find any material exceptions to the Group's assessment on impairment of loans, advances and financing and debt instruments at amortised cost.

Independent Auditors' Report

to the members of CIMB Group Holdings Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

GROUP KEY AUDIT MATTERS (CONTINUED)

Key audit matters	How our audit addressed the key audit matters
Assessment of the carrying value of goodwill and its impairment Refer to accounting policies M(a), V and Notes 20 and 55(b) of the financial statements. The Group recorded goodwill of RM6,135 million as at 31 December 2025 which arose from a number of acquisitions in prior years. For purposes of the annual impairment assessment of goodwill, the Group has assessed the recoverable amount of each cash generating unit ("CGU") with allocated goodwill based on the higher of the value-in-use ("VIU") and fair value less cost of disposal. The Group determined that the recoverable amount of all CGUs was based on VIU which involves estimation of future cash flows. This estimation is inherently uncertain and requires significant judgement on both future cash flows and the discount rate applied to the future cash flows. Therefore, the extent of judgment and the size of the goodwill resulted in this matter being identified as an area of audit focus.	We performed the following audit procedures: • Assessed that each cash generating unit ("CGU") represents the smallest identifiable group of assets that generate independent cash flows based on our understanding of the business model of the Group. • Compared the cash flow projections of each CGU to the approved budget for the respective CGU. • Compared cash flow projections to actual results of each CGU to assess the reasonableness of assumptions used in the cash flow projections. • Independently computed discount rates which reflect the specific risks relating to each CGU based on publicly available information. • Assessed the reasonableness of the terminal growth rates based on historical results, economic outlook and industry forecasts. • Independently performed a sensitivity analysis over projected cash flows, terminal growth rates and discount rates used in deriving the value-in-use ("VIU") to assess the potential impact of a reasonable possible change to any of these assumptions on the recoverable amount of each CGU. Based on the procedures performed, we did not find any material exceptions to the conclusions made by the Group on the impairment assessment of goodwill as at 31 December 2025.

We have determined that there are no key audit matters to report for the Company.

INFORMATION OTHER THAN THE FINANCIAL STATEMENTS AND AUDITORS' REPORT THEREON

The Directors of the Company are responsible for the other information. The other information comprises the Directors' Report and Board Shariah Committee's Report, which we obtained prior to the date of this auditors' report, and Annual Report 2025 and Sustainability Report 2025, which is expected to be made available to us after that date. Other information does not include the financial statements of the Group and of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Group and of the Company does not cover the other information and we do not and will not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Independent Auditors' Report
to the members of CIMB Group Holdings Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

RESPONSIBILITIES OF THE DIRECTORS FOR THE FINANCIAL STATEMENTS

The Directors of the Company are responsible for the preparation of the financial statements of the Group and of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Group and of the Company that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Company, the Directors are responsible for assessing the Group's and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Directors either intend to liquidate the Group or the Company or to cease operations, or have no realistic alternative but to do so.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

(a) Identify and assess the risks of material misstatement of the financial statements of the Group and of the Company, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

(b) Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Company's internal control.

(c) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.

(d) Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Company or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Company to cease to continue as a going concern.

(e) Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Company, including the disclosures, and whether the financial statements of the Group and of the Company represent the underlying transactions and events in a manner that achieves fair presentation.

(f) Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the Group as a basis for forming an opinion on the Group financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

Independent Auditors' Report

to the members of CIMB Group Holdings Berhad

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS (CONTINUED)

We communicate with the Directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

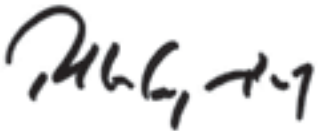
From the matters communicated with the Directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Company for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 14 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



PricewaterhouseCoopers PLT
(LLP0014401-LCA & AF 1146)
Chartered Accountants

Ong Ching Chuan
02907/11/2027 J
Chartered Accountant

Kuala Lumpur
13 March 2026

Consolidated Statement of Financial Position

as at 31 December 2025

	Note	2025 RM'000	2024 RM'000
ASSETS			
Cash and short-term funds	2	**28,184,472**	29,608,638
Reverse repurchase agreements/Reverse Collateralised Commodity Murabahah	3	**14,205,733**	10,882,458
Deposits and placements with banks and other financial institutions	4	**4,657,598**	5,167,779
Financial investments at fair value through profit or loss	5	**64,700,485**	52,683,146
Debt instruments at fair value through other comprehensive income	6	**85,328,683**	78,881,355
Equity instruments at fair value through other comprehensive income	7	**601,576**	393,289
Debt instruments at amortised cost	8	**80,128,693**	78,663,456
Derivative financial instruments	9	**15,265,565**	15,022,058
Loans, advances and financing	10	**444,920,430**	442,163,479
Other assets	11	**17,863,882**	16,005,996
Tax recoverable		**524,583**	416,795
Deferred tax assets	12	**1,118,487**	1,400,940
Statutory deposits with central banks	13	**8,216,864**	10,647,286
Investment in associates	15	**54,129**	55,340
Investment in joint ventures	16	**2,326,392**	2,279,622
Property, plant and equipment	17	**2,084,732**	1,962,762
Right-of-use assets	18	**474,423**	590,481
Investment properties	19	**8,337**	8,485
Goodwill	20	**6,134,805**	6,370,826
Intangible assets	21	**1,924,521**	1,926,512
Total assets		**778,724,390**	755,130,703
LIABILITIES			
Deposits from customers	22	**477,755,341**	471,950,866
Investment accounts of customers	23	**32,291,771**	24,443,310
Deposits and placements of banks and other financial institutions	24	**49,907,561**	45,444,581
Repurchase agreements/Collateralised Commodity Murabahah		**42,765,709**	47,228,104
Financial liabilities at fair value through profit or loss	25	**13,183,149**	12,731,903
Derivative financial instruments	9	**15,691,607**	14,423,807
Bills and acceptances payable		**2,003,572**	2,134,032
Other liabilities	26	**25,072,224**	23,014,283
Lease liabilities	27	**358,922**	521,004
Recourse obligation on loans and financing sold to Cagamas	28	**5,071,980**	4,934,842
Provision for taxation and zakat		**110,803**	136,794
Deferred tax liabilities	12	**18,083**	54,479
Bonds, Sukuk and debentures	30	**17,119,234**	14,412,197
Other borrowings	31	**13,175,494**	11,557,751
Subordinated obligations	32	**12,291,174**	11,303,860
Total liabilities		**706,816,624**	684,291,813

Consolidated Statement of Financial Position

as at 31 December 2025

	Note	2025 RM'000	2024 RM'000
EQUITY			
Capital and reserves attributable to owners of the Parent			
Ordinary share capital	33	**29,774,000**	29,439,251
Reserves	35	**40,587,721**	39,805,151
Less: Shares held under trust	36(a)	**(563)**	(563)
Treasury shares, at cost	36(b)	**(43)**	(43)
		70,361,115	69,243,796
Perpetual preference shares	34	**200,000**	200,000
Non-controlling interests		**1,346,651**	1,395,094
Total equity		**71,907,766**	70,838,890
Total equity and liabilities		**778,724,390**	755,130,703
Commitments and contingencies	51	**2,074,517,599**	1,962,939,499
Net assets per share attributable to owners of the Parent (RM)		**6.52**	6.45

Consolidated Statement of Income

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
Interest income	37(a)	**23,360,432**	24,894,567
Interest income for financial assets at fair value through profit or loss	37(b)	**1,784,429**	1,735,203
Interest expense	38	**(13,825,701)**	(15,263,201)
Net interest income (before modification loss)		**11,319,160**	11,366,569
Modification loss	39	**(55,984)**	(2,718)
Net interest income (after modification loss)		**11,263,176**	11,363,851
Income from Islamic banking operations	58	**4,958,783**	4,740,585
Fee and commission income	40(a)	**3,462,457**	3,453,507
Fee and commission expense	40(b)	**(1,082,285)**	(1,104,367)
Net fee and commission income		**2,380,172**	2,349,140
Other non-interest income	40(c)	**3,865,281**	3,847,578
Net income		**22,467,412**	22,301,154
Overheads	41	**(10,626,916)**	(10,420,231)
Profit before expected credit losses		**11,840,496**	11,880,923
Expected credit losses on loans, advances and financing	42	**(1,382,329)**	(1,368,780)
Expected credit losses written back for commitments and contingencies	26(a)	**26,163**	243,875
Other expected credit losses and impairment allowances written back/(made)	43	**102,110**	(378,852)
		10,586,440	10,377,166
Share of results of joint ventures	16	**88,303**	16,555
Share of results of associates	15	**5,293**	2,207
Profit before taxation and zakat		**10,680,036**	10,395,928
Taxation and zakat	45	**(2,651,606)**	(2,476,548)
Profit for the financial year		**8,028,430**	7,919,380
Profit attributable to:			
Owners of the Parent		**7,859,552**	7,728,049
Non-controlling interests		**168,878**	191,331
		8,028,430	7,919,380
Earnings per share attributable to ordinary equity holders of the Parent (sen)			
– Basic	46(a)	**73.08**	72.27
– Diluted	46(b)	**72.94**	71.96

Consolidated Statement of Comprehensive Income

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
Profit for the financial year		**8,028,430**	7,919,380
Other comprehensive income/(expense):			
Items that will not be reclassified to profit or loss			
Remeasurement of post employment benefits obligation		**8,270**	16,370
– Actuarial gain		**8,124**	16,734
– Income tax effects		**(2,656)**	(2,709)
– Currency translation difference		**2,802**	2,345
Fair value changes on financial liabilities designated at fair value attributable to own credit risk		**79,765**	82,759
– Net gain from change in fair value attributable to own credit risk		**75,046**	73,969
– Currency translation difference		**4,719**	8,790
Equity instruments at fair value through other comprehensive income		**(49,346)**	(4,810)
– Net loss from change in fair value		**(67,940)**	(5,328)
– Income tax effects		**17,309**	(716)
– Currency translation difference		**1,285**	1,234
Net gain on revaluation reserve		**(101)**	5,790
– Net gain on revaluation reserve		**–**	5,741
– Currency translation difference		**(101)**	49
		38,588	100,109
Items that may be reclassified subsequently to profit or loss			
Debt instruments at fair value through other comprehensive income		**734,171**	138,103
– Net gain from change in fair value		**1,958,421**	386,907
– Realised gain transferred to statement of income on disposal		**(1,018,617)**	(244,938)
– Changes in expected credit losses		**(3,855)**	6,383
– Income tax effects		**(201,355)**	(24,301)
– Currency translation difference		**(423)**	14,052
Net investment hedge		**343,032**	134,203
Hedging reserve – cash flow hedge		**105,191**	10,211
– Net gain from change in fair value		**104,687**	10,731
– Income tax effects		**504**	(520)
Deferred hedging cost		**(113,532)**	(93,371)
– Net loss from change in fair value		**(113,532)**	(93,371)
Exchange fluctuation reserve		**(3,176,303)**	(1,879,806)
Share of other comprehensive income of			
– Associates	15	**(5,033)**	(59)
– Joint ventures	16	**(1,548)**	(2,459)
		(2,114,022)	(1,693,178)
Other comprehensive expense during the financial year, net of tax		**(2,075,434)**	(1,593,069)
Total comprehensive income for the financial year		**5,952,996**	6,326,311
Total comprehensive income attributable to:			
Owners of the Parent		**5,905,081**	6,216,252
Non-controlling interests		**47,915**	110,059
		5,952,996	6,326,311

Company Statement of Financial Position

as at 31 December 2025

	Note	2025 RM'000	2024 RM'000
ASSETS			
Cash and short-term funds	2	**266,561**	407,956
Debt instruments at fair value through other comprehensive income	6	**614,441**	1,157,825
Debt instruments at amortised cost	8	**10,006,054**	8,414,474
Other assets	11	**82,899**	83,299
Amount due from subsidiaries		**20**	–
Tax recoverable		**182,786**	183,522
Investment in subsidiaries	14	**35,444,142**	35,457,323
Property, plant and equipment	17	**576**	-
Right-of-use assets	18	**430**	430
Investment properties	19	**273**	291
Total assets		**46,598,182**	45,705,120
LIABILITIES			
Other liabilities	26	**4,289**	4,949
Amount due to subsidiaries		**4,915**	3,768
Deferred tax liabilities	12	**–**	–
Other borrowings	31	**4,358,076**	4,357,034
Subordinated obligations	32	**11,657,677**	10,626,087
Total liabilities		**16,024,957**	14,991,838
EQUITY			
Ordinary share capital	33	**29,774,000**	29,439,251
Reserves	35	**799,268**	1,274,074
Less: Treasury shares, at cost	36(b)	**(43)**	(43)
Total equity		**30,573,225**	30,713,282
Total equity and liabilities		**46,598,182**	45,705,120

Company Statement of Income

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
Interest income	37(a)	**426,032**	408,040
Interest expense	38	**(625,779)**	(597,896)
Net interest expense		**(199,747)**	(189,856)
Net non-interest income	40	**4,842,187**	5,919,850
Net income		**4,642,440**	5,729,994
Overheads	41	**(31,327)**	(33,073)
Profit before expected credit losses		**4,611,113**	5,696,921
Other expected credit losses and impairment allowances written back	43	**13,101**	825
Profit before taxation		**4,624,214**	5,697,746
Taxation	45	**(2,753)**	(3,740)
Profit for the financial year		**4,621,461**	5,694,006

Company Statement of Comprehensive Income

for the financial year ended 31 December 2025

	2025 RM'000	2024 RM'000
Profit for the financial year	**4,621,461**	5,694,006
Other comprehensive income:		
Items that may be reclassified subsequently to profit or loss		
Debt instruments at fair value through other comprehensive income	**3,441**	12,851
– Net gain from change in fair value	**8,190**	12,951
– Changes in expected credit losses	**(4,749)**	(100)
Other comprehensive income during the financial year, net of tax	**3,441**	12,851
Total comprehensive income for the financial year	**4,624,902**	5,706,857

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2025

The Group	Note	Attributable to owners of the Parent																		
								Fair value reserve												
		Ordinary share capital	Statutory reserve	Capital reserve	Exchange fluctuation reserve	Shares held under trust	Treasury shares	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Other reserves	Share-based payment reserve	Regulatory reserve	Retained earnings	Total	Perpetual preference shares	Non-controlling interests	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	RM'000	RM'000	RM'000	RM'000
At 1 January 2025		29,439,251	204,540	423,130	311,679	(563)	(43)	(515,693)	(155,296)	(1,829,188)	120,802	1,777,092	39,468,085	69,243,796	200,000	1,395,094	70,838,890
Profit for the financial year		-	-	-	-	-	-	-	-	-	-	-	7,859,552	7,859,552	-	168,878	8,028,430
Other comprehensive (expense)/income (net of tax)		-	-	-	(3,034,287)	-	-	709,827	(50,692)	421,486	(805)	-	-	(1,954,471)	-	(120,963)	(2,075,434)
Debt instruments at fair value through other comprehensive income		-	-	-	-	-	-	709,827	-	-	-	-	-	709,827	-	24,344	734,171
Equity instruments at fair value through other comprehensive income		-	-	-	-	-	-	-	(50,692)	-	-	-	-	(50,692)	-	1,346	(49,346)
Fair value changes on financial liabilities designated at fair value relating to own credit risk		-	-	-	-	-	-	-	-	79,942	-	-	-	79,942	-	(177)	79,765
Net investment hedge		-	-	-	-	-	-	-	-	343,032	-	-	-	343,032	-	-	343,032
Hedging reserve - cash flow hedge		-	-	-	-	-	-	-	-	105,549	-	-	-	105,549	-	(358)	105,191
Deferred hedging cost		-	-	-	-	-	-	-	-	(113,532)	-	-	-	(113,532)	-	-	(113,532)
Remeasurement of post employment benefits obligations		-	-	-	-	-	-	-	-	8,549	-	-	-	8,549	-	(279)	8,270
Currency translation difference		-	-	-	(3,027,595)	-	-	-	-	(2,064)	(805)	-	-	(3,030,464)	-	(145,839)	(3,176,303)
Net gain on revaluation reserve		-	-	-	-	-	-	-	-	(101)	-	-	-	(101)	-	-	(101)
Share of other comprehensive income of																	
- Associates		-	-	-	(5,033)	-	-	-	-	-	-	-	-	(5,033)	-	-	(5,033)
- Joint ventures		-	-	-	(1,659)	-	-	-	-	111	-	-	-	(1,548)	-	-	(1,548)
Total comprehensive (expense)/income for the financial year		-	-	-	(3,034,287)	-	-	709,827	(50,692)	421,486	(805)	-	7,859,552	5,905,081	-	47,915	5,952,996
Second interim dividend for the financial year ended 31 December 2024	47	-	-	-	-	-	-	-	-	-	-	-	(2,146,979)	(2,146,979)	-	-	(2,146,979)
First interim dividend for the financial year ended 31 December 2025	47	-	-	-	-	-	-	-	-	-	-	-	(2,126,270)	(2,126,270)	-	-	(2,126,270)
Special dividend for the financial year ended 31 December 2025	47	-	-	-	-	-	-	-	-	-	-	-	(755,288)	(755,288)	-	-	(755,288)

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2025

		Attributable to owners of the Parent																
							Fair value reserve											
The Group	Note	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	Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	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
Non-controlling interests share of dividend		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(97,242)	(97,242)
Transfer to statutory reserve		-	29,375	-	-	-	-	-	-	-	-	-	(29,375)	-	-	-	-
Share-based payment expense	41, 49	-	-	-	-	-	-	-	-	-	22,909	-	-	22,909	-	-	22,909
Purchase of shares in relation to Equity Ownership Plan ("EOP")		-	-	-	-	-	-	-	-	(55,352)	-	-	-	(55,352)	-	-	(55,352)
Shares released under employee benefit schemes		-	-	-	-	-	-	-	-	16,360	(19,897)	-	-	(3,537)	-	(9)	(3,546)
Issuance of shares pursuant to long term incentive plan ("LTIP")	33	334,749	-	-	-	-	-	-	-	-	(57,990)	-	-	276,759	-	-	276,759
Transfer of gain on disposal of treasury shares by a subsidiary		-	-	-	-	-	-	-	-	-	-	-	4	4	-	-	4
Disposal of shares on unexercised employee benefit scheme		-	-	-	-	-	-	-	-	-	(8)	-	-	(8)	-	-	(8)
Net non-controlling interests share of subsidiary treasury shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	893	893
Transfer from own credit risk reserve		-	-	-	-	-	-	-	-	22	-	-	(22)	-	-	-	-
Total transactions with owners recognised directly in equity		334,749	29,375	-	-	-	-	-	-	(38,970)	(54,986)	-	(5,057,930)	(4,787,762)	-	(96,358)	(4,884,120)
Transfer to regulatory reserve		-	-	-	-	-	-	-	-	-	-	622,826	(622,826)	-	-	-	-
At 31 December 2025		29,774,000	233,915	423,130	(2,722,608)	(563)	(43)	194,134	(205,988)	(1,446,672)	65,011	2,399,918	41,646,881	70,361,115	200,000	1,346,651	71,907,766

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2025

The Group	Note	Attributable to owners of the Parent																
							Fair value reserve											
		Ordinary share capital	Statutory reserve	Capital reserve	Exchange fluctuation reserve	Shares held under trust	Treasury shares	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Other reserves	Share-based payment reserve	Regulatory reserve	Retained earnings	Total	Perpetual preference shares	Non-controlling interests	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	RM'000	RM'000	RM'000	RM'000
At 1 January 2024		29,094,547	180,908	317,879	2,110,540	(563)	(43)	(654,828)	(235,888)	(1,983,464)	161,381	1,102,571	38,233,921	68,326,961	200,000	1,311,930	69,838,891
Profit for the financial year		-	-	-	-	-	-	-	-	-	-	-	7,728,049	7,728,049	-	191,331	7,919,380
Other comprehensive (expense)/income (net of tax)		-	-	-	(1,798,138)	-	-	139,135	(4,776)	152,718	(736)	-	-	(1,511,797)	-	(81,272)	(1,593,069)
Debt instruments at fair value through other comprehensive income		-	-	-	-	-	-	139,135	-	-	-	-	-	139,135	-	(1,032)	138,103
Equity instruments at fair value through other comprehensive income		-	-	-	-	-	-	-	(4,776)	-	-	-	-	(4,776)	-	(34)	(4,810)
Fair value changes on financial liabilities designated at fair value relating to own credit risk		-	-	-	-	-	-	-	-	80,329	-	-	-	80,329	-	2,430	82,759
Net investment hedge		-	-	-	-	-	-	-	-	134,203	-	-	-	134,203	-	-	134,203
Hedging reserve - cash flow hedge		-	-	-	-	-	-	-	-	10,685	-	-	-	10,685	-	(474)	10,211
Deferred hedging cost		-	-	-	-	-	-	-	-	(93,371)	-	-	-	(93,371)	-	-	(93,371)
Remeasurement of post employment benefits obligations		-	-	-	-	-	-	-	-	15,389	-	-	-	15,389	-	981	16,370
Currency translation difference		-	-	-	(1,795,573)	-	-	-	-	(354)	(736)	-	-	(1,796,663)	-	(83,143)	(1,879,806)
Net gain on revaluation reserve		-	-	-	-	-	-	-	-	5,790	-	-	-	5,790	-	-	5,790
Share of other comprehensive income of																	
- Associates		-	-	-	(59)	-	-	-	-	-	-	-	-	(59)	-	-	(59)
- Joint ventures		-	-	-	(2,506)	-	-	-	-	47	-	-	-	(2,459)	-	-	(2,459)
Total comprehensive (expense)/income for the financial year		-	-	-	(1,798,138)	-	-	139,135	(4,776)	152,718	(736)	-	7,728,049	6,216,252	-	110,059	6,326,311
Second interim dividend for the financial year ended 31 December 2023	47	-	-	-	-	-	-	-	-	-	-	-	(1,973,044)	(1,973,044)	-	-	(1,973,044)
Special dividend for the financial year ended 31 December 2023	47	-	-	-	-	-	-	-	-	-	-	-	(746,557)	(746,557)	-	-	(746,557)
First interim dividend for the financial year ended 31 December 2024	47	-	-	-	-	-	-	-	-	-	-	-	(2,142,208)	(2,142,208)	-	-	(2,142,208)
Special dividend for the financial year ended 31 December 2024	47	-	-	-	-	-	-	-	-	-	-	-	(749,773)	(749,773)	-	-	(749,773)

Consolidated Statement of Changes in Equity

for the financial year ended 31 December 2025

The Group	Note	Attributable to owners of the Parent																			
								Fair value reserve													
		Ordinary share capital	Statutory reserve	Capital reserve	Exchange fluctuation reserve	Shares held under trust	Treasury shares	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Other reserves	Share-based payment reserve	Regulatory reserve	Retained earnings	Total	Perpetual preference shares	Non-controlling interests	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	RM'000	RM'000	RM'000	RM'000
Non-controlling interests share of dividend		-	-	-	-	-	-	-	-	-	-	-	-	-	-	(76,143)	(76,143)
Transfer to statutory reserve		-	23,632	-	-	-	-	-	-	-	-	-	(23,632)	-	-	-	-
Transfer to capital reserve		-	-	105,251	-	-	-	-	-	-	-	-	(105,251)	-	-	-	-
Dilution of interest in a subsidiary arising from Non-preemptive rights ("NPR") issuance		-	-	-	-	-	-	-	-	-	-	-	(5,340)	(5,340)	-	5,340	-
Share-based payment expense	41, 49	-	-	-	-	-	-	-	-	-	37,542	-	-	37,542	-	-	37,542
Purchase of shares in relation to Equity Ownership Plan ("EOP")		-	-	-	-	-	-	-	-	(15,927)	-	-	-	(15,927)	-	-	(15,927)
Shares released under employee benefit schemes		-	-	-	-	-	-	-	-	14,146	(15,853)	-	-	(1,707)	-	(13)	(1,720)
Issuance of shares pursuant to long term incentive plan ("LTIP")	33	344,704	-	-	-	-	-	-	-	-	(61,532)	-	-	283,172	-	-	283,172
Transfer of gain on disposal of treasury shares by a subsidiary		-	-	-	-	-	-	-	-	-	-	-	15,148	15,148	-	-	15,148
Liquidation of an associate		-	-	-	(723)	-	-	-	-	-	-	-	-	(723)	-	-	(723)
Exercise of NPR by non-controlling interests		-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,007	5,007
Net non-controlling interests share of subsidiary treasury shares		-	-	-	-	-	-	-	-	-	-	-	-	-	-	38,914	38,914
Transfer from own credit risk reserve		-	-	-	-	-	-	-	-	3,339	-	-	(3,339)	-	-	-	-
Total transactions with owners recognised directly in equity		344,704	23,632	105,251	(723)	-	-	-	-	1,558	(39,843)	-	(5,733,996)	(5,299,417)	-	(26,895)	(5,326,312)
Transfer to regulatory reserve		-	-	-	-	-	-	-	-	-	-	674,521	(674,521)	-	-	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings		-	-	-	-	-	-	-	85,368	-	-	-	(85,368)	-	-	-	-
At 31 December 2024		29,439,251	204,540	423,130	311,679	(563)	(43)	(515,693)	(155,296)	(1,829,188)	120,802	1,777,092	39,468,085	69,243,796	200,000	1,395,094	70,838,890

Company Statement of Changes in Equity

for the financial year ended 31 December 2025

		← Non-distributable →					Distributable	
The Company	**Note**	**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**	**Total RM'000**
At 1 January 2025		**29,439,251**	**55,982**	**(43)**	**9,551**	**103,989**	**1,104,552**	**30,713,282**
Profit for the financial year		**–**	**–**	**–**	**–**	**–**	**4,621,461**	**4,621,461**
Other comprehensive income (net of tax)		**–**	**–**	**–**	**3,441**	**–**	**–**	**3,441**
Debt instruments at fair value through other comprehensive income		**–**	**–**	**–**	**3,441**	**–**	**–**	**3,441**
Total comprehensive income for the financial year		**–**	**–**	**–**	**3,441**	**–**	**4,621,461**	**4,624,902**
Second interim dividend for the financial year ended 31 December 2024	47	**–**	**–**	**–**	**–**	**–**	**(2,146,979)**	**(2,146,979)**
First interim dividend for the financial year ended 31 December 2025	47	**–**	**–**	**–**	**–**	**–**	**(2,126,270)**	**(2,126,270)**
Special dividend for the financial year ended 31 December 2025	47	**–**	**–**	**–**	**–**	**–**	**(755,288)**	**(755,288)**
Capital contribution to subsidiaries		**–**	**–**	**–**	**–**	**(13,181)**	**–**	**(13,181)**
Issue of shares arising from:-								
LTIP	33	**334,749**	**–**	**–**	**–**	**(57,990)**	**–**	**276,759**
At 31 December 2025		**29,774,000**	**55,982**	**(43)**	**12,992**	**32,818**	**697,476**	**30,573,225**

Company Statement of Changes in Equity

for the financial year ended 31 December 2025

		← Non-distributable →					Distributable	
The Company	**Note**	**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**	**Total RM'000**
At 1 January 2024		**29,094,547**	**55,982**	**(43)**	**(3,300)**	**145,367**	**1,022,128**	**30,314,681**
Profit for the financial year		**–**	**–**	**–**	**–**	**–**	**5,694,006**	**5,694,006**
Other comprehensive income (net of tax)		**–**	**–**	**–**	**12,851**	**–**	**–**	**12,851**
Debt instruments at fair value through other comprehensive income		**–**	**–**	**–**	**12,851**	**–**	**–**	**12,851**
Total comprehensive income for the financial year		**–**	**–**	**–**	**12,851**	**–**	**5,694,006**	**5,706,857**
Second interim dividend for the financial year ended 31 December 2023	47	**–**	**–**	**–**	**–**	**–**	**(1,973,044)**	**(1,973,044)**
Special dividend for the financial year ended 31 December 2023	47	**–**	**–**	**–**	**–**	**–**	**(746,557)**	**(746,557)**
First interim dividend for the financial year ended 31 December 2024	47	**–**	**–**	**–**	**–**	**–**	**(2,142,208)**	**(2,142,208)**
Special dividend for the financial year ended 31 December 2024	47	**–**	**–**	**–**	**–**	**–**	**(749,773)**	**(749,773)**
Capital contribution to subsidiaries		**–**	**–**	**–**	**–**	**20,154**	**–**	**20,154**
Issue of shares arising from:-								
LTIP	33	**344,704**	**–**	**–**	**–**	**(61,532)**	**–**	**283,172**
At 31 December 2024		**29,439,251**	**55,982**	**(43)**	**9,551**	**103,989**	**1,104,552**	**30,713,282**

Consolidated Statement of Cash Flows

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before taxation and zakat		**10,680,036**	10,395,928
Adjustments for:			
Accretion of discounts less amortisation of premiums	37	**(232,742)**	(552,807)
Other expected credit losses and impairment allowances (written back)/made	43	**(102,110)**	378,852
Expected credit losses on loans, advances and financing	42	**2,494,647**	2,509,852
Expected credit losses made for commitments and contingencies written back	26(a)	**(26,163)**	(243,875)
Amortisation of intangible assets	41	**531,950**	543,636
Depreciation of property, plant and equipment	41	**270,829**	300,982
Depreciation of right-of-use assets	41	**215,906**	241,829
Dividends from financial investments at fair value through profit or loss	40	**(66,813)**	(72,878)
Dividends from equity instruments at fair value through other comprehensive income	40	**(3,881)**	(4,698)
(Gain)/loss on disposal of property, plant and equipment/assets held for sale	40	**(9,593)**	766
Loss on liquidation of subsidiary and associate	40	**75**	32
Gain on sale of financial investments at fair value through profit or loss	40	**(362,997)**	(245,754)
Gain on sale of debt instruments at fair value through other comprehensive income	40	**(933,503)**	(233,089)
Gain on redemption of debt instruments at amortised cost	40	**(924)**	(405)
Gain on disposal of loans, advances and financing	40	**(137,367)**	(190,663)
Loss/(gain) on sale of derivative financial instruments	40	**643,575**	(812,667)
Loss on disposal of foreclosed assets	40	**60,465**	44,720
Interest income on debt instruments at fair value through other comprehensive income	37(a)	**(3,110,730)**	(3,163,529)
Interest income on debt instruments at amortised cost	37(a)	**(2,144,587)**	(2,140,371)
Interest expense on subordinated obligations	38	**486,081**	464,172
Interest expense on bonds, Sukuk and debentures	38	**334,166**	531,210
Interest expense on other borrowings	38	**621,528**	553,244
Interest expenses on lease liabilities	38	**16,576**	22,294
Interest expense on recourse obligation on loan and financing sold to Cagamas	38	**58,216**	53,015
Net loss/(gain) arising from hedging activities	40	**338,536**	(7,041)
Property, plant and equipment written off	41	**1,885**	7,221
Intangible assets written off	41	**25,424**	7,502
Share-based payment expense	49	**22,909**	37,542
Share of results of associates	15	**(5,293)**	(2,207)
Share of results of joint ventures	16	**(88,303)**	(16,555)
Unrealised loss/(gain) on financial liabilities at fair value through profit or loss	40	**407,734**	(214,953)
Unrealised gain on foreign exchange	40	**(3,512,104)**	(285,714)
Unrealised loss/(gain) on revaluation of derivative financial instruments	40	**467,717**	(757,039)
Unrealised gain on revaluation of financial investments at fair value through profit or loss	40	**(394,321)**	(780,472)
Modification loss	39	**55,984**	2,718
		(4,077,228)	(4,025,130)
		6,602,808	6,370,798

Consolidated Statement of Cash Flows

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
(INCREASE)/DECREASE IN OPERATING ASSETS			
Reverse repurchase agreements/Reverse Collateralised Commodity Murabahah		**(3,323,275)**	(1,174,766)
Deposits and placements with banks and other financial institutions with original maturity of more than three months		**422,461**	(88,951)
Cash and short-term funds with original maturity of more than three months		**1,007,529**	(901,395)
Financial investments at fair value through profit or loss		**(11,055,948)**	(2,736,342)
Loans, advances and financing		**(5,132,216)**	(15,011,775)
Other assets		**(1,411,745)**	(2,629,370)
Derivative financial instruments		**(382,427)**	705,609
Statutory deposits with central banks		**2,430,422**	864,105
		(17,445,199)	(20,972,885)
INCREASE/(DECREASE) IN OPERATING LIABILITIES			
Deposits from customers		**5,804,475**	8,508,774
Investment accounts of customers		**7,848,461**	5,459,185
Deposits and placements of banks and other financial institutions		**4,462,980**	5,161,362
Financial liabilities at fair value through profit or loss		**43,511**	517,618
Repurchase agreements/Collateralised Commodity Murabahah		**(4,462,395)**	(2,158,462)
Bills and acceptances payable		**(130,460)**	380,098
Other liabilities		**2,628,800**	887,744
		16,195,372	18,756,319
Cash flows generated from operations		**5,352,981**	4,154,232
Taxation and zakat paid*		**(2,689,865)**	(2,277,550)
Net cash flows generated from operating activities		**2,663,116**	1,876,682
CASH FLOW FROM INVESTING ACTIVITIES			
Distributions and capital repayment from associates	15	**1,923**	43,283
Dividend from joint venture	16	**39,985**	36,840
Dividends from financial investments at fair value through profit or loss	40	**66,813**	72,878
Dividends from equity instruments at fair value through other comprehensive income	40	**3,881**	4,698
Investment in associates	15	**(452)**	(3,039)
Interest income received from debt instruments at fair value through other comprehensive income		**3,012,577**	2,948,286
Interest income received from debt instruments at amortised cost		**2,286,713**	2,166,758
Net purchase of debt instruments at fair value through other comprehensive income		**(4,447,302)**	(6,956,652)
Net purchase of equity instruments at fair value through other comprehensive income		**(276,288)**	(91,178)
Net purchase of debt instruments at amortised cost		**(1,245,647)**	38,704
Net addition of right-of-use assets		**122,447**	(2,078)
Net cash outflow from acquisition of KAF Equities Sdn Bhd	56	**–**	(35,327)
Proceeds from disposal of property, plant and equipment/asset held for sale		**47,305**	25,490
Purchase of property, plant and equipment	17	**(516,591)**	(299,413)
Proceeds from disposal of intangible assets		**861**	8,250
Purchase of intangible assets	21	**(612,027)**	(615,924)
Net cash flows used in investing activities		**(1,515,802)**	(2,658,424)

Consolidated Statement of Cash Flows

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Contribution from non-controlling interests		**–**	5,340
Dividends paid to non-controlling interests		**(97,242)**	(76,143)
Dividends paid to shareholders	47	**(5,028,537)**	(5,611,582)
Interest paid on bonds, Sukuk and debentures	(i)	**(632,054)**	(695,158)
Interest paid on commercial papers and medium term notes	(i)	**(166,694)**	(159,434)
Interest paid on subordinated obligations	(i)	**(444,734)**	(457,122)
Interest paid on other borrowings	(i)	**(447,915)**	(386,355)
Interest paid on recourse loans sold to Cagamas	(i)	**(196,250)**	(174,854)
Proceeds from issuance of commercial papers and medium term notes	(i)	**2,450,000**	1,750,000
Proceeds from issuance of bonds, Sukuk and debentures	(i)	**4,359,418**	8,583,642
Proceeds from issuance of subordinated obligations	(i)	**4,050,000**	3,237,473
Proceeds from recourse loans sold to Cagamas	(i)	**820,000**	1,943,025
Issuance of shares through LTIP		**276,759**	283,172
Proceeds from other borrowings	(i)	**6,021,832**	3,724,408
Repayment of lease obligation	(i)	**(400,953)**	(221,594)
Redemption/repayment of bonds, Sukuk and debentures	(i)	**(1,278,459)**	(6,818,972)
Repayment of commercial papers and medium term notes	(i)	**(2,450,000)**	(1,350,000)
Repayment of recourse loans sold to Cagamas	(i)	**(698,013)**	(1,001,286)
Redemption/repayment of subordinated obligations	(i)	**(3,069,501)**	(3,123,965)
Repayment of other borrowings	(i)	**(3,737,494)**	(2,025,039)
Net cash flows used in financing activities		**(669,837)**	(2,574,444)
Net increase/(decrease) in cash and cash equivalents during the financial year		**477,477**	(3,356,186)
Effects of exchange rate changes		**(981,568)**	(839,487)
Cash and cash equivalents at beginning of the financial year		**30,030,884**	34,226,557
Cash and cash equivalents at end of the financial year		**29,526,793**	30,030,884
Cash and cash equivalents comprise:			
Cash and short-term funds	2	**28,184,472**	29,608,638
Deposits and placements with banks and other financial institutions	4	**4,657,598**	5,167,779
		32,842,070	34,776,417
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months		**(2,778,989)**	(4,173,807)
Restricted cash	2(b)	**(536,288)**	(571,726)
		29,526,793	30,030,884

** Included in taxation and zakat paid during the financial year is payment of zakat amounting to RM16 million (2024: RM12 million)*

Company Statement of Cash Flows

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
CASH FLOWS FROM OPERATING ACTIVITIES			
Profit before taxation and zakat		**4,624,214**	5,697,746
Adjustments for:			
Depreciation of property, plant and equipment	41	**52**	–
Depreciation of investment properties	41	**18**	18
Dividends from a subsidiary	40	**(4,841,849)**	(5,919,569)
Interest expense on revolving credit facility	38	**1,104**	–
Interest expense on commercial papers and medium term notes	38	**167,736**	159,323
Interest expense on subordinated obligations	38	**456,939**	438,573
Interest income from debt intruments at fair value through other comprehensive income and debt instruments at amortised cost	37(a)	**(414,016)**	(392,559)
Other expected credit losses and impairment allowances written back	43	**(13,101)**	(825)
Unrealised loss on foreign exchange		**13**	–
		(4,643,104)	(5,715,039)
		(18,890)	(17,293)
(Increase)/decrease in operating assets			
Other assets		**381**	948
Cash and short-term funds with original maturity of more than three months		**(731)**	–
		(350)	948
(Decrease)/increase in operating liabilities			
Amount due to/(from) subsidiaries		**1,127**	(9,857)
Other liabilities		**(1,372)**	1,814
		(245)	(8,043)
Cash flows used in operations		**(19,485)**	(24,388)
Taxation paid		**(2,016)**	(3,196)
Net cash flows used in operating activities		**(21,501)**	(27,584)
CASH FLOWS FROM INVESTING ACTIVITIES			
Dividends from subsidiaries	40	**4,841,849**	5,206,569
Interest received from financial investments		**382,367**	391,005
Proceeds from disposal of debt instruments at fair value through other comprehensive income		**550,000**	–
Purchase of debt instruments at amortised cost		**(4,050,000)**	(2,000,000)
Purchase of property, plant and equipment		**(628)**	–
Proceeds from disposal of debt instruments at amortised cost		**2,500,000**	2,000,000
Proceeds from disposal of property, plant and equipment		**–**	131
Net cash flows generated from investing activities		**4,223,588**	5,597,705

Company Statement of Cash Flows

for the financial year ended 31 December 2025

	Note	2025 RM'000	2024 RM'000
CASH FLOWS FROM FINANCING ACTIVITIES			
Dividends paid to shareholders	47	**(5,028,537)**	(5,611,582)
Interest paid on commercial papers and medium term notes	(i)	**(165,983)**	(159,434)
Issuance of shares through LTIP		**276,759**	283,172
Interest paid on subordinated obligations	(i)	**(425,349)**	(437,323)
Interest paid on revolving credit facility	(i)	**(1,104)**	–
Proceeds from issuance of commercial papers and medium term notes	(i)	**2,450,000**	1,750,000
Proceeds from issuance of subordinated obligations	(i)	**4,050,000**	3,000,000
Repayment of revolving credit facility	(i)	**(250,000)**	–
Proceeds from issuance of revolving credit facility	(i)	**250,000**	–
Repayment of commercial papers and medium term notes	(i)	**(2,450,000)**	(1,350,000)
Repayment of subordinated obligations	(i)	**(3,050,000)**	(3,000,000)
Net cash flows used in financing activities		**(4,344,214)**	(5,525,167)
Net (decrease)/increase in cash and cash equivalents during the financial year		**(142,127)**	44,954
Effects of exchange rate changes		**1**	–
Cash and cash equivalents at beginning of the financial year		**407,956**	363,002
Cash and cash equivalents at end of the financial year		**265,830**	407,956
Cash and cash equivalents comprise:			
Cash and short-term funds	2	**266,561**	407,956
Less: Cash and short-term funds with original maturity of more than three months		**(731)**	–
Cash and cash equivalents at end of financial year		**265,830**	407,956

(i) An analysis of changes in liabilities arising from financing activities is as follows:

	<---------- The Group ---------->						<---------- The Company ---------->		
	Recourse obligation on loans and financing sold to Cagamas RM'000	Bonds, Sukuk and debentures RM'000	Other borrowings* RM'000	Subordinated obligations RM'000	Lease liabilities RM'000	Total RM'000	Other borrowings* RM'000	Subordinated obligations RM'000	Total RM'000
At 1 January 2025	**4,934,842**	**14,412,197**	**11,557,751**	**11,303,860**	**521,004**	**42,729,654**	**4,357,034**	**10,626,087**	**14,983,121**
Proceeds from issuance	**820,000**	**4,359,418**	**8,471,832**	**4,050,000**	**–**	**17,701,250**	**2,700,000**	**4,050,000**	**6,750,000**
Repayment and redemption	**(698,013)**	**(1,278,459)**	**(6,187,494)**	**(3,069,501)**	**(400,953)**	**(11,634,420)**	**(2,700,000)**	**(3,050,000)**	**(5,750,000)**
Interest paid	**(196,250)**	**(632,054)**	**(614,609)**	**(444,734)**	**–**	**(1,887,647)**	**(167,087)**	**(425,349)**	**(592,436)**
Exchange fluctuation	**–**	**(447,632)**	**(673,513)**	**964**	**–**	**(1,120,181)**	**–**	**–**	**–**
Other non cash movement	**211,401**	**705,764**	**621,527**	**450,585**	**238,871**	**2,228,148**	**168,129**	**456,939**	**625,068**
At 31 December 2025	**5,071,980**	**17,119,234**	**13,175,494**	**12,291,174**	**358,922**	**48,016,804**	**4,358,076**	**11,657,677**	**16,015,753**
At 1 January 2024	3,986,749	12,921,042	9,698,584	11,134,047	548,621	38,289,043	3,957,145	10,624,837	14,581,982
Proceeds from issuance	1,943,025	8,583,642	5,474,408	3,237,473	–	19,238,548	1,750,000	3,000,000	4,750,000
Repayment and redemption	(1,001,286)	(6,818,972)	(3,375,039)	(3,123,965)	(221,594)	(14,540,856)	(1,350,000)	(3,000,000)	(4,350,000)
Interest paid	(174,854)	(695,158)	(545,789)	(457,122)	–	(1,872,923)	(159,434)	(437,323)	(596,757)
Exchange fluctuation	–	(363,933)	(247,657)	23,038	–	(588,552)	–	–	–
Other non cash movement	181,208	785,576	553,244	490,389	193,977	2,204,394	159,323	438,573	597,896
At 31 December 2024	4,934,842	14,412,197	11,557,751	11,303,860	521,004	42,729,654	4,357,034	10,626,087	14,983,121

* *Including commercial paper, medium term notes and revolving credit facility*

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

The following accounting policies have been used consistently in dealing with items that are considered material in relation to the Financial Statements except as disclosed in the Financial Statements.

A BASIS OF PREPARATION

The Financial Statements of the Group and the Company have been prepared in accordance with the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards, and the requirements of the Companies Act 2016 in Malaysia.

The Financial Statements have been prepared under historical cost convention, as modified by the revaluation of 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, derivatives financial instruments, investment properties, non-current assets/disposal groups held for sale and financial liabilities at fair value through profit or loss.

The 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 the Shariah principles.

The preparation of Financial Statements in conformity with 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 Financial Statements, and the reported amounts of income and expenses during the reported period. It also requires the Directors to exercise their judgement in the process of applying the Group's and the Company's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ from those estimates.

The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the Financial Statements, are disclosed in Note 55.

(A) STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATION THAT ARE EFFECTIVE AND APPLICABLE TO THE GROUP AND THE COMPANY

The new accounting standards, amendments to published standards and interpretation that are effective and applicable to the Group and the Company for the financial year beginning 1 January 2025 are as follows:

- Amendments to MFRS 121 'Lack of Exchangeability'

The adoption of the above amendments to published standards did not have any impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

(B) STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATIONS THAT ARE APPLICABLE TO THE GROUP AND THE COMPANY BUT NOT YET EFFECTIVE

The Group and the Company will apply these standards, amendments to published standards from:

(I) FINANCIAL YEAR BEGINNING ON/AFTER 1 JANUARY 2026

- ***Amendments to the Classification and Measurement of Financial Instruments – Amendments to MFRS 9 and MFRS 7***

  The amendments require financial assets to be derecognised on the date the contractual rights to the cash flows expire and financial liabilities to be derecognised when obligation under the contract is discharged (i.e. the settlement date). In addition, there is an optional exception to derecognise financial liabilities before the settlement date for settlement using electronic payment systems (if specified criteria are met).

  The amendments clarify and add further guidance for assessing whether a financial asset meets the solely payments of principal and interest (SPPI) criterion, add new disclosures for certain instruments with contractual terms that can change cash flows (such as some financial instruments with features linked to the achievement of environment, social and governance targets), and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI).

  The impact assessment of the amendments on the financial statements of the Group and the Company is ongoing.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

A BASIS OF PREPARATION (CONTINUED)

(B) STANDARDS, AMENDMENTS TO PUBLISHED STANDARDS AND INTERPRETATIONS THAT ARE APPLICABLE TO THE GROUP AND THE COMPANY BUT NOT YET EFFECTIVE (CONTINUED)

The Group and the Company will apply these standards, amendments to published standards from: (Continued)

(II) FINANCIAL YEAR BEGINNING ON/AFTER 1 JANUARY 2027

- ***MFRS 19 Subsidiaries without Public Accountability***

  MFRS 19 Subsidiaries without Public Accountability allows for certain eligible subsidiaries of parent entities that report under IFRS Accounting Standards to apply reduced disclosure requirements.

The impact assessment of the new standard on the financial statements of the Group and the Company is ongoing.

- ***MFRS 18 Presentation and Disclosure in Financial Statements (replaces MFRS 101 Presentation of Financial Statements)***

  The new MFRS introduces a new structure of profit or loss statement.

  Income and expenses are classified into 3 new main categories:

  – Operating category which typically includes results from the main business activities
  – Investing category that presents the results of investments in associates and joint ventures and other assets that generate a return largely independently of other resources; and
  – Financing category that presents income and expenses from financing liabilities

  The Group and the Company are required to present two new specified subtotals: 'Operating profit or loss' and 'Profit or loss before financing and income taxes'.

  Management-defined performance measures ('MPMs') are disclosed in a single note and reconciled to the most similar specified subtotal in MFRS Accounting Standards.

  Changes to the guidance on aggregation and disaggregation which focus on grouping items based on their shared characteristics.

  The impact assessment of the new standard on the financial statements of the Group and the Company is ongoing.

  The amendments shall be applied retrospectively.

B ECONOMIC ENTITIES IN THE GROUP

(A) SUBSIDIARIES

The consolidated Financial Statements include the Financial Statements of the Company and all its subsidiaries made up to the end of the financial year.

Subsidiaries are all entities (including structured entities) over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct relevant activities of the entity.

Subsidiaries are fully consolidated from the date on which control is transferred to the Group and de-consolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

B ECONOMIC ENTITIES IN THE GROUP (CONTINUED)

(A) SUBSIDIARIES (CONTINUED)

Under the acquisition method of accounting, the consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of the acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement and fair value of any pre-existing equity interest in the subsidiary. Acquisition-related costs are expensed as incurred. Identifiable assets acquired, and liabilities and contingent liabilities assumed in the business combination are, with limited exception measured initially at their fair value on the date of acquisition.

The Group applies predecessor accounting to account for business combinations under common control. Under predecessor accounting, assets and liabilities acquired are not restated to their respective fair values. They are recognised at the carrying amounts from the consolidated financial statements of the ultimate holding company of the Group and adjusted to conform with the accounting policies adopted by the Group. The difference between any consideration given and the aggregate carrying amounts of the assets and liabilities of the acquired entity is recognised as an adjustment to equity. No additional goodwill is recognised. The acquired entity's results and balance sheet are incorporated prospectively from the date on which the business combination between entities under common control occurred.

Any excess of the sum of the fair value of the consideration transferred in the business combination, the amount of non-controlling interest in acquiree (if any), and the fair value of the Group's previously held equity interest in acquiree (if any), over the fair value of the acquiree's identifiable net assets acquired is recorded as goodwill. The accounting policy for goodwill is set out in Note M(a). In instances where the latter amount exceeds the former, the excess is recognised as gain on bargain purchase in statement of income on the acquisition date.

If the business combination is achieved in stages, the carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date, any gains or losses arising from such re-measurement are recognised in statement of income.

Non-controlling interest is the equity in a subsidiary not attributable, directly or indirectly, to a parent. On an acquisition-by-acquisition basis, the Group measures any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's identifiable net assets. At the end of reporting period, non-controlling interest consists of amount calculated on the date of combinations and its share of changes in the subsidiary's equity since the date of combination.

All earnings and losses of the subsidiary are attributed to the parent and the non-controlling interest, even if the attribution of losses to the non-controlling interest results in a debit balance in the shareholders' equity. Profit or loss attribution to non-controlling interests for prior years is not restated.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in accordance with MFRS 9 in profit or loss. Contingent consideration that is classified as equity is not remeasured, and its subsequent settlement is accounted for within equity.

All material transactions, balances and unrealised gains on transactions between group companies are eliminated and the consolidated Financial Statements reflect external transactions only. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Where necessary, amounts reported by subsidiaries have been adjusted to conform with the Group's accounting policies.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of income, statement of comprehensive income, statement of changes in equity and statement of financial position respectively.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

B ECONOMIC ENTITIES IN THE GROUP (CONTINUED)

(B) CHANGES IN OWNERSHIP INTERESTS IN SUBSIDIARIES WITHOUT CHANGE OF CONTROL

Transactions with non-controlling interests that do not result in loss in control are accounted for as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised in equity attributable to owners of the Group.

(C) DISPOSAL OF SUBSIDIARIES

When the Group ceases to consolidate because of loss of control, any retained interest in the entity is re-measured to its fair value with the change in carrying amount recognised in statement of income. The fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of income.

Gains or losses on the disposal of subsidiaries include the carrying amount of goodwill relating to the subsidiaries sold.

(D) JOINT ARRANGEMENTS

A joint arrangement is an arrangement of which there is contractually agreed sharing of control by the Group with one or more parties, where decisions about the relevant activities relating to the joint arrangement require unanimous consent of the parties sharing control. The classification of a joint arrangement as a joint operation or a joint venture depends upon the rights and obligations of the parties to the arrangement. A joint venture is a joint arrangement whereby the joint venturers have rights to the net assets of the arrangement. A joint operation is a joint arrangement whereby the joint operators have rights to the assets and obligations for the liabilities, relating to the arrangement.

The Group's interests in joint ventures are accounted for in the consolidated Financial Statements by using the equity method of accounting, after initially being recognised at cost in the consolidated statement of financial position. Under the equity method, the investment in a joint venture is initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the joint venture in statement of income, and the Group's share of movements in other comprehensive income of the joint venture in other comprehensive income.

Dividends received or receivable from a joint venture are recognised as a reduction in the carrying amount of the investment. The cumulative post acquisition movements are adjusted against the cost of the investment and include goodwill on acquisition, net of accumulated impairment loss (if any). When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures, including any long-term interests that, in substance, form part of the Group's net investment in the joint ventures, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the joint ventures.

The Group determines at each reporting date whether there is any objective evidence that the investment in the joint venture is impaired. An impairment loss is recognised for the amount by which the carrying amount of the joint venture exceeds its recoverable amount. The Group presents the impairment loss adjacent to 'share of results of joint ventures' in the statement of income.

Unrealised gains on transactions between the Group and its joint ventures are eliminated to the extent of the Group's interest in the joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its joint venture because of a loss of joint control, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to statement of income.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

B ECONOMIC ENTITIES IN THE GROUP (CONTINUED)

(D) JOINT ARRANGEMENTS (CONTINUED)

If the ownership interest in a joint venture is reduced but joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to statement of income where appropriate.

(E) ASSOCIATES

Associates are all entities over which the Group has significant influence but not control or joint control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Significant influence is the power to participate in the financial and operating policy decisions of the associates but not the power to exercise control over those policies. The Group's investment in associates includes goodwill identified on acquisition, net of any accumulated impairment loss.

Investments in associates are accounted for using equity method of accounting. Under the equity method, the investment is initially recognised at cost, and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses of the associate in statement of income, and the Group's share of post-acquisition movements in other comprehensive income of the associate in other comprehensive income. Dividends received or receivable from an associate are recognised as a reduction in the carrying amount of the investment. When the Group's share of losses in an associate equals or exceeds its interests in the associate, including any long-term interests that, in substance, form part of the Group's net investment in the associate, the Group does not recognise further losses, unless it has incurred legal or constructive obligations or made payments on behalf of the associate. The Group's investment in associates includes goodwill identified on acquisition.

After the Group's interest is reduced to zero, additional losses are provided for, and a liability is recognised, only to the extent that the investor has incurred legal or constructive obligations or made payments on behalf of the associate. If the associate subsequently reports profits, the Group resumes recognising its share of those profits only after its share of the profits equals the share of losses not recognised.

The Group determines at each reporting date whether there is any objective evidence that the investment in the associate is impaired. An impairment loss is recognised for the amount by which the carrying amount of the associate exceeds its recoverable amount. The Group presents the impairment loss adjacent to 'share of results of associates' in the statement of income.

Profits and losses resulting from upstream and downstream transactions between the Group and its associate are recognised in the Group's financial statements only to the extent of unrelated investor's interests in the associates. Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates; unrealised losses are also eliminated unless the transaction provides evidence on impairment of the asset transferred. Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

When the Group ceases to equity account its associate because of a loss of significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as a financial asset. In addition, any amount previously recognised in other comprehensive income in respect of the entity is accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amount previously recognised in the other comprehensive income is reclassified to statement of income where appropriate.

Dilution gains and losses arising from investments in associates are recognised in the statement of income.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

B ECONOMIC ENTITIES IN THE GROUP (CONTINUED)

(F) INTERESTS IN SUBSIDIARIES, JOINT ARRANGEMENTS AND ASSOCIATES

In the Company's separate financial statements, investments in subsidiaries, joint arrangements and associates are carried at cost less accumulated impairment losses. On disposal of investments in subsidiaries, joint arrangements and associates, the difference between disposal proceeds and the carrying amounts of the investments are recognised in statement of income.

The amounts due from subsidiaries of which the Company does not expect repayment in the foreseeable future are considered as part of the Company's investments in the subsidiaries.

C RECOGNITION OF INTEREST/PROFIT INCOME AND INTEREST/PROFIT EXPENSE

Interest and profit income and expense for all interest/profit-bearing financial instruments are recognised within "interest income", "interest expense" and "income from Islamic banking operations" respectively in the statement of income using the effective interest/profit method.

The effective interest/profit method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest/profit income or interest/profit expense over the relevant period. The effective interest/profit rate is the rate that exactly discounts estimated future cash payments or receipts throughout the expected life of the financial instruments or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the effective interest/profit rate, the Group takes into account all contractual terms of the financial instrument and includes any fees or incremental costs that are directly attributable to the instrument and are an integral part of the effective interest/profit rate, but not future credit losses. For purchased or originated credit-impaired ('POCI') financial assets – assets that are credit-impaired at initial recognition – the Group calculates the credit-adjusted effective interest rate, which is calculated based on the amortised cost of the financial asset instead of its gross carrying amount and incorporates the impact of expected credit losses in estimated future cash flows.

Interest/profit income is calculated by applying effective interest/profit rate to the gross carrying amount of a financial asset except for POCI financial assets, for which the original credit-adjusted effective interest rate is applied to the amortised cost of the financial asset and financial assets that are not 'POCI' but have subsequently become credit-impaired, for which the effective interest/profit rate is applied to the net carrying amount of the financial assets (after deduction of the loss allowance).

D RECOGNITION OF FEES INCOME AND EXPENSES AND OTHER INCOME

The Group earns fee and commission income from a diverse range of products and services provided to its customers. Fee and commission income are recognised when the Group has satisfied its performance obligation in providing the promised products and services to the customer, and are recognised based on contractual rates or amount agreed with customers. The Group generally satisfy its performance obligation and recognises the fee and commission income on the following basis:

- Transaction-based fee and commission income is recognised on the completion of the transaction. Such fees include fees related to the completion of corporate advisory transactions, commissions, service charges and fees, credit card related fees and fees on loans, advances and financing. These fees constitute a single performance obligation.
- For a service that is provided over a period of time, fee and commission income is recognised on an equal proportion basis over the period during which the related service is provided or credit risk is undertaken. This basis of recognition most appropriately reflects the nature and pattern of provision of these services to the customers over time. Fees for these services will be billed periodically over time. Such fees include guarantee fees and commitment fees.

The Group does not provide any significant credit terms to customers for the above products and services.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

D RECOGNITION OF FEES INCOME AND EXPENSES AND OTHER INCOME (CONTINUED)

Directly related expenses typically include card-related expenses and sales commissions, but do not include expenses for services delivered over a period (such as service contracts) and other expenses that are not specifically related to fee and commission income transactions.

Dividends are recognised when the right to receive payment is established. This applies even if they are paid out of pre-acquisition profits. However, the investment may need to be tested for impairment as a consequence.

Dividend income received from subsidiary companies, joint venture, associated companies, financial assets at fair value through profit or loss and financial investments at fair value through other comprehensive income are recognised as non-interest income in statements of income. Dividends that clearly represent a recovery of part of the cost of investment are recognised in other comprehensive income if they relate to an investment in equity instruments measured at fair value through other comprehensive income.

E FINANCIAL ASSETS

(A) CLASSIFICATION

The Group and the Company classify their financial assets into the following measurement categories:

- Fair value (either through other comprehensive income ("OCI"), or through profit or loss), and
- Amortised cost.

The classification depends on the Group's and the Company's business model for managing the financial assets and the contractual terms of the cash flows.

BUSINESS MODEL ASSESSMENT

The Group and the Company conduct assessment of the objective of a business model to align with how an asset held within a portfolio is being managed. Factors that are being considered include the key objectives of a portfolio whether the business strategy is to earn contractual interest revenue, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising a portfolio through sale of assets. Other factors considered also include the frequency and volume of sales in prior periods, how the asset's performance is evaluated and reported to key management personnel.

ASSESSMENT WHETHER CONTRACTUAL CASH FLOWS ARE SOLELY PAYMENTS OF PRINCIPAL AND INTEREST ("SPPI")

Where the business model is to hold the financial assets to collect contractual cash flows, or to collect contractual cash flows and sell, the Group and the Company assess whether the financial assets' contractual cash flows represent solely payment of principal and interest. In applying the SPPI test, the Group and the Company consider whether the contractual cash flows are consistent with a basic lending arrangement, i.e. interest includes only consideration for time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement, the related financial asset is classified and measured at fair value through profit or loss. Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

E FINANCIAL ASSETS (CONTINUED)

(A) CLASSIFICATION (CONTINUED)

For financial assets measured at fair value, gains and losses will either be recorded in profit or loss or OCI. For investment in debt instruments, this will depend on the business model in which the investment is held. For investment in equity instruments, it is determined by the irrevocable election at the time of initial recognition to account for the equity investment at fair value through OCI by the Group and the Company.

(i) Financial assets at fair value through OCI comprise of:

- Equity securities which are not held for trading, and for which the Group and the Company have made an irrevocable election at initial recognition to recognise changes in fair value through other comprehensive income rather than profit or loss, and
- Debt securities where the contractual cash flows are solely principal and interest and the objective of the Group's and the Company's business model is achieved both by collecting contractual cash flows and selling financial assets.

(ii) The Group and the Company classify their financial assets at amortised cost only if both of the following criteria are met:

- The asset is held within a business model with the objective of collecting the contractual cash flows, and
- The contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal outstanding.

(iii) The Group and the Company classify the following financial assets at fair value through profit or loss:

- Debt investments that do not qualify for measurement at either amortised cost or fair value through comprehensive income;
- Equity investments that are held for trading, and
- Equity investments for which the entity has not elected to recognise at fair value through other comprehensive income.

(B) RECOGNITION AND INITIAL MEASUREMENT

A financial asset is recognised in the statement of financial position when the Group and the Company become parties to the contractual provisions of the instrument. Regular way purchases and sales of financial assets are recognised on trade date, the date on which the Group and the Company commit to purchase and sell the assets.

At initial recognition, the Group and the Company measure financial assets at their fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

(C) SUBSEQUENT MEASUREMENT

DEBT INSTRUMENTS

Subsequent measurement of debt instruments depends on the Group's and the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories in which the Group and the Company classify their debt instruments.

(i) Amortised cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest, and that are not designated at fair value through profit or loss are measured at amortised cost using the effective interest/profit method. Any gain or loss on a debt investment measured at amortised cost is recognised in profit or loss when the asset is derecognised or impaired. Interest/profit income from these financial assets is included in interest/finance income using the effective interest/profit rate method.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

E FINANCIAL ASSETS (CONTINUED)

(C) SUBSEQUENT MEASUREMENT (CONTINUED)

DEBT INSTRUMENTS (CONTINUED)

(ii) Fair value through other comprehensive income ("FVOCI")

Financial assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. Movements in the carrying amount are taken through OCI, except for the recognition of impairment losses or reversal of impairment losses, interest income and foreign exchange gains and losses which are recognised in profit and loss.

When the Group and the Company hold more than one investment in the same security, they are deemed to be disposed of on a first-in, first-out basis. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to profit or loss and recognised in non-interest income. Interest/profit income from these financial assets is included in interest/finance income using the effective interest/profit rate method.

(iii) Fair value through profit or loss ("FVTPL")

Financial assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through profit or loss. The Group may also irrevocably designate financial assets at FVTPL if doing so significantly reduces or eliminates a mismatch created by assets and liabilities being measured on different bases. Fair value changes is recognised in profit or loss and presented net within non-interest income in the period which it arises. Interest/profit income from these financial assets continue to be recognised in profit or loss as interest/profit income as disclosed in its respective note.

EQUITY INSTRUMENTS

The Group and the Company subsequently measure all equity investments at fair value except where the management has elected, at initial recognition to irrevocably designate at equity instrument at FVOCI. Where the Group's and the Company's management have elected to present fair value gains and losses on equity investments in other comprehensive income, there is no subsequent reclassification of fair value gains and losses to profit or loss following the derecognition of the investment. Dividends from such investments continue to be recognised in profit or loss as other income when the Group's and the Company's right to receive payments is established.

Changes in the fair value of financial investments at fair value through profit or loss are recognised in non-interest income in the statement of income as applicable.

(D) RECLASSIFICATION OF FINANCIAL ASSETS

The Group and the Company reclassify financial assets when and only when their business model for managing those assets changes. In such cases, the Group and the Company are required to reclassify all affected financial assets. However, it will be inappropriate to reclassify financial assets that have been designated at FVTPL, or equity instrument that have been designated at FVOCI even when there is a change in business model. Such designation are irrevocable.

(E) MODIFICATION OF LOANS/FINANCING

The Group may renegotiate or otherwise modify the contractual cash flows of loans/financing to customers. When this happens, the Group assesses whether or not the new terms are substantially different to the original terms. The Group do this by considering, among others, the following factors:

- If the borrower is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower is expected to be able to pay.
- Whether any substantial new terms are introduced, such as a profit share/equity-based return that substantially affects the risk profile of the loan.
- Significant extension of the loan term when the borrower is not in financial difficulty.
- Significant change in the interest/profit rate.
- Change in the currency the loan/financing is denominated in.
- Insertion of collateral, other security or credit enhancements that significantly affect the credit risk associated with the loan/financing.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

E FINANCIAL ASSETS (CONTINUED)

(E) MODIFICATION OF LOANS/FINANCING (CONTINUED)

If the terms are substantially different, the Group derecognises the original financial asset and recognises a "new" asset at fair value and recalculates a new effective interest/profit rate for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group also assesses whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in statements of income as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group recalculates the gross carrying amount based on the revised cash flows of the financial asset and recognises a modification gain or loss in statements of income. The new gross carrying amount is recalculated by discounting the modified cash flows at the original effective interest/profit rate (or credit–adjusted effective interest/profit rate for purchased or originated credit-impaired financial assets).

The impact of modifications of financial assets is disclosed in Note 39. The 'phase 2' amendments for financial assets affected by IBOR reform is disclosed in Note Q.

F FINANCIAL LIABILITIES

Financial liabilities are measured at amortised cost, except for trading liabilities and liabilities designated at fair value, which are held at fair value through profit or loss. Financial liabilities are initially recognised at fair value less transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in statement of income. Financial liabilities are derecognised when extinguished.

(A) FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

This category comprises two sub-categories: financial liabilities classified as held for trading, and financial liabilities designated at fair value through profit or loss upon initial recognition.

A financial liability is classified as held for trading if it is acquired or incurred principally for the purpose of selling or repurchasing it in the near term or if it is part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking. Derivatives are also categorised as held for trading unless they are designated and effective as hedging instruments. The specific Group and Company accounting policy on derivatives is detailed in Note Q.

The financial liabilities measured at fair value through profit and loss upon initial recognition are trading derivatives and financial liabilities designated at fair value.

Financial liabilities, other than those held for trading, are classified as financial liabilities designated at fair value through profit or loss if they meet one or more of the criteria set out below, and are so designated by management.

The Group and the Company may designate financial liabilities at fair value through profit or loss when the designation:

- Eliminates or significantly reduces measurement or recognition inconsistencies that would otherwise arise from measuring financial assets or financial liabilities, or recognising gains and losses on them, on different bases. Certain structured investments with embedded callable range accrual swaps are designated by the Group under this criterion. The interest payable on these structured investments has been hedged with trading derivatives. An accounting mismatch would arise if the structured investments were accounted for at amortised cost, because the related derivatives are measured at fair value with changes in the fair value recognised in the statements of income. By designating the structured investments at fair value, the movement in the fair value of the structured investments will also be recognised in the statement of income;
- Applies to groups of financial liabilities that are managed, and their performance evaluated, on a fair value basis in accordance with a documented risk management or investment strategy; and
- Relates to financial liabilities containing one or more embedded derivatives that significantly modify the cash flows resulting from those financial instruments.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

F FINANCIAL LIABILITIES (CONTINUED)

(A) FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (CONTINUED)

The fair value designation, once made, is irrevocable. Designated financial liabilities are recognised when the Group and the Company enter into the contractual provisions of the arrangements with counterparties, which is generally on trade date, and are normally derecognised when extinguished (liabilities). Measurement is initially at fair value, with transaction costs taken to the statements of income. Subsequently, the fair values are remeasured, and gains and losses from changes therein are recognised in the statements of income.

The component of fair value changes relating to the Group's own credit risk is recognised in OCI. Amounts recorded in OCI related to credit risk are not subject to recycling to profit or loss, but are transferred to retained earnings when realised.

The Group determines the amount of fair value changes which are attributable to credit risk, by first determining the changes due to market conditions which give rise to market risk, and then deducting those changes from the total change in fair value of financial liabilities at fair value through profit or loss. Market conditions which give rise to market risk include changes in the benchmark interest rate. Fair value movements on the conversion option embedded derivative are excluded from the assessment of market risk fair value changes.The Group believes that this approach most faithfully represents the amount of change in fair value due to the Group's own credit risk, as the changes in factors contributing to the fair value of the items other than the changes in the benchmark interest rate are not deemed to be significant.

(B) FINANCIAL LIABILITIES AT AMORTISED COST

Financial liabilities that are not classified as fair value through profit or loss fall into this category and are measured at amortised cost. The financial liabilities measured at amortised cost are deposits from customers, investment accounts of customers, deposits and placements of banks and other financial institutions, repurchase agreements, bills and acceptances payable, sundry creditors, collateral pledged for derivative transactions, bonds, Sukuk and debentures, other borrowings, subordinated obligations, lease liabilities and recourse obligations on loans and financing sold to Cagamas and structured deposits. Structured deposits with embedded derivatives which are not closely related to the host contract are bifurcated and the derivatives are separately accounted for under derivatives in Note 9. The 'phase 2' amendments for financial liabilities affected by IBOR reform is disclosed in Note Q.

G DERECOGNITION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES OTHER THAN ON A MODIFICATION

Financial assets are derecognised when the contractual rights to receive the cash flows from these assets have ceased to exist or the assets have been transferred and substantially all the risks and rewards of ownership of the assets are also transferred (that is, if substantially all the risks and rewards have not been transferred, the Group and the Company test control to ensure that continuing involvement on the basis of any retained powers of control does not prevent derecognition). Financial liabilities are derecognised when they have been redeemed or otherwise extinguished.

Collateral furnished by the Group and the Company under standard repurchase agreements transactions is not derecognised because the Group and the Company retain substantially all the risks and rewards on the basis of the predetermined repurchase price, and the criteria for derecognition are therefore not met.

H OFFSETTING FINANCIAL INSTRUMENTS

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of defaults, insolvency or bankruptcy.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

I IMPAIRMENT OF FINANCIAL ASSETS

The Group and the Company assess on a forward looking basis the expected credit losses ("ECL") associated with its financial assets carried at amortised cost, FVOCI and with the exposure arising from loan commitments and financial guarantee contracts. The impairment methodology applied depends on whether there has been a significant increase in credit risk.

(I) FINANCIAL ASSETS ACCOUNTED FOR AT AMORTISED COST, FVOCI AND WITH THE EXPOSURE ARISING FROM LOAN COMMITMENTS AND FINANCIAL GUARANTEE CONTRACTS

The Group and the Company use general 3-stage approach for financial assets accounted for at amortised cost, FVOCI and with the exposure arising from loan commitments and financial guarantee contracts which reflect their credit risk and how the ECL is determined for each of those categories.

A summary of the assumptions underpinning the Group's and the Company's expected credit loss model is as follows:

(a) Stage 1: 12-months ECL

Stage 1 includes financial assets which have not had a significant increase in credit risk since initial recognition or which have low credit risk at reporting date. 12-month ECL is recognised and interest income is calculated on the gross carrying amount of the financial assets.

(b) Stage 2: Lifetime ECL – not credit impaired

Stage 2 includes financial assets which have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but do not have objective evidence of impairment. Lifetime ECL is recognised and interest income is calculated on the gross carrying amount of the financial assets.

(c) Stage 3: Lifetime ECL – credit impaired

Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. Lifetime ECL is recognised and interest income is calculated on the net carrying amount of the financial assets.

The Group and the Company account for their credit risk by appropriately providing for ECL on a timely basis. In calculating the ECL rates, the Group and the Company consider historical loss rates for each category of customers, and adjusts for forward looking macroeconomic data.

(II) PURCHASED OR ORIGINATED CREDIT-IMPAIRED ("POCI") FINANCIAL ASSETS

POCI financial assets are those recognised as credit-impaired at initial recognition. Such assets apply credit-adjusted effective interest rate to the amortised cost of the financial asset from initial recognition.

No ECL provision is recognised at initial recognition. Thereafter, changes in lifetime ECL are recognised in profit or loss. POCI financial assets are always measured on a lifetime ECL basis and do not migrate between impairment stages.

This application of POCI financial assets is accounted for prospectively and the detail is disclosed in Note 10.

(III) OTHER ASSETS

For the other assets that are within the scope of MFRS 15 such as amount due from broker and other debtors, the Group and the Company apply simplified approach as permitted by MFRS 9, which requires an entity to recognise a loss allowance based on lifetime ECL at each reporting date. MFRS 9 allows the use of practical expedients when measuring ECL and states that a provision matrix is an example of such expedient for trade receivables. An entity that applies a provision matrix may use historical loss experience on its trade receivables, and adjust historical loss rates to reflect information about current conditions and reasonable and supportable forecasts of future economic conditions.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

J SALE AND REPURCHASE AGREEMENTS/COLLATERALISED COMMODITY MURABAHAH

Securities purchased under resale agreements ("reverse repurchase agreements") are securities which the Group had purchased with a commitment to re-sell at future dates. The commitment to re-sell the securities is reflected as an asset on the statements of financial position.

Conversely, obligations on securities sold/transferred under repurchase agreements/collateralised commodity murabahah are securities which the Group had sold/transferred from its portfolio, with a commitment to repurchase/transfer back at future dates. Such financing transactions and the obligation to repurchase/transfer back the securities are reflected as a liability on the statements of financial position.

The difference between sale and repurchase price as well as purchase and resale price is treated as interest and accrued over the life of the resale/repurchase agreement/collateralised commodity murabahah using the effective yield method.

K PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are initially stated at cost, less accumulated depreciation and accumulated impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the items. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance costs are charged to the statement of income during the financial period in which they are incurred.

Freehold land and capital work-in-progress are not depreciated. Other property, plant and equipment are depreciated on a straight line basis to allocate the cost of the assets to their residual values over their estimated useful lives, summarised as follows:

Buildings on freehold land	20-50 years
Buildings on leasehold land 50 years or more	40-50 years or over the remaining period of the lease, whichever is shorter
Buildings on leasehold land less than 50 years	40-50 years or over the remaining period of the lease, whichever is shorter
Office equipment, furniture and fixtures	
– office equipment	3-10 years
– furniture and fixtures	5-10 years
Renovations	5-19 years
Computer equipment and hardware	
– servers and hardware	3-7 years
– ATM machine	5-10 years
Motor vehicles	5-8 years
General plant and machinery	5 years

Depreciation on capital work-in-progress commences when the assets are ready for their intended use. The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Property, plant and equipment are reviewed for impairment at the end of each reporting period and whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. Where the carrying amount of an asset is greater than its estimated recoverable amount, it is written down to its recoverable amount.

Gains and losses on disposals are determined by comparing proceeds with the carrying amounts and are included in non-interest income.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

L INVESTMENT PROPERTIES

Investment properties, comprising principally land and office buildings, are held for long term rental yields or for capital appreciation or both, and are not occupied by the Group and the Company.

Investment properties of the Company are stated at cost less accumulated depreciation and accumulated impairment loss. The freehold land is not depreciated. The buildings on freehold land are depreciated on a straight line basis over their estimated useful lives of 33.3 years.

On disposal of an investment property, or when it is permanently withdrawn from use and no future economic benefits are expected from its disposal, it shall be derecognised (eliminated from the statement of financial position). The difference between the net disposal proceeds and the carrying amount is recognised in statement of income in the period of the retirement or disposal.

At the Group level, investment properties of the Company are classified as property, plant and equipment as the properties are rented out to an entity within the Group.

Investment properties of the Group are stated at fair value, representing the open-market value determined annually by external valuers. Fair value is based on active market prices, adjusted, if necessary, for any difference in the nature, location or condition of the specific asset. If this information is not available, the Group uses alternative valuation methods such as recent prices on less active markets or discounted cash flow projections. Changes in fair values are recorded in the statements of income as part of other income.

Subsequent expenditure is recognised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

Changes in fair values are recognised in profit or loss. Investment properties are derecognised either when they have been disposed of or when the investment property is permanently withdrawn from use and no future economic benefit is expected from its disposal.

Where the Group disposes of a property at fair value in an arm's length transaction, the carrying value immediately prior to the sale is adjusted to the transaction price, and the adjustment is recorded in profit or loss as a net gain/loss from fair value adjustment on investment property.

M INTANGIBLE ASSETS

(A) GOODWILL

Goodwill arises from a business combination and represents the excess of the aggregate of fair value of consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of any previous equity interest in the acquiree over the fair value of the net identifiable assets acquired and liabilities assumed on the acquisition date. If the fair value of consideration transferred, the amount of non-controlling interest and the fair value of previously held interest in the acquiree are less than the fair value of the net identifiable assets of the acquiree, the resulting gain is recognised in profit or loss.

Goodwill is not amortised but it is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired, and carried at cost less accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated to cash-generating units ("CGU"), or groups of CGUs, that is expected to benefit from the business combination in which goodwill arose, identified according to operating segment.

The carrying value of goodwill is compared to the recoverable amount, which is the higher of value in use and the fair value less costs of disposal. Any impairment is recognised immediately as an expense and is not subsequently reversed.

Goodwill on acquisitions of associates and joint arrangements respectively are included in investments in associates and joint arrangements. Such goodwill is tested for impairment as part of the overall balance.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

M INTANGIBLE ASSETS (CONTINUED)

(B) OTHER INTANGIBLE ASSETS

Other intangible assets include customer relationships, core deposits, computer software and license and club debentures. Other intangible assets are initially recognised when they are separable or arise from contractual or other legal rights, the cost can be measured reliably and, in the case of intangible assets not acquired in a business combination, when it is probable that future economic benefits attributable to the assets will flow to the Group and the Company. The value of intangible assets which are acquired in a business combination is generally determined using fair value at acquisition. Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Intangible assets that have an indefinite useful life, or are not yet ready for use, are tested for impairment annually. This impairment test may be performed at any time during the year, provided it is performed at the same time every year. An intangible asset recognised during the current period is tested before the end of the current year.

Intangible assets that have a finite useful life are stated at cost less accumulated amortisation and accumulated impairment losses, and are amortised over their estimated useful lives.

Intangible assets are amortised over their finite useful lives as follows:

Customer relationships:	
– Credit card	12 years
Core deposits	8 – 20 years
Computer software	3 – 15 years

N LEASES – THE GROUP AND THE COMPANY AS LESSEE

Leases are recognised as right-of-use ("ROU") asset and a corresponding liability at the date on which the leased asset is available for use by the Group (i.e. the commencement date).

Contracts may contain both lease and non-lease components. The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices.

LEASE TERM

In determining the lease term, the Group considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not to be terminated).

The Group reassess the lease term upon the occurrence of a significant event or change in circumstances that is within the control of the Group and affects whether the Group is reasonably certain to exercise an option not previously included in the determination of lease term, or not to exercise an option previously included in the determination of lease term. A revision in lease term results in remeasurement of the lease liabilities. See accounting policy below on reassessment of lease liabilities.

ROU ASSETS

ROU assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs.

ROU assets that are not investment properties are subsequently measured at cost, less accumulated depreciation and impairment loss (if any). The ROU assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Group is reasonably certain to exercise a purchase option, the ROU asset is depreciated over the underlying asset's useful life. In addition, the ROU assets are adjusted for certain remeasurement of the lease liabilities.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

N LEASES – THE GROUP AND THE COMPANY AS LESSEE (CONTINUED)

LEASE LIABILITIES

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments include the following:

- Fixed payments (including in-substance fixed payments), less any lease incentive receivable;
- Amounts expected to be payable by the Group under residual value guarantees;
- The exercise price of a purchase and extension options if the group is reasonably certain to exercise that option; and
- Payments of penalties for terminating the lease, if the lease term reflects the Group exercising that option.

Lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, which is generally the case for leases in the Group, an incremental borrowing rate is used in determining the discount rate which assumes the interest rate that the Group would have to pay to borrow over a similar term, the funds necessary to obtain the asset.

Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

The Group presents the lease liabilities as a separate line item in the statement of financial position. Interest expense on the lease liability is presented under net interest income in the statement of income.

SHORT TERM LEASES AND LEASES OF LOW VALUE ASSETS

The Group elects to apply MFRS 16 recognition exemption such as short-term leases and leases for which the underlying asset is of low value. Short-term leases are leases with a lease term of 12 months or less with no purchase option. Low-value assets comprise IT equipment and small items of office furniture with value of RM20,000 (or equivalent to USD5,000) or below. Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

O LEASES – THE GROUP AND THE COMPANY AS LESSOR

As a lessor, the Group determines at lease inception whether each lease is a finance lease or an operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all of the risks and rewards incidental to ownership of the underlying asset to the lessee. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

(A) FINANCE LEASE

The Group classifies a lease as a finance lease if the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group derecognises the underlying asset and recognises a receivable at an amount equal to the net investment in a finance lease. Net investment in a finance lease is measured at an amount equal to the sum of the present value of lease payments from lessee and the unguaranteed residual value of the underlying asset. Initial direct costs are also included in the initial measurement of the net investment. The net investments is subject to MFRS 9 impairment. In addition, the Group reviews regularly the estimated unguaranteed residual value.

Lease income is recognised over the term of the lease using the net investment method so as to reflect a constant periodic rate of return. The Group revises the lease income allocation if there is a reduction in the estimated unguaranteed residual value.

(B) OPERATING LEASE

The Group classifies a lease as an operating lease if the lease does not transfer substantially all the risks and rewards incidental to ownership of an underlying asset to the lessee.

The Group recognises lease payments received under operating lease as lease income on a straight-line basis over the lease term. When assets are leased out under an operating lease, the asset is included in the statement of financial position based on the nature of the asset. Initial direct costs incurred in obtaining an operating lease are added to the carrying amount of underlying asset and recognised as an expense over the lease term on the same basis as lease income.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

P BILLS AND ACCEPTANCES PAYABLE

Bills and acceptances payable represent the Group's own bills and acceptances rediscounted and outstanding in the market.

Q DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Fair values are obtained from quoted market prices in active markets, including recent market transactions, and valuation techniques, including discounted cash flow models and option pricing models, as appropriate except for assets/liabilities that are classified as Level 3 fair value hierarchy. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value of any derivatives that do not qualify for hedge accounting are recognised immediately in the statement of income.

The best evidence of fair value of a derivative at initial recognition is the transaction price (i.e. the fair value of the consideration given or received) unless the fair value of the instrument is evidenced by comparison with other observable current market transactions in the same instrument (i.e. without modification or repackaging) or based on a valuation technique whose variables include only data from observable markets. When such evidence exists, the Group recognises the fair value of derivatives in the statement of income immediately.

The Group designates certain derivatives to manage its exposure to foreign currency and interest rate risks. The instruments used included interest rate swap, cross currency interest rate swap and currency swap.

The Group documents at the inception of the hedging transaction, the risk management objective and strategy and the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes. Any hedge ineffectiveness is calculated and accounted for in profit or loss at the time of the hedge relationship rebalancing.

The fair values of various derivative financial instruments used for hedging purposes are disclosed in Note 9.

(A) FAIR VALUE HEDGE

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the statement of income, together with any changes in the fair value of the hedged assets or liabilities that are attributable to the hedged risk.

If the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item is amortised to the statement of income over the period to maturity based on recalculated effective interest rate method. The adjustment to the carrying amount of a hedged equity security remains as part of the carrying amount until the disposal of the equity security.

(B) CASH FLOW HEDGE

The effective portion of changes in the fair value of derivatives that are designated and qualified as cash flow hedges are recognised in equity. The gain and loss relating to ineffective portion is recognised immediately in the statement of income. Amounts accumulated in equity are recycled to the statement of income in the periods in which the hedged item will affect the statement of income.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of income. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the statement of income. The Group assesses the recoverability of the balance in one or more future periods when the cash flow hedge reserve is in a loss position.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

Q DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

(C) NET INVESTMENT HEDGE

Hedges of net investments in foreign operations are accounted for similarly to cash flow hedges. When forward contracts are used to hedge net investment in foreign operation, the Group generally designates only the change in fair value of the forward contract related to the spot component as the hedging instrument. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised in equity. The gain or loss relating to the ineffective portion is recognised immediately in the statement of income. The change in the forward element of the contract that relates to the hedged item is recognised in other comprehensive income and accumulated in costs of hedging reserve within equity.

Gains and losses accumulated in the equity are recycled to the statement of income when the foreign operation is partially disposed or sold. The Group assesses the recoverability of the balance in one or more future periods when the net investment hedge reserve is in a loss position.

INTERBANK OFFERED RATES

Interbank offered rates ("IBORs"), such as the London Interbank Offered Rate ("LIBOR"), play a critical role in global financial markets, serving as reference rates for derivatives, loans and securities, and as parameters in the valuation of financial instruments.

In recent years, regulators, central banks and market participants have been working towards a transition to alternative risk-free benchmark reference rates ("RFRs") and market-led working groups in respective jurisdictions have recommended alternative risk-free reference rates, which are gradually being adopted in replacement of IBORs.

In response to the uncertainty about the long-term viability of these benchmark rates, and LIBOR in particular, the International Accounting Standards Board ("IASB") has established a project to consider the financial reporting implications of the reform. The transition from IBORs is expected to have an impact on various elements of financial instrument accounting, including hedge accounting, as well as fair value methodologies and disclosures.

BNM has announced the launch of the Malaysia Overnight Rate ("MYOR") as the RFRs for Malaysia and the MYOR will run in parallel to the existing Kuala Lumpur Interbank Offered Rate ("KLIBOR") with periodic reviews to ensure that the financial benchmark rates remain robust and reflective of an active underlying market. The Group has discontinued the publication of the 2- and 12-month KLIBOR tenors, which are the least referenced rates in the market for financial contracts, on 1 January 2023. The remaining one-, three- and six-month KLIBOR tenors, will continue to reflect an active underlying market.

On 16 October 2025, BNM announced the transition from KLIBOR to the Malaysia Overnight Rate ("MYOR") and Malaysia Islamic Overnight Rate ('MYOR-i') with the following key milestones:

- By 1 October 2026 – Financial institutions must be operationally ready to offer products referencing MYOR and MYOR-i.
- By 1 July 2027 – KLIBOR will cease for new trades, and MYOR-i will be mandated for all new Islamic financial products.
- By 30 June 2028 – all existing KLIBOR based contracts must be converted to MYOR or MYOR-i where possible, and any remaining contracts shall incorporate robust fallback provisions.
- Effective 1 January 2029 – KLIBOR will be fully discontinued.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

Q DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

IMPACT OF IBOR REFORM ON GROUP'S HEDGING RELATIONSHIP

The Group has hedge accounted relationships referencing IBORs, with the most significant interest rate benchmarks to which the Group's hedging relationships are exposed to is MYR KLIBOR.

The Group's risk exposures that is directly affected by the interest rate benchmark reform is the fair value hedge of the following financial instruments. These hedging relationships are designated using interest rate swaps, for changes attributable to MYR KLIBOR and HKD HIBOR that are respective current benchmark interest rate. Additional information about the Group's exposure to IBOR reform is presented in Note 9.

	The Group	
Hedged items	**2025**	**2024**
Fixed rate liabilities	**MYR10,299,999,233**	MYR8,925,000,000
Fixed rate senior bonds	**MYR7,875,000,000**	MYR7,875,000,000
Fixed rate financial investments at fair value through other comprehensive income	**MYR8,459,000,000**	MYR9,861,000,000
Fixed rate financial investments at amortised cost	**MYR50,000,000**	MYR50,000,000
Fixed rate loans	**MYR1,329,000,000**	MYR1,329,000,000

The Group will continue to record any ongoing hedge ineffectiveness, including that generated by changes as a result of interest rate reform, within the Income Statement. One of the source of ineffectiveness would be due to the IBOR reform taking effect at a different time and having a different impact on the hedged items and hedging instruments.

MANAGING THE PROCESS TO TRANSITION

The Group has established a steering committee to oversee the Group's IBORs transition plan. This steering committee has put in place a transition project which includes the assessment and actions necessary to accommodate the transition to RFRs as they apply internal process and systems in pricing, risk management, and valuation models, as well as managing related tax and accounting implications. The Group is continuing to monitor market developments in relation to the transition to RFRs from IBOR rates and their impact on the Group's financial assets and liabilities to ensure that there are no unexpected consequences or disruptions from the transition.

The Group adopted the Phase 2 amendments and applied the practical expedient to update the effective interest rate for instruments measured at amortised cost to account for the changes in contractual cash flows that is a direct consequence of interbank offered rate ("IBOR") reform. As a result, no immediate gain or loss is recognised in profit or loss.

The amendments also provide reliefs that enable and require the Group to continue the MFRS 9 hedge accounting in circumstances when the Group updates the hedge documentation to reflect changes in hedged items and hedging instruments which are required by IBOR reform.

HEDGE RELATIONSHIPS

Since 2021, the Group has adopted the hedge accounting reliefs provided by 'phase 2' of the amendments for hedge designation. When the phase 1 amendments cease to apply, the Group will amend its hedge designation to reflect changes which are required by IBOR reform, but only to make one or more of these changes:

(i) Designate an alternative benchmark rate (contractually or non-contractually specified) as a hedged risk;

(ii) Amend the description of the hedged item, including the description of the designated portion of the fair value being hedged; or

(iii) Amend the description of the hedging instrument. The Group will update its hedge documentation to reflect this change in designation by the end of the reporting period in which the changes are made.

These amendments to the hedge documentation do not require the Group to discontinue its hedge relationships. The Group has not made any amendments to its hedge documentation in the reporting period relating to IBOR reform.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

Q DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

HEDGE RELATIONSHIPS (CONTINUED)

Since 2021, changes required to systems, processes and models have been identified and fully implemented. The Group has identified that the areas of most significant risk arising from the replacement of IBORs are: updating systems and processes which capture IBORs referenced contracts; amendments to those contracts, or existing fallback/transition clauses not operating as anticipated; mismatches in timing of derivatives and loans transitioning from IBORs and the resulting impact on economic risk management; and updating hedge designations. The Group continues to engage with industry participants and the regulator authorities, to ensure an orderly transition to RFRs and to minimise the risks arising from transition, and it will continue to identify and assess risks associated with IBORs replacement.

FINANCIAL INSTRUMENTS MEASURED USING AMORTISED COST MEASUREMENT

'Phase 2' of the amendments requires that, for financial instruments measured using amortised cost measurement, changes to the basis for determining the contractual cash flows required by interest rate benchmark reform are reflected by adjusting their effective interest rate. No immediate gain or loss is recognised. These expedients are only applicable to changes that are required by interest rate benchmark reform, which is the case if, and only if, the change is necessary as a direct consequence of interest rate benchmark reform and the new basis for determining the contractual cash flows is economically equivalent to the previous basis (that is, the basis immediately preceding the change).

Where some or all changes in the basis for determining the contractual cash flows of a financial asset and liability do not meet the above criteria, the above practical expedient is first applied to the changes required by interest rate benchmark reform, including updating the instrument's effective interest rate. Any additional changes are accounted for in the normal way (that assessed for modification or derecognition, with the resulting modification gain/loss recognised immediately in profit or loss where the instrument is not derecognised).

Since 2021, the Group has applied the practical expedients offered under 'phase 2' of the amendments on the financial instruments in the following section.

EFFECT OF IBOR REFORM

The following tables contain details of all financial instruments that the Group held at 31 December 2025 and 31 December 2024 which are referenced to MYR KLIBOR have not yet transitioned to alternative benchmark rates.

	The Group	
	Notional amount of which: Have yet to transition to an alternative benchmark rate as at 31 December 2025	
	MYR KLIBOR	
	Asset RM'000	Liability RM'000
Non-derivatives assets and liabilities		
Bonds/Sukuk and notes	**370,000**	**4,170,000**
Loans/financing	**6,345,060**	**–**
Recourse obligation on loans and financing sold to Cagamas	**–**	**160,021**
Derivatives	**150,822,498**	**152,791,228**

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

Q DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONTINUED)

EFFECT OF IBOR REFORM (CONTINUED)

	The Group	
	Notional amount of which: Have yet to transition to an alternative benchmark rate as at 31 December 2024	
	MYR KLIBOR	
	Asset RM'000	Liability RM'000
Non-derivatives assets and liabilities		
Bonds/Sukuk and notes	575,000	3,870,000
Loans/financing	2,023,506	–
Recourse obligation on loans and financing sold to Cagamas	–	160,021
Derivatives	122,565,562	89,255,328

R CURRENCY TRANSLATIONS

(A) FUNCTIONAL AND PRESENTATION CURRENCY

Items included in the Financial Statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ("the functional currency"). The Financial Statements are presented in Ringgit Malaysia, which is the Company's functional and presentation currency.

(B) FOREIGN CURRENCY TRANSACTIONS AND BALANCES

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the statement of income, except when deferred in equity as qualifying cash flow hedges and qualifying net investment hedges or other changes not relating to amortised cost of debt instruments at fair value through other comprehensive income.

Changes in the fair value of monetary securities denominated in foreign currency classified as debt instruments at fair value through other comprehensive income are analysed between translation differences resulting from changes in the amortised cost of the security and other changes in the carrying amount of the security. Translation differences related to changes in the amortised cost are recognised in statement of income, and other changes in the carrying amount are recognised in equity.

Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. Translation differences on assets and liabilities carried at fair value are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets and liabilities, such as equity instruments held at fair value through profit or loss, are reported as part of the fair value gain or loss. Translation differences on non-monetary financial assets such as equities classified as fair value through other comprehensive income are included in the revaluation reserve of equity instruments at fair value through other comprehensive income.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

R CURRENCY TRANSLATIONS (CONTINUED)

(C) GROUP COMPANIES

The results and financial position of all the Group entities (none of which has the currency of a hyperinflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of the statements of financial position;
- income and expenses for each statement of income are translated at average exchange rates (unless this average is not a reasonable approximation of the cumulative effect of the rates prevailing on the transaction dates, in which case income and expenses are translated at the rate on the dates of the transactions); and
- all resulting exchange differences are recognised as a separate component of equity.

On consolidation, exchange differences arising from the translation of the net investment in foreign operations, and of borrowings and other financial instruments designated as hedges of such investments, are taken to shareholders' equity. When a foreign operation is partially disposed of or sold, exchange differences that were recorded in equity are recognised in the statement of income as part of the gain or loss on sale.

Goodwill and fair value adjustments arising on the acquisitions of a foreign entity are treated as assets and liabilities of the foreign entity and translated at the closing rate. Exchange differences arising are recognised in other comprehensive income.

S INCOME AND DEFERRED TAXES

The tax expense for the financial year comprises current and deferred income tax. Tax is recognised in statement of income, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is recognised in other comprehensive income or directly in equity, respectively.

Current tax expense is determined according to the tax laws of each jurisdiction in which the Group operates and includes all taxes based upon the taxable profits.

Deferred income tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss, except for; where both an asset and a liability are recognised at the same time such as leases.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences and unused tax losses can be utilised.

Deferred income tax is recognised on temporary differences arising on investments in subsidiaries, associates and joint ventures except where the timing of the reversal of the temporary difference can be controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax related to the fair value re-measurement of debt instruments at FVOCI and equity instruments at FVOCI, which is charged or credited directly to equity, is also credited or charged directly to equity. The debt instruments at FVOCI is subsequently recognised in the statement of income together with deferred gain or loss.

Deferred income tax is determined using tax rates (and tax laws) that have been enacted or substantially enacted by the statements of financial position date and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

The Group is within the scope of the OECD's Pillar Two model rules. The disclosures in relation to the OECD Pillar Two have been included in Note 45.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

T SHARE CAPITAL

(A) CLASSIFICATION

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity. Other shares are classified as equity and/or liability according to the economic substance of the contractual arrangement of the particular instrument.

(B) SHARE ISSUE COSTS

Incremental external costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

(C) DIVIDENDS

Dividends on ordinary shares and non-redeemable preference shares with discretionary dividends are recognised as a liability when the shareholders' right to receive the dividend is established. Distributions to holders of a financial instrument classified as an equity instrument are charged directly to equity.

(D) REPURCHASE, DISPOSAL AND REISSUE OF SHARE CAPITAL (TREASURY SHARES)

Where any company within the Group purchases the Company's equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs (net of income taxes) is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such ordinary shares are subsequently reissued, any consideration received, net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

(E) EARNINGS PER SHARE

Basic earnings per share is calculated by dividing:

- the profit attributable to owners of the Group and the Company, excluding any costs of servicing equity other than ordinary shares;
- by the weighted average number of ordinary shares outstanding during the financial year, adjusted for bonus elements in ordinary shares issued during the year and excluding treasury shares.

(F) DILUTED EARNINGS PER SHARE

Diluted earnings per share adjusts the figures in the determination of basic earnings per share to take into account:

- the after income tax effect of interest and other financing costs associated with dilutive potential ordinary shares, and
- the weighted average number of additional ordinary shares that would have been outstanding assuming the conversion of all dilutive potential ordinary shares.

U EMPLOYEE BENEFITS

(A) SHORT-TERM EMPLOYEE BENEFITS

The Group and the Company recognise a liability and an expense for bonuses. The Group and the Company recognise a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

Wages, salaries, paid annual leave and sick leave, bonuses, and non-monetary benefits are accrued in the period in which the associated services are rendered by employees of the Group and the Company.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

U EMPLOYEE BENEFITS (CONTINUED)

(B) POST EMPLOYMENT BENEFITS

The Group and the Company have various post employment benefit schemes. These benefits plans are either defined contribution or defined benefit plans.

DEFINED CONTRIBUTION PLANS

A defined contribution plan is a pension plan under which the Group and the Company pay fixed contributions into a separate entity (a fund) and will have no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employee benefits relating to employee service in the current and prior periods.

The Group's and the Company's contributions to defined contribution plans are charged to the statement of income. Once the contributions have been paid, the Group and the Company have no further payment obligations. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

DEFINED BENEFIT PLANS

Defined benefit plan is a pension plan that is not a defined contribution plan. Defined benefit plans define an amount of pension benefit that an employee will receive on retirement, usually dependent on one or more factors such as age, years of service and compensation.

The defined benefit liability recognised in the statement of financial position is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets, together with adjustments for actuarial gains/losses and unrecognised past service cost.

The Group determines the present value of the defined benefit obligation and the fair value of any plan assets with sufficient regularity such that the amounts recognised in the financial statements do not differ materially from the amounts that would be determined at the end of the reporting period.

The defined benefit obligation, calculated using the projected credit unit method, is determined by independent actuaries, by discounting estimated future cash outflows using market rates on government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related pension obligation.

Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

(C) OTHER LONG TERM EMPLOYEE BENEFITS

The cost of long term employee benefits (for example, long term service leave) is accrued to match the rendering of the services by the employees concerned using a basis similar to that for defined benefit plans for the liability which is not expected to be settled within 12 months, except that remeasurements are recognised immediately in profit or loss.

(D) TERMINATION BENEFITS

Termination benefits are payable whenever an employee's employment is terminated before the normal retirement date or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Group and the Company recognise termination benefits at the earlier of the following dates: (a) when the Group can no longer withdraw the offer of those benefits; and (b) when the entity recognises costs for a restructuring that is within the scope of MFRS 137 and involves the payment of termination benefits. In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to their present value.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

U EMPLOYEE BENEFITS (CONTINUED)

(E) SHARE-BASED COMPENSATION BENEFITS

LONG TERM INCENTIVE PLAN ("LTIP")

The Group implements a Long Term Incentive Plan ("LTIP"), which is awarded to employees who hold senior management positions and key roles within the CIMB Group and its subsidiary companies, and who fulfill the eligibility criteria and have been approved for participation by the LTIP Committee. Any LTIP awards made to Executive Directors (or any persons connected to the directors) is subject to the approval of the shareholders at a general meeting.

The LTIP, which is valid for 7 years from the implementation date, comprises of 2 performance-based plans – the Employee Share Option Scheme ("ESOS") and the Share Grant Plan ("SGP"). Details of the key features of ESOS and SGP are set out in Note 49.

The fair value of the employee services received in exchange for the grant of the share options and shares is recognised as an expense in the statements of income over the vesting periods of the grant with a corresponding increase to share-based payment reserve within equity.

The total amount to be expensed over the vesting period is determined by reference to the fair value of the share options and shares granted, excluding the impact of any non-market vesting conditions. Non-market vesting conditions are included in assumptions about the number of share options and shares that are expected to vest. At each reporting date, the Group revises its estimates of the number of share options and shares that are expected to vest. It recognises the impact of the revision of original estimates, if any, in the statements of income, with a corresponding adjustment to share-based payment reserve in equity.

EMPLOYEE OWNERSHIP PLAN ("EOP")

The Group operates an equity-settled, share-based compensation plan, where ordinary shares of the Company are purchased from the market at market value and awarded to the eligible executive employees.

The cost of equity-settled transactions is recognised, together with a corresponding increase in equity, over the period in which the performance and/or service conditions are fulfilled, ending on the date on which the award is fully released to relevant employees ('the final release date'). The fair value of the employee services received in exchange for the grant of the shares is recognised as an expense in statement of income over the period of release, based on the best available estimate of the number of shares expected to be released at each of the relevant release date. On the final release date, the estimate will be revised to equal the actual number of shares that are ultimately released to the employees.

V IMPAIRMENT OF NON-FINANCIAL ASSETS

Assets that have an indefinite useful life are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the asset exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows ("cash-generating units"). Non financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

The impairment loss is charged to the statement of income unless it reverses a previous revaluation in which case it is charged to the revaluation surplus. Impairment losses on goodwill are not reversed. In respect of other assets, any subsequent increase in recoverable amount is recognised in the statements of income unless it reverses an impairment loss on a revalued asset in which case it is taken to revaluation surplus.

W FORECLOSED ASSETS

Foreclosed assets are stated at the lower of carrying amount and fair value less costs to sell and reported within "Other Assets".

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

X PROVISIONS

Provisions are recognised by the Group and the Company when all of the following conditions have been met:

(i) the Group and the Company have a present legal or constructive obligation as a result of past events;

(ii) it is probable that an outflow of resources to settle the obligation will be required; and

(iii) a reliable estimate of the amount of obligation can be made.

Where the Group and the Company expect a provision to be reimbursed by another party, the reimbursement is recognised as a separate asset but only when the reimbursement is virtually certain. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present values of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

Y FINANCIAL GUARANTEE CONTRACTS

Financial guarantee contracts are contracts that require the Group and the Company to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due, in accordance with the terms of a debt instrument. Such financial guarantees are given to banks, financial institutions and other bodies on behalf of customers to secure loans, overdrafts and other banking facilities.

Financial guarantees are initially recognised in the Financial Statements at fair value on the date the guarantee was given. Financial guarantee contracts are recognised as a financial liability at the time the guarantee is issued. The liability is initially measured at fair value. The fair value of financial guarantees is determined as the present value of the difference in net cash flows between the contractual payments under the debt instrument and the payments that would be required without the guarantee, or the estimated amount that would be payable to a third party for assuming the obligations. Subsequent to initial recognition, financial guarantee contracts are subsequently measured at the higher of the amount determined in accordance with the expected credit loss model under MFRS 9 “Financial instruments” and the amount initially recognised less cumulative amount of income recognised in accordance with the principles of MFRS 15 “Revenue from Contracts with Customers”, where appropriate.

Any increase in the liability relating to guarantees is reported in the statement of income within ECL for commitments and contingencies.

Z CASH AND CASH EQUIVALENTS

Cash and cash equivalents consist of cash in hand, bank balances and deposit placements with original maturity of three months or less.

Summary of Material Group Accounting Policies

for the financial year ended 31 December 2025

AA SEGMENT REPORTING

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.

Intra-segment revenue and costs are eliminated at head office. Income and expenses directly associated with each segment are included in determining business segment performance.

AB CONTINGENT ASSETS AND CONTINGENT LIABILITIES

Contingent assets arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group. As this may result in the recognition of income that may never be realised, contingent assets are not recognised in the Group's Financial Statements but disclosed where inflows of economic benefits are probable, but not virtually certain.

Contingent liabilities, which do not include financial guarantee contracts, are possible obligations that arise from past events whose existence will be confirmed only by the occurrence, or non-occurrence, of one or more uncertain future events not wholly within the control of the Group; or are present obligations that have arisen from past events but are not recognised because it is not probable that settlement will require the outflow of economic benefits, or because the amount of the obligations cannot be reliably measured.

Contingent liabilities are not recognised in the Financial Statements but are disclosed unless the probability of settlement is remote.

AC NON-CURRENT ASSETS/DISPOSAL GROUPS HELD FOR SALE

Non-current assets/disposal groups are classified as assets held for sale and stated at the lower of carrying amount and fair value less cost to sell if their carrying amount is recovered principally through a sale transaction rather than through continuing use.

AD TRUST ACTIVITIES

The Group acts as trustees and in other fiduciary capabilities that result in holding or placing of assets on behalf of individuals, trust and other institutions. These assets and income arising thereon are excluded from the Financial Statements, as they are not assets of the Group.

AE FINANCING ASSISTANCE SCHEME

Financing under a government scheme is recognised and measured in accordance with MFRS 9 Financial Instruments, with the benefit at a below market and concession rate measured as the difference between the initial carrying amount or fair value of the financing and the amount received.

The benefit of government schemes that addresses identified costs or expenses incurred by the Group is recognised in the profit or loss in the same financial period when the cost or expenses are recognised, when the required conditions are fulfilled in accordance with MFRS 120 Accounting for Government Grants and Disclosure of Government Assistance.

Notes to the Financial Statements

for the financial year ended 31 December 2025

1 GENERAL INFORMATION

The principal activity of the Company is investment holding. The principal activities of the significant subsidiaries as set out in Note 14 to the Financial Statements, consist of commercial banking, investment banking, Islamic banking, offshore banking, debt factoring, trustee and nominee services, property ownership and management and the provision of other related financial services. There was no significant change in the nature of these activities during the financial year.

The Company is a public limited liability company, incorporated and domiciled in Malaysia, and listed on the Main Board of the Bursa Malaysia Securities Berhad.

The address of the registered office and principal place of business of the Company is Level 13, Menara CIMB, Jalan Stesen Sentral 2, Kuala Lumpur Sentral, 50470 Kuala Lumpur, Malaysia.

2 CASH AND SHORT-TERM FUNDS

		The Group		The Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Cash and balances with banks and other financial institutions		**9,995,887**	9,765,205	**72,262**	6,288
Money at call and deposit placements maturing within one month		**18,189,349**	19,843,969	**194,299**	401,668
		28,185,236	29,609,174	**266,561**	407,956
Less: Expected credit losses	4(a)	**(764)**	(536)	**–**	–
		28,184,472	29,608,638	**266,561**	407,956

Included in the Group's cash and short-term funds are:

(a) The Group's unutilised value of contactless smart cards and amounts due to service providers for value utilised of RM50,457,000 (2024: RM42,789,000);

(b) Balances with other financial institutions amounting to RM536,288,000 (2024: RM571,726,000) are not available for use in the Group's day-to-day operations because of the legal restriction in foreign jurisdiction.

3 REVERSE REPURCHASE AGREEMENTS/REVERSE COLLATERALISED COMMODITY MURABAHAH

	The Group	
	2025 RM'000	2024 RM'000
Reverse repurchase agreements		
– at amortised cost	**14,022,787**	10,524,297
– at fair value through profit or loss	**182,946**	358,161
	14,205,733	10,882,458

The Reverse Repurchase agreements/Reverse Collateralised Commodity Murabahah of the Group that are pledged as collaterals for obligations on securities sold under Repurchase Agreements/Collateralised Commodity Murabahah amounting to RM2,433 million (2024: RM4,221 million).

Notes to the Financial Statements

for the financial year ended 31 December 2025

4 DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

		The Group	
	Note	2025 RM'000	2024 RM'000
Licensed banks		**4,442,013**	4,757,633
Licensed investment banks		**109,791**	190,714
Bank Negara Malaysia and other central banks		**26,409**	20,164
Other financial institutions		**80,095**	200,042
		4,658,308	5,168,553
Less: Expected credit losses	4(a)	**(710)**	(774)
		4,657,598	5,167,779

Included in deposits and placements with banks and other financial institutions are the Group's unutilised value of contactless smart cards and amounts due to service providers for value utilised of RM844,153,000 (2024: RM791,263,000).

4(A) EXPECTED CREDIT LOSSES MOVEMENT

Expected credit losses movement for money at call and deposits and placements with banks and other financial institutions:

	The Group			
	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 2025	**1,310**	**–**	**–**	**1,310**
Total charge to Statement of Income:	**266**	**–**	**–**	**266**
New financial assets originated	**3,203**	**–**	**–**	**3,203**
Financial assets that have been derecognised	**(139)**	**–**	**–**	**(139)**
Change in credit risk	**(2,798)**	**–**	**–**	**(2,798)**
Exchange fluctuation	**(102)**	**–**	**–**	**(102)**
At 31 December 2025	**1,474**	**–**	**–**	**1,474**
At 1 January 2024	2,810	–	2,641	5,451
Total charge to Statement of Income:	(1,497)	–	(159)	(1,656)
New financial assets originated	1,921	–	–	1,921
Financial assets that have been derecognised	(174)	–	–	(174)
Writeback in respect of full recoveries	–	–	(159)	(159)
Change in credit risk	(3,244)	–	–	(3,244)
Write-offs	–	–	(2,376)	(2,376)
Exchange fluctuation	(3)	–	(106)	(109)
At 31 December 2024	1,310	–	–	1,310

Notes to the Financial Statements

for the financial year ended 31 December 2025

5 FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	2025 RM'000	**2024 RM'000**
Money market instruments:		
Malaysian Government Securities	**5,500,573**	4,869,610
Cagamas bonds	**476,721**	985,174
Malaysian Government treasury bills	**759,385**	445,427
Bank Negara Malaysia monetary notes	**2,180,443**	3,750,808
Negotiable instruments of deposit	**2,144,803**	2,591,400
Other Government securities	**18,407,867**	16,217,792
Government Investment Issues	**7,239,105**	4,209,007
Other Government treasury bills	**12,997,307**	7,350,836
Commercial papers	**1,114,780**	1,811,580
Promissory Notes	**273,451**	301,267
	51,094,435	42,532,901
Quoted securities:		
In Malaysia:		
Shares	**1,971,686**	1,573,526
Outside Malaysia:		
Shares	**765,892**	417,593
	2,737,578	1,991,119
Unquoted securities:		
In Malaysia:		
Corporate bond and Sukuk	**4,714,828**	3,112,566
Shares	**1,230,160**	1,177,276
Unit trusts	**110,156**	54,217
Outside Malaysia:		
Corporate bond	**4,775,327**	3,753,936
Shares	**7,635**	7,804
Private equity funds	**30,366**	53,327
	10,868,472	8,159,126
	64,700,485	52,683,146

The financial investments at fair value through profit or loss of the Group that are pledged as collaterals for obligations on securities sold under repurchase agreements/Collateralised Commodity Murabahah amounting to RM2,516 million (2024: RM1,432 million).

Notes to the Financial Statements

for the financial year ended 31 December 2025

6 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Fair value				
Money market instruments:				
Malaysian Government Securities	**5,696,729**	6,720,835	**–**	–
Cagamas bonds	**728,475**	447,572	**–**	–
Negotiable instruments of deposit	**1,017,885**	224,198	**–**	–
Other Government securities	**25,666,234**	24,008,644	**–**	–
Government investment Issues	**9,055,465**	9,107,449	**–**	–
Other Government treasury bills	**277,999**	227,371	**–**	–
	42,442,787	40,736,069	**–**	–
Unquoted securities:				
In Malaysia:				
Corporate bond and Sukuk	**27,815,127**	24,299,433	**614,441**	1,157,825
Outside Malaysia:				
Corporate bond and Sukuk	**15,070,769**	13,845,853	**–**	–
	42,885,896	38,145,286	**614,441**	1,157,825
	85,328,683	78,881,355	**614,441**	1,157,825

Securities and money market instruments amounting to RM7,165 million (2024: RM7,009 million) are invested by asset management companies on behalf of the Group.

The debt instruments at fair value through other comprehensive income of the Group that are pledged as collaterals for obligations on securities sold under repurchase agreements/Collateralised Commodity Murabahah amounting to RM5,899 million (2024: RM8,802 million).

Notes to the Financial Statements

for the financial year ended 31 December 2025

6 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

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 (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 2025	**50,258**	**17,149**	**–**	**67,407**
Changes in expected credit losses due to transfer within stages:	**(84)**	**84**	**–**	**–**
Transferred to Stage 2	**(84)**	**84**	**–**	**–**
Total charge to Statement of Income:	**(23,370)**	**19,515**	**–**	**(3,855)**
New financial assets purchased	**131,681**	**–**	**–**	**131,681**
Financial assets that have been derecognised	**(35,469)**	**(3,243)**	**–**	**(38,712)**
Change in credit risk	**(119,582)**	**22,758**	**–**	**(96,824)**
Exchange fluctuation	**(1,036)**	**(636)**	**–**	**(1,672)**
At 31 December 2025	**25,768**	**36,112**	**–**	**61,880**
At 1 January 2024	62,729	748	–	63,477
Changes in expected credit losses due to transfer within stages:	484	(484)	–	–
Transferred to Stage 1	721	(721)	–	–
Transferred to Stage 2	(237)	237	–	–
Total charge to Statement of Income:	(10,416)	16,799	–	6,383
New financial assets purchased	108,843	–	–	108,843
Financial assets that have been derecognised	(28,358)	(29)	–	(28,387)
Change in credit risk	(90,901)	16,828	–	(74,073)
Exchange fluctuation	(2,539)	86	–	(2,453)
At 31 December 2024	50,258	17,149	–	67,407

Notes to the Financial Statements

for the financial year ended 31 December 2025

6 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 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 2025	**7,579**	**–**	**–**	**7,579**
Total charge to Statement of Income:	**(4,749)**	**–**	**–**	**(4,749)**
Change in credit risk	**(4,749)**	**–**	**–**	**(4,749)**
At 31 December 2025	**2,830**	**–**	**–**	**2,830**
At 1 January 2024	7,679	–	–	7,679
Total charge to Statement of Income:	(100)	–	–	(100)
Change in credit risk	(100)	–	–	(100)
At 31 December 2024	7,579	–	–	7,579

Gross carrying amount movement for debt instruments at fair value through other comprehensive income:

	The Group	
	Lifetime expected credit losses – credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2025/31 December 2025	**–**	**–**
At 1 January 2024/31 December 2024	–	–

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for the financial year ended 31 December 2025

6 DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

IMPACT OF MOVEMENTS IN GROSS CARRYING AMOUNT ON EXPECTED CREDIT LOSSES

2025:

Stage 1 expected credit losses ("ECL") decreased by RM24 million for the Group during the financial year, mainly due to change in credit risk and derecognition of financial assets, offset by new financial assets purchased.

Stage 2 ECL increased by RM19 million for the Group during the financial year, mainly due to the change in credit risk, offset by derecognition of financial assets.

2024:

Stage 1 expected credit losses ("ECL") decreased by RM12 million for the Group during the financial year, mainly due to change in credit risk and derecognition of financial assets, offset by new financial assets purchased.

Stage 2 ECL increased by RM16 million for the Group during the financial year, mainly due to the change in credit risk.

7 EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group	
	2025 RM'000	2024 RM'000
Quoted securities		
In Malaysia		
Shares	**100,951**	22,264
Outside Malaysia		
Shares	**119,515**	1,265
	220,466	23,529
Unquoted securities		
In Malaysia		
Shares	**368,852**	270,908
Outside Malaysia		
Shares	**12,258**	98,852
	381,110	369,760
	601,576	393,289

Notes to the Financial Statements

for the financial year ended 31 December 2025

7 EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

Equity instruments at fair value through other comprehensive income comprise of the following individual investments:

	Note	The Group 2025 RM'000	2024 RM'000
Quoted securities			
Compact Metal Industries Ltd		**125**	54
Premier Products Limited		**825**	1,211
Thai Airways International PCL		**118,565**	–
Vantris Energy Berhad		**79,393**	–
Tune Protect Group Berhad		**21,558**	22,264
		220,466	23,529
Unquoted securities			
Tabung Pemulihan Perumahan Terbengkalai		**95,531**	93,210
Swift		**6,061**	5,044
Financial Park (Labuan) Sdn Bhd		**179,593**	169,932
Global Maritime Ventures Bhd		**4,011**	3,683
Perbadanan Nasional Berhad		**3,776**	3,721
Thai Airways International PCL		**–**	86,352
Vantris Energy Berhad Redeemable Covertible Unsecured Islamic Debt Securities (RCUIDS)		**85,579**	–
Others	(a)	**6,559**	7,818
		381,110	369,760
Total		**601,576**	393,289

(a) Included in others are unquoted equity instruments at fair value through other comprehensive income involved mainly in financial institution and manufacturing sectors.

Notes to the Financial Statements

for the financial year ended 31 December 2025

8 DEBT INSTRUMENTS AT AMORTISED COST

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Money market instruments:				
Malaysian Government securities	**11,951,942**	11,386,220	**–**	–
Cagamas bonds	**518,454**	554,784	**–**	–
Other Government treasury bills	**10,771,493**	10,493,897	**–**	–
Other Government securities	**8,268,967**	9,129,274	**–**	–
Malaysian Government investment issue	**22,319,861**	17,997,606	**–**	–
Khazanah bonds	**112,980**	112,980	**–**	–
Commercial papers	**184,521**	317,572	**–**	–
Malaysian Government Treasury bills	**65,184**	–	**–**	–
	54,193,402	49,992,333	**–**	–
Unquoted securities				
In Malaysia				
Corporate bond and Sukuk	**21,924,418**	24,496,327	**10,053,045**	8,469,822
Loan stock	**20,900**	20,900	**–**	–
Outside Malaysia				
Corporate bond and Sukuk	**4,163,226**	4,797,495	**–**	–
	26,108,544	29,314,722	**10,053,045**	8,469,822
Total	**80,301,946**	79,307,055	**10,053,045**	8,469,822
Amortisation of premium, net of accretion of discount	**(168,712)**	(55,929)	**–**	–
Less: Expected credit losses	**(4,541)**	(587,670)	**(46,991)**	(55,348)
	80,128,693	78,663,456	**10,006,054**	8,414,474

Securities and money market instruments amounting to RM1,412 million (2024: RM1,384 million) are invested by asset management companies on behalf of the Group.

Included in the debt instruments at amortised cost of the Group and the Bank as at 31 December 2024 were securities set aside as Deferred Net Settlement ("DNS") collateral for Retail Payment Settlement in RENTAS amounting to RM179,606,000. Withdrawal and substitution of DNS Collateral is subject to approval by Bank Negara ("BNM") and Payment Network Malaysia Sdn Bhd ("PayNet").

On 30 September 2025, DNS collateral was no longer required and was withdrawn with BNM's approval following the successful implementation of the Near Real-Time Settlement (NRTS) mechanism.

The debt instruments at amortised cost of the Group that are pledged as collaterals for obligations on securities sold under repurchase agreements/Collateralised Commodity Murabahah amounting to RM32,932 million (2024: RM35,125 million).

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for the financial year ended 31 December 2025

8 DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

Expected credit losses movement for debt instruments at amortised cost:

	The Group			
	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 2025	**7,057**	**1,198**	**579,415**	**587,670**
Changes in expected credit losses due to transfer within stages:	**(2)**	**2**	**–**	**–**
Transferred to Stage 2	**(2)**	**2**	**–**	**–**
Total charge to Statement of Income:	**(2,820)**	**(787)**	**(43,787)**	**(47,394)**
New financial assets purchased	**25,065**	**–**	**–**	**25,065**
Financial assets that have been derecognised	**(12,891)**	**–**	**(71,042)**	**(83,933)**
Change in credit risk	**(14,994)**	**(787)**	**27,255**	**11,474**
Write-offs	**–**	**–**	**(80,114)**	**(80,114)**
Exchange fluctuation	**(195)**	**(70)**	**(3)**	**(268)**
Other movements	**–**	**–**	**(455,353)***	**(455,353)**
At 31 December 2025	**4,040**	**343**	**158**	**4,541**
At 1 January 2024	11,693	–	617,124	628,817
Changes in expected credit losses due to transfer within stages:	(285)	285	–	–
Transferred to Stage 1	88	(88)	–	–
Transferred to Stage 2	(373)	373	–	–
Total charge to Statement of Income:	(4,087)	934	63,232	60,079
New financial assets purchased	52,672	–	–	52,672
Financial assets that have been derecognised	(23,902)	–	–	(23,902)
Writeback in respect of full recoveries	–	–	(6,148)	(6,148)
Change in credit risk	(32,857)	934	69,380	37,457
Write-offs	–	–	(138,697)	(138,697)
Exchange fluctuation	(264)	(21)	(510)	(795)
Other movements	–	–	38,266	38,266
At 31 December 2024	7,057	1,198	579,415	587,670

** The other movement which is in relation to sukuk restructuring adjustments amounting to RM454 million for the financial year ended 31 December 2025.*

Notes to the Financial Statements
for the financial year ended 31 December 2025

8 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 2025	**55,348**	**–**	**–**	**55,348**
Total charge to Statement of Income:	**(8,357)**	**–**	**–**	**(8,357)**
New financial assets purchased	**70,259**	**–**	**–**	**70,259**
Financial assets that have been derecognised	**(71,030)**	**–**	**–**	**(71,030)**
Change in credit risk	**(7,586)**	**–**	**–**	**(7,586)**
At 31 December 2025	**46,991**	**–**	**–**	**46,991**
At 1 January 2024	56,079	–	–	56,079
Total charge to Statement of Income:	(731)	–	–	(731)
New financial assets purchased	13,112	–	–	13,112
Financial assets that have been derecognised	(13,543)	–	–	(13,543)
Change in credit risk	(300)	–	–	(300)
At 31 December 2024	55,348	–	–	55,348

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	Purchased credit impaired RM'000	Total RM'000
At 1 January 2025	**1,417,787**	**–**	**1,417,787**
New financial assets originated or purchased	**–**	**134,429**	**134,429**
Write-offs	**(108,262)**	**–**	**(108,262)**
Amount recovered	**(510,741)**	**(40,598)**	**(551,339)**
Financial assets that have been derecognised	**(715,155)**	**–**	**(715,155)**
Other changes in debts instruments	**(56,011)**	**1,273**	**(54,738)**
Exchange fluctuation	**(27,460)**	**–**	**(27,460)**
At 31 December 2025	**158**	**95,104**	**95,262**
At 1 January 2024	1,472,709	–	1,472,709
Write-offs	(138,697)	–	(138,697)
Amount recovered	(9,761)	–	(9,761)
Other changes in debts instruments	106,924	–	106,924
Exchange fluctuation	(13,388)	–	(13,388)
At 31 December 2024	1,417,787	–	1,417,787

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for the financial year ended 31 December 2025

8 DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

IMPACT OF MOVEMENTS IN GROSS CARRYING AMOUNT ON EXPECTED CREDIT LOSSES

2025:

Stage 1 ECL decreased by RM3 million mainly due to change in credit risk and derecognition of financial assets, offset with new financial assets recognised during the year.

Stage 2 ECL decreased by RM1 million due to change in credit risk.

Stage 3 ECL decreased by RM579 million mainly due to a derecognition of a credit impaired Sukuk amounting to RM715 million and write-off of RM108 million at Group level as a result of a debt restructuring scheme with substantial modification of contractual terms. Upon recognition, the Group recognised new financial assets originated as POCI, which consist of sukuk amounting to RM134 million as debt instruments at amortised cost. In addition, quoted and unquoted shares amounting to RM61 million and RM66 million respectively were also recognised as equity instruments at FVOCI (Note 7).

2024:

Stage 1 ECL decreased by RM5 million mainly due to derecognition of financial assets and change in credit risk, offset with new financial assets recognised during the year.

Stage 2 ECL increased by RM1 million due to change in credit risk.

Stage 3 ECL decreased by RM38 million mainly due to write-offs during the year, offset with deterioration in credit quality.

9 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 as at statements of financial position date, 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		
		Fair values	
2025	Principal amount RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives			
Foreign exchange derivatives			
Currency forwards	**81,203,427**	**372,334**	**(1,578,410)**
– Less than 1 year	**79,546,909**	**343,105**	**(1,542,297)**
– 1 year to 3 years	**1,376,375**	**27,646**	**(16,780)**
– More than 3 years	**280,143**	**1,583**	**(19,333)**
Currency swaps	**490,016,433**	**3,959,598**	**(3,565,542)**
– Less than 1 year	**483,254,526**	**3,930,378**	**(3,244,918)**
– 1 year to 3 years	**2,692,875**	**16,330**	**(139,016)**
– More than 3 years	**4,069,032**	**12,890**	**(181,608)**
Currency spots	**11,425,685**	**13,389**	**(9,638)**
– Less than 1 year	**11,425,685**	**13,389**	**(9,638)**
Currency options	**9,295,160**	**45,480**	**(67,473)**
– Less than 1 year	**8,143,984**	**42,463**	**(56,171)**
– 1 year to 3 years	**1,151,176**	**3,017**	**(11,302)**
Cross currency interest rate swaps	**131,743,510**	**4,804,387**	**(3,510,312)**
– Less than 1 year	**42,439,255**	**1,621,907**	**(890,073)**
– 1 year to 3 years	**49,377,658**	**1,721,508**	**(1,058,295)**
– More than 3 years	**39,926,597**	**1,460,972**	**(1,561,944)**
	723,684,215	**9,195,188**	**(8,731,375)**

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9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	The Group		
		Fair values	
2025	Principal amount RM'000	Assets RM'000	Liabilities RM'000
Interest rate derivatives			
Interest rate derivatives			
Interest rate swaps	**1,073,936,095**	**4,705,985**	**(4,533,487)**
– Less than 1 year	**569,708,075**	**421,806**	**(457,887)**
– 1 year to 3 years	**268,818,629**	**1,376,249**	**(1,342,644)**
– More than 3 years	**235,409,391**	**2,907,930**	**(2,732,956)**
Interest rate futures	**4,561,749**	**8,728**	**(930)**
– Less than 1 year	**3,749,492**	**8,728**	**(920)**
– 1 year to 3 years	**812,257**	**–**	**(10)**
Interest rate options	**3,639,625**	**11,744**	**(14,956)**
– Less than 1 year	**1,086,623**	**1,887**	**(3)**
– 1 year to 3 years	**756,255**	**41**	**(5,137)**
– More than 3 years	**1,796,747**	**9,816**	**(9,816)**
	1,082,137,469	**4,726,457**	**(4,549,373)**
Equity related derivatives			
Equity futures	**239,167**	**19**	**(460)**
– Less than 1 year	**239,167**	**19**	**(460)**
Equity options	**5,205,864**	**250,683**	**(356,391)**
– Less than 1 year	**4,488,904**	**236,154**	**(353,695)**
– 1 year to 3 years	**631,702**	**13,641**	**(1,808)**
– More than 3 years	**85,258**	**888**	**(888)**
Equity swaps	**635,343**	**38,391**	**(18,765)**
– Less than 1 year	**128,487**	**13,702**	**(2,920)**
– 1 year to 3 years	**506,856**	**24,689**	**(15,845)**
	6,080,374	**289,093**	**(375,616)**
Commodity related derivatives			
Commodity options	**7,448,197**	**183,853**	**(174,260)**
– Less than 1 year	**7,434,957**	**183,406**	**(173,984)**
– 1 year to 3 years	**13,240**	**447**	**(276)**
Commodity swaps	**5,616,022**	**156,397**	**(155,181)**
– Less than 1 year	**3,076,809**	**93,100**	**(89,714)**
– 1 year to 3 years	**2,539,213**	**63,297**	**(65,467)**
Commodity futures	**249,612**	**1,141**	**(13,021)**
– Less than 1 year	**235,818**	**1,135**	**(12,100)**
– 1 year to 3 years	**13,794**	**6**	**(921)**
	13,313,831	**341,391**	**(342,462)**
Credit related contracts			
Credit default swaps	**2,416,050**	**14,858**	**(18,786)**
– Less than 1 year	**731,477**	**1,700**	**(3,665)**
– 1 year to 3 years	**494,272**	**3,279**	**(3,347)**
– More than 3 years	**1,190,301**	**9,879**	**(11,774)**
Total return swaps	**19,900**	**–**	**(436)**
– Less than 1 year	**19,900**	**–**	**(436)**
	2,435,950	**14,858**	**(19,222)**
Bond contracts			
Bond forward	**11,533,935**	**118,529**	**(881,665)**
– Less than 1 year	**4,461,393**	**26,812**	**(175,026)**
– 1 year to 3 years	**4,480,299**	**64,362**	**(643,782)**
– More than 3 years	**2,592,243**	**27,355**	**(62,857)**

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for the financial year ended 31 December 2025

9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

2025	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Hedging derivatives			
Interest rate swaps	**59,080,497**	**425,777**	**(361,214)**
– Less than 1 year	**13,379,298**	**19,921**	**(10,819)**
– 1 year to 3 years	**20,173,233**	**116,794**	**(144,254)**
– More than 3 years	**25,527,966**	**289,062**	**(206,141)**
Currency forward	**490,345**	**–**	**(38,946)**
– Less than 1 year	**488,671**	**–**	**(38,884)**
– 1 year to 3 years	**1,561**	**–**	**(58)**
– More than 3 years	**113**	**–**	**(4)**
Currency swaps	**7,060,014**	**147,606**	**(77,928)**
– Less than 1 year	**6,369,389**	**147,606**	**(41,065)**
– 1 year to 3 years	**–**	**–**	**–**
– More than 3 years	**690,625**	**–**	**(36,863)**
Cross currency interest rate swaps	**6,729,474**	**6,666**	**(313,806)**
– Less than 1 year	**2,617,116**	**1,609**	**(115,605)**
– 1 year to 3 years	**3,235,192**	**5,057**	**(131,446)**
– More than 3 years	**877,166**	**–**	**(66,755)**
	73,360,330	**580,049**	**(791,894)**
Total derivative assets/(liabilities)	**1,912,546,104**	**15,265,565**	**(15,691,607)**

2024	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
Foreign exchange derivatives			
Currency forwards	60,863,897	747,374	(644,203)
– Less than 1 year	58,751,492	697,467	(596,017)
– 1 year to 3 years	1,872,287	45,816	(22,019)
– More than 3 years	240,118	4,091	(26,167)
Currency swaps	524,782,662	5,837,651	(5,484,653)
– Less than 1 year	518,341,720	5,805,309	(5,354,472)
– 1 year to 3 years	2,756,816	15,608	(78,906)
– More than 3 years	3,684,126	16,734	(51,275)
Currency spots	5,767,496	7,862	(5,631)
– Less than 1 year	5,767,496	7,862	(5,631)
Currency options	12,017,107	105,653	(105,326)
– Less than 1 year	9,803,094	91,599	(73,691)
– 1 year to 3 years	2,214,013	14,054	(31,635)
Cross currency interest rate swaps	128,375,525	3,119,406	(3,249,144)
– Less than 1 year	47,127,085	1,097,364	(1,127,954)
– 1 year to 3 years	44,044,752	974,249	(887,231)
– More than 3 years	37,203,688	1,047,793	(1,233,959)
	731,806,687	9,817,946	(9,488,957)

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for the financial year ended 31 December 2025

9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	The Group		
		Fair values	
2024	Principal amount RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives (Continued)			
Interest rate derivatives			
Interest rate swaps	962,131,642	4,103,319	(3,353,349)
– Less than 1 year	515,623,505	340,655	(312,896)
– 1 year to 3 years	221,220,746	967,869	(856,027)
– More than 3 years	225,287,391	2,794,795	(2,184,426)
Interest rate futures	2,608,446	20,462	(2,102)
– Less than 1 year	1,358,111	19,125	(2,102)
– 1 year to 3 years	1,071,716	1,158	–
– More than 3 years	178,619	179	–
Interest rate options	2,543,696	16,641	(16,696)
– Less than 1 year	265,390	397	(1,130)
– 1 year to 3 years	298,788	832	(154)
– More than 3 years	1,979,518	15,412	(15,412)
	967,283,784	4,140,422	(3,372,147)
Equity related derivatives			
Equity futures	15,642	56	–
– Less than 1 year	15,642	56	–
Equity options	3,930,115	94,785	(266,938)
– Less than 1 year	3,557,388	83,645	(262,472)
– 1 year to 3 years	278,908	10,637	(3,963)
– More than 3 years	93,819	503	(503)
Equity swaps	587,820	30,533	(15,233)
– Less than 1 year	246,242	19,709	(5,898)
– 1 year to 3 years	341,578	10,824	(9,335)
	4,533,577	125,374	(282,171)
Commodity related derivatives			
Commodity options	3,408,331	64,430	(36,947)
– Less than 1 year	3,408,331	64,430	(36,947)
Commodity swaps	1,758,630	29,463	(31,474)
– Less than 1 year	1,582,116	28,310	(28,332)
– 1 year to 3 years	176,514	1,153	(3,142)
Commodity futures	277,899	2,703	(5,318)
– Less than 1 year	263,967	2,552	(5,184)
– 1 year to 3 years	13,932	151	(134)
	5,444,860	96,596	(73,739)
Credit related contracts			
Credit default swaps	2,659,304	14,513	(12,687)
– Less than 1 year	889,891	3,477	(974)
– 1 year to 3 years	1,043,067	5,781	(7,679)
– More than 3 years	726,346	5,255	(4,034)
Total return swaps	19,900	–	(450)
– 1 year to 3 years	19,900	–	(450)
	2,679,204	14,513	(13,137)

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9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	The Group		
		Fair values	
2024	Principal amount RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives (Continued)			
Bond contracts			
Bond forward	6,882,817	27,641	(600,678)
– Less than 1 year	1,825,118	17,501	(177,798)
– 1 year to 3 years	3,121,652	–	(314,954)
– More than 3 years	1,936,047	10,140	(107,926)
Hedging derivatives			
Interest rate swaps	50,339,248	583,620	(399,744)
– Less than 1 year	5,424,545	14,173	(24,724)
– 1 year to 3 years	15,475,617	143,814	(189,045)
– More than 3 years	29,439,086	425,633	(185,975)
Currency swaps	8,038,818	135,463	(127,581)
– Less than 1 year	7,277,940	130,587	(121,300)
– More than 3 years	760,878	4,876	(6,281)
Cross currency interest rate swaps	3,450,533	80,483	(65,653)
– Less than 1 year	240,943	842	(6,868)
– 1 year to 3 years	2,076,434	70,040	(51,597)
– More than 3 years	1,133,156	9,601	(7,188)
	61,828,599	799,566	(592,978)
Total derivative assets/(liabilities)	1,780,459,528	15,022,058	(14,423,807)

(I) FAIR VALUE HEDGES

The Group uses interest rate swaps to hedge its exposure to changes in the fair value of loans, advances and financing bonds and debentures, deposits and placement of bank and other financial institutions, subordinated obligations, recourse obligation on loans and financing sold to Cagamas, other liabilities, debt instruments at FVOCI, debt instruments at amortised cost and deposits from customers in respect of benchmark interest rate.

The Group uses cross currency interest rate swap to hedge foreign currency risk from the issuance of senior bond and debentures issued denominated in foreign currencies. The foreign currency risk component is managed and mitigated by the use of cross currency swaps, which exchange fixed interest payments in foreign currencies for floating interest payment in MYR.

The Group's hedge accounting policy only allows for effective hedge relationships to be established. Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessment to ensure that an economic relationship exists between the hedged item and hedging instrument. The hedge effectiveness is assessed by comparing changes in the fair value of the hedged items attributable to changes in the benchmark rate of interest with changes in the fair value of the interest rate swaps and cross currency interest rate swaps.

The Group establishes the hedge ratio by matching the notional of the derivatives with the principal of the underlying being hedged. Ineffectiveness is recognised on hedge where the change in the designated component value of the hedging instrument exceeds on an absolute basis the change in value of the hedged item attributable to the hedged risk. In hedges of the above interest rate risk, this may arise if differences arise between the credit risk inherent within the hedged item and the hedging instrument. The Group uses collateral/credit enhancement to mitigate the risk. However, the remaining risk can result in hedge ineffectiveness.

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for the financial year ended 31 December 2025

9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(I) FAIR VALUE HEDGES (CONTINUED)

The main source of ineffectiveness that are expected to affect the hedging relationship during the financial year are:

- The effect of the counterparty and the Group's own credit risk on the fair value of the interest rate swap and cross currency swap, which is not reflected in the fair value of the hedged item attributable to the change in interest rate; and
- Differences in maturities and reset dates of the interest rate swaps and the fixed rate bonds or liabilities.

(II) CASH FLOWS HEDGE

The Group used interest rate swaps and cross currency swaps to hedge interest rate risk in respect of benchmark interest rate and foreign currency risks of loans, advances and financing, bonds and debentures, other borrowings, subordinated obligations, debt instruments at FVOCI, bills and acceptances payable and USD capital expenditures. The interest rate risk and foreign currency risk component are managed and mitigated by the use of hedging instruments, which exchange floating rate payments for fixed rate payments (interest rate risk) and exchange floating rate payments for floating rate payments (foreign currency risks) in functional currency.

The effectiveness is assessed by comparing the changes in fair value of the interest rate swap and cross currency swap with changes in fair value of the hedged item attributable to the hedged risk using the hypothetical derivative method.

The Group established the hedging ratio by matching the notional of the derivative with the principal of the hedged item. Possible sources of ineffectiveness are as follow:

- Differences in timing of cash flows between hedged item, interest rate swaps and cross currency swaps,
- Hedging derivatives with non-zero fair value at the inception as a hedging instrument and
- Counterparty credit risk which impacts the fair value of interest rate swaps and cross currency swaps but not the hedged items.

(III) NET INVESTMENT HEDGE

The Group uses non-derivative financial liability and currency swaps to hedge the foreign exchange rate exposure arising from net investment in foreign operations that have a different functional currency from the Group. The Group has investment in foreign operations which is consolidated in its financial statements and whose functional currencies are GBP, HKD, SGD and USD.

The foreign exchange risk arises from the fluctuation in spot exchange rates between the functional currency of the foreign operations and the Group's functional currency. The hedged risk is the risk of weakening foreign currencies against MYR that will result in reduction in the carrying amount of the Group's net investment in foreign operations. The foreign currency risk component is determined as the change in the carrying amount of net assets of the foreign operations arising solely from changes in spot foreign currency exchange rates.

The Group assesses effectiveness by comparing changes in the carrying amount of the non-derivative financial liability that attributable to a change in the spot rate (the offset method). The Group only designates the spot element of the forward foreign exchange contract. Changes in the fair value of the hedging instrument attributable to changes in forward points and the effect of discounting are recognised in other comprehensive income which does not included in the hedge effectiveness assessment.

The Group establishes the hedging ratio by matching the notional of the forward contracts with the designated net assets of the foreign operation. There is no ineffectiveness arises from hedge of net investment in foreign operations.

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9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The Group uses the following items as hedging instruments:

			The Group Maturity				
31 December 2025	**Risk**	**Hedge type**	**Less than 1 month**	**1-3 months**	**More than 3 months-less than 1 year**	**1-5 years**	**More than 5 years**
Interest rate swaps	Interest rate	Fair value & cash flow hedge	**2,164,884**	**4,432,381**	**6,782,033**	**27,573,714**	**18,127,485**
Cross currency interest rate swaps	Interest rate & foreign currency	Fair value & cash flow hedge	**-**	**-**	**2,617,116**	**3,889,110**	**223,248**
Currency swaps	Foreign currency	Fair value, cash flow & net investment hedge	**500,329**	**1,796,845**	**4,072,215**	**690,625**	**-**
Currency forward	Foreign currency	Cash flow hedge	**536**	**487,906**	**229**	**1,674**	**-**

			The Group Maturity				
31 December 2024	**Risk**	**Hedge type**	**Less than 1 month**	**1-3 months**	**More than 3 months-less than 1 year**	**1-5 years**	**More than 5 years**
Interest rate swaps	Interest rate	Fair value & cash flow hedge	8,952	244,055	5,171,538	27,460,358	17,454,345
Cross currency interest rate swaps	Interest rate & foreign currency	Fair value & cash flow hedge	–	45,344	195,599	3,098,453	111,137
Currency swaps	Foreign currency	Fair value, cash flow & net investment hedge	1,875,452	2,540,417	2,862,071	760,878	–

The average rate for major currencies of the final exchange of cross currency interest rate swaps and currency swaps designated in hedge accounting relationships is as follows:

	31 December 2025	**31 December 2024**
CNH:MYR	**0.593**	–
SGD:MYR	**3.213**	3.280
USD:MYR	**4.308**	4.398
USD:THB	**33.531**	33.277

The average executed rate for interest rate swaps in hedge accounting relationships for major currencies is as follows:

	31 December 2025	**31 December 2024**
MYR Interest rates	**3.53%**	3.52%
SGD interest rates	**1.65%**	1.69%
USD interest rates	**3.82%**	3.79%
THB interest rates	**1.81%**	2.40%
IDR interest rates	**0.00%**	6.25%
EUR interest rates	**2.34%**	0.00%

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9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The amounts relating to items designated as hedging instruments and hedge ineffectiveness were as follows:

31 December 2025			Nominal amount RM'000	The Group Fair values* Assets RM'000	Liabilities RM'000	Changes in fair value used for calculating hedge ineffectiveness RM'000	Hedge ineffectiveness recognised in profit or loss** RM'000	Changes in fair value recognised in OCI RM'000	Amount reclassified from hedge reserve to profit or loss*** RM'000	Notional amount directly impacted by IBOR reform RM'000
Interest rate swaps	Interest rate	Fair value & cash flow hedge	**59,080,497**	**425,777**	**(361,214)**	**(423,091)**	**(348,114)**	**19,433**	**-**	**28,743,000**
Cross currency interest rate swaps	Interest rate & foreign currency	Fair value & cash flow hedge	**6,729,474**	**6,666**	**(313,806)**	**(166,793)**	**8,761**	**(3,108)**	**(77,789)**	**-**
Currency swaps	Foreign currency	Fair value, Cash flow & Net investment hedge	**7,060,014**	**147,606**	**(77,928)**	**413,285**	**-**	**(413,285)**	**(85,058)**	**-**
Currency forward	Foreign currency	Cash flow hedge	**490,345**	**-**	**(38,946)**	**44,445**	**-**	**(44,445)**	**-**	**-**

Of the RM28,743,000,000 nominal of interest rate swaps above, RM28,743,000,000 related to MYR interest rate swaps and RM13,953,000,000 will mature before the anticipated MYR KLIBOR replacement in 2029.

31 December 2024			Nominal amount RM'000	The Group Fair values* Assets RM'000	Liabilities RM'000	Changes in fair value used for calculating hedge ineffectiveness RM'000	Hedge ineffectiveness recognised in profit or loss** RM'000	Changes in fair value recognised in OCI RM'000	Amount reclassified from hedge reserve to profit or loss*** RM'000	Notional amount directly impacted by IBOR reform RM'000
Interest rate swaps	Interest rate	Fair value & cash flow hedge	50,339,248	583,620	(399,744)	15,624	3,252	(15,238)	-	28,605,679
Cross currency interest rate swaps	Interest rate & foreign currency	Fair value & cash flow hedge	3,450,533	80,483	(65,653)	(42,415)	3,825	(3,348)	(144,183)	-
Currency swaps	Foreign currency	Fair value, Cash flow & Net investment hedge	8,038,818	135,463	(127,581)	81,534	-	(132,335)	(40,539)	-
Deposits and placement of bank and other financial institutions	Foreign currency	Fair value & net investment hedge	-	-	-	6,157	-	6,157	-	-

Of the RM28,605,679,150 nominal amount of interest rates swaps above, RM28,245,000,000 related to MYR interest rate swaps and RM4,121,000,000 will mature before the anticipated MYR KLIBOR replacement in 2025; RM360,679,150 related to IDR interest rate swaps and RM360,679,150 will mature before the anticipated IDR JIBOR replacement in 2025.

In calculating the change in fair value attributable to the hedged risk for the fixed-rate loans and fixed rate bonds, the Group has made the following assumptions that reflect its current expectations:

- The Group has applied the assumptions afforded by MFRS 9 6.8 where applicable;
- The Group will cease applying MFRS 9 6.8 prospectively when the uncertainty arising from IBOR reform is no longer exist and/or when the hedging relationship is discontinued;
- No other changes to the terms of the hedged items are anticipated.

* *All hedging instruments are included in the derivative asset and derivative liabilities line item in the statement of financial position.*
** *All hedge ineffectiveness are recognised in the "Net non-interest income" in the statement of income.*
*** *All hedge ineffectiveness and reclassification from the "net investment hedge reserve" to profit or loss are recognised in the "Net non-interest income" in the statement of income.*

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9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

The amounts relating to items designated as hedged items were as follows:

			The Group							
			Carrying amount		Accumulated amount of fair value hedge adjustments on the hedged item included in the carrying amount of the hedged item		Change in fair value used for calculating hedge ineffectiveness	Accumulated amount of fair value hedge adjustments remaining in the SOFP for any hedged items that have ceased to be adjusted for hedging gains and losses	Balance in hedge reserve for continuing hedges	Balance remaining in the hedge reserve from hedging relationships for which hedge accounting is no longer applied
	Risk	Hedge Type	Assets RM'000	Liabilities RM'000	Assets RM'000	Liabilities RM'000	RM'000	RM'000	RM'000	RM'000
31 December 2025										
Hedge Items										
Loans, advances and financing	Interest rate & foreign currency	Fair value & cash flow hedge	**6,194,780**	**-**	**25,321**	**(16,382)**	**4,931**	**-**	**(703)**	**-**
Deposits and placement of bank and other financial institutions	Interest rate	Fair value hedge	**-**	**(284,787)**	**-**	**(96)**	**(96)**	**-**	**-**	**-**
Recourse obligation on loans and financing sold to Cagamas	Interest rate	Fair value hedge	**-**	**(3,416,047)**	**-**	**(47,616)**	**(16,509)**	**-**	**-**	**-**
Other borrowings	Interest rate & foreign currency	Cash flow hedge	**-**	**(817,361)**	**-**	**-**	**11,546**	**-**	**37,636**	**-**
Subordinated obligations	Interest rate & foreign currency	Fair value & cash flow hedge	**-**	**(8,069,561)**	**62,306**	**(30,081)**	**23,876**	**-**	**(9,361)**	**-**
Bonds, Sukuk and debentures	Interest rate & foreign currency	Fair value & cash flow hedge	**-**	**(14,138,467)**	**186,447**	**(112,241)**	**(44,957)**	**-**	**73,928**	**-**
Debt instruments at fair value through other comprehensive income	Interest rate & foreign currency	Fair value & cash flow hedge	**28,440,539**	**-**	**227,647**	**(80,096)**	**163,717**	**502**	**-**	**-**
Debt instruments at amortised cost	Interest rate	Fair value hedge	**58,330**	**-**	**-**	**(314)**	**697**	**-**	**-**	**-**
GBP net investment	Foreign currency	Net investment hedge	**-**	**(75,840)**	**-**	**-**	**(2,022)**	**-**	**(813)**	**-**
HKD net investment	Foreign currency	Net investment hedge	**-**	**(393,526)**	**-**	**-**	**(31,651)**	**-**	**10,221**	**-**
SGD net investment	Foreign currency	Net investment hedge	**-**	**(2,687,804)**	**-**	**-**	**(109,325)**	**-**	**(312,922)**	**-**
USD net investment	Foreign currency	Net investment hedge	**-**	**(2,364,375)**	**-**	**-**	**(200,034)**	**-**	**(691,109)**	**(467,272)**
Deposits from customers	Interest rate	Fair value hedge	**-**	**(3,709,574)**	**126**	**(717)**	**(1,069)**	**-**	**-**	**-**
Bills and acceptances payable	Foreign currency	Cash flow hedge	**-**	**(442,438)**	**-**	**-**	**(4,644)**	**-**	**4,752**	**-**
USD Capital Expenditures	Foreign currency	Cash flow hedge	**-**	**-**	**-**	**-**	**105**	**-**	**(105)**	**-**
31 December 2024										
Hedge Items										
Loans, advances and financing	Interest rate & foreign currency	Fair value & cash flow hedge	2,584,884	-	7,996	(40,879)	34,023	-	(11,832)	-
Deposits and placement of bank and other financial institutions	Interest rate	Fair value hedge	-	-	-	-	19,353	-	-	-
Recourse obligation on loans and financing sold to Cagamas	Interest rate	Fair value hedge	-	(3,624,884)	-	(31,106)	(1,781)	-	-	-
Other borrowings	Interest rate & foreign currency	Cash flow hedge	-	-	-	-	5,872	-	292	-
Subordinated obligations	Interest rate & foreign currency	Fair value & cash flow hedge	-	(6,465,777)	18,559	(21,830)	(36,966)	-	2,299	-
Bonds, Sukuk and debentures	Interest rate & foreign currency	Fair value & cash flow hedge	-	(11,204,255)	188,254	(52,868)	(18,281)	-	(5,406)	-
Debt instruments at fair value through other comprehensive income	Interest rate	Fair value & cash flow hedge	27,444,061	-	225,598	(254,324)	39,863	(1,240)	-	-
Debt instruments at amortised cost	Interest rate	Fair value hedge	114,540	-	26	(1,172)	1,098	-	-	-
GBP net investment	Foreign currency	Net investment hedge	-	-	-	-	(3,546)	-	(2,836)	-
HKD net investment	Foreign currency	Net investment hedge	-	-	-	-	(4,379)	-	(21,430)	-
SGD net investment	Foreign currency	Net investment hedge	-	-	-	-	(104,395)	-	(422,247)	-
USD net investment	Foreign currency	Net investment hedge	-	-	-	-	(21,881)	-	(880,018)	(467,272)
Deposits from customers	Interest rate	Fair value hedge	-	(249,156)	472	-	483	-	-	-
Bills and acceptances payable	Foreign currency	Cash flow hedge	-	(484,554)	-	-	210	-	9,647	-

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9 DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

(IV) RECONCILIATION OF COMPONENTS OF EQUITY

The following table provides a reconciliation by risk category of components of equity and analysis of OCI items (net of tax) resulting from hedge accounting:

	The Group	
	Net investment hedge RM'000	**Cash flows hedge RM'000**
At 1 January 2025	**(1,779,115)**	**86,209**
Effective portion of changes in fair value:		
– Interest rate/foreign currency risk	**–**	**105,045**
Net gain on hedge of net investment in foreign operations	**343,032**	**–**
Cost of hedging	**(13,013)**	**(102,620)**
Income tax effects	**–**	**504**
Exchange fluctuation	**–**	**37**
At 31 December 2025	**(1,449,096)**	**89,175**
At 1 January 2024	(1,804,720)	60,656
Effective portion of changes in fair value:		
– Interest rate/foreign currency risk	–	11,204
Net gain on hedge of net investment in foreign operations	134,203	–
Cost of hedging	(108,598)	15,227
Income tax effects	–	(520)
Exchange fluctuation	–	(358)
At 31 December 2024	(1,779,115)	86,209

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10 LOANS, ADVANCES AND FINANCING

(I) BY TYPE:

	The Group	
	2025 RM'000	**2024 RM'000**
At amortised cost		
Overdrafts	**5,512,212**	5,365,879
Term loans/financing		
– Housing loans/financing	**151,413,615**	148,748,131
– Syndicated term loans	**25,599,239**	23,799,374
– Hire purchase receivables	**31,380,287**	30,746,944
– Lease receivables	**280,162**	386,545
– Factoring receivables	**28,881**	41,610
– Other term loans/financing	**162,093,560**	169,432,999
Bills receivable	**8,551,262**	7,509,605
Trust receipts	**1,657,959**	2,102,621
Claims on customers under acceptance credits	**3,775,585**	4,044,699
Staff loans [of which RM10,873,148 (2024: RM9,531,772) are loans to Directors (including Directors of subsidiaries)]	**1,769,182**	1,838,389
Credit card receivables	**11,158,538**	10,905,228
Revolving credits	**49,692,675**	47,329,226
Share margin financing	**34,019**	22,637
Gross loans, advances and financing at amortised cost	**452,947,176**	452,273,887
Fair value changes arising from fair value hedge	**8,939**	(32,883)
	452,956,115	452,241,004
Less:		
– Expected credit losses	**(8,035,685)**	(10,077,525)
Total net loans, advances and financing	**444,920,430**	442,163,479
Total gross loans, advances and financing:		
– At amortised cost	**452,947,176**	452,273,887

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for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(I) BY TYPE: (CONTINUED)

(a) Included in the Group's loans, advances and financing balances are RM13,790,000 (2024: RM15,517,000) 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 was 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 and cash flow hedge on the interest rate risk and foreign currency risk of loans, advances and financing of RM6,185,841,000 and RM5,699,839,000 respectively (2024: RM2,617,767,000 and RM1,994,302,000) using interest rate swaps and cross currency interest rate swaps.

(c) Included in the loans, advances and financing of the Group at 31 December 2025 is financing which is disclosed as "Restricted Agency Investment Account" ("RAIA") in CIMB Islamic amounting to RM14,189,779,000 (2024: RM12,282,284,000). 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 CUSTOMER:

	The Group	
	2025 RM'000	**2024 RM'000**
Domestic banking financial institutions	**52,096**	389,997
Domestic non-bank financial institutions		
– Stockbroking companies	**201,303**	73,458
– Others	**8,492,068**	8,525,123
Domestic business enterprises		
– Small medium enterprises	**62,066,478**	62,687,906
– Others	**67,336,539**	67,678,153
Government and statutory bodies	**12,416,001**	11,690,013
Individuals	**250,769,660**	245,334,659
Other domestic entities	**1,758,319**	2,998,253
Foreign entities	**49,854,712**	52,896,325
Gross loans, advances and financing	**452,947,176**	452,273,887

Notes to the Financial Statements

for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(III) BY INTEREST/PROFIT RATE SENSITIVITY:

	The Group	
	2025 RM'000	**2024 RM'000**
Fixed rate		
– Housing loans	**15,431,968**	14,768,056
– Hire-purchase receivables	**26,079,022**	27,281,367
– Other fixed rate loans	**60,687,816**	63,375,205
Variable rate		
– BLR/BFR	**95,661,168**	98,226,145
– Cost plus	**61,365,378**	58,437,463
– Other variable rates	**193,721,824**	190,185,651
Gross loans, advances and financing	**452,947,176**	452,273,887

(IV) BY ECONOMIC PURPOSES:

	The Group	
	2025 RM'000	**2024 RM'000**
Personal use	**27,353,753**	26,160,432
Credit card	**11,158,538**	10,905,228
Purchase of consumer durables	**740,425**	752,234
Construction	**11,279,985**	10,647,818
Residential property (Housing)	**152,976,782**	150,470,789
Non-residential property	**44,731,146**	41,866,728
Purchase of fixed assets other than land and buildings	**13,089,430**	17,022,643
Mergers and acquisitions	**1,413,185**	1,731,227
Purchase of securities	**14,161,061**	17,419,553
Purchase of transport vehicles	**31,312,788**	30,783,281
Working capital	**113,772,748**	115,847,047
Other purpose	**30,957,335**	28,666,907
Gross loans, advances and financing	**452,947,176**	452,273,887

Notes to the Financial Statements
for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(V) BY GEOGRAPHICAL DISTRIBUTION:

	The Group	
	2025 RM'000	**2024 RM'000**
Malaysia	**285,355,657**	273,817,231
Indonesia	**61,936,034**	67,610,511
Thailand	**31,716,121**	35,417,480
Singapore	**46,839,892**	47,628,317
United Kingdom	**3,791,680**	6,601,978
Hong Kong	**1,945,973**	2,180,448
China	**4,965,070**	4,680,411
Other countries	**16,396,749**	14,337,511
Gross loans, advances and financing	**452,947,176**	452,273,887

(VI) BY RESIDUAL CONTRACTUAL MATURITY:

	The Group	
	2025 RM'000	**2024 RM'000**
Within one year	**103,362,968**	101,882,898
One year to less than three years	**39,418,899**	39,408,970
Three years to less than five years	**45,896,575**	48,346,266
Five years and more	**264,268,734**	262,635,753
Gross loans, advances and financing	**452,947,176**	452,273,887

Notes to the Financial Statements

for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(VII) BY ECONOMIC SECTOR:

	The Group	
	2025 RM'000	**2024 RM'000**
Primary agriculture	**7,719,160**	11,607,806
Mining and quarrying	**3,313,189**	5,441,220
Manufacturing	**28,152,619**	29,945,759
Electricity, gas and water supply	**10,292,688**	8,202,225
Construction	**14,290,715**	13,604,850
Transport, storage and communications	**11,931,406**	12,284,845
Education, health and others	**20,265,699**	19,500,540
Wholesale and retail trade, and restaurants and hotels	**34,776,172**	38,610,016
Finance, insurance/takaful, real estate and business activities	**68,066,994**	65,416,336
Household	**232,391,561**	225,560,116
Others	**21,746,973**	22,100,174
Gross loans, advances and financing	**452,947,176**	452,273,887

(VIII) CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY ECONOMIC PURPOSE:

	The Group	
	2025 RM'000	**2024 RM'000**
Personal use	**425,408**	453,757
Credit card	**221,909**	257,066
Purchase of consumer durables	**443**	331
Construction	**462,968**	541,045
Residential property (Housing)	**2,757,492**	2,935,692
Non-residential property	**372,696**	356,119
Purchase of fixed assets other than land and buildings	**264,716**	501,528
Mergers and acquisitions	**45,254**	44,619
Purchase of securities	**557**	1,135
Purchase of transport vehicles	**437,242**	379,837
Working capital	**2,069,195**	3,313,832
Other purpose	**728,278**	789,653
Gross credit impaired loans, advances and financing	**7,786,158**	9,574,614

Notes to the Financial Statements
for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(IX) CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY GEOGRAPHICAL DISTRIBUTION:

	The Group	
	2025 RM'000	**2024 RM'000**
Malaysia	**3,493,217**	4,382,741
Indonesia	**2,233,714**	3,006,090
Thailand	**1,254,984**	1,435,191
Singapore	**169,022**	204,670
United Kingdom	**45,573**	45,862
Hong Kong	**163,178**	154,732
China	**10,575**	10,691
Other countries	**415,895**	334,637
Gross credit impaired loans, advances and financing	**7,786,158**	9,574,614

(X) CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY ECONOMIC SECTOR:

	The Group	
	2025 RM'000	**2024 RM'000**
Primary agriculture	**29,459**	37,578
Mining and quarrying	**197,112**	944,979
Manufacturing	**1,040,001**	1,533,416
Electricity, gas and water supply	**6,224**	1,597
Construction	**472,945**	623,053
Transport, storage and communications	**88,375**	121,972
Education, health and others	**55,416**	116,787
Wholesale and retail trade, and restaurants and hotels	**795,569**	1,036,797
Finance, insurance/takaful, real estate and business activities	**999,038**	850,756
Household	**3,526,171**	3,787,290
Others	**575,848**	520,389
Gross credit impaired loans, advances and financing	**7,786,158**	9,574,614

Notes to the Financial Statements

for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(XI) MOVEMENTS IN THE EXPECTED CREDIT LOSSES FOR LOANS, ADVANCES AND FINANCING ARE AS FOLLOWS:

	The Group			
	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
Loans, advances and financing at amortised cost				
At 1 January 2025	**2,435,885**	**1,793,505**	**5,848,135**	**10,077,525**
Changes in expected credit losses due to transfer within stages:	**507,838**	**(606,154)**	**98,316**	**–**
Transferred to Stage 1	**1,151,826**	**(1,078,787)**	**(73,039)**	**–**
Transferred to Stage 2	**(577,021)**	**1,512,887**	**(935,866)**	**–**
Transferred to Stage 3	**(66,967)**	**(1,040,254)**	**1,107,221**	**–**
Total charge to Statement of Income:	**(1,124,460)**	**691,318**	**2,873,134**	**2,439,992**
New financial assets originated	**950,891**	**228,131**	**120,586**	**1,299,608**
Financial assets that have been derecognised	**(759,108)**	**(404,067)**	**(90,283)**	**(1,253,458)**
Writeback in respect of full recoveries	**–**	**–**	**(331,657)**	**(331,657)**
Change in credit risk	**(1,316,243)**	**867,254**	**3,174,488**	**2,725,499**
Write-offs	**(893)**	**(1,724)**	**(3,194,614)**	**(3,197,231)**
Disposal of loans, advances and financing	**–**	**–**	**(129,016)**	**(129,016)**
Exchange fluctuation	**(71,942)**	**(66,101)**	**(385,760)**	**(523,803)**
Other movements	**(178)**	**138**	**(631,742)***	**(631,782)**
At 31 December 2025	**1,746,250**	**1,810,982**	**4,478,453**	**8,035,685**

** The other movement which is in relation to loan restructuring adjustments amounting to RM549 million for the financial year ended 31 December 2025.*

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for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(XI) MOVEMENTS IN THE EXPECTED CREDIT LOSSES FOR LOANS, ADVANCES AND FINANCING ARE AS FOLLOWS: (CONTINUED)

	The Group				
	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	Total RM'000
Loans, advances and financing at amortised cost					
At 1 January 2024	2,858,814	1,987,111	6,564,344	1,863	11,412,132
Changes in expected credit losses due to transfer within stages:	522,664	(507,555)	(15,109)	–	–
Transferred to Stage 1	1,108,732	(1,026,471)	(82,261)	–	–
Transferred to Stage 2	(512,122)	1,469,563	(957,441)	–	–
Transferred to Stage 3	(73,946)	(950,647)	1,024,593	–	–
Total charge to Statement of Income:	(865,557)	367,111	2,972,587	(587)	2,473,554
New financial assets originated	1,105,600	157,496	93,638	–	1,356,734
Financial assets that have been derecognised	(946,134)	(316,741)	–	–	(1,262,875)
Writeback in respect of full recoveries	–	–	(452,037)	(587)	(452,624)
Change in credit risk	(1,025,023)	526,356	3,330,986	–	2,832,319
Write-offs	(411)	(827)	(3,193,221)	(945)	(3,195,404)
Disposal of loans, advances and financing	–	–	(376,930)	–	(376,930)
Exchange fluctuation	(78,528)	(52,312)	(247,158)	(48)	(378,046)
Other movements	(1,097)	(23)	143,622	(283)	142,219
At 31 December 2024	2,435,885	1,793,505	5,848,135	–	10,077,525

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10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(XII) MOVEMENTS IN CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING

Gross carrying amount movement for 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**
At 1 January 2025	**9,574,614**	**–**	**9,574,614**
Transfer within stages	**2,797,135**	**–**	**2,797,135**
New financial assets originated	**131,162**	**162,437**	**293,599**
Write-offs	**(3,206,552)**	**–**	**(3,206,552)**
Amount fully recovered	**(400,486)**	**(48,895)**	**(449,381)**
Financial assets that have been derecognised	**(863,710)**	**–**	**(863,710)**
Other changes in loans, advances and financing	**240,202**	**1,318**	**241,520**
Disposal of loans, advances and financing	**(181,120)**	**–**	**(181,120)**
Exchange fluctuation	**(419,947)**	**–**	**(419,947)**
At 31 December 2025	**7,671,298**	**114,860**	**7,786,158**
At 1 January 2024	11,764,126	6,117	11,770,243
Transfer within stages	2,172,023	–	2,172,023
New financial assets originated	65,007	–	65,007
Write-offs	(3,193,221)	(945)	(3,194,166)
Amount fully recovered	(675,003)	–	(675,003)
Other changes in loans, advances and financing	355,929	(5,033)	350,896
Disposal of loans, advances and financing	(615,577)	–	(615,577)
Exchange fluctuation	(298,670)	(139)	(298,809)
At 31 December 2024	9,574,614	–	9,574,614

	The Group	
	2025	**2024**
Ratio of credit impaired loans to total gross loans, advances and financing	**1.72%**	2.12%

Notes to the Financial Statements
for the financial year ended 31 December 2025

10 LOANS, ADVANCES AND FINANCING (CONTINUED)

(XII) MOVEMENTS IN CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING (CONTINUED)

IMPACT OF MOVEMENTS IN GROSS CARRYING AMOUNT ON EXPECTED CREDIT LOSSES

2025:

Stage 1 ECL decreased by RM690 million as a result RM177,087 million of loans, advances/financing that were fully repaid, having movement in the existing account balances during the financial year, and accounts migrated from Stage 1 to Stage 2 or Stage 3 due to deterioration in credit quality. This is partially offset with RM181,589 million arising from additional disbursement and loans, advances/financing migrating into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement.

Stage 2 ECL increased by RM17 million as a result of loans, advances/financing migrating into Stage 2 and additional disbursement amounting to RM39,104 million, offset by RM41,144 million loans, advances/financing that were fully repaid, having movement in the existing account balances during the financial year, and accounts migrated from Stage 2 to Stage 3 due to deterioration in credit quality and migrated to Stage 1 as a result of improved credit quality.

Stage 3 ECL decreased by RM1,370 million mainly due to a derecognition of a credit impaired loan amounting to RM864 million and write-off of RM45 million at Group level as a result of a debt restructuring scheme with substantial modification of contractual terms. Upon recognition, the Group recognised new financial assets originated as POCI, which consist of term loans amounting to RM162 million in the loans, financing and advances. In addition, quoted and unquoted shares amounting to RM73 million and RM79 million respectively were also recognised as equity instruments at FVOCI (Note 7).

The amount of loans, advances and financing whose cash flows were modified of the Group during the financial year was RM1,748,874,000.

2024:

Stage 1 ECL decreased by RM423 million as a result RM185,570 million of loans, advances/financing that were fully repaid, having movement in the existing account balances during the financial year, and accounts migrated from Stage 1 to Stage 2 or Stage 3 due to deterioration in credit quality. This is partially offset with RM198,064 million arising from additional disbursement and loans, advances/financing migrating into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement.

Stage 2 ECL decreased by RM194 million as a result of RM41,271 million loans, advances/financing that were fully repaid, having movement in the existing account balances during the financial year, and accounts migrated from Stage 2 to Stage 3 due to deterioration in credit quality and migrated to Stage 1 as a result of improved credit quality loans, advances/financing migrating into Stage 2 and additional disbursement, offset by RM41,782 million of loans, advances/financing migrating into Stage 2 and additional disbursement.

Stage 3 ECL decreased by RM718 million as a result of loans, advances and financing that were fully repaid, having movement in the existing account balances during the financial year, transferred to Stage 1 or Stage 2 and written off during the financial year of RM7,799 million, coupled with loan, advances and financing disposed of RM616 million. This is partially offset by RM6,219 million loans, advances/financing that were transferred into Stage 3 due to credit quality deterioration.

The amount of loans, advances and financing whose cash flows were modified of the Group during the financial year was RM311,747,000.

Notes to the Financial Statements

for the financial year ended 31 December 2025

11 OTHER ASSETS

	Note	The Group 2025 RM'000	The Group 2024 RM'000	The Company 2025 RM'000	The Company 2024 RM'000
Due from brokers		**147,474**	145,635	**–**	–
Other debtors net of expected credit losses of RM708,261,000 (2024: RM720,085,000), deposits and prepayments	(a)	**3,427,076**	3,538,801	**82,899**	83,299
Settlement accounts		**406,297**	698,390	**–**	–
Treasury related receivables		**2,968,743**	1,726,574	**–**	–
Structured financing		**320,141**	707,501	**–**	–
Foreclosed assets net of allowance for impairment losses of RM112,930,000 (2024: RM124,771,000)	(b)	**237,087**	249,978	**–**	–
Collateral pledged for derivative transactions		**5,126,340**	4,325,151	**–**	–
Due from joint ventures	(c)	**5,230,724**	4,613,966	**–**	–
		17,863,882	16,005,996	**82,899**	83,299

(a) Movements of expected credit losses for other assets are as follows:

(i) Under simplified approach

	The Group 2025 RM'000	The Group 2024 RM'000
At 1 January	**112,103**	107,651
Expected credit losses made during the financial year	**30,263**	17,529
Write off	**(38,440)**	(3,289)
Exchange fluctuation	**(3,452)**	(9,788)
At 31 December	**100,474**	112,103

Notes to the Financial Statements
for the financial year ended 31 December 2025

11 OTHER ASSETS (CONTINUED)

(a) Movements of expected credit losses for other assets are as follows: (Continued)

(ii) Under general approach

The Group	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 2025	**90,368**	**–**	**517,614**	**607,982**
Total charge to Statement of Income:	**–**	**–**	**(195)**	**(195)**
Writeback in respect of full recoveries	**–**	**–**	**(120)**	**(120)**
Change in credit risk	**–**	**–**	**(75)**	**(75)**
At 31 December 2025	**90,368**	**–**	**517,419**	**607,787**
At 1 January 2024	29,751	2,000	517,882	549,633
Total charge to Statement of Income:	60,617	–	(268)	60,349
Writeback in respect of full recoveries	–	–	(268)	(268)
Change in credit risk	60,617	–	–	60,617
Write-offs	–	(2,000)		(2,000)
At 31 December 2024	90,368	–	517,614	607,982

Included in the ECL provided in financial year ended 31 December 2025 and 31 December 2024 under general approach is related to settlement of debit card balances.

Notes to the Financial Statements

for the financial year ended 31 December 2025

11 OTHER ASSETS (CONTINUED)

(a) Movements of expected credit losses for other assets are as follows: (Continued)

(iii) Gross carrying amount movement of other assets classified as credit impaired:

The Group	Lifetime expected credit losses – credit impaired (Stage 3) RM'000
At 1 January 2025	**517,614**
Other changes	**(195)**
At 31 December 2025	**517,419**
At 1 January 2024	517,882
Other changes	(268)
At 31 December 2024	517,614

Impact of movements in gross carrying amount on expected credit losses:

2025:
Stage 3 ECL decreased by RM0.2 million due to writeback and change in credit risk during the year.

2024:
Stage 1 ECL increased by RM60.6 million due to change in credit risk.

Stage 2 ECL decreased by RM2.0 million due to write-offs during the year.

Notes to the Financial Statements
for the financial year ended 31 December 2025

11 OTHER ASSETS (CONTINUED)

(b) Foreclosed properties are stated at the lower of carrying amount and fair value less cost to sale. Independent valuation of the foreclosed properties was performed by valuers to determine the fair value of the foreclosed properties as at 31 December 2025. 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.

Movements of allowance for impairment losses on foreclosed assets are as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
At 1 January	**124,771**	135,081
Net allowance made during the financial year	**33,967**	236,168
Recoveries	**(123)**	–
Disposal during the financial year	**(32,930)**	(238,945)
Exchange fluctuation	**(12,755)**	(7,533)
At 31 December	**112,930**	124,771

(c) This relates to the amount due from joint venture, Proton Commerce Sdn. Bhd. ("PCSB") of which comprises of the funding to PCSB for the hire purchase business.

12 DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts are shown in the statements of financial position, after offsetting:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Deferred tax assets	**1,118,487**	1,400,940	**–**	–
Deferred tax liabilities	**(18,083)**	(54,479)	**–**	–
	1,100,404	1,346,461	**–**	–

Notes to the Financial Statements

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12 DEFERRED TAXATION (CONTINUED)

The components of deferred tax assets and liabilities during the financial year prior to offsetting of balances within the same tax jurisdiction are as follows:

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Deferred tax assets (before offsetting)				
Expected credit losses	**686,707**	861,441	**–**	–
Fair value reserve – Debt instruments at fair value through other comprehensive income	**–**	164,923	**–**	–
Unutilised tax losses	**19,717**	25,826	**–**	–
Post employment benefits obligations	**78,088**	84,216	**–**	–
Provision for expenses	**588,825**	535,685	**–**	–
Own credit risk reserve	**4,064**	3,228		
Right-of-use assets	**28,811**	–	**–**	–
EOP reserves	**7,695**	5,023	**–**	–
Lease liabilities	**–**	53,674	**–**	–
Other temporary differences	**5,872**	–	**–**	–
	1,419,779	1,734,016	**–**	–
Offsetting	**(301,292)**	(333,076)	**–**	–
Deferred tax assets (after offsetting)	**1,118,487**	1,400,940	**–**	–
Deferred tax liabilities (before offsetting)				
Property, plant and equipment	**(81,882)**	(100,916)	**–**	–
Right-of-use assets	**–**	(30,876)	**–**	–
Fair value reserve – Debt instruments at fair value through other comprehensive income	**(43,338)**	–	**–**	–
Fair value reserve – Equity instruments at fair value through other comprehensive income	**(22,129)**	(39,534)	**–**	–
Intangible assets	**(166,850)**	(138,046)	**–**	–
Lease liabilities	**(4,206)**	–	**–**	–
Cash flow hedge	**(970)**	(1,465)	**–**	–
Other temporary differences	**–**	(76,718)	**–**	–
	(319,375)	(387,555)	**–**	–
Offsetting	**301,292**	333,076	**–**	–
Deferred tax liabilities (after offsetting)	**(18,083)**	(54,479)	**–**	–

Notes to the Financial Statements
for the financial year ended 31 December 2025

12 DEFERRED TAXATION (CONTINUED)

The gross movements on the deferred taxation account are as follows:

The Group	Note	Expected credit losses RM'000	Accelerated tax depreciation RM'000	Fair value reserve: Debt instruments at fair value through other comprehensive income RM'000	Fair value reserve: Equity instruments at fair value through other comprehensive income RM'000	Right-of-use assets RM'000	Other temporary differences RM'000	Intangible assets RM'000	Provision for expenses RM'000	Cash flow hedge RM'000	Post employment benefit obligations RM'000	Lease liabilities RM'000	Own credit risk reserve RM'000	Total RM'000
Deferred tax assets/ (liabilities)														
At 1 January 2025		**861,441**	**(100,916)**	**164,923**	**(39,534)**	**(30,876)**	**(45,869)**	**(138,046)**	**535,685**	**(1,465)**	**84,216**	**53,674**	**3,228**	**1,346,461**
(Charged)/credited to statements of income	45	**(168,719)**	**17,972**	**(10,081)**	**-**	**58,060**	**62,329**	**(33,355)**	**49,431**	**-**	**3,031**	**(52,818)**	**(21)**	**(74,171)**
(Under)/over provision in prior year		**(5,051)**	**(1,830)**	**-**	**-**	**1,231**	**7,306**	**(2,312)**	**(4,131)**	**-**	**(247)**	**(4,218)**	**-**	**(9,252)**
Transferred to equity		**-**	**-**	**(195,464)**	**17,309**	**-**	**-**	**-**	**-**	**504**	**(2,637)**	**-**	**925**	**(179,363)**
Exchange difference		**(964)**	**2,892**	**(2,716)**	**96**	**396**	**9,518**	**6,863**	**7,840**	**(9)**	**(6,275)**	**(844)**	**(68)**	**16,729**
At 31 December 2025		**686,707**	**(81,882)**	**(43,338)**	**(22,129)**	**28,811**	**33,284**	**(166,850)**	**588,825**	**(970)**	**78,088**	**(4,206)**	**4,064**	**1,100,404**

The Group	Note	Expected credit losses RM'000	Accelerated tax depreciation RM'000	Fair value reserve: Debt instruments at fair value through other comprehensive income RM'000	Fair value reserve: Equity instruments at fair value through other comprehensive income RM'000	Right-of-use assets RM'000	Other temporary differences RM'000	Intangible assets RM'000	Provision for expenses RM'000	Cash flow hedge RM'000	Post employment benefit obligations RM'000	Lease liabilities RM'000	Own credit risk reserve RM'000	Total RM'000
Deferred tax assets/ (liabilities)														
At 1 January 2024		1,317,283	(99,545)	190,239	(38,827)	(59,148)	21,853	(113,179)	477,476	(1,034)	96,606	75,177	14,910	1,881,811
(Charged)/credited to statements of income	45	(409,579)	(4,968)	5,581	-	26,388	(77,178)	(27,375)	41,193	-	(5,109)	(18,058)	64	(469,041)
(Under)/over provision in prior year		(22,081)	1,316	-	-	1,000	514	(1,799)	2,373	-	-	(2,801)	-	(21,478)
Transferred to equity		-	-	(25,489)	(716)	-	-	-	-	(520)	(2,710)	-	(11,312)	(40,747)
Acquisition of a subsidiary	56	-	(113)	-	-	-	-	-	664	-	-	-	-	551
Exchange difference		(24,182)	2,394	(5,408)	9	884	8,942	4,307	13,979	89	(4,571)	(644)	(434)	(4,635)
At 31 December 2024		861,441	(100,916)	164,923	(39,534)	(30,876)	(45,869)	(138,046)	535,685	(1,465)	84,216	53,674	3,228	1,346,461

Notes to the Financial Statements

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12 DEFERRED TAXATION (CONTINUED)

The gross movements on the deferred taxation account are as follows (Continued):

The Company	Note	Accelerated tax depreciation RM'000	Total RM'000
Deferred tax liabilities			
At 1 January 2025		**–**	**–**
Charged to statements of income	45	**–**	**–**
At 31 December 2025		**–**	**–**
At 1 January 2024		(2)	(2)
Charged to statements of income	45	2	2
At 31 December 2024		–	–

13 STATUTORY DEPOSITS WITH CENTRAL BANKS

The non-interest bearing statutory deposits are maintained by certain subsidiaries with Bank Negara Malaysia in compliance with Section 26(2)(c) of the Central Bank of Malaysia Act, 2009, the amounts of which are determined at set percentages of total eligible liabilities. The non-interest bearing statutory deposits of a foreign subsidiary and foreign branches of the banking subsidiary are maintained with respective central banks in compliance with the applicable legislation.

14 INVESTMENT IN SUBSIDIARIES

	The Company	
	2025 RM'000	**2024 RM'000**
Ordinary shares	**16,144,574**	16,144,574
Redeemable preference shares*	**19,154,041**	19,154,041
	35,298,615	35,298,615
Capital contribution to subsidiaries@	**152,340**	165,521
	35,450,955	35,464,136
Less: Allowance for impairment loss of a subsidiary	**(6,813)**	(6,813)
	35,444,142	35,457,323

* *Classified as cost of investment in subsidiaries due to the terms of the instruments including redeemable and dividend entitlement at discretion of issuer*

@ *Being long term incentive plan ("LTIP") which was implemented by the Company in 2021, that is granted to CIMB Group Holdings Bhd ("CIMBGH") subsidiaries' employees*

Notes to the Financial Statements

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14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Information about principal subsidiaries:

The direct subsidiaries of the Company are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held	
			2025 %	2024 %
CIMB Berhad	Investment holding	Malaysia	**100**	100
CIMB Group Sdn. Bhd.	Investment holding	Malaysia	**100**	100
Commerce MGI Sdn. Bhd.	Dormant	Malaysia	**51**	51
CIMB Active Ventures Sdn. Bhd. (formerly known as Commerce Asset Realty Sdn. Bhd.)	Providing IT support and business process insourcing services	Malaysia	**100**	100
iCIMB (MSC) Sdn. Bhd.	Provision of management	Malaysia	**100**	100
SBB Berhad	Dormant	Malaysia	**100**	100
CIMB Foundation∞	Charitable foundation	Malaysia	**–**	–
Premier Fidelity Sdn. Bhd.	Promoting, arranging and managing all kinds of sports and entertainment events of the Group	Malaysia	**100**	100

∞ *Consolidated in the Group as the substance of the relationship between the entities and the Company indicates that the entities are controlled by the Company.*

The subsidiaries held through CIMB Berhad are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held			
			Directly by CIMB Berhad		Indirectly by the Company's subsidiary	
			2025 %	2024 %	2025 %	2024 %
CIMB Islamic Trustee Berhad	Trustee services	Malaysia	**20**	20	**80**	80
CIMB Commerce Trustee Berhad	Trustee services	Malaysia	**20**	20	**80**	80

Notes to the Financial Statements

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14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Information about principal subsidiaries (Continued):

The subsidiaries held through CIMB Group Sdn. Bhd. ("CIMBG") are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held			
			Directly by CIMBG		Through CIMBG's subsidiary company	
			2025 %	2024 %	2025 %	2024 %
CIMB Bank Berhad ("CIMB Bank")	Commercial banking and related financial services	Malaysia	**100**	100	**–**	–
CIMB Investment Bank Berhad ("CIMB Investment Bank")	Investment banking and the provision of related financial services	Malaysia	**100**	100	**–**	–
PT Bank CIMB Niaga Tbk[+]	Commercial banking and related financial services	Indonesia	**91.5**	91.5	**1.0**	1.0
PT Commerce Kapital[#]	Investment holding	Indonesia	**99.0**	99.0	**1.0**	1.0
CIMB SI Sdn. Bhd.	Trading in securities and direct principal investments	Malaysia	**100**	100	**–**	–
CIMB Digital Assets Sdn. Bhd. (formerly known as CIMB SI 1 Sdn. Bhd.)	Investment holding	Malaysia	**84.2**	84.2	**15.8**	15.8
CIMB SI II Sdn. Bhd.	Investment holding	Malaysia	**100**	100	**–**	–
CIMB Private Equity Sdn. Bhd.	Investment holding	Malaysia	**100**	100	**–**	–
CIMB Asia Security (General Partner) Limited[^^]	Investment holding	Labuan, Malaysia	**–**	–	**–**	100
Touch 'n Go Sdn. Bhd. ("TnG")	Establishment, operation and management of an electronic collection system for toll and transport operators	Malaysia	**–**	–	**100**	100
CIMB Real Estate Sdn. Bhd.	Real estate investment	Malaysia	**100**	100	**–**	–
Sathorn Asset Management Company Limited+	Asset Management	Thailand	**–**	–	**99.9**	99.9
CIMB Strategic Assets Sdn. Bhd.	Investment holding	Malaysia	**100**	100	**–**	–
CIMB Private Equity Advisors Sdn. Bhd.[^^]	Investment advisory	Malaysia	**–**	100	**–**	–
CIG Berhad	Insurance holding company	Malaysia	**100**	100	**–**	–
Commerce Asset Ventures Sdn. Bhd. ("CAV")	Investment holding company	Malaysia	**100**	100	**–**	–
Southeast Asia Special Asset Management Berhad	To invest in, purchase or otherwise acquire and deal with non-performing loans, credit and financing facilities or debts	Malaysia	**100**	100	**–**	–
Lot A Sentral Sdn. Bhd.	Property investment	Malaysia	**–**	–	**100**	100
PT Synergy Dharma Nayaga[#]	Management consultancy	Indonesia	**–**	–	**100**	100
CIMB Investment Bank (Private) Limited[~]	Stock and share broking	Sri Lanka	**45**	45	**–**	–

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for the financial year ended 31 December 2025

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Information about principal subsidiaries (Continued):

The subsidiaries held through CIMB Group Sdn. Bhd. ("CIMBG") are (Continued):

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held			
			Directly by CIMBG		Through CIMBG's subsidiary company	
			2025 %	2024 %	2025 %	2024 %
CIMB Capital Markets (Australia) PTY Ltd~	Equity capital markets business	Australia	**100**	100	**–**	–
CSI Investment Limited~	Investment holding	British Virgin Island	**100**	100	**–**	–
MinorCap Pte. Ltd.#	Dormant	Singapore	**–**	–	**100**	100
Southeast Asia Special Asset Vehicle Limited	Special purpose vehicle	Malaysia	**–**	–	**100**	100
CIMB Bancom Capital Corporation+	Investment banking	Philippines	**60**	60	**–**	–
CIMB AI Labs Private Limited# (formerly known as Shining Star Solution and Services Private Limited)	Business support services	India	**0.01**	0.01	**99.99**	99.99

 # Audited by a firm other than member firms of PricewaterhouseCoopers International Limited
+ Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers PLT
^^ Dissolved during the year
~ Not being audited

The subsidiaries held through CIMBG's direct subsidiary, CIMB Investment Bank are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held			
			Directly by CIMB Investment Bank		Through CIMB Investment Bank's subsidiary company	
			2025 %	2024 %	2025 %	2024 %
CIMB Holdings Sdn. Bhd.	Investment holding	Malaysia	**100**	100	**–**	–
CIMSEC Nominees (Tempatan) Sdn. Bhd.	Nominee services	Malaysia	**100**	100	**–**	–
CIMSEC Nominees (Asing) Sdn. Bhd.	Nominee services	Malaysia	**100**	100	**–**	–
CIMB EOP Management Sdn. Bhd.	Nominee services	Malaysia	**100**	100	**–**	–
CIMB Commerce Trustee Berhad	Trustee services	Malaysia	**–**	–	**20**	20
CIMB Islamic Trustee Berhad	Trustee services	Malaysia	**–**	–	**20**	20
CIMB Securities Sdn Bhd	Stockbroking	Malaysia	**100**	100	**–**	–
CIMB Securities Nominees (Tempatan) Sdn Bhd	Nominee services	Malaysia	**–**	–	**100**	–
CIMB Securities Nominees (Asing) Sdn Bhd	Nominee services	Malaysia	**–**	–	**100**	100

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for the financial year ended 31 December 2025

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Information about principal subsidiaries (Continued):

The subsidiaries held through CIMBG's direct subsidiary, CIMB Bank are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held			
			Directly by CIMB Bank		Through CIMB Bank's subsidiary company	
			2025 %	2024 %	2025 %	2024 %
CIMB FactorLease Berhad	Leasing, hire purchase financing, debt factoring, loan management and property management	Malaysia	**100**	100	**–**	–
CIMB Islamic Trustee Berhad	Trustee to unit trust funds, public debt financing issues and private trusts and other corporate trusts	Malaysia	**20**	20	**40**	40
CIMB Bank (L) Limited	Carrying on the business of a Labuan bank	Labuan, Malaysia	**100**	100	**–**	–
iCIMB (Malaysia) Sdn. Bhd.	Provision of outsourcing services	Malaysia	**100**	100	**–**	–
CIMB Group Nominees (Tempatan) Sdn. Bhd.	Provision of nominee services	Malaysia	**100**	100	**–**	–
CIMB Group Nominees (Asing) Sdn. Bhd.	Provision of nominee services	Malaysia	**100**	100	**–**	–
CIMB Islamic Bank Berhad	Islamic banking and related financial services	Malaysia	**100**	100	**–**	–
CIMB Trust Ltd.	Trustee services	Labuan, Malaysia	**100**	100	**–**	–
Bumiputra-Commerce Corporate Services Limited~	Nominee services	Labuan, Malaysia	**–**	–	**100**	100
BC Management Services Limited~	Nominee services	Labuan, Malaysia	**–**	–	**100**	100
CIMB Islamic Nominees (Tempatan) Sdn. Bhd.	Provision of nominee services	Malaysia	**–**	–	**100**	100
CIMB Islamic Nominees (Asing) Sdn. Bhd.	Provision of nominee services	Malaysia	**–**	–	**100**	100
S.B. Venture Capital Corporation Sdn. Bhd.	Investment holding and provision of management services	Malaysia	**100**	100	**–**	–
BHLB Properties Sdn. Bhd.	To own and manage premises and other immovable properties	Malaysia	**100**	100	**–**	–
SFB Auto Berhad	Financial services	Malaysia	**100**	100	**–**	–
CIMB Bank (Vietnam) Limited#	Banking activities	Vietnam	**100**	100	**–**	–
CIMB Bank PLC#	Commercial banking and related financial services	Cambodia	**100**	100	**–**	–
CIMB Commerce Trustee Berhad	Provision of trustee, custodian and nominees services	Malaysia	**20**	20	**40**	40
S.B. Properties Sdn. Bhd.	Property ownership and management	Malaysia	**100**	100	**–**	–
SFB Development Sdn. Bhd.	Property investment	Malaysia	**100**	100	**–**	–
SIBB Berhad	Investment dealing	Malaysia	**80**	80	**–**	–
Perdana Nominees (Tempatan) Sdn. Bhd.	Provision of nominee services	Malaysia	**–**	–	**80**	80
CIMB Thai Bank Public Company Limited+	Commercial banking	Thailand	**94.8**	94.8	**–**	–

\+ *Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers PLT.*

\# *Audited by a firm other than member firms of PricewaterhouseCoopers International Limited*

~ *Not being audited*

Notes to the Financial Statements
for the financial year ended 31 December 2025

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(a) Information about principal subsidiaries (Continued):

The subsidiaries held through PT Bank CIMB Niaga Tbk are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held			
			Directly by CIMB Niaga		Through CIMBG's subsidiary	
			2025 %	2024 %	2025 %	2024 %
PT CIMB Niaga Auto Finance[+]	Financing services	Indonesia	**83.3**	83.3	**-**	-
PT CIMB Niaga Sekuritas[#]	Capital market business	Indonesia	**97.3**	97.3	**2.7**	2.7
Reksa Dana Terproteksi BRI MI Proteksi 102	Unit mutual funds	Indonesia	**52.4**	52.4	**-**	-
Reksa Dana Terproteksi Bahana Ultima Protected Fund 236	Unit mutual funds	Indonesia	**99.99**	99.99	**-**	-
Reksa Dana Terproteksi Sam Sejahtera Terproteksi 5	Unit mutual funds	Indonesia	**99.99**	99.99	**-**	-
Reksa Dana Terproteksi BNP Paribas Kemilau Proteksi	Unit mutual funds	Indonesia	**99.99**	-	**-**	-
Reksa Dana Terproteksi Mandiri Investa 7	Unit mutual funds	Indonesia	**99.99**	-	**-**	-
Reksa Dana Terproteksi BNI AM Proteksi Vanilla	Unit mutual funds	Indonesia	**99.99**	-	**-**	-

The subsidiaries held through CIMB Thai Bank Public Company Limited are:

Name of Subsidiary	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held	
			2025 %	2024 %
CIMB Thai Auto Company Ltd[+]	Hire purchase sale & leaseback and financial lease	Thailand	**99.99**	99.99
Worldlease Co. Ltd.[+]	Hire purchase of motorcycles	Thailand	**99.99**	99.99

\+ *Audited by a member firm of PricewaterhouseCoopers International Limited which is a separate and independent legal entity from PricewaterhouseCoopers PLT.*

\# *Audited by a firm other than member firms of PricewaterhouseCoopers International Limited*

Notes to the Financial Statements

for the financial year ended 31 December 2025

14 INVESTMENT IN SUBSIDIARIES (CONTINUED)

(b) Details of subsidiaries that have material non-controlling interests:

Set out below are the Group's subsidiaries that have material non-controlling interests:

Name of subsidiaries	Proportion of ownership interests and voting rights held by non-controlling interests		Profit allocated to non-controlling interests		Accumulated non-controlling interests	
	2025 %	2024 %	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
CIMB Thai Bank Public Company Limited Group (Incorporated in the Kingdom of Thailand)	**5.2**	5.2	**15,392**	19,230	**337,684**	333,717
PT Bank CIMB Niaga Tbk Group (Incorporated in the Republic of Indonesia)	**7.5**	7.5	**153,934**	172,529	**997,308**[β]	1,049,042[β]
Individually immaterial subsidiaries with non-controlling interests					**11,659**	12,335
					1,346,651	1,395,094

β Inclusive of shares purchased arising from employee benefit scheme of RM10 million (2024: RM10 million).

Summarised financial information for each subsidiary that has non-controlling interests that are material to the Group is set out below. The summarised financial information below represents amounts before inter-company eliminations.

	CIMB Thai Bank Public Company Limited Group		PT Bank CIMB Niaga Tbk Group	
(RM'000)	**2025**	**2024**	**2025**	**2024**
Total assets	**69,156,351**	66,407,411	**89,641,795**	98,638,376
Total liabilities	**(62,517,301)**	(59,843,820)	**(76,550,660)**	(85,008,915)
Net assets	**6,639,050**	6,563,591	**13,091,135**	13,629,461
Equity attributable to owners of the Company	**(6,639,050)**	(6,563,591)	**(13,038,204)**	(13,572,802)
Non-controlling interests ("NCI")	**–**	–	**(52,931)**	(56,659)
Revenue	**1,642,573**	1,776,719	**4,864,630**	5,217,706
Profit before taxation	**373,301**	464,197	**2,346,827**	2,532,093
Taxation	**(75,581)**	(92,251)	**(492,650)**	(527,089)
Other comprehensive expense	**(37,239)**	(27,460)	**(1,347,503)**	(970,942)
Total comprehensive income	**260,481**	344,486	**506,674**	1,034,062
Net cash (used in)/generated from operating activities	**(523,548)**	167,512	**429,014**	3,139,365
Net cash (used in)/generated from investing activities	**(1,104,087)**	1,540,816	**1,861,493**	(2,179,414)
Net cash generated from/(used in) financing activities	**1,600,000**	(1,871,002)	**(1,573,188)**	(181,742)
Net (decrease)/increase in cash and cash equivalents	**(27,635)**	(162,674)	**717,319**	778,209
Profit allocated to NCI of the Group	**15,392**	19,230	**153,934**	172,529
Dividends paid to NCI of the Group	**–**	–	**77,636**	69,484

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15 INVESTMENT IN ASSOCIATES

	The Group	
	2025 RM'000	**2024 RM'000**
At 1 January	**55,340**	94,159
Share of results for the financial year	**5,293**	2,207
Additional investment in associates	**452**	3,039
Share of other comprehensive expense for the financial year	**(5,033)**	(59)
Liquidation of an associate	**–**	(723)
Capital distribution	**–**	(22,909)
Profit distribution	**(1,923)**	(20,374)
At 31 December	**54,129**	55,340

(a) Information about associates:

The principal place of business and country of incorporation of the associates is Malaysia unless stated otherwise. All associates are measured using the equity method. There are no available quoted market prices of the associates.

The associates held through CIMBG's subsidiary, CIMB Strategic Assets Sdn Bhd are:

Name of Associates	**Principal activities**	**Country of Incorporation/ Principal Place of Business**	**Percentage of equity held 2025 %**	**2024 %**
Capital Advisors Partners Asia Sdn. Bhd.	Investment advisory services	Malaysia	**40.0**	40.0
Capital Advisors Partners Asia Pte. Ltd.	Investment advisory services	Singapore	**40.0**	40.0
Capasia Asean Infrastructure Fund III (General Partner) Limited	General Partner of The CapAsia Asean Infrastructure Fund III L.P	Labuan, Malaysia	**40.0**	40.0
AIGF Sponsor LP	Investment holding	Cayman Island	**26.3**	26.3

(b) Aggregate information of associates that are not individually material:

	2025 RM'000	**2024 RM'000**
The Group's share of profit for the financial year	**5,293**	2,207
The Group's share of other comprehensive expense for the financial year	**(5,033)**	(59)
The Group's share of total comprehensive income for the financial year	**260**	2,148
Aggregate carrying amount of the Group's interest in these associates	**54,129**	55,340

Notes to the Financial Statements

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16 INVESTMENT IN JOINT VENTURES

	The Group	
	2025 RM'000	**2024 RM'000**
At 1 January	**2,279,622**	2,302,366
Share of results for the financial year	**88,303**	16,555
Share of other comprehensive expense for the financial year	**(1,548)**	(2,459)
Dividend payment	**(39,985)**	(36,840)
At 31 December	**2,326,392**	2,279,622

(a) Details of joint ventures

The principal place of business and country of incorporation of the joint ventures is Malaysia unless stated otherwise. All joint ventures are measured using the equity method. There are no available quoted market prices of the joint ventures.

Name of Joint Ventures	Principal activities	Country of Incorporation/ Principal Place of Business	Percentage of equity held through subsidiary company	
			2025 %	**2024 %**
Proton Commerce Sdn. Bhd.	Development management and marketing of hire purchase or leasing facilities in respect of the purchase or use of Proton and other vehicles	Malaysia	**50**	50
Principal Islamic Asset Management Sdn. Bhd. (formerly known as CIMB-Principal Islamic Asset Management Sdn. Bhd.)	Establishment and management of unit trust fund and fund management business in accordance with shariah principles	Malaysia	**40**	40
CIMB-MC Capital Ltd.	Investment holding	Cayman Islands	**50**	50
AIGF Management Company Ltd.	General Partner	Cayman Islands	**45**	45
Principal Asset Management Berhad (formerly known as CIMB-Principal Asset Management Berhad)	Establishment and management of unit trust fund and fund management business	Malaysia	**40**	40
Principal Asset Management Company Limited (formerly known as CIMB-Principal Asset Management Company Limited)	Investment and fund management and other related services	Thailand	**40**	40
PT Principal Asset Management (formerly known as PT CIMB-Principal Asset Management)	Establishment and management of unit trust fund and fund management business	Indonesia	**39.6**	39.6
Principal Asset Management (S) Pte. Ltd. (formerly known as CIMB Principal Asset Management (S) Pte. Ltd.)	Provision of management and investment analysis services	Singapore	**40**	40
CIMB Wealth Advisors Berhad	Distribution of unit trust funds	Malaysia	**40**	40
TNG Digital Sdn Bhd	Issuer of electronic money (e-money)	Malaysia	**45.01**	45.01
TNG Digital Remittance Sdn Bhd	Provision of remittance services	Malaysia	**45.01**	45.01
TNG Digital Group Sdn Bhd	Investment holding	Malaysia	**45.01**	–
Nadi Tech Sdn Bhd	Software development and support service	Malaysia	**45.01**	–
TNGD Hangzhou	Software development	PRC	**45.01**	–

Notes to the Financial Statements
for the financial year ended 31 December 2025

16 INVESTMENT IN JOINT VENTURES (CONTINUED)

(b) Details of material joint venture:

(i) Proton Commerce Sdn. Bhd.

On 22 October 2003, Bumiputra-Commerce Finance Berhad ("BCF") (now known as Mutiara Aset Berhad) entered into a joint venture agreement with Proton Edar Sdn. Bhd. ("PESB") for the purposes of building and operating a competitive vehicle financing business in Malaysia for vehicles distributed by PESB. Subsequently, a joint venture was incorporated under the name of Proton Commerce Sdn. Bhd. ("PCSB") which is 50:50 owned by BCF and PESB respectively. PCSB is primarily responsible for developing, managing and marketing hire purchase loans for vehicles sold to the customers of PESB. Pursuant to the joint venture, BCF issued RM200 million Perpetual Preference Shares ("PPS") which were fully subscribed by PCSB. Pursuant to the vesting of the finance company business and the related assets and liabilities of BCF to CIMB Bank and the subsequent capital reduction exercise undertaken by BCF, the BCF PPS were cancelled, and CIMB Bank issued RM200 million PPS to PCSB.

(ii) Principal Asset Management Bhd ("PAM")

On 11 January 2018, CIMB Group Sdn Bhd ("CIMBG") entered into sale and purchase agreements to divest 20% equity stake in CIMB-Principal Asset Management ("CPAM") to PAM ("Proposed Divestment"). On 25 May 2018, the proposed divestment was completed, and CPAM ceased to be a subsidiary of the Group, and has become the joint venture of the Group, where decisions about key activities require unanimous consent of both parties in the joint venture arrangement.

(iii) TNG Digital Sdn Bhd ("TNGD")

On 27 January 2021, Bow Wave Capital Management ("Bow Wave"), a New York-based investment firm had completed the subscription of new ordinary shares in TNGD, a subsidiary of TnG. Following the investment by Bow Wave, TnG's shareholding in TNGD diluted from 51.0% to 47.0%. Consequently, TNGD ceased to be a subsidiary of TnG and has become the joint venture of the Group, where decisions about key activities require unanimous consent of both parties in the joint venture arrangement.

On 30 July 2021, AIA Berhad ("AIA") had completed the subscription of new ordinary shares in TNGD ("Tranche 1"). Following the Tranche 1 investment by AIA, TnG's shareholding in TNGD has further diluted from 47.0% to 46.1%.

On 1 November 2021, AIA had completed the subscription of additional new ordinary shares in TNGD ("Tranche 2"). Following the further Tranche 2 shares subscription by AIA, TnG's shareholding in TNGD has further diluted from 46.1% to 45.2%. There is no material financial impact arising from the dilution of interest in the joint ventures.

On 22 July 2022, Lazada Group ("Lazada") and TnG had completed the subscription of new ordinary shares in TNGD, raising a total of RM752.2 million. Following the investment by Lazada and further shares subscription by TnG, TnG's shareholding in TNGD has further diluted from 45.2% to 45.01%. There is no material financial impact arising from the dilution of interest in the joint ventures.

On 15 December 2025, pursuant to a corporate restructuring exercise, the shareholders of TNGD had completed the transfer of their ordinary shares in the company to TNG Digital Group Sdn Bhd ("TNG Digital Group"), a newly established investment holding company, in exchange for new issuance of ordinary shares in TNG Digital Group ("TNGD Stage 1 Restructuring"). Upon completion of the TNGD Stage 1 Restructuring, TNGD is now a wholly-owned subsidiary of TNG Digital Group, and TNG holds 45.01% equity ownership in TNG Digital Group.

On 2 January 2026, TNGD completed the transfer of all it's ordinary shares in TNG Digital Remittance Sdn Bhd ("TNGDR") and NADI Tech Sdn Bhd ("NADI") to TNG Digital Group ("TNGD Stage 2 Restructuring"). Upon completion of the TNGD Stage 2 Restructuring, TNGDR and NADI are now wholly-owned subsidiaries of TNG Digital Group.

There is no material impact arising from the TNGD Stage 1 and Stage 2 Restructuring.

Notes to the Financial Statements

for the financial year ended 31 December 2025

16 INVESTMENT IN JOINT VENTURES (CONTINUED)

(b) Details of material joint venture (Continued):

Impairment test of Investment in Joint Ventures

As at 31 December 2025, the net assets of PAM and TNGD were significantly below its carrying amount. Accordingly, the Group had undertaken an impairment test on the carrying amount of the investments in PAM and TNGD.

PAM

The recoverable amount of the investment in PAM was determined based on the fair value less costs of disposal. The fair value was determined based on the Price/Assets Under Management (AUM) multiples. The fair value measurement was categorised within level 2 of the fair value hierarchy. No impairment is required as the fair value less costs of disposal was in excess of the carrying amount. Further sensitivity tests have been performed and the estimated recoverable amount will be equal to the carrying value under the assumptions when the multiple is stressed by 37.5% (2024: 23.9%) while all other assumptions remained constant.

TNGD

The recoverable amount of the investment in TNGD was determined based on the fair value less costs of disposal. The fair value was determined based on the recent transacted price in an arm's length transaction between knowledgeable, willing parties, after deducting the estimated costs of disposal. The fair value of the investment was the product of the number of shares held and the fair value at the date of assessment. The fair value measurement was categorised within level 3 of the fair value hierarchy. No impairment is required as the fair value less costs of disposal was in excess of the carrying amount. Impairment will not be triggered until a decline of more than 22% (2024: 25%) in fair value has occurred.

Notes to the Financial Statements

for the financial year ended 31 December 2025

16 INVESTMENT IN JOINT VENTURES (CONTINUED)

(c) The summarised financial information below represents amounts shown in the material joint venture's Financial Statements prepared in accordance with MFRSs (adjusted by the Group for equity accounting purposes).

	PCSB		PAM		TNG Digital Sdn Bhd	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Non-current assets	**5,198,281**	4,711,946	**497,659**	506,640	**142,012**	137,227
Current assets	**908,168**	832,834	**850,225**	1,003,729	**2,879,589**	1,782,858
Current liabilities (non-trade)	**(5,776,225)**	(5,234,821)	**(455,563)**	(612,648)	**(2,379,883)**	(1,380,322)
Non-current liabilities (non-trade)	**(26,679)**	(17,543)	**(24,336)**	(21,238)	**(1,271)**	–
Net assets	**303,545**	292,416	**867,985**	876,483	**640,447**	539,763
The above amounts of assets and liabilities include the following:						
Cash and cash equivalents	**25,067**	47,351	**561,645**	571,020	**2,239,429**	1,226,403
Revenue	**286,060**	249,585	**403,568**	412,266	**773,131**	459,525
Profit/(loss) for the financial year	**11,129**	(12,206)	**89,006**	100,403	**101,881**	(43,829)
Other comprehensive expense for the financial year	**–**	–	**(4,004)**	(6,036)	**103**	(105)
Total comprehensive income/(expense) for the financial year	**11,129**	(12,206)	**85,002**	94,367	**101,984**	(43,934)
The above profit/(loss) for the financial year include the following:						
Interest income	**290,597**	250,064	**6,662**	7,134	**47,276**	40,892
Interest expense	**(177,001)**	(153,916)	**(1,055)**	(712)	**(672)**	(225)
Taxation	**(1,008)**	4,174	**(24,196)**	(23,239)	**21,590**	9,050
Dividend received from joint ventures	**–**	–	**37,400**	34,040	**585**	–

Notes to the Financial Statements

for the financial year ended 31 December 2025

16 INVESTMENT IN JOINT VENTURES (CONTINUED)

(d) Reconciliation of the summarised financial information to the carrying amount of the interest in the material joint venture recognised in the consolidated financial statements:

	PCSB		PAM		TNG Digital Sdn Bhd	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
At 1 January	**292,416**	304,622	**876,483**	867,216	**539,763**	583,697
Profit/(loss) for the financial year	**11,129**	(12,206)	**89,006**	100,403	**101,881**	(43,829)
Other comprehensive expense	**–**	–	**(4,004)**	(6,036)	**103**	(105)
Dividend payment	**–**	–	**(93,500)**	(85,100)	**(1,300)**	–
At 31 December	**303,545**	292,416	**867,985**	876,483	**640,447**	539,763
Interest in joint venture (%)	**50%**	50%	**40%**	40%	**45.01%**	45.01%
Interest in joint venture	**151,773**	146,208	**347,194**	350,593	**288,265**	242,947
Goodwill	**–**	–	**522,834**	522,834	**1,010,963**	1,010,963
Carrying value	**151,773**	146,208	**870,028**	873,427	**1,299,228**	1,253,910

(e) Aggregate information of joint ventures that are not individually material:

	2025 RM'000	**2024 RM'000**
The Group's share of profit for the financial year	**1,279**	2,224
The Group's share of other comprehensive income/(expense) for the financial year	**54**	(45)
The Group's share of total comprehensive income for the financial year	**1,333**	2,179
Aggregate carrying amount of the Group's interest in these joint ventures	**5,363**	6,077

Notes to the Financial Statements

for the financial year ended 31 December 2025

17 PROPERTY, PLANT AND EQUIPMENT

The Group 2025	Note	Freehold land RM'000	Buildings on freehold land RM'000	Buildings on leasehold land 50 years or more RM'000	Buildings on leasehold land less than 50 years RM'000	Renovations, work-in-progress, office equipment, plant and machinery and furniture and fittings RM'000	Computer equipment and hardware RM'000	Motor vehicles RM'000	Total RM'000
Cost									
At 1 January		243,334	1,281,542	32,615	4,118	1,980,652	1,193,701	53,381	4,789,343
Additions		112,575	129,915	26,560	-	101,511	105,214	40,816	516,591
Disposals/Written off		(672)	(24,306)	-	-	(90,063)	(126,146)	(1,268)	(242,455)
Transfer/reclassifications		2,876	39,381	-	-	(46,627)	4,370	-	-
Reclassified to intangible assets	21	-	-	-	-	(1,969)	-	-	(1,969)
Impairment		-	-	-	-	(2,106)	-	-	(2,106)
Exchange fluctuation		(18,166)	(46,492)	(483)	-	(123,830)	(10,150)	(4,421)	(203,542)
At 31 December		339,947	1,380,040	58,692	4,118	1,817,568	1,166,989	88,508	4,855,862
Accumulated depreciation and impairment									
At 1 January		2,565	477,364	10,912	3,937	1,289,014	997,455	45,334	2,826,581
Charge for the financial year		-	41,723	1,369	63	111,391	107,372	8,911	270,829
Disposals/Written off		-	(18,285)	-	-	(67,815)	(123,378)	(1,255)	(210,733)
Reversal of impairment		-	(89)	-	-	-	-	-	(89)
Other reclassifications		-	-	(202)	(23)	-	-	-	(225)
Exchange fluctuation		(45)	(27,576)	(207)	-	(76,660)	(8,926)	(1,819)	(115,233)
At 31 December		2,520	473,137	11,872	3,977	1,255,930	972,523	51,171	2,771,130
Net book value at 31 December 2025		337,427	906,903	46,820	141	561,638	194,466	37,337	2,084,732

Notes to the Financial Statements

for the financial year ended 31 December 2025

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Group 2024	Note	Freehold land RM'000	Buildings on freehold land RM'000	Buildings on leasehold land 50 years or more RM'000	Buildings on leasehold land less than 50 years RM'000	Renovations, work-in-progress, office equipment, plant and machinery and furniture and fittings RM'000	Computer equipment and hardware RM'000	Motor vehicles RM'000	Total RM'000
Cost									
At 1 January		268,471	1,408,836	33,259	4,118	1,963,530	1,120,531	58,643	4,857,388
Additions		–	–	–	–	197,132	101,380	901	299,413
Additions arising from acquisition of a subsidiary	56	–	–	–	–	350	1,290	–	1,640
Disposals/Written off		(13,214)	(135,569)	–	–	(89,041)	(26,255)	(4,670)	(268,749)
Transfer/reclassifications		–	7,324	–	–	(9,862)	2,538	–	–
Reclassified from/(to) intangible assets	21	–	–	–	–	(446)	1,008	–	562
Reclassified from non-current assets held for sale		–	7,853	–	–	–	–	–	7,853
Impairment		–	–	–	–	(4,944)	(11)	–	(4,955)
Exchange fluctuation		(11,923)	(6,902)	(644)	–	(76,067)	(6,780)	(1,493)	(103,809)
At 31 December		243,334	1,281,542	32,615	4,118	1,980,652	1,193,701	53,381	4,789,343
Accumulated depreciation and impairment									
At 1 January		2,625	556,307	12,109	3,897	1,265,195	913,615	48,345	2,802,093
Charge for the financial year		–	42,633	938	63	136,702	117,661	2,985	300,982
Depreciation arising from acquisition of a subsidiary	56	–	–	–	–	324	902	–	1,226
Disposals/Written off		–	(131,163)	–	–	(73,008)	(25,790)	(4,548)	(234,509)
Transfer/reclassifications		–	–	–	–	(76)	76	–	–
Reclassified to intangible assets	21	–	–	–	–	(181)	–	–	(181)
Other reclassifications		–	1,688	(1,890)	(23)	–	–	–	(225)
Reclassified from non-current assets held for sale		–	2,269	–	–	–	–	–	2,269
Exchange fluctuation		(60)	5,630	(245)	–	(39,942)	(9,009)	(1,448)	(45,074)
At 31 December		2,565	477,364	10,912	3,937	1,289,014	997,455	45,334	2,826,581
Net book value at 31 December 2024		240,769	804,178	21,703	181	691,638	196,246	8,047	1,962,762

Work-in-progress amounting to RM251,893,000 (2024: RM316,577,000) for the Group.

Notes to the Financial Statements

for the financial year ended 31 December 2025

17 PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

The Company	Buildings on leasehold land 50 years or more RM'000	Renovations, work-in-progress, office equipment and furniture and fittings RM'000	Computer equipment and hardware RM'000	Motor vehicles RM'000	Total RM'000
2025					
Cost					
At 1 January	**450**	**367**	**6**	**2,216**	**3,039**
Additions	**–**	**19**	**–**	**609**	**628**
At 31 December	**450**	**386**	**6**	**2,825**	**3,667**
Accumulated depreciation					
At 1 January	**450**	**367**	**6**	**2,216**	**3,039**
Charge for the financial year	**–**	**–**	**–**	**52**	**52**
At 31 December	**450**	**367**	**6**	**2,268**	**3,091**
Net book value at 31 December 2025	**–**	**19**	**–**	**557**	**576**
2024					
Cost					
At 1 January	450	671	6	2,216	3,343
Disposals/written off	–	(304)	–	–	(304)
At 31 December	450	367	6	2,216	3,039
Accumulated depreciation					
At 1 January	450	540	6	2,216	3,212
Disposals/written off	–	(173)	–	–	(173)
At 31 December	450	367	6	2,216	3,039
Net book value at 31 December 2024	–	–	–	–	–

Notes to the Financial Statements

for the financial year ended 31 December 2025

18 RIGHT-OF-USE ASSETS

Carrying amount of Right-of-use assets by class of underlying assets are as follows:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Buildings	**302,891**	439,309	**–**	–
Leasehold land	**78,292**	40,799	**430**	430
Computer equipment	**92,081**	109,987	**–**	–
Motor vehicles	**1,159**	386	**–**	–
	474,423	590,481	**430**	430

Additions to the right-of-use assets and depreciation charge during the financial year for the Group and the Company are as follows:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Additions	**129,205**	303,870	**–**	–
Charge for the financial year:				
Buildings	**163,570**	183,470	**–**	–
Leasehold land	**9,553**	9,114	**–**	–
Computer equipment	**42,380**	48,757	**–**	–
Motor vehicles	**403**	488	**–**	–
	215,906	241,829	**–**	–

Short-term leases expenses, low-value leases expenses and variable lease payments expenses that are not included in lease liabilities for the Group and the Company are as follows:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Short-term lease expenses	**56,086**	69,813	**–**	–
Low-value lease expenses	**6,124**	5,904	**–**	–
Variable lease payment expenses	**10,615**	42,692	**–**	–

Notes to the Financial Statements

for the financial year ended 31 December 2025

19 INVESTMENT PROPERTIES

	Freehold land RM'000	Buildings on freehold land RM'000	Total RM'000
The Group			
2025			
At 1 January	**6,591**	**1,894**	**8,485**
Exchange fluctuation	**(115)**	**(33)**	**(148)**
Fair value at 31 December	**6,476**	**1,861**	**8,337**
2024			
At 1 January	1,110	1,648	2,758
Fair value adjustments	5,506	284	5,790
Exchange fluctuation	(25)	(38)	(63)
Fair value at 31 December	6,591	1,894	8,485

	Freehold land RM'000	Buildings on freehold land RM'000	Total RM'000
The Company			
2025			
Cost			
At 1 January/31 December	**235**	**561**	**796**
Accumulated depreciation			
At 1 January	**–**	**505**	**505**
Charge for the financial year	**–**	**18**	**18**
At 31 December	**–**	**523**	**523**
Net book value at 31 December 2025	**235**	**38**	**273**
Fair value at 31 December 2025			**2,200**
2024			
Cost			
At 1 January/31 December	235	561	796
Accumulated depreciation			
At 1 January	–	487	487
Charge for the financial year	–	18	18
At 31 December	–	505	505
Net book value at 31 December 2024	235	56	291
Fair value at 31 December 2024			2,400

Notes to the Financial Statements

for the financial year ended 31 December 2025

19 INVESTMENT PROPERTIES (CONTINUED)

The investment properties 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.

The fair value for investment properties was revalued as a whole, without separate valuation for buildings and land.

20 GOODWILL

		The Group	
	Note	2025 RM'000	2024 RM'000
Cost			
At 1 January		**7,586,023**	7,691,145
Goodwill arising from business combinations:			
– Arising from the acquisition of CIMB Securities Sdn Bhd	56	**–**	41,538
Exchange fluctuation		**(236,021)**	(146,660)
At 31 December		**7,350,002**	7,586,023
Impairment			
At 1 January/31 December		**(1,215,197)**	(1,215,197)
Net book value at 31 December		**6,134,805**	6,370,826

Notes to the Financial Statements

for the financial year ended 31 December 2025

20 GOODWILL (CONTINUED)

ALLOCATION OF GOODWILL TO CASH-GENERATING-UNITS

Goodwill has been allocated to the following cash-generating-units ("CGUs"). These CGUs do not carry any intangible assets with indefinite useful lives:

	2025 RM'000	2024 RM'000
CGU		
Consumer Banking		
Retail Finance Services	**1,262,272**	1,262,272
Islamic Banking	**136,000**	136,000
Group Cards	**425,803**	425,803
Commercial Banking	**911,000**	911,000
Wholesale Banking		
Corporate Banking	**419,000**	419,000
Equities	**41,538**	41,538
Treasury	**537,000**	537,000
Foreign Banking Operations		
Indonesia	**2,578,349**	2,578,349
Thailand	**198,339**	198,339
Others		
Touch'n Go	**51,082**	51,082
CIMB AI Lab	**6,311**	6,311
Exchange fluctuation	**(431,889)**	(195,868)
	6,134,805	6,370,826

In respect to the foreign banking operation in Indonesia, goodwill without exchange fluctuation is allocated to the following CGUs; Consumer Banking, Commercial Banking, Wholesale Banking and Group Funding of RM579,993,000, RM740,297,000, RM849,704,000 and RM408,355,000 respectively, as at 31 December 2024 and 31 December 2025.

In respect to the foreign banking operation in Thailand, goodwill without exchange fluctuation is allocated to the following CGUs; Consumer Banking and Wholesale Banking of RM51,165,000 and RM147,174,000 respectively, as at 31 December 2024 and 31 December 2025.

IMPAIRMENT TEST FOR GOODWILL

VALUE-IN-USE

The recoverable amount of CGU is determined based on the value-in-use calculations. These calculations use pre-tax cash flow projections based on the 2026 financial budgets approved by the Board of Directors, projected for four years based on the average historical Gross Domestic Product ("GDP") growth of the country covering a four-year period (2026-2029), revised for current economic conditions. Cash flows beyond the four years period are extrapolated using the estimated terminal growth rates and discounted using pre-tax discount rates. The cash flow projections are derived based on a number of key factors including the past performance and management's expectation of market developments.

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20 GOODWILL (CONTINUED)

The estimated terminal growth rates and discount rates used for value-in-use calculations are as follows:

	2025		2024	
	Terminal Growth rate	Discount rate	Terminal Growth rate	Discount rate
Malaysia				
Retail Finance Services	**4.00%**	**8.33%**	4.08%	9.66%
Islamic Banking	**4.00%**	**8.33%**	4.08%	9.66%
Group Cards	**4.00%**	**8.33%**	4.08%	9.66%
Commercial Banking	**4.00%**	**8.33%**	4.08%	9.66%
Corporate Banking	**4.00%**	**8.33%**	4.08%	9.66%
Group Wholesale Banking Equities	**4.00%**	**8.34%**	4.08%	9.18%
Treasury	**4.00%**	**8.33%**	4.08%	9.66%
Foreign banking operations:				
Indonesia				
Wholesale Banking	**4.22%**	**13.30%**	4.22%	14.22%
Commercial Banking	**4.22%**	**13.30%**	4.22%	14.22%
Group Funding	**4.22%**	**13.30%**	4.22%	14.22%
Consumer Banking	**4.22%**	**13.30%**	4.22%	14.22%
Thailand				
Wholesale Banking	**1.97%**	**6.58%**	1.79%	8.63%
Consumer Banking	**1.97%**	**6.58%**	1.79%	8.63%

Management believes that no reasonably possible change in any of the key assumptions including those used in preparing the cash flow projections would cause the carrying value of any CGU to exceed its recoverable amount.

Further sensitivity tests have been performed and the recoverable amount of Indonesia Wholesale Banking will only be equal to the carrying value under the assumptions when the terminal growth rate decreases to 0.33% or when the discount rate increases to 17.02% while all other assumptions remain constant.

Notes to the Financial Statements

for the financial year ended 31 December 2025

21 INTANGIBLE ASSETS

The Group	Note	Customer relationship RM'000	Core deposits RM'000	Computer software and work-in-progress RM'000	Total RM'000
2025					
Cost					
At 1 January		**210,915**	**1,348,558**	**6,645,238**	**8,204,711**
Additions during the financial year		**–**	**–**	**612,027**	**612,027**
Disposals/write off during the financial year		**–**	**–**	**(192,294)**	**(192,294)**
Net reclassification from property, plant and equipment	17	**–**	**–**	**1,969**	**1,969**
Impairment		**–**	**–**	**(21)**	**(21)**
Exchange fluctuation		**–**	**–**	**(226,035)**	**(226,035)**
At 31 December		**210,915**	**1,348,558**	**6,840,884**	**8,400,357**
Accumulated amortisation and impairment					
At 1 January		**210,915**	**1,348,558**	**4,718,726**	**6,278,199**
Amortisation during the financial year		**–**	**–**	**531,950**	**531,950**
Impairment during the financial year		**–**	**–**	**(39)**	**(39)**
Disposals/write off during the financial year		**–**	**–**	**(191,433)**	**(191,433)**
Exchange fluctuation		**–**	**–**	**(142,841)**	**(142,841)**
At 31 December		**210,915**	**1,348,558**	**4,916,363**	**6,475,836**
Net book value at 31 December 2025		**–**	**–**	**1,924,521**	**1,924,521**

Notes to the Financial Statements

for the financial year ended 31 December 2025

21 INTANGIBLE ASSETS (CONTINUED)

The Group	Note	Customer relationship RM'000	Core deposits RM'000	Computer software and work-in-progress RM'000	Total RM'000
2024					
Cost					
At 1 January		210,915	1,348,558	6,189,895	7,749,368
Additions during the financial year		–	–	615,924	615,924
Arising from acquisition of a subsidiary		–	–	2,896	2,896
Disposals/write off during the financial year		–	–	(19,282)	(19,282)
Net reclassification from property, plant and equipment	17	–	–	(562)	(562)
Impairment		–	–	(130)	(130)
Exchange fluctuation		–	–	(143,503)	(143,503)
At 31 December		210,915	1,348,558	6,645,238	8,204,711
Accumulated amortisation and impairment					
At 1 January		210,915	1,348,558	4,274,928	5,834,401
Amortisation during the financial year		–	–	543,636	543,636
Disposals/write off during the financial year		–	–	(10,192)	(10,192)
Net reclassification from property, plant and equipment	17	–	–	181	181
Exchange fluctuation		–	–	(89,827)	(89,827)
At 31 December		210,915	1,348,558	4,718,726	6,278,199
Net book value at 31 December 2024		–	–	1,926,512	1,926,512

Work-in-progress amounted to RM595,885,032 (2024: RM759,672,736).

The valuation of customer relationship was determined through the sum of the discounted future excess earnings attributable to existing customers over the remaining life span of the customer relationships. Income from existing credit card, revolving credit, overdraft and trade finance loan base was projected, adjusted for expected attrition and taking into account applicable costs to determine future excess earnings. The discount rate used in the valuation of customer relationships was 9.9%-10.0%, which is arrived at using the weighted average cost of capital adjusted for the risk premium after taking into consideration the average market cost of equity.

The valuation of core deposits acquired in a business combination was derived by discounting the anticipated future benefits from core deposits. The discount rate used was 8.0%-8.4%, which was derived from the average of the weighted average cost of capital and the cost of equity, reflecting the lower risk premium for core deposit intangibles compared with equity returns.

The remaining amortisation period of the intangible assets with finite life is as follows:

Computer software	1 month – 10 years

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for the financial year ended 31 December 2025

22 DEPOSITS FROM CUSTOMERS

(i) By type of deposit

	The Group	
	2025 RM'000	**2024 RM'000**
Demand deposits	**126,646,276**	126,597,836
Savings deposits	**94,177,991**	91,648,119
Fixed deposits	**167,185,321**	175,259,150
Negotiable instruments of deposit	**2,182,054**	1,027,496
Short term money market deposit	**85,540,353**	76,130,571
Others	**2,023,346**	1,287,694
	477,755,341	471,950,866

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

	The Group	
	2025 RM'000	**2024 RM'000**
Due within six months	**147,582,216**	152,325,352
Six months to less than one year	**20,421,019**	22,474,595
One year to less than three years	**1,322,840**	1,463,574
Three years to less than five years	**41,300**	23,125
	169,367,375	176,286,646

(ii) By type of customer

	The Group	
	2025 RM'000	**2024 RM'000**
Government and statutory bodies	**19,940,051**	14,335,545
Business enterprises	**186,898,695**	174,238,635
Individuals	**196,613,192**	208,150,403
Others	**74,303,403**	75,226,283
	477,755,341	471,950,866

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23 INVESTMENT ACCOUNTS OF CUSTOMERS

		The Group	
	Note	2025 RM'000	2024 RM'000
Unrestricted investment accounts	58(p)	**32,291,771**	24,443,310

24 DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	2025 RM'000	2024 RM'000
Licensed banks	**32,708,170**	29,539,346
Licensed finance companies	**6,107,383**	4,912,434
Licensed investment banks	**298,710**	317,383
Bank Negara Malaysia ("BNM")	**1,317,899**	1,314,775
Other financial institutions	**9,475,399**	9,360,643
	49,907,561	45,444,581

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

	The Group	
	2025 RM'000	2024 RM'000
Due within six months	**48,591,767**	42,837,671
Six months to less than one year	**642,131**	1,184,507
One year to less than three years	**54,315**	772,719
Three years to five years	**619,348**	203,133
More than five years	**–**	446,551
	49,907,561	45,444,581

Included in deposits and placements by BNM are amounts received by the Group under government financing scheme as part of the government support measures in response to COVID-19 pandemic for the purpose of SME lending/financing at below market rate with a maturity period ranging between 5.6 months to 5.8 years (2024: 1.5 to 4.7 years).

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25 FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	2025 RM'000	**2024 RM'000**
Designated at fair value through profit or loss: (Note a)		
Deposits from customers – structured investments	**9,549,268**	10,881,455
Debentures	**184,992**	73,492
Bills payable	**1,411,719**	1,341,683
	11,145,979	12,296,630
Held for trading:		
Malaysian Government Securities	**3,984**	–
Other Government Securities	**2,019,375**	435,273
Government investment issues	**13,811**	–
	2,037,170	435,273
	13,183,149	12,731,903

(a) 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 and this 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 through profit or loss of the Group as at 31 December 2025 were RM267,553,000 (2024: RM581,401,000) lower than the contractual amount at maturity for the structured investments, RM7,898,000 (2024: RM6,801,000) higher than the contractual amount at maturity for the debentures and RM152,251,000 (2024: RM106,786,000) higher than the contractual amount at maturity for the bills payable.

26 OTHER LIABILITIES

		The Group		The Company	
	Note	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Due to brokers		**140,601**	142,273	**–**	–
Expenditure payable		**3,193,124**	3,304,745	**4,285**	4,822
Provision for legal claims		**77,985**	50,601	**–**	–
Sundry creditors		**1,972,157**	1,741,477	**4**	127
Treasury related payables		**4,487,017**	3,477,612	**–**	–
Settlement accounts		**517,899**	1,075,863	**–**	–
Structured deposits		**5,754,912**	5,476,690	**–**	–
Expected credit losses for loan commitments and financial guarantee contracts	(a)	**370,779**	407,128	**–**	–
Post employment benefit obligations	29	**414,194**	443,960	**–**	–
Credit card expenditure payable		**170,079**	189,523	**–**	–
Collateral pledged for derivative transactions		**5,007,412**	3,690,460	**–**	–
Prepayment		**588,006**	549,376	**–**	–
Others*		**2,378,059**	2,464,575	**–**	–
		25,072,224	23,014,283	**4,289**	4,949

* *Included in Others is deferred income of a subsidiary's preferred partnership with insurance company amounting to RM949 million (2024: RM1,163 million), and financial liabilities due to third party investors amounting to RM126 million (2024: RM141 million).*

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26 OTHER LIABILITIES (CONTINUED)

(a) The 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) 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 2025	**215,355**	**87,227**	**104,546**	**407,128**
Changes in expected credit losses due to transfer within stages:	**89,826**	**(84,039)**	**(5,787)**	**–**
Transferred to Stage 1	**113,290**	**(110,248)**	**(3,042)**	**–**
Transferred to Stage 2	**(23,212)**	**59,694**	**(36,482)**	**–**
Transferred to Stage 3	**(252)**	**(33,485)**	**33,737**	**–**
Total charge to Statement of Income:	**(121,307)**	**103,306**	**(8,162)**	**(26,163)**
New exposures	**204,397**	**9,849**	**671**	**214,917**
Exposures derecognised or matured	**(173,005)**	**(34,641)**	**(16,805)**	**(224,451)**
Change in credit risk	**(152,699)**	**128,098**	**7,972**	**(16,629)**
Exchange fluctuation	**(5,518)**	**(1,817)**	**(2,591)**	**(9,926)**
Other movements	**(249)**	**(10)**	**(1)**	**(260)**
At 31 December 2025	**178,107**	**104,667**	**88,005**	**370,779**
At 1 January 2024	415,265	73,124	180,063	668,452
Changes in expected credit losses due to transfer within stages:	86,462	(85,192)	(1,270)	–
Transferred to Stage 1	115,729	(113,990)	(1,739)	–
Transferred to Stage 2	(29,081)	63,687	(34,606)	–
Transferred to Stage 3	(186)	(34,889)	35,075	–
Total charge to Statement of Income:	(278,179)	101,288	(66,984)	(243,875)
New exposures	200,879	8,386	410	209,675
Exposures derecognised or matured	(194,509)	(25,355)	(34,508)	(254,372)
Change in credit risk	(284,549)	118,257	(32,886)	(199,178)
Exchange fluctuation	(8,771)	(1,527)	(3,369)	(13,667)
Other movements	578	(466)	(3,894)	(3,782)
At 31 December 2024	215,355	87,227	104,546	407,128

As at 31 December 2025, the gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM232,502,000 (2024: RM283,334,000).

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27 LEASE LIABILITIES

	The Group	
	2025 RM'000	**2024 RM'000**
Buildings	**262,799**	408,206
Computer equipment	**94,950**	112,407
Motor vehicles	**1,173**	391
	358,922	521,004

28 RECOURSE OBLIGATION ON LOANS AND FINANCING SOLD TO CAGAMAS

This represents the proceeds received from housing loans and Islamic house financing sold directly to Cagamas Berhad with recourse to the Group. Under these agreements, the Group undertakes to administer the loans and financing on behalf of Cagamas Berhad and to buy-back any loans and financing which are regarded as defective based on prudential criteria set by Cagamas Berhad. These financial liabilities are stated at amortised cost.

29 POST EMPLOYMENT BENEFIT OBLIGATIONS

		The Group	
	Note	**2025 RM'000**	**2024 RM'000**
Defined contribution plan – EPF	(a)	**60,280**	57,067
Defined benefit plans	(b)	**353,914**	386,893
		414,194	443,960

(a) Defined contribution plan

Group companies incorporated in Malaysia contribute to the Employees Provident Fund ("EPF"), the national defined contribution plan. Once the contributions have been paid, the Group has no further payment obligations.

(b) Defined benefit plans

The Group operates final salary defined benefit plans for its employees in Indonesia and Thailand under Labor Law of respectively countries, the assets of which are held in separate trustee-administered funds that are governed by local authorities and practice in each country. The plan calls for benefits to be paid to eligible employee at retirement or when the employees resign. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement. The majority of benefits payments are from trustee-administrated funds; however, there are also a number of unfunded plans where the company meets the benefit payment obligation as it falls due.

The latest actuarial valuations of the plans in Indonesia and Thailand were carried out in 2025.

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29 POST EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(b) Defined benefit plans (Continued)

The amount recognised in the statements of financial position in respect of defined benefit plans is as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
Present value of funded obligations	**341,509**	355,695
Fair value of plan assets	**(160,521)**	(147,238)
Status of funded plan	**180,988**	208,457
Present value of unfunded obligations	**172,926**	178,436
Status of defined benefit pension plans	**353,914**	386,893
Liability in statement of financial position	**353,914**	386,893

The movements in the defined benefit obligation over the financial year are as follows:

The Group	**Present value of obligations RM'000**	**Fair value of plan assets RM'000**	**Total RM'000**	**Impact of minimum funding requirement/ asset ceiling RM'000**	**Total RM'000**
At 1 January 2025	**534,131**	**(147,238)**	**386,893**	**–**	**386,893**
Current service costs	**37,247**	**–**	**37,247**	**–**	**37,247**
Over provision in prior year	**(303)**	**–**	**(303)**	**–**	**(303)**
Interest expense/(income)	**46,990**	**(10,631)**	**36,359**	**–**	**36,359**
Components of defined benefits costs recognised in statement of income (Note 41)	**83,934**	**(10,631)**	**73,303**	**–**	**73,303**
Remeasurement:					
– Return on plan assets, excluding amounts included in interest expense	**–**	**(18,761)**	**(18,761)**	**–**	**(18,761)**
– Gain from changes in demographic assumptions	**(1,071)**	**–**	**(1,071)**	**–**	**(1,071)**
– Loss from changes in financial assumptions	**21,110**	**–**	**21,110**	**–**	**21,110**
– Experience gains	**(9,981)**	**–**	**(9,981)**	**–**	**(9,981)**
Components of defined benefits costs recognised in statement of comprehensive income	**10,058**	**(18,761)**	**(8,703)**	**–**	**(8,703)**
Exchange fluctuation	**(48,185)**	**20,098**	**(28,087)**	**–**	**(28,087)**
Contributions:					
– Employer contributions	**–**	**(700)**	**(700)**	**–**	**(700)**
– Plan participant	**–**	**(35,465)**	**(35,465)**	**–**	**(35,465)**
Payments from plans – benefits paid	**(65,503)**	**32,176**	**(33,327)**	**–**	**(33,327)**
At 31 December 2025	**514,435**	**(160,521)**	**353,914**	**–**	**353,914**

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29 POST EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(b) Defined benefit plans (Continued)

The movements in the defined benefit obligation over the financial year are as follows (Continued):

The Group	Present value of obligations RM'000	Fair value of plan assets RM'000	Total RM'000	Impact of minimum funding requirement/ asset ceiling RM'000	Total RM'000
At 1 January 2024	590,274	(174,224)	416,050	–	416,050
Current service costs	43,297	–	43,297	–	43,297
Over provision in prior year	(14,990)	–	(14,990)	–	(14,990)
Interest expense/(income)	29,951	(11,408)	18,543	–	18,543
Others	1	–	1	–	1
Components of defined benefits costs recognised in statement of income (Note 41)	58,259	(11,408)	46,851	–	46,851
Remeasurement:					
– Return on plan assets, excluding amounts included in interest expense	–	9,479	9,479	–	9,479
– Gain from changes in demographic assumptions	(4,453)	–	(4,453)	–	(4,453)
– Gain from changes in financial assumptions	(15,844)	–	(15,844)	–	(15,844)
– Experience gains	(5,673)	–	(5,673)	–	(5,673)
Components of defined benefits costs recognised in statement of comprehensive income	(25,970)	9,479	(16,491)	–	(16,491)
Exchange fluctuation	(31,178)	11,413	(19,765)	–	(19,765)
Contributions:					
– Employer contributions	–	(776)	(776)	–	(776)
– Plan participant	–	(18,941)	(18,941)	–	(18,941)
Payments from plans – benefits paid	(57,254)	37,219	(20,035)	–	(20,035)
At 31 December 2024	534,131	(147,238)	386,893	–	386,893

To develop the expected long-term rate of return on assets assumption, the Group considered the current level of expected returns on risk free investments (primarily government bonds), the historical level of the risk premium associated with the other asset classes in which the portfolio is invested and the expectations for future returns of each asset class. The expected return for each asset class was then weighted based on the target asset allocation to develop the expected long-term rate of return on assets assumption for the portfolio.

The significant principal actuarial assumptions used in respect of the Group's defined benefit plans are as follows:

	2025		2024	
The Group	Thailand %	Indonesia %	Thailand %	Indonesia %
Discount rates	**1.90**	**6.40**	2.50	7.10
Expected return on plan assets	**N/A**	**6.40**	N/A	7.10
Future salary increases				
– eligible employees	**4.00**	**6.00**	2.00	6.00
– others	**N/A**	**N/A**	4.00	N/A
Rate of price inflation – other fixed allowance	**2.00**	**N/A**	2.00	N/A

Notes to the Financial Statements

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29 POST EMPLOYMENT BENEFIT OBLIGATIONS (CONTINUED)

(b) Defined benefit plans (Continued)

The sensitivity of defined benefit obligation to changes in the weighted principal assumption is:

		← Impact on defined benefit obligation →	
2025	**Change in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rates	**0.5% – 1%**	**Decreased by 11.3%**	**Increased by 7.6%**
Expected return on plan assets	**1.0%**	**Decreased by 0.4%**	**Increased by 0.4%**
Future salary increases	**1.0%**	**Increased by 9.6%**	**Decreased by 13.1%**

		← Impact on defined benefit obligation →	
2024	**Change in assumption**	**Increase in assumption**	**Decrease in assumption**
Discount rates	0.5% – 1%	Decreased by 11.2%	Increased by 7.2%
Expected return on plan assets	1.0%	Decreased by 0.4%	Increased by 0.4%
Future salary increases	1.0%	Increased by 9.4%	Decreased by 13.2%

Projected unit credit method is used in calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions.

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated.

The Group's plan assets are comprised as follows:

	The Group					
	2025			2024		
	Quoted RM'000	**Unquoted RM'000**	**Total RM'000**	**Quoted RM'000**	**Unquoted RM'000**	**Total RM'000**
Equity instruments (by geography)						
Indonesia	**13,326**	**65,000**	**78,326**	28,773	45,802	74,575
Debt instruments (by type)						
Government bonds	**52,985**	**–**	**52,985**	46,723	–	46,723
Corporate bonds (investment grade)	**7,152**	**–**	**7,152**	8,135	–	8,135
Cash and cash equivalent	**–**	**16,949**	**16,949**	–	9,763	9,763
Mutual funds	**–**	**–**	**–**	1,421	–	1,421
Others	**–**	**5,109**	**5,109**	–	6,621	6,621
	73,463	**87,058**	**160,521**	85,052	62,186	147,238

The expected contribution to post employment benefits plan for the financial year ending 31 December 2026 is RM17,431,000 to the Group.

The weighted average duration of the defined benefit obligation is 10.1 years (2024: 9.9 years).

Expected maturity analysis of undiscounted defined benefits plans:

	Less than a year RM'000	**Between 1-2 years RM'000**	**Between 2-5 years RM'000**	**Over 5 years RM'000**	**Total RM'000**
2025					
Defined benefits plan	**48,529**	**32,745**	**158,559**	**1,270,075**	**1,509,908**
2024					
Defined benefits plan	55,565	34,157	175,332	1,356,868	1,621,922

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30 BONDS, SUKUK AND DEBENTURES

	Note	The Group 2025 RM'000	2024 RM'000
RM800 million notes (2017/2027)	(a)	**804,533**	804,532
THB Structured debentures	(b)	**155,705**	214,111
THB Short term debentures	(b)	**122,262**	135,301
IDR1,000,000 million bonds (Series A: 2020/2021; Series B: 2020/2023; Series C: 2020/2025)	(c)	**–**	108,550
USD20 million notes (2021/2026)	(d)	**81,488**	89,778
USD20 million notes (2021/2026)	(e)	**81,750**	90,066
HKD640 million notes (2021/2026)	(f)	**349,499**	349,678
HKD128 million notes (2021/2026)	(g)	**70,007**	70,081
USD500 million notes (2022/2027)	(h)	**2,048,766**	2,255,795
IDR1,000,000 million bonds (Series A: 2023/2024; Series B: 2023/2026)	(i)	**73,812**	83,998
USD130 million notes (2023/2028)	(j)	**532,873**	587,820
USD100 million notes (2023/2026)	(k)	**470,472**	470,647
RM100 million Senior Sukuk (2023/2026)	(l)	**100,368**	100,357
RM600 million Senior Sukuk (2023/2028)	(m)	**602,247**	602,180
RM300 million Senior Sukuk (2023/2030)	(n)	**301,204**	301,169
USD50 million floating rate notes (2024/2029)	(o)	**204,160**	225,063
USD120 million floating rate notes (2024/2029)	(p)	**489,718**	539,986
RM250 million fixed rate Senior Sukuk (2024/2027)	(q)	**252,414**	252,466
RM300 million fixed rate Senior Sukuk (2024/2029)	(r)	**302,982**	303,045
RM1,450 million fixed rate Senior Sukuk (2024/2031)	(s)	**1,465,049**	1,465,369
RM1,500 million fixed rate Senior Sukuk (2024/2034)	(t)	**1,515,954**	1,516,293
USD10 million floating rate Notes (2024/2029)	(u)	**41,098**	45,353
USD37 million floating rate notes (2024/2029)	(v)	**151,655**	167,270
IDR1,000,000 million Sukuk Wakalah Bi Al-Istitsmar (Series A: 2024/2025; Series B: 2024/2027)	(w)	**70,790**	280,676
RM125 million fixed rate Senior Sukuk (2024/2029)	(x)	**127,043**	127,043
RM700 million fixed rate Senior Sukuk (2024/2032)	(y)	**711,890**	711,891
RM2,175 million fixed rate Senior Sukuk (2024/2035)	(z)	**2,212,592**	2,212,592
USD40 million floating rate notes (2024/2029)	(aa)	**163,894**	180,791
USD30 million floating rate notes (2024/2029)	(ab)	**122,646**	135,252
RM120 million floating rate senior sukuk (2024/2027)	(ac)	**120,390**	120,430
IDR1,600,000 million bonds (Series A: 2025/2026; Series B: 2025/2028)	(ad)	**391,100**	–
RM200 million notes (2025/2035)	(ae)	**202,148**	–
RM500 million Senior Sukuk (2025/2035)	(af)	**505,330**	–
RM200 million Senior Sukuk (2025/2027)	(ag)	**201,003**	–
IDR1,500,000 million bonds (Series A: 2025/2026; Series B: 2025/2028)	(ah)	**366,697**	–
RMB3 billion bond (2025/2028)	(ai)	**1,779,901**	–
		17,193,440	14,547,583
Fair value changes arising from fair value hedges		**(74,206)**	(135,386)
		17,119,234	14,412,197

Notes to the Financial Statements

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30 BONDS, SUKUK AND DEBENTURES (CONTINUED)

(a) RM800 million notes

On 18 May 2017, CIMB Bank issued RM800.0 million 10-year medium term notes (the "MTN") under its senior medium term notes programme of RM20.0 billion in nominal value. The MTN, which bears a coupon rate of 4.70% per annum payable semi-annually, will mature on 18 May 2027.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the MTN using interest rate swaps.

(b) Structured debentures and short term debentures

i. In 2025, CIMB Thai issued various unsecured structured debentures amounting to THB6.1 billion with tenures ranging between 1 month to 10 years from the respective issuance dates. It bears both fixed and variable interest rates, payable at respective maturity dates.

During the financial year, CIMB Thai Bank has redeemed unsecured structured debentures amounting to THB6.5 billion.

ii. In 2025, CIMB Thai issued unsecured short term debentures amounting to THB1.0 billion. It bears fixed interest rates, payable at maturity dates.

During the financial year, CIMB Thai Bank has redeemed unsecured short term debentures amounting to THB1.1 billion.

(c) IDR1,000,000 million bonds

On 27 March 2020, CIMB Niaga issued IDR1,000,000 million bonds. The bonds are divided into 3 series. Nominal value of 1-year Series A Bond, 3-year Series B Bond, and 5-year Series C Bond amounting to IDR322,000 million, IDR287,000 million, and IDR391,000 million respectively, with fixed interest rate of 5.80%, 7.00% and 7.25% per annum respectively.

On 7 April 2021, CIMB Niaga redeemed its 1-year Series A Bond amounting to IDR322,000 million.

On 27 March 2023, CIMB Niaga redeemed its 3-year Series B Bond amounting to IDR287,000 million.

On 27 March 2025, CIMB Niaga redeemed its Continuous Sukuk Mudharabah I Phase III Year 2020 Series C Sukuk amounting to IDR391,000 million.

(d) USD20 million notes

On 27 April 2021, CIMB Bank issued USD20 million 5-year fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.60% per annum payable semi-annually, will mature on 27 April 2026 (subject to adjustment in accordance with the modified following business day convention).

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Notes using interest rate swaps.

(e) USD20 million notes

On 21 July 2021, CIMB Bank issued USD20.0 million 5-year fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.35% per annum payable semi-annually, will mature on 21 July 2026 (subject to adjustment in accordance with the modified following business day convention).

(f) HKD640 million notes

On 27 July 2021, CIMB Bank issued HKD640 million fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.12% per annum payable annually, will mature on 17 July 2026 (subject to adjustment in accordance with the modified following business day convention).

CIMB Bank has undertaken fair value hedge and cash flow hedge on the interest rate risk and currency risk of the Notes using cross currency interest rate swaps.

Notes to the Financial Statements

for the financial year ended 31 December 2025

30 BONDS, SUKUK AND DEBENTURES (CONTINUED)

(g) HKD128 million notes

On 4 August 2021, CIMB Bank issued HKD128 million fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014 and the Notes were consolidated to form a single series with the existing HKD640.0 million 1.12% fixed rate notes issued on 27 July 2021. The Notes, which bear a coupon rate of 1.12% per annum payable annually, will mature on 17 July 2026 (subject to adjustment in accordance with the modified following business day convention).

CIMB Bank has undertaken fair value hedge and cash flow hedge on the interest rate risk and currency risk of the Notes using cross currency interest rate swaps.

(h) USD500 million notes

On 20 January 2022, CIMB Bank issued USD500 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.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Notes using interest rate swaps.

(i) IDR1,000,000 million bonds

On 8 February 2023, CIMB Niaga Auto Finance issued unsecured IDR1,000,000 million bonds. The bonds are divided into 370 days Series A Bond and 3 years Series B Bond amounting to IDR700,000 million and IDR300,000 million, with fixed interest rate of 6.25% and 7.15% per annum respectively. On 18 February 2024, CIMB Niaga Auto Finance redeemed its 370 days Series A Bond amounting to IDR700,000 million.

(j) USD130 million notes

On 28 July 2023, CIMB Bank Berhad issued USD130 million 5-year floating rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 1.00% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 28 July 2028.

CIMB Bank has undertaken cash flow hedge on the currency risk of the Notes using cross currency interest rate swaps.

(k) USD100 million notes

On 3 October 2023, CIMB Bank Berhad issued USD100 million 35-month fixed rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of 5.45% per annum payable quarterly, will mature on 3 September 2026.

CIMB Bank has undertaken fair value hedge on the currency risk and interest rate risk of the Notes using cross currency interest rate swaps.

(l) RM100 million Senior Sukuk

On 30 November 2023, CIMB Islamic Bank issued RM100 million senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3.95% per annum payable semi-annually, will mature on 30 November 2026.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(m) RM600 million Senior Sukuk

On 30 November 2023, CIMB Islamic Bank issued RM600 million senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.02% per annum payable semi-annually, will mature on 30 November 2028.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

Notes to the Financial Statements

for the financial year ended 31 December 2025

30 BONDS, SUKUK AND DEBENTURES (CONTINUED)

(n) RM300 million Senior Sukuk

On 30 November 2023, CIMB Islamic Bank issued RM300 million senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.31% per annum payable semi-annually, will mature on 29 November 2030.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(o) USD50 million floating rate notes

On 23 February 2024, CIMB Bank issued USD50 million 5-year floating rate notes ("the Notes") under its USD5 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 0.95% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 23 February 2029.

CIMB Bank has undertaken cash flow hedge on the currency risk of the Notes using cross currency interest rate swaps.

(p) USD120 million floating rate notes

On 27 February 2024, CIMB Bank issued USD120 million 5-year floating rate notes ("the Notes") under its USD5 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 0.95% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 27 February 2029.

CIMB Bank has undertaken cash flow hedge on the currency risk of the Notes using currency forwards.

(q) RM250 million fixed rate Senior Sukuk

On 27 March 2024, CIMB Islamic issued RM250 million 3-year fixed rate senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3.75% per annum payable semi-annually, will mature on 26 March 2027.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(r) RM300 million fixed rate Senior Sukuk

On 27 March 2024, CIMB Islamic issued RM300 million 5-year fixed rate senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3.86% per annum payable semi-annually, will mature on 27 March 2029.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(s) RM1,450 million fixed rate Senior Sukuk

On 27 March 2024, CIMB Islamic Bank issued RM1,450 million 7-year fixed rate senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.03% per annum payable semi-annually, will mature on 27 March 2031.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(t) RM1,500 million fixed rate Senior Sukuk

On 27 March 2024, CIMB Islamic Bank issued RM1,500 million 10-year fixed rate senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.13% per annum payable semi-annually, will mature on 27 March 2034.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

Notes to the Financial Statements

for the financial year ended 31 December 2025

30 BONDS, SUKUK AND DEBENTURES (CONTINUED)

(u) USD10 million Floating Rate Notes

On 8 April 2024, CIMB Bank issued USD10 million 5-year floating rate notes ("the Notes") under its USD5 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 0.90% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 8 April 2029.

CIMB Bank has undertaken cash flow hedge on the currency risk of the Notes using cross currency interest rate swaps.

(v) USD37 million Floating Rate Notes

On 26 April 2024, CIMB Bank issued USD37 million 5-year floating rate notes ("the Notes") under its USD5 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 0.89% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 26 April 2029.

CIMB Bank has undertaken cash flow hedge on the currency risk of the Notes using cross currency interest rate swaps.

(w) IDR1,000,000 million Sukuk Wakalah Bi Al-Istitsmar

On 9 July 2024, CIMB Niaga Auto Finance issued IDR1,000,000 million Sukuk Wakalah Bi Al-Istitsmar. The Sukuk is divided into 2 series. Nominal value of 1-year Series A Sukuk and 3-year Series B Sukuk amounting to IDR710,000 million and IDR290,000 million, with fixed interest rate of 6.80% and 7.10% per annum respectively.

(x) RM125 million Senior Sukuk

On 30 July 2024, CIMB Islamic issued RM125 million 5-year fixed rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3.85% per annum payable semi-annually, will mature on 30 July 2029.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(y) RM700 million Senior Sukuk

On 30 July 2024, CIMB Islamic issued RM700 million 8-year fixed rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.00% per annum payable semi-annually, will mature on 30 July 2032.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(z) RM2,175 million Senior Sukuk

On 30 July 2024, CIMB Islamic issued RM2,175 million 11-year fixed rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.07% per annum payable semi-annually, will mature on 30 July 2035.

CIMB Islamic has undertaken fair value hedge on the profit rate risk of the senior sukuk using Islamic profit rate swaps.

(aa) USD40 million floating rate notes

On 29 October 2024, CIMB Bank issued USD40 million 5-year floating rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 0.85% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 29 October 2029.

CIMB Bank has undertaken cash flow hedge on the interest rate risk and currency risk of the Notes using interest rate swaps and currency swaps respectively.

Notes to the Financial Statements

for the financial year ended 31 December 2025

30 BONDS, SUKUK AND DEBENTURES (CONTINUED)

(ab) USD30 million floating rate notes

On 14 November 2024, CIMB Bank issued USD30 million 5-year floating rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of compounded daily SOFR plus 0.85% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 14 November 2029.

CIMB Bank has undertaken cash flow hedge on the interest rate risk and currency risk of the Notes using interest rate swaps and currency swaps respectively.

(ac) RM120 million floating rate senior sukuk

On 28 November 2024, CIMB Islamic issued RM120 million 3-year floating rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3 month KLIBOR + plus 0.23% per annum payable quarterly, will mature on the profit payment date falling on or nearest to 26 November 2027.

(ad) IDR1,600,000 million bonds

On 13 March 2025, CIMB Niaga Auto Finance issued unsecured IDR1,600,000 million bonds. The bonds were divided into 370-day Series A Bond and 3-year Series B Bond amounting to IDR1,200,000 million and IDR400,000 million, with fixed interest rates of 6.70% and 7.00% per annum respectively. The 370-day Series A Bond and 3-year Series B Bond will mature on 23 March 2026 and 13 March 2028 respectively.

(ae) RM200 million notes

On 25 March 2025, CIMB Bank issued RM200 million of senior medium term notes ("MTN") under its RM20.0 billion Senior MTN Programme. The MTN bears a coupon rate of 4.00% per annum that will mature on 23 March 2035.

(af) RM500 million Senior Sukuk

On 25 March 2025, CIMB Islamic issued RM500 million 10-year fixed rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3.97% per annum payable semi-annually will mature on 23 March 2035.

(ag) RM200 million Senior Sukuk

On 8 August 2025, CIMB Islamic issued RM200 million 2.25 -year floating rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3 month KLIBOR plus 0.3% per annum payable quarterly will mature on the profit payment date falling on or nearest to 8 November 2027.

(ah) IDR1,500,000 million bonds

On 3 September 2025, CIMB Niaga Auto Finance issued unsecured IDR1,500,000 million bonds. The bonds were divided into 370-day Series A Bond and 3-year Series B Bond amounting to IDR1,105,000 million and IDR395,000 million, with fixed interest rates of 6.15% and 6.50% per annum respectively. The 370-day Series A Bond and 3-year Series B Bond will mature on 13 September 2026 and 3 September 2028 respectively.

(ai) RMB3 billion bond

On 27 October 2025, CIMB Bank issued Renminbi 3.0 billion, 3-year bond in the China Inter-bank Bond Market. The bond bears a coupon rate of 2.18% per annum that will mature on 27 October 2028.

CIMB Bank has undertaken fair value hedge on the currency risk and interest rate risk of the Bond using cross currency interest rate swaps.

Notes to the Financial Statements

for the financial year ended 31 December 2025

31 OTHER BORROWINGS

	Note	The Group 2025 RM'000	The Group 2024 RM'000	The Company 2025 RM'000	The Company 2024 RM'000
Commercial Papers/Medium Term Notes	(a)	**7,759,919**	4,424,369	**4,358,076**	4,357,034
Term loan	(b)	**4,327,554**	4,774,148	**–**	–
Others	(c)	**1,088,021**	2,359,234	**–**	–
		13,175,494	11,557,751	**4,358,076**	4,357,034

(a) CPs and MTNs of the Company

The Conventional Commercial Papers ("CPs"), Islamic Commercial Papers ("iCPs"), Conventional Medium Term Notes ("MTNs") and Islamic Medium Term Notes ("iMTNs") were issued by the Company.

The CPs and iCPs are unsecured. The aggregate outstanding nominal value of the CPs and iCPs at any point in time shall not exceed RM6 billion.

The MTNs and iMTNs are unsecured. The aggregate outstanding nominal value of the MTN and iMTN at any point in time shall not exceed RM6 billion.

On 3 April 2020, the Company issued RM600 million 5-year MTN, and were fully redeemed on 3 April 2025.

On 28 December 2021, the Company issued RM1 billion 3-year Unrated MTN, RM1 billion 4-year Unrated MTN and RM1 billion 5-year Unrated MTN, which will mature on 27 December 2024, 26 December 2025 and 28 December 2026 respectively. The MTNs were issued out of its existing Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value. On 30 September 2024, the Company completed the buyback and cancellation of its RM1.0 billion 3-year Unrated MTN. On 18 September 2025, the Company completed the buyback and cancellation of its RM1.0 billion 4-year MTN.

On 12 June 2023, the Company issued RM350 million 1-year MTN and were fully redeemed on 12 June 2024.

On 12 June 2024, the Company issued RM350 million 1-year unrated MTN, and were fully redeemed on 12 June 2025.

On 18 September 2024, the Company issued RM400 million 1-year MTN and were fully redeemed on 18 September 2025.

On 30 September 2024, the Company issued RM500 million 3-year MTN which will mature on 30 September 2027 and RM500 million 5-year MTN which will mature on 30 September 2029. Both MTNs were issued out of its existing Conventional and Islamic Medium Term Notes Programmes, which has a combined limit of RM6.0 billion in nominal value.

On 3 April 2025, the Company issued RM500 million 5-year MTN which will mature on 3 April 2030. The MTN was issued out of its existing Conventional and Islamic MTN Programme, which has a combined limit of RM6.0 billion in nominal value.

On 3 April 2025, the Company issued RM100 million 70-day CPs under its Conventional Commercial Papers ("CPs") Programme. The CPs, bearing a discount rate of 3.71% were redeemed on 12 June 2025.

On 12 June 2025, the Company issued RM450 million 1-year unrated MTN which will mature on 12 June 2026. The MTN was issued out of its existing Conventional and Islamic MTN Programme, which has a combined limit of RM6.0 billion in nominal value.

On 18 September 2025, the Company issued RM500 million 3-year MTN, RM500 million 5-year MTN and RM400 million 6-year MTN which will mature on 18 September 2028, 18 September 2030 and 18 September 2031 respectively. The MTNs were issued out of its existing Conventional and Islamic Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value.

CPs and MTNs of the Group

In 2025, CIMB Bank issued a nominal value of RM4.4 billion commercial papers in aggregate under its RM10.0 billion Commercial Papers Programme. The commercial papers, with maturities ranging between 89 to 365 days from the respective issuance dates, bear discount rates ranging between 3.16% to 3.75% per annum.

A total of RM1.1 billion commercial papers were matured during the year.

Notes to the Financial Statements

for the financial year ended 31 December 2025

31 OTHER BORROWINGS (CONTINUED)

(b) Term loans of the Group

Included in term loans of the Group are term loans of RM4,327,554,000 (2024: RM4,774,148,000) undertaken by CIMB Bank from various financial institutions for working capital purposes. The loans have maturities ranging between 4 December 2026 (2024: 4 December 2026) being the earliest to mature and 23 August 2029 (2024: 23 August 2029) being the latest to mature. Interest rates charged are 4.49% to 4.85% per annum (2024: 5.17% to 5.55% per annum).

Term loans of the Company

On 11 March 2025, the Company secured a 1-month revolving credit amounting to RM150 million from its subsidiary, bearing an interest rate of 3.93% per annum which matured on 11 April 2025.

On 11 April 2025, the Company secured a 1-month revolving credit amounting to RM150 million from its subsidiary, bearing an interest rate of 3.93% per annum which matured on 9 May 2025.

On 9 May 2025, the Company secured a 14-day revolving credit amounting to RM100 million from its subsidiary, bearing an interest rate of 3.93% per annum which matured on 23 May 2025.

(c) Other borrowings of the Group

Included in other borrowings of the Group are short term and long term borrowing of RM1,088,021,000 (2024: RM2,354,939,000) undertaken by CIMB Niaga and its subsidiaries. The maturity dates ranges from less than 1 month to 5 years (2024: 1 month to 5 years), with interest rates charged ranging from 5.00% to 7.25% per annum (2024: 4.56% to 7.15% per annum).

32 SUBORDINATED OBLIGATIONS

		The Group		The Company	
	Note	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Subordinated debts 2018/2025 IDR75 billion	(a)	**–**	10,824	**–**	–
Subordinated debts 2020/2030 RM2.5 billion	(b)	**–**	2,510,788	**–**	2,510,788
Additional Tier 1 Securities 2020/2025 RM550 million	(c)	**–**	551,573	**–**	551,573
Additional Tier 1 Securities 2020/2030 RM200 million	(c)	**200,636**	200,636	**200,636**	200,636
Subordinated notes 2021/2031 RM660 million	(d)	**265,497**	260,497	**–**	–
Sustainability Sukuk Wakalah 2021/2031 RM100 million	(e)	**100,031**	100,021	**100,031**	100,021
Sukuk Wakalah 2022/2032 RM1.5 billion	(f)	**1,520,795**	1,520,614	**1,520,795**	1,520,614
Sukuk Wakalah 2022/2032 RM1.0 billion	(g)	**1,004,068**	1,004,068	**1,004,068**	1,004,068
Sustainability Sukuk Wakalah 2023/2033 RM400 million	(h)	**405,419**	405,372	**405,419**	405,372
Subordinated Notes 2023/2033 RM415 million	(i)	**141,394**	139,774	**–**	–
Additional Tier 1 Sustainability Sukuk Wakalah 2023/2028 RM400 million	(j)	**403,644**	403,644	**403,644**	403,644
Sustainability Sukuk Wakalah 2023/2033 RM900 million	(k)	**907,525**	907,525	**907,525**	907,525
Additional Tier 1 Securities 2024/2029 RM1.0 billion	(l)	**1,000,354**	1,000,236	**1,000,354**	1,000,236
Sukuk Wakalah 2024/2031 RM1,850 million	(m)	**1,870,059**	1,870,059	**1,870,059**	1,870,059
Sukuk Wakalah 2024/2029 RM150 million	(n)	**151,551**	151,551	**151,551**	151,551
Subordinated Green Bond 2024/2034 THB2 billion	(o)	**258,830**	263,407	**–**	–
Sukuk Wakalah 2025/2038 RM2,350 million	(p)	**2,386,570**	–	**2,386,570**	–
Sukuk Wakalah 2025/2035 RM150 million	(q)	**152,165**	–	**152,165**	–
Sukuk Wakalah 2025/2035 RM225 million	(r)	**225,680**	–	**225,679**	–
Sukuk Wakalah 2025/2037 RM775 million	(s)	**777,420**	–	**777,420**	–
Sukuk Wakalah 2025/2030 RM550 million	(t)	**551,761**	–	**551,761**	–
		12,323,399	11,300,589	**11,657,677**	10,626,087
Fair value changes arising from fair value hedges		**(32,225)**	3,271	**–**	–
		12,291,174	11,303,860	**11,657,677**	10,626,087

Notes to the Financial Statements

for the financial year ended 31 December 2025

32 SUBORDINATED OBLIGATIONS (CONTINUED)

(a) Subordinated debts 2018/2025 IDR75 billion

On 15 November 2018, CIMB Niaga issued Series B Subordinated Bond of IDR75 billion with fixed interest rate of 10.00% per annum and maturity date of 15 November 2025. During the financial year ended 31 December 2024, included in the IDR75 billion subordinated notes was IDR36 billion which was held by subsidiary of the Company, hence the amount was eliminated at consolidated level.

On 15 November 2025, CIMB Niaga redeemed its IDR75 billion subordinated bonds.

(b) Subordinated debts 2020/2030 RM2.5 billion

On 12 November 2020, the Company issued RM2.5 billion 10 years non-callable 5 years Tier 2 Subordinated debts bearing a fixed rate coupon of 3.15% per annum, payable on a semi-annual basis. The said subordinated debt was issued out of the RM10.0 billion Tier 2 subordinated debt programme. The proceeds from the issuance were used to subscribe to the RM2.45 billion Tier 2 subordinated notes issued by CIMB Bank on the same day and the RM50 million Tier 2 Subordinated Debt issued by CIMB Bank on 23 December 2020, based on similar terms. CIMB Bank has undertaken fair value hedge on the interest rate risk of the RM2.45 billion Tier 2 subordinated debt using interest rate swaps.

On 12 November 2025, the Company redeemed its existing RM2.5 billion 10-year non-callable 5-year Tier 2 Subordinated Debt issued under its RM10.0 billion Tier 2 Subordinated Debt Programme on the first call date.

(c) Additional Tier 1 Securities 2020/2025 RM550 million and 2020/2030 RM200 million

On 3 December 2020, the Company issued RM550 million perpetual non-callable 5 years Additional Tier I Capital Securities and RM200 million perpetual non-callable 10 years Additional Tier I Capital Securities bearing a fixed rate coupon of 3.60% per annum and 4.00% per annum respectively, payable on a semi-annual basis. The said capital securities were issued from the existing RM10 billion AT1 Capital Securities Programme. The proceeds from the issuances were used to subscribe to AT1 Capital Securities issued by CIMB Bank, based on similar terms.

On 3 December 2025, the Company redeemed its existing RM550 million perpetual non-callable 5-year Additional Tier 1 Capital Securities issued under its RM10.0 billion Additional Tier 1 Capital Securities Programme on the first call date.

(d) Subordinated notes 2021/2031 RM660 million

On 12 July 2021, CIMB Thai issued RM 660 million Basel III compliant Tier 2 subordinated notes. The subordinated notes carry fixed interest rate of 3.90% per annum payable every six months. The subordinated notes will mature on 11 April 2031. CIMB Thai may exercise its right to early redeem the subordinated notes 5 years after issue date, and on each coupon payment date thereafter, subject to approval by the Bank of Thailand.

Included in the RM660 million subordinated notes is RM407 million (2024: RM407 million) which was held by subsidiary of the Company, hence the amount was eliminated at consolidated level.

CIMB Thai has undertaken cash flow hedge on the currency risk and interest rate risk of the Notes using cross currency interest rate swaps.

(e) Sustainability Sukuk Wakalah 2021/2031 RM100 million

On 29 December 2021, the Company issued RM100.0 million 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 3.80% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM100.0 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the RM100 million Tier 2 Sustainability Sukuk Wakalah using interest rate swaps.

Notes to the Financial Statements

for the financial year ended 31 December 2025

32 SUBORDINATED OBLIGATIONS (CONTINUED)

(f) Sukuk Wakalah 2022/2032 RM1.5 billion

On 8 September 2022, the Company issued RM1.5 billion 10 years non-callable 5 years Tier 2 Sukuk Wakalah bearing a periodic distribution rate of 4.40% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM1.5 billion Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the RM1.5 billion Tier 2 Sukuk Wakalah using interest rate swaps.

(g) Sukuk Wakalah 2022/2032 RM1.0 billion

On 2 December 2022, the Company issued RM1.0 billion 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 4.95% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM1.0 billion Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(h) Sustainability Sukuk Wakalah 2023/2033 RM400 million

On 8 March 2023, the Company issued RM400 million 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 4.30% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM400 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(i) Subordinated Notes 2023/2033 RM415 million

On 29 March 2023, CIMB Thai issued RM415 million Basel III compliant Tier 2 subordinated notes. The subordinated notes carry fixed interest rate of 4.70% per annum payable every six months. The subordinated notes will mature on 29 March 2033. CIMB Thai may exercise its right to early redeem the subordinated notes 5 years after issue date, and on each coupon payment date thereafter, subject to approval by the Bank of Thailand.

As at 31 December 2025, RM278 million (2024: RM278 million) was held by subsidiaries of the Company, hence the amount was eliminated at consolidated level.

CIMB Thai has undertaken cash flow hedge on the currency risk and interest rate risk of the Notes using cross currency interest rate swaps.

(j) Additional Tier 1 Sustainability Sukuk Wakalah 2023/2028 RM400 million

On 23 October 2023, the Company issued RM400 million Perpetual non-callable 5 years Additional Tier 1 Sustainability Sukuk Wakalah, bearing a periodic distribution rate of 4.75% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM400 million Additional Tier 1 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Additional Tier 1 Sustainability Sukuk Wakalah using interest rate swaps.

(k) Sustainability Sukuk Wakalah 2023/2033 RM900 million

On 23 October 2023, the Company issued RM900 million 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah, bearing a periodic distribution rate of 4.36% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM900 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms. CIMB Bank has undertaken fair value hedge on the interest rate risk of the RM900 million Tier 2 Sustainability Sukuk Wakalah using interest rate swaps.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Additional Tier 2 Sustainability Sukuk Wakalah using interest rate swaps.

Notes to the Financial Statements

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32 SUBORDINATED OBLIGATIONS (CONTINUED)

(l) Additional Tier 1 Securities 2024/2029 RM1.0 billion

On 28 June 2024, the Company issued RM1.0 billion Perpetual non-callable 5-year Additional Tier 1 Capital Securities, bearing a periodic distribution rate of 4.31% per annum, payable on a semi-annual basis. The said Capital Securities were issued out of the RM10.0 billion Additional Tier 1 Capital Securities programme.

(m) Sukuk Wakalah 2024/2031 RM1,850 million

On 26 September 2024, the Company issued RM1,850 million 12 years non-callable 7 years Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 4.08% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM1,850 million Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(n) Sukuk Wakalah 2024/2029 RM150 million

On 26 September 2024, the Company issued RM150 million 10 years non-callable 5 years Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.89% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM150 million Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(o) Subordinated Green Bond 2024/2034 THB2 billion

On 28 October 2024, CIMB Thai Bank issued THB2 billion Basel III compliant Tier 2 subordinated green bonds with fixed interest rate of 3.90% per annum, payable every three months. The subordinated green bonds will mature on 28 October 2034. CIMB Thai may exercise its right to early redeem the subordinated green bonds 5 years after issue date, and on each coupon payment date thereafter, subject to approval by the Bank of Thailand. The said subordinated green bonds was issued out of the THB2 billion Tier 2 subordinated green bonds programme.

(p) Sukuk Wakalah 2025/2038 RM2,350 million

On 12 August 2025, the Company issued RM2,350 million 13-year non-callable 8-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 4.00% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM2,350 million Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Tier 2 Sukuk Wakalah using interest rate swaps.

(q) Sukuk Wakalah 2025/2035 RM150 million

On 12 August 2025, the Company issued RM150 million 10-year non-callable 5-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.71% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM150 million Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Tier 2 Sukuk Wakalah using interest rate swaps.

(r) Sukuk Wakalah 2025/2035 RM225 million

On 3 December 2025, the Company issued RM225 million 10-year non-callable 5-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.80% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM225 million Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Tier 2 Sukuk Wakalah using interest rate swaps.

Notes to the Financial Statements

for the financial year ended 31 December 2025

32 SUBORDINATED OBLIGATIONS (CONTINUED)

(s) Sukuk Wakalah 2025/2037 RM775 million

On 3 December 2025, the Company issued RM775 million 12-year non-callable 7-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.93% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM775 million Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Tier 2 Sukuk Wakalah using interest rate swaps.

(t) Sukuk Wakalah 2025/2030 RM550 million

On 3 December 2025, the Company issued RM550 million Perpetual non-callable 5-year Additional Tier 1 Sukuk Wakalah, bearing a periodic distribution rate of 4.03% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM550 million Additional Tier 1 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

CIMB Bank has undertaken fair value hedge on the interest rate risk of the Additional Tier 1 Sukuk Wakalah using interest rate swaps.

33 SHARE CAPITAL

		The Group and the Company	
	Note	2025 RM'000	2024 RM'000
Issued and fully paid shares:			
At 1 January		**29,439,251**	29,094,547
Issued during the financial year:			
– LTIP:			
– SGP	(a)(i)	**32,216**	34,861
– ESOS	(a)(ii)	**302,533**	309,843
At 31 December		**29,774,000**	29,439,251

(a) Increase in issued and paid-up capital

In respect of the financial year 31 December 2025, the Company increased its issued and paid-up capital from 10,728,906,596 to 10,790,973,323 shares via:

(i) Issuance of 6,687,577 new ordinary shares arising from the Long-Term Incentive Plan ("LTIP") – Share Grant Plan ("SGP"); and

(ii) Issuance of 55,379,150 new ordinary shares arising from the LTIP – Employee Share Option Scheme ("ESOS").

Notes to the Financial Statements

for the financial year ended 31 December 2025

33 SHARE CAPITAL (CONTINUED)

(b) Dividend Reinvestment Scheme

On 18 January 2013, the Company announced the proposal to put in place a dividend reinvestment scheme that would allow the shareholders of the Company ("Shareholders") to have the option to elect to reinvest their cash dividends in new ordinary shares ("New CIMB Shares") ("Dividend Reinvestment Scheme").

The Dividend Reinvestment Scheme has received the necessary approval from Bursa Securities on 5 February 2013, its shareholders via an Extraordinary General Meeting held on 25 February 2013 and from Bank Negara Malaysia on 25 March 2013.

The scheme would allow the Board, at its absolute discretion, to offer either the Dividend Reinvestment Scheme or full cash for the Group's dividends as and when it deems appropriate vis-à-vis the Group's capital strategy and plans.

The rationale of the Dividend Reinvestment Scheme are as follows:

(i) CIMB's capital management strategy

As part of the Company's capital management strategy, the Dividend Reinvestment Scheme would provide the Company additional flexibility in managing its capital position.

(ii) Enhancing shareholder value with reasonable dividend yield

The Dividend Reinvestment Scheme will provide an opportunity for shareholders to enjoy dividend yield while preserving capital for the Company.

Since the announcement of Basel III, many global banks have taken a cautious stance in capital management including that of reducing dividend payments. Whilst this stance will improve a banks' capital ratios, such actions may result in lower dividend yields and may eventually reduce investors' interest in the banking industry.

The Dividend Reinvestment Scheme provides an alternative for banks to balance the demand of its investors and its capital objective.

(iii) Alternative mode of payment of Dividends

The implementation of the Dividend Reinvestment Scheme will provide an avenue for shareholders to elect to exercise the option to reinvest all or part of their dividends into New CIMB Shares in lieu of receiving cash dividend.

The shareholders shall have the following options in respect of an option to reinvest announced by the Board under the Dividend Reinvestment Scheme:

(i) to elect to participate by reinvesting the whole or part of the Electable Portion at the issue price for New CIMB Shares.

In the event that only part of the Electable Portion is reinvested, the shareholders shall receive cash for the remaining portion of the Electable Portion not reinvested; or

(ii) to elect not to participate in the option to reinvest and thereby receive the entire dividend entitlement wholly in cash.

Notes to the Financial Statements

for the financial year ended 31 December 2025

34 PERPETUAL PREFERENCE SHARES

	The Group	
	2025 RM'000	**2024 RM'000**
Issued and fully paid		
Perpetual preference shares		
At 1 January/31 December	**200,000**	200,000

The main features of the perpetual preference shares ("PPS") are as follows:

(i) The PPS has no right to dividends.

(ii) In the event of liquidation, dissolution or winding-up of CIMB Bank, PCSB as holder of the PPS will be entitled to receive full repayment of the capital paid up on the PPS in priority to any payments to be made to the ordinary shareholders of CIMB Bank.

(iii) The PPS rank *pari passu* in all aspects among themselves.

(iv) CIMB Bank must not redeem or buy back any portion of the PPS and the PPS will be perpetual except for any capital reduction exercise permitted by the Companies Act 2016 and as approved by Bank Negara Malaysia.

35 RESERVES

		The Group		The Company	
	Note	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Statutory reserve	(a)	**233,915**	204,540	**–**	–
Regulatory reserve	(b)	**2,399,918**	1,777,092	**–**	–
Capital reserve	(c)	**423,130**	423,130	**55,982**	55,982
Exchange fluctuation reserve	(d)	**(2,722,608)**	311,679	**–**	–
Fair value reserve					
– Debt intruments at fair value through other comprehensive income	(e)	**194,134**	(515,693)	**12,992**	9,551
– Equity instruments at fair value through other comprehensive income	(f)	**(205,988)**	(155,296)	**–**	–
Retained earnings	(g)	**41,646,881**	39,468,085	**697,476**	1,104,552
Share-based payment reserve	(h)	**65,011**	120,802	**32,818**	103,989
Other reserves					
– Hedging reserve – net investment hedge	(i)	**(1,457,755)**	(1,800,786)	**–**	–
– Hedging reserve – cash flow hedge	(j)	**114,656**	9,070	**–**	–
– Hedging reserve – deferred hedging cost	(k)	**(16,819)**	98,814	**–**	–
– Own credit risk reserve	(l)	**(13,466)**	(93,430)	**–**	–
– EOP reserve – shares purchased pending release	(m)	**(71,462)**	(32,470)	**–**	–
– Defined benefits reserves	(n)	**(7,515)**	(16,176)	**–**	–
– Revaluation reserve		**5,689**	5,790	**–**	–
		40,587,721	39,805,151	**799,268**	1,274,074

(a) The statutory reserves of the Group are maintained by certain banking subsidiaries in Malaysia in compliance with the BNM guidelines and include a reserve maintained by a subsidiary in compliance with the Bursa Malaysia Securities Berhad Rules and Regulations. Effective 3 May 2017, there is no requirement to maintain statutory reserves for banking entities in Malaysia, in accordance with BNM Guideline – Capital Funds.

The statutory reserves of the foreign banking subsidiaries and foreign stockbroking subsidiaries of the Group are in compliance with rules and regulations of the respective authorities. These reserves are not distributable by way of cash dividends.

Notes to the Financial Statements

for the financial year ended 31 December 2025

35 RESERVES (CONTINUED)

(b) Regulatory reserve of the Group is maintained by the banking subsidiaries in Malaysia, which is transferred from the retained earnings, as an additional credit risk absorbent to ensure robustness on the loan impairment assessment methodology with the adoption of MFRS 9 beginning 1 January 2018.

BNM Guidelines on Financial Reporting/Financial Reporting for Islamic Banking Institutions requires banking institutions to maintain in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserve of no less than 1% of total credit exposures, net of loss allowance for credit-impaired exposures.

As at 31 December 2025, the regulatory reserve is maintained by CIMB Bank and the banking subsidiaries in Malaysia to meet the local regulatory requirement.

(c) The capital reserve of the Group arose from the dilution of equity interest in subsidiaries resulted from the shares option scheme undertaken by the subsidiary in previous years.

A foreign subsidiary of the Group has transferred balance from retained earnings to capital reserve in order to meet the regulatory capital ratio calculation, as retained earnings is capped for the purpose of calculation at 20% of Tier I capital following the local regulatory requirement.

(d) Exchange translation differences have arisen from translation of net assets of Labuan offshore subsidiaries, foreign branches and foreign subsidiaries. These translation differences are shown under exchange fluctuation reserves.

(e) For debt instruments at fair value through other comprehensive income ("FVOCI"), changes in fair value are accumulated within the financial assets at FVOCI reserve within equity. The accumulated changes in fair value are transferred to profit or loss when the investment is disposed of.

(f) The Group has elected to recognise changes in the fair value of certain investments in equity instruments in other comprehensive income. These changes are accumulated within the financial assets at FVOCI reserve within equity. The Group transfers amounts from this reserve to retained earnings when the relevant equity securities are derecognised.

(g) As at 31 December 2025, the Company has sufficient tax exempt account balances to pay tax exempt dividends of up to RM477,522,037 (2024: RM477,522,037) out of its retained earnings.

(h) The share-based payment reserve arose from the Equity Ownership Plan ("EOP"), Long Term Incentive Plan ("LTIP"), the Group's share-based compensation benefit, Employee Stock Option Management Program ("MESOP") and Employees' Share Option Scheme ("ESOS").

(i) Hedging reserve arises from net investment hedge activities undertaken by the Group on overseas operations and foreign subsidiaries. The reserve is non-distributable and is reversed to the statement of income when the foreign operations and subsidiaries are partially or fully disposed.

(j) The Group has entered into cash flow hedges on loans, advances and financing, bonds and debentures, deposits and placement of bank and other financial institution, other borrowings, subordinated obligations and debt instruments at FVOCI.

The reserve is non-distributable and is reversed to the statement of income when the hedged items affect the statement of income or termination of the cash flow hedge.

(k) The Group designates the spot component of foreign currency swap contracts as hedging instruments in net investment hedge relationships. The Group defers changes in the forward element of foreign currency swap contracts and the currency basis spread from the cross currency interest rate swap contracts in the cost of hedging reserve.

(l) Changes in fair value of financial liabilities designated at fair value relating to the Group's own credit risk are recognised in other comprehensive income. These changes are also accumulated within own credit risk reserve within equity.

(m) EOP reserve reflects the Group's shares purchased for EOP under share-based compensation benefits, pending release to its employees.

(n) Defined benefit reserves relate to the cumulative actuarial gains and losses on defined benefit plans.

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for the financial year ended 31 December 2025

36 SHARES HELD UNDER TRUST AND TREASURY SHARES

(A) SHARES HELD UNDER TRUST

	The Group	
	2025 RM'000	**2024 RM'000**
At 1 January/31 December	**563**	563

As an integral part of the CIMB Berhad's ("CIMBB") restructuring exercise in 2005, the then existing CIMBB's ESOS and Employee Equity Scheme ("EES") ceased to have any value pursuant to the delisting from Bursa Malaysia Securities Berhad. Accordingly, consistent with the fair treatment to all Executive Employees and the spirit of continuity of the scheme in existence, the schemes were modified with terms and conditions remaining and subsequently called the Modified EESOS. For the EES, the remaining options were accelerated and exercised prior to the completion of the CIMBB's restructuring.

The CIMBB restructuring exercise and the schemes were approved by the shareholders of the Company during the Extraordinary General Meeting held on 8 September 2005. The modified schemes entailed the following:

(i) The setting up of a trust to subscribe for all the remaining CIMBB shares under the unexercisable tranches under the CIMBB ESOS ("ESOS Trust") prior to the implementation of the CIMBB restructuring. The subscription was facilitated through an accelerated vesting of the unexercisable options. The funding for the subscription for the CIMBB shares by the trustee for both Trusts was provided by the Company by way of a loan.

(ii) Under the CIMBB restructuring exercise, both trustees have opted for new shares of the Company at the ratio of approximately 1.146 of the Company's shares for one CIMBB share. The Executive Employees or the CEO are entitled to instruct the trustee as to the sale, subject to a minimum market price that is higher than a price to be determined by dividing the existing adjusted exercise price by the ratio of approximately 1.146, plus transaction costs and any income tax liability, if applicable, of such shares of the Company in the manner as previously provided under the CIMBB ESOS.

(iii) The number of the Company's shares subject to such instruction per annum will be in the same proportion as per the adjusted total outstanding number under the previous CIMBB ESOS multiplied by the ratio approximately 1.146.

(iv) If the Executive Employee or CEO opt to instruct the trustee to transfer or sell in the market, upon such instruction under the Modified EESOS and Modified CEO Option, a proportion of the proceeds received by the Trustee, plus any income tax, if applicable, will be retained by the Trustee and used to offset the Loan and the excess (net of transaction costs) will be payable to the Executive Employee or CEO.

As at 31 December 2025, there are 258,000 (2024: 258,000) units remain unexercised.

(B) TREASURY SHARES, AT COST

	The Group and the Company			
	2025		**2024**	
	Units '000	**RM'000**	**Units '000**	**RM'000**
At 1 January/31 December	**5**	**43**	5	43

The shareholders of the Company, via an ordinary resolution passed at the Annual General Meeting held on 29 April 2025, approved the Company's plan and mandate to authorise the Directors of the Company to buy back its own shares up to 10% of existing total paid-up share capital. The Directors of the Company are committed to enhance the value of the Company to its shareholders and believe that the share buyback can be applied in the best interests of the Company and its shareholders.

During the financial year, the Company did not buy back any of its issued share capital from the open market. As at 31 December 2025, there were 4,908 ordinary shares held as treasury shares (2024: 4,908). Treasury shares have no rights to vote, dividends and participation in other distribution.

Notes to the Financial Statements

for the financial year ended 31 December 2025

37(a) INTEREST INCOME

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Loans, advances and financing:				
– Interest income other than recoveries	**16,330,417**	17,686,486	**–**	–
– Unwinding income^	**120,358**	152,741	**–**	–
Money at call and deposits with financial institutions	**1,009,450**	931,349	**12,016**	15,481
Reverse repurchase agreements	**419,221**	460,803	**–**	–
Debt instruments at fair value through other comprehensive income	**3,110,730**	3,163,529	**45,227**	46,928
Debt instruments at amortised cost	**2,144,587**	2,140,371	**368,789**	345,631
Others	**197,000**	166,321	**–**	–
	23,331,763	24,701,600	**426,032**	408,040
Accretion of discounts less amortisation of premiums	**28,669**	192,967	**–**	–
	23,360,432	24,894,567	**426,032**	408,040

^ *Unwinding income is interest income earned on credit impaired financial assets*

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

	The Group	
	2025 RM'000	**2024 RM'000**
Financial investments at fair value through profit or loss	**1,563,895**	1,358,787
Reverse repurchase agreements at fair value through profit or loss	**16,461**	16,576
	1,580,356	1,375,363
Accretion of discounts, net of amortisation of premiums	**204,073**	359,840
	1,784,429	1,735,203

Notes to the Financial Statements

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38 INTEREST EXPENSE

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Deposits and placements of banks and other financial institutions	**1,246,114**	1,533,428	**–**	–
Deposits from customers	**8,753,863**	9,337,793	**–**	–
Repurchase agreements/Collateralised commodity murabahah	**1,497,179**	1,867,531	**–**	–
Bonds, Sukuk and debentures	**334,166**	531,210	**–**	–
Subordinated obligations	**486,081**	464,172	**456,939**	438,573
Financial liabilities designated at fair value through profit or loss	**530,718**	603,754	**–**	–
Negotiable certificates of deposits	**76,329**	77,628	**–**	–
Other borrowings	**621,528**	553,244	**168,840**	159,323
Recourse obligation on loan and financing sold to Cagamas	**58,216**	53,015	**–**	–
Structured deposits	**168,573**	177,912	**–**	–
Lease liabilities	**16,576**	22,294	**–**	–
Others	**36,358**	41,220	**–**	–
	13,825,701	15,263,201	**625,779**	597,896

39 MODIFICATION LOSS

	The Group	
	2025 RM'000	**2024 RM'000**
Loss on modification of cash flows	**55,984**	2,718

Notes to the Financial Statements

for the financial year ended 31 December 2025

40 NET NON-INTEREST INCOME

		The Group		The Company	
		2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
(a)	**Fee and commission income:**				
	Commissions	**1,535,178**	1,488,662	**–**	–
	Fee on loans, advances and financing	**775,940**	840,957	**–**	–
	Service charges and fees	**761,497**	678,791	**–**	–
	Corporate advisory and arrangement fees	**11,638**	36,320	**–**	–
	Guarantee fees	**62,271**	47,371	**–**	–
	Other fee income	**280,991**	279,828	**–**	–
	Placement fees	**12,003**	58,503	**–**	–
	Underwriting commission	**22,939**	23,075	**–**	–
	Fee and commission income	**3,462,457**	3,453,507	**–**	–
(b)	**Fee and commission expense**	**(1,082,285)**	(1,104,367)	**–**	–
	Net fee and commission income	**2,380,172**	2,349,140	**–**	–
(c)	**Other non-interest income**				
	Gross dividend income from:				
	In Malaysia				
	– Subsidiaries	**–**	–	**4,841,849**	5,919,569
	– Financial investments at fair value through profit or loss	**66,797**	72,870	**–**	–
	– Equity instruments at fair value through other comprehensive income	**1,609**	1,625	**–**	–
	Outside Malaysia				
	– Financial investments at fair value through profit or loss	**16**	8	**–**	–
	– Equity instruments at fair value through other comprehensive income	**2,272**	3,073	**–**	–
		70,694	77,576	**4,841,849**	5,919,569
	Net gain arising from financial investments at fair value through profit or loss				
	– Realised	**362,997**	245,754	**–**	–
	– Unrealised	**394,321**	780,472	**–**	–
		757,318	1,026,226	**–**	–
	Net (loss)/gain arising from derivative financial instruments:				
	– Realised	**(643,575)**	812,667	**–**	–
	– Unrealised	**(467,717)**	757,039	**–**	–
		(1,111,292)	1,569,706	**–**	–

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40 NET NON-INTEREST INCOME (CONTINUED)

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Net (loss)/gain arising from financial liabilities at fair value through profit or loss:				
– Realised	**117,710**	88,929	**–**	–
– Unrealised	**(407,734)**	214,953	**–**	–
	(290,024)	303,882	**–**	–
Net (loss)/gain arising from hedging activities	**(338,536)**	7,041	**–**	–
Net gain from sale of investment in debt intruments at fair value through other comprehensive income	**933,503**	233,089	**–**	–
Net gain from redemption of debt instruments at amortised cost	**924**	405	**–**	–
Net gain arising from loans, advances and financing at fair value through profit or loss:				
– Realised	**–**	12,113	**–**	–
	–	12,113	**–**	–
Income from assets management and securities services	**13,042**	14,065	**–**	–
Brokerage income	**56,771**	51,088	**–**	–
Other non-interest income:				
Foreign exchange gain/(loss)	**3,515,798**	292,475	**(34)**	1
Rental income	**21,785**	21,787	**283**	280
Gain/(loss) on disposal of property, plant and equipment/assets held for sale	**9,593**	(766)	**–**	–
Net loss on liquidation of subsidiary and associate	**(75)**	(32)	**–**	–
Other non-operating income	**148,878**	92,980	**89**	–
Gain on disposal of loans, advances and financing	**137,367**	190,663	**–**	–
Loss on disposal of foreclosed assets	**(60,465)**	(44,720)	**–**	–
	3,772,881	552,387	**338**	281
Total other non-interest income	**3,865,281**	3,847,578	**4,842,187**	5,919,850
Net non-interest income	**6,245,453**	6,196,718	**4,842,187**	5,919,850

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41 OVERHEADS

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Personnel costs				
– Salaries, allowances and bonus[1]	**5,027,841**	5,082,229	**–**	–
– Pension costs[3]	**564,916**	539,259	**–**	–
– Overtime	**23,103**	25,584	**–**	–
– Staff incentives and other staff payments	**312,193**	307,669	**–**	–
– Medical expenses	**114,911**	113,988	**–**	–
– Share-based expense[2]	**(13,098)**	20,154	**–**	–
– Others	**313,795**	258,578	**–**	–
Establishment costs				
– Depreciation of property, plant and equipment	**270,829**	300,982	**52**	–
– Depreciation of right-of-use assets	**215,906**	241,829	**–**	–
– Amortisation of intangible assets	**531,950**	543,636	**–**	–
– Depreciation of investment properties	**–**	–	**18**	18
– Intangible assets writen off	**25,424**	7,502	**–**	–
– Rental	**134,961**	135,973	**–**	1
– Repair and maintenance	**936,242**	935,593	**167**	71
– Outsourced services	**83,560**	56,241	**17**	15
– Security expenses	**94,076**	98,161	**–**	–
– Others	**202,972**	273,557	**23**	21
Marketing expenses				
– Advertisement	**250,334**	251,313	**47**	105
– Others	**304,695**	159,239	**–**	–
Administration and general expenses				
– Legal and professional fees	**278,526**	207,980	**4,737**	7,491
– Stationery	**34,818**	38,300	**–**	–
– Postage	**40,297**	39,870	**–**	–
– Communication	**118,062**	108,616	**–**	–
– Incidental expenses on banking operations	**90,963**	104,150	**–**	–
– Others	**669,640**	569,828	**26,266**	25,351
	10,626,916	10,420,231	**31,327**	33,073

[1] *Included in salaries, allowances and bonus is shared-based payment expense of RM36,018,000 (2024: RM17,340,000). Refer Note 49.*

[2] *The long term incentive plan ("LTIP") was implemented by the Company 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. Refer Note 49.*

[3] *Included in pension costs is pension cost arising from defined benefit plans. Refer Note 29.*

Notes to the Financial Statements

for the financial year ended 31 December 2025

41 OVERHEADS (CONTINUED)

The above expenditure includes the following:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Directors' remuneration (Note 44)	**19,872**	20,696	**4,477**	3,689
Rental of premises	**165,765**	32,979	**–**	–
Hire of equipment	**125,246**	53,568	**–**	–
Lease rental	**–**	11	**–**	–
Auditors' remuneration				
PricewaterhouseCoopers PLT* (audit)				
– statutory audit	**9,226**	8,483	**872**	882
– limited review	**1,228**	1,188	**59**	29
– other audit related	**1,054**	34	**234**	34
PricewaterhouseCoopers PLT* (non audit)				
– Reporting accountant, regulatory-related services and others	**283**	292	**80**	–
– Tax services	**839**	1,146	**73**	419
Other member firms of PwC International Limited* (audit)				
– statutory audit	**6,730**	6,688	**–**	–
– limited review	**1,218**	1,224	**–**	–
– other audit related	**1,337**	816	**–**	–
Other member firms of PwC International Limited* (non audit)				
– Reporting accountant, regulatory-related services and others	**1,128**	358	**–**	–
– Tax services	**600**	826	**–**	–
Other auditors' remuneration				
– Statutory audit	**322**	397	**–**	–
– Tax services	**3**	3	**–**	–
Property, plant and equipment written off	**1,885**	7,221	**–**	–

* *PricewaterhouseCoopers PLT and other member firms of PricewaterhouseCoopers International Limited are separate and independent legal entities.*

42 EXPECTED CREDIT LOSSES ON LOANS, ADVANCES AND FINANCING

	The Group	
	2025 RM'000	**2024 RM'000**
Expected credit losses on loans, advances and financing at amortised cost	**2,439,992**	2,473,554
Credit impaired loans, advances and financing:		
– Recovered	**(1,112,318)**	(1,141,072)
– Written off	**54,655**	36,298
	1,382,329	1,368,780

Notes to the Financial Statements
for the financial year ended 31 December 2025

43 OTHER EXPECTED CREDIT LOSSES AND IMPAIRMENT ALLOWANCES (WRITTEN BACK)/MADE

	The Group		The Company	
	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
Other expected credit losses and impairment allowances (written back)/made:				
– Debt instrument at fair value through other comprehensive income	**(3,855)**	6,383	**(4,749)**	(100)
– Debt instrument at amortised cost	**(162,517)***	60,079	**(8,357)**	(731)
– Money at call and deposits and placements with banks and other financial institutions	**266**	(1,656)	**–**	–
– Other assets	**64,035**	314,046	**–**	–
– Intangible assets	**(39)**	–	**–**	–
– Amount due from a subsidiary	**–**	–	**5**	6
	(102,110)	378,852	**(13,101)**	(825)

* *includes bad debt recovered and ECL written off amounting to RM115,123,000 and RM28,148,000 respectively, for the financial year ended 31 December 2025.*

44 DIRECTORS' REMUNERATION

The Directors of the Company in office during the financial year are as follows:

EXECUTIVE DIRECTOR

Muhammad Novan Amirudin

NON-EXECUTIVE DIRECTORS

Datuk Syed Zaid Syed Jaffar Albar (appointed on 18 June 2025)
Dato' Lee Kok Kwan
Didi Syafruddin Yahya
Shulamite N K Khoo
Ho Yuet Mee
Datin Azlina Mahmad
YM Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz
Lyn Therese McGrath
Selvendran Katheerayson (appointed on 1 August 2025)
Yasmin Aladad Khan (appointed on 1 December 2025)
Tan Sri Mohd Nasir Ahmad (retired on 19 July 2025)
Dato' Mohamed Ross Mohd Din (retired on 18 April 2025)
Afzal Abdul Rahim (retired on 31 January 2025)

Notes to the Financial Statements

for the financial year ended 31 December 2025

44 DIRECTORS' REMUNERATION (CONTINUED)

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Executive Director				
– Salary and remuneration	**11,654**	13,588	**–**	–
– Benefits-in-kind	**89**	177	**–**	–
	11,743	13,765	**–**	–
Non-Executive Directors				
– Fees	**4,042**	2,649	**2,442**	1,317
– Other remuneration	**4,030**	4,115	**2,014**	2,359
– Benefits-in-kind	**57**	167	**21**	13
	8,129	6,931	**4,477**	3,689
	19,872	20,696	**4,477**	3,689

			Other remuneration						Other remuneration			
2025	**Fees RM'000**	**Salary and remuneration RM'000**	**Chairperson's Premium RM'000**	**Meeting Allowance RM'000**	**Benefits-in-kind RM'000**	**The Group Total RM'000**	**Fees RM'000**	**Salary and remuneration RM'000**	**Chairperson's Premium RM'000**	**Meeting Allowance RM'000**	**Benefits-in-kind RM'000**	**The Company Total RM'000**
Executive Director												
Muhammad Novan Amirudin[#]	-	11,654	-	-	89	11,743	-	-	-	-	-	-
Non-Executive Directors												
Datuk Syed Zaid Syed Jaffar Albar	170	-	311	90	15	586	134	-	193	33	15	375
Dato' Lee Kok Kwan	670	-	-	275	-	945	257	-	-	90	-	347
Didi Syafruddin Yahya	830	-	543	704	10	2,087	323	-	133	245	-	701
Shulamite N K Khoo	257	-	-	135	-	392	257	-	-	135	-	392
Ho Yuet Mee	290	-	67	300	-	657	290	-	67	300	-	657
Datin Azlina Mahmad	473	-	121	305	18	917	290	-	67	235	-	592
YM Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	531	-	219	374	-	1,124	257	-	-	135	-	392
Lyn Therese McGrath	290	-	-	120	-	410	290	-	-	120	-	410
Selvendran Katheerayson	-	-	-	-	-	-	-	-	-	-	-	-
Yasmin Aladad Khan	29	-	-	10	-	39	29	-	-	10	-	39
Tan Sri Mohd Nasir Ahmad	409	-	196	110	6	721	264	-	111	50	6	431
Dato' Mohamed Ross Mohd Din	93	-	42	108	8	251	51	-	-	90	-	141
Afzal Abdul Rahim	-	-	-	-	-	-	-	-	-	-	-	-
	4,042	-	1,499	2,531	57	8,129	2,442	-	571	1,443	21	4,477
	4,042	11,654	1,499	2,531	146	19,872	2,442	-	571	1,443	21	4,477

[#] *Compensation shown in the table includes an amount of RM2.3 million which arose from LTIP allocations that were attributed to the 2-year period from 2022 to 2023, and were vested/exercised in the period from 1 January to 31 December 2025. The related share based expenses have been recognised over the period of LTIP scheme.*

Notes to the Financial Statements

for the financial year ended 31 December 2025

44 DIRECTORS' REMUNERATION (CONTINUED)

2024	Fees RM'000	Salary and remuneration RM'000	Other remuneration: Chairperson's Premium RM'000	Other remuneration: Meeting Allowance RM'000	Benefits-in-kind RM'000	The Group Total RM'000	Fees RM'000	Salary and remuneration RM'000	Other remuneration: Chairperson's Premium RM'000	Other remuneration: Meeting Allowance RM'000	Benefits-in-kind RM'000	The Company Total RM'000
Executive Director												
Muhammad Novan Amirudin*	-	6,902	-	-	35	6,937	-	-	-	-	-	-
Dato' Abdul Rahman Ahmad**	-	6,686	-	-	142	6,828	-	-	-	-	-	-
	-	13,588	-	-	177	13,765	-	-	-	-	-	-
Non-Executive Directors												
Tan Sri Mohd Nasir Ahmad	406	-	693	271	13	1,383	170	-	510	130	13	823
Dato' Lee Kok Kwan	460	-	-	325	-	785	170	-	-	120	-	290
Dato' Mohamed Ross Mohd Din	310	-	190	350	26	876	170	-	50	250	-	470
Didi Syafruddin Yahya	679	-	602	523	128	1,932	170	-	200	188	-	558
Shulamite N K Khoo	170	-	-	128	-	298	170	-	-	128	-	298
Ho Yuet Mee	170	-	100	340	-	610	170	-	100	340	-	610
Datin Azlina Mahmad	217	-	50	253	-	520	170	-	50	223	-	443
YM Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz	195	-	99	166	-	460	85	-	-	45	-	130
Lyn Therese McGrath	42	-	-	25	-	67	42	-	-	25	-	67
Afzal Abdul Rahim	-	-	-	-	-	-	-	-	-	-	-	-
	2,649	-	1,734	2,381	167	6,931	1,317	-	910	1,449	13	3,689
	2,649	13,588	1,734	2,381	344	20,696	1,317	-	910	1,449	13	3,689

* *Compensation shown in the table includes an amount of RM0.8 million which arose from LTIP allocations that were attributed to the 2-year period from 2022 to 2023, and were vested/exercised in the period from 1 July to 31 December 2024. The related share based expenses have been recognised over the period of LTIP scheme.*

** *Compensation shown in the table includes an amount of RM2.7 million which arose from LTIP allocations that were attributed to the 3-year period from 2021 to 2023, and were vested/exercised in the period from 1 January to 30 June 2024. The related share based expenses have been recognised over the period of LTIP scheme.*

The Directors and Officers of the Group and the Company are covered by Directors and Officers liability insurance for any liability incurred in the discharge of their duties, provided that they have not acted fraudulently or dishonestly or derived any personal profit or advantage. The insurance premium paid during the financial year for the Group and the Company amounted to RM1,477,410 (2024: RM1,555,167) and RM Nil (2024: RM Nil).

Notes to the Financial Statements

for the financial year ended 31 December 2025

45 TAXATION AND ZAKAT

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Taxation based on the profit for the financial year:				
– Malaysian income tax	**1,585,280**	1,556,102	**2,501**	3,424
– Foreign tax	**975,650**	473,426	**–**	–
	2,560,930	2,029,528	**2,501**	3,424
Deferred taxation (Note 12)	**74,171**	469,041	**–**	(2)
Under/(over) provision in prior years	**305**	(34,021)	**252**	318
	2,635,406	2,464,548	**2,753**	3,740
Zakat	**16,200**	12,000	**–**	–
	2,651,606	2,476,548	**2,753**	3,740

Reconciliation between tax charge and the Malaysian tax rate:

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Profit before taxation and zakat	**10,680,036**	10,395,928	**4,624,214**	5,697,746
Less: Share of results of joint ventures	**(88,303)**	(16,555)	**–**	–
Share of results of associates	**(5,293)**	(2,207)	**–**	–
	10,586,440	10,377,166	**4,624,214**	5,697,746
Tax calculated at a rate of 24%	**2,540,746**	2,490,520	**1,109,811**	1,367,459
Income not subject to tax	**(208,245)**	(170,412)	**(1,162,044)**	(1,364,037)
Effects of different tax rates in other countries	**(51,564)**	(62,099)	**–**	–
Expenses not deductible for tax purposes	**354,164**	240,649	**54,734**	–
Utilisation/recognition of previously unrecognised deferred tax assets	**–**	(89)	**–**	–
Under/(over) provision in prior years	**305**	(34,021)	**252**	318
Tax expense	**2,635,406**	2,464,548	**2,753**	3,740

Pillar Two legislation was enacted in Malaysia on 29 December 2023 and is effective for in-scope multinational groups from financial years beginning 1 January 2025. Pillar Two introduces a global minimum Effective Tax Rate (ETR) via a system where multinational groups with consolidated revenue over EUR 750 million (in at least two of the last four years immediately preceding the tested year) are subject to a minimum ETR of 15% on income arising in low-tax jurisdictions. CIMB Group meets the conditions, and hence, is within the scope of Pillar Two legislation.

As provided in the amendments to MFRS 112 – Income Taxes, the Group applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes.

The Group is subject to Pillar Two rules in Australia, the United Kingdom and Vietnam, where the local Pillar Two legislation became effective on 1 January 2024. In addition, the Pillar Two rules came into effect on 1 January 2025 for Malaysia, Hong Kong, Indonesia, Singapore and Thailand. Although British Virgin Islands, Cambodia, China, India, the Philippines, Sri Lanka and the Cayman Islands have not yet enacted Pillar Two legislation, an assessment is still required for these jurisdictions as any Pillar Two tax exposure will be picked up by the Ultimate Parent Entity in Malaysia.

Based on the Group's assessment, the application of the Pillar 2 legislation has no material impact to the Group's annual effective tax rate.

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for the financial year ended 31 December 2025

46 EARNINGS PER SHARE

(A) BASIC EARNINGS PER SHARE

Basic earnings per share of the Group are 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 year.

	2025	2024
Net profit attributable to equity holders of the parent (RM'000)	**7,859,552**	7,728,049
Weighted average number of ordinary shares in issue ('000)	**10,754,212**	10,692,867
Basic earnings per share (expressed in sen per share)	**73.08**	72.27

(B) DILUTED EARNINGS PER SHARE

During the financial year ended 31 December 2025 and 31 December 2024, diluted EPS is calculated by dividing the net profit attributable to equity holders of the Parent, which require no adjustment for the effects of dilutive potential ordinary shares, by the weighted average number of ordinary shares in issue during the financial year and the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

	2025	2024
Net profit attributable to equity holders of the parent (RM'000)	**7,859,552**	7,728,049
Weighted average number of ordinary shares in issue ('000)		
– during the year	**10,754,212**	10,692,867
– effect of dilutive of potential ordinary shares[1]	**21,871**	45,927
Weighted average number of ordinary shares for diluted EPS	**10,776,083**	10,738,794
Diluted earnings per share (expressed in sen per share)	**72.94**	71.96

[1] *The dilutive potential ordinary shares is arising from Employee Share Option Scheme ("ESOS") and Shares Grant Plan ("SGP"). The SGP is a restricted share unit scheme where vesting is subject to performance conditions. The number of shares calculated as above is compared with the number of shares that would have been issued assuming performance conditions are achieved.*

Notes to the Financial Statements

for the financial year ended 31 December 2025

47 DIVIDENDS PER ORDINARY SHARE

	The Group and the Company			
	2025		2024	
	Gross per share sen	Amount of dividend net of tax RM'000	Gross per share sen	Amount of dividend net of tax RM'000
Interim dividend in respect of previous year	**20.00**	**2,146,979[a]**	18.50	1,973,044[d]
Special interim dividend in respect of previous year	**–**	**–**	7.00	746,557[e]
Interim dividend in respect of current year	**19.75**	**2,126,270[b]**	20.00	2,142,208[f]
Special interim dividend in respect of current year	**7.00**	**755,288[c]**	7.00	749,773[g]
	46.75	**5,028,537**	52.50	5,611,582

(a) *The dividend of 20.00 sen per ordinary share amounting to RM2,146,978,741 was paid on 27 March 2025.*
(b) *The dividend of 19.75 sen per ordinary share amounting to RM2,126,269,991 was paid on 30 September 2025.*
(c) *The dividend of 7.00 sen per ordinary share amounting to RM755,287,653 was paid on 24 December 2025.*
(d) *The dividend of 18.50 sen per ordinary share amounting to RM1,973,043,893 was paid on 3 April 2024.*
(e) *The dividend of 7.00 sen per ordinary share amounting to RM746,557,119 was paid on 3 April 2024.*
(f) *The dividend of 20.00 sen per ordinary share amounting to RM2,142,207,818 was paid on 27 September 2024.*
(g) *The dividend of 7.00 sen per ordinary share amounting to RM749,772,736 was paid on 27 September 2024.*

Dividends recognised as distributions to owners:

The single-tier second interim dividend for the previous financial year were approved by the Board of Directors on 27 January 2025 and paid in the current financial year. This is shown as a deduction from the retained earnings in the statements of changes in equity in the current financial year.

The Board of Directors have proposed a single-tier first interim dividend of 19.75 sen per ordinary share for the financial year ended 31 December 2025. Based on the issued and paid-up ordinary shares of 10,753,153,282 as at 30 June 2025, the proposed first interim dividend will amount to approximately RM2,124 million. Upon the full exercise of vested ESOS of up to 106,662,920 new ordinary shares under the LTIP scheme, the proposed single-tier first interim dividend of 19.75 sen per ordinary share for the financial year ended 31 December 2025 will amount up to approximately RM2,145 million. The single-tier first interim dividend of 19.75 sen per ordinary share was approved by the Board of Directors on 31 July 2025. On 30 September 2025, the single-tier first interim dividend amounting to RM2,126,269,991 was paid.

The Board of Directors have proposed a special cash dividend of 7.00 sen per ordinary share for the financial year ended 31 December 2025. Based on the issued and paid-up ordinary shares of 10,767,733,282 as at 30 September 2025, the proposed special cash dividend will amount to approximately RM754 million. Upon the full exercise of vested ESOS of up to 92,082,920 new ordinary shares under the LTIP scheme, the proposed special cash dividend of 7.00 sen per ordinary share for the financial year ended 31 December 2025 will amount up to approximately RM760 million. The special cash dividend of 7.00 sen per ordinary share was approved by the Board of Directors on 30 October 2025. On 24 December 2025, the special dividend amounting to RM755,287,653 was paid.

The Board of Directors have proposed a single-tier second interim dividend of 20.35 sen per ordinary share for the financial year ended 31 December 2025. Based on the issued and paid-up ordinary shares of 10,790,968,415 as at 31 December 2025, the proposed second interim dividend amounts to approximately RM2,196 million. Upon the full exercise of vested ESOS of up to 68,847,787 new ordinary shares under the LTIP scheme, the proposed single-tier second interim dividend of 20.35 sen per ordinary share for the financial year ended 31 December 2025 will amount up to approximately RM2,210 million. The single-tier second interim dividend was approved by the Board of Directors on 29 January 2026.

The Financial Statements for the current financial year do not reflect the proposed single-tier second interim dividend. Such dividend will be accounted for in equity as an appropriation of retained earnings in the next financial year ending 31 December 2026.

The Directors do not recommend the payment of any final dividend for the financial year ended 2025.

Notes to the Financial Statements

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48 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

For the purposes of these financial statements, parties (both companies and key management personnel) are considered to be related to the Group if the Group or the Company has the ability, directly or indirectly to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Company and the party are subject to common control or common significant influence.

(A) THE RELATED PARTIES OF, AND THEIR RELATIONSHIP WITH THE COMPANY, ARE AS FOLLOWS:

Related parties	Relationship
Subsidiaries of the Company as disclosed in Note 14	Subsidiaries
Associates of the Company as disclosed in Note 15	Associates
Joint ventures as disclosed in Note 16	Joint ventures
Key management personnel	See below

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Group and the Company either directly or indirectly. The key management personnel of the Group and the Company include all the Directors of the Company and employees of the Group who make certain critical decisions in relation to the strategic direction of the Group.

(B) RELATED PARTY TRANSACTIONS

In addition to related party disclosures mentioned elsewhere in the Financial Statements, set out below are other significant related party transactions. These transactions were carried out at terms not less favourable to other parties.

	Subsidiaries		Associates and joint ventures		Key management personnel	
Related party transactions	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
The Group						
Income earned						
Interest on loans, advances and financing	**–**	–	**–**	–	**21,705**	11,571
Fee income	**–**	–	**4,733**	10,700	**–**	–
Placement commission	**–**	–	**50,882**	6,926	**–**	–
Others (Note (a))	**–**	–	**206,555**	99,946	**3**	3
Expenditure incurred						
Interest on deposits from customers and securities sold under repurchase agreements/Collateralised Commodity Murabahah	**–**	–	**1,863**	2,121	**7,067**	77
Others	**–**	–	**45**	33	**–**	–

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48 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(B) RELATED PARTY TRANSACTIONS (CONTINUED)

	Subsidiaries		Associates and joint ventures		Key management personnel	
Related party transactions	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000	2025 RM'000	2024 RM'000
The Company						
Income earned						
Interest on deposits and placements with banks and financial institutions	**12,016**	15,481	**-**	–	**-**	–
Dividend income	**4,841,849**	5,919,569	**-**	–	**-**	–
Interest income on debt instruments at amortised cost	**368,789**	345,631	**-**	–	**-**	–
Interest income on debt instruments at fair value through other comprehensive income	**45,227**	46,928	**-**	–	**-**	–
Expenditure incurred						
Interest on revolving credit	**1,104**	–	**-**	–	**-**	–
Professional fees	**1,176**	3,721	**-**	–	**-**	–
Group services expense	**12,472**	10,998	**-**	–	**-**	–
Others	**838**	4,840	**-**	–	**-**	–

Note (a): Others mainly includes income on outsourcing services and interest on short term borrowing to PCSB, joint venture of the CIMB Bank amounting to RM206,529,000 (2024: RM99,919,000).

The breakdown of expenditure by geographical is as follows:

	2025				
	<---------- The Group ---------->		<---------- The Company ---------->		
	Interest expense RM'000	Others RM'000	Interest expense RM'000	Others RM'000	Group services expense RM'000
Malaysia	**1,418**	**45**	**1,104**	**2,014**	**12,472**
Singapore	**445**	**-**	**-**	**-**	**-**
	1,863	**45**	**1,104**	**2,014**	**12,472**

	2024				
	<---------- The Group ---------->		<---------- The Company ---------->		
	Interest expense RM'000	Others RM'000	Interest expense RM'000	Others RM'000	Group services expense RM'000
Malaysia	1,334	33	–	8,561	10,998
Singapore	787	–	–	–	–
	2,121	33	–	8,561	10,998

Notes to the Financial Statements
for the financial year ended 31 December 2025

48 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(C) RELATED PARTY BALANCES

	Subsidiaries		Associates and joint ventures		Key management personnel	
Related party balances	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
The Group						
Amount due from						
Loans, advances and financing	**–**	–	**–**	–	**44,089**	22,885
Others	**–**	–	**5,230,724**	4,613,966	**–**	–
Amount due to						
Deposits from customers and securities sold under repurchase agreements/ Collateralised Commodity Murabahah	**–**	–	**82,959**	87,937	**94,290**	32,132
Others	**–**	–	**34**	38,799	**–**	–
The Company						
Amount due from						
Demand deposits, savings and fixed deposits	**266,561**	407,956	**–**	–	**–**	–
Debt instruments at fair value through other comprehensive income	**614,441**	1,157,825	**–**	–	**–**	–
Debt instruments at amortised cost	**10,053,045**	8,469,822	**–**	–	**–**	–
Amount due to						
Others	**4,915**	3,768	**–**	–	**–**	–

Other inter-company balances are unsecured, non-interest bearing and repayable on demand.

(D) KEY MANAGEMENT PERSONNEL

KEY MANAGEMENT COMPENSATION

	The Group		The Company	
	2025 RM'000	**2024 RM'000**	**2025 RM'000**	**2024 RM'000**
Salaries and other employee benefits[#]	**89,847**	99,373	**13,882**	12,008

	The Group		The Company	
	2025 units	**2024 units**	**2025 units**	**2024 units**
Shares of the Company awarded from EOP	**2,915,904**	254,535	**–**	–
Shares of the Company awarded from LTIP				
– ESOS	**–**	–	**–**	–
– SGP	**–**	250,000	**–**	–

 # includes compensation paid by subsidiaries

Notes to the Financial Statements

for the financial year ended 31 December 2025

48 SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONTINUED)

(D) KEY MANAGEMENT PERSONNEL (CONTINUED)

KEY MANAGEMENT COMPENSATION (CONTINUED)

Included in the above table is the Executive Directors' compensation which is disclosed in Note 44. The share options and shares granted are on the same terms and conditions as those offered to other employees of the Group and the Company as disclosed in Note 49 to the Financial Statements.

During the financial year, share based payment expenses to key management personnel of the Group and the Company amounted to RM29,884,000 (2024: RM29,366,000) and RM Nil (2024: RM Nil) respectively.

Loans made to other key management personnel of the Group and the Company are on similar terms and conditions generally available to other employees within the Group. There is no ECL made in 2025 and 2024 for the loans, advances and financing made to the key management personnel.

(E) CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES

Credit exposures with connected parties as per Bank Negara Malaysia's revised "Guidelines on Credit Transactions and Exposures with Connected Parties" which became effective in 2008 are as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
Outstanding credit exposures with connected parties	**23,628,253**	15,897,713
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	**3.6%**	2.6%
Percentage of outstanding credit exposures to connected parties which is impaired or in default	**0.0%**	0.0%

(F) TRANSACTIONS WITH SHAREHOLDERS AND GOVERNMENT

Khazanah Nasional Berhad ("KNB"), the major shareholder of the Company, owns 21.42% of the issued share capital of the Company (2024: 21.54%). KNB is an entity controlled by the Malaysian Government. The Group considers that, for the purpose of MFRS 124 "Related Party Disclosures", KNB and the Malaysian Government are in the position to exercise significant influence over it. As a result, the Malaysian Government and Malaysian Government controlled bodies (collectively referred to as "government-related entities") are related parties of the Group and the Company.

The Group and the Company have collectively, but not individually, entered into significant transactions with other government-related entities which include but not limited to the following:

- Purchase of securities issued by government-related entities
- Lending to government-related entities
- Deposit placing with and deposit taking from government-related entities

These transactions are conducted in the ordinary course of the Group's business on agreed terms and consistently applied in accordance with the Group's internal policies and processes. These rates do not depend on whether the counterparties are government-related entities or not.

Notes to the Financial Statements
for the financial year ended 31 December 2025

49 EMPLOYEE BENEFITS

EQUITY OWNERSHIP PLAN ("EOP")

The EOP was introduced on 1 April 2011 by the Group where the Group will grant ordinary shares of the Company to selected employees in the Group. Under the EOP, earmarked portions of variable remuneration of the selected employees of the Group will be utilised to purchase ordinary shares of the Company from the open market. The purchased shares will be released progressively to the eligible employees at various dates subsequent to the purchase date, subject to continued employment. A subsidiary company will act on behalf of the Group to administer the EOP and to hold the shares in trust up to the pre-determined transfer date. The eligibility of participation in the EOP shall be at the discretion of the Group Nomination and Remuneration Committee of the Group.

Upon termination of employment other than retirement, disability or death, any unreleased shares will cease to be transferable to the employee and will be disposed accordingly. In the event of retirement, disability or death of the eligible employee, the release of shares will be accelerated to the date of termination of employment and the shares will be assigned to the designated beneficiary.

The total share-based payment expenses of the Group recognised in statement of income during the financial year amounted to RM36,018,000 (2024: RM17,340,000).

The weighted average fair value of shares awarded under EOP which were purchased over a period of 10 trading days was RM6.90 per ordinary share (2024: RM6.88), based on observable market price.

Movements in the number of the Company's ordinary shares awarded are as follows:

	2025 Total Shares (units '000)	2024 Total Shares (units '000)
At 1 January	**4,652**	5,684
Awarded	**8,351**	2,327
Released	**(4,214)**	(3,359)
At 31 December	**8,789**	4,652

LONG TERM INCENTIVE PLAN ("LTIP")

The Group implemented a Long Term Incentive Plan (LTIP) on 9 June 2021, which was approved by the shareholders at the Extraordinary General Meeting held on 15 April 2021. The LTIP is governed by the LTIP by-laws and is administered by the LTIP Committee.

The LTIP is awarded to employees who hold senior management positions and key roles within the CIMB Group and its subsidiary companies, and who fulfill the eligibility criteria and have been approved for participation by the LTIP Committee. Any LTIP awards made to Executive Directors (or any persons connected to the directors) is subject to the approval of the shareholders at a general meeting.

The LTIP, which is valid for 7 years from the implementation date, comprises of 2 performance-based plans – the Employee Share Option Scheme (ESOS) and the Share Grant Plan (SGP).

- The ESOS is a share option scheme with a premium on the exercise price, and the LTIP Committee may, at any time within the duration of the LTIP, grant an ESOS award to eligible employees, subject to the terms and conditions of the by-laws. The ESOS shares may be settled through issuance and transfer of new shares, or other modes of settlement as provided by the by-laws.
- The SGP is a restricted share unit scheme where vesting is subject to performance conditions, and the LTIP Committee may, at any time within the duration of the LTIP, grant an SGP award to eligible employees, subject to the terms and conditions of the by-laws. The SGP shares may be settled through issuance and transfer of new shares, or other modes of settlement as provided by the by-laws.

Notes to the Financial Statements

for the financial year ended 31 December 2025

49 EMPLOYEE BENEFITS (CONTINUED)

LONG TERM INCENTIVE PLAN ("LTIP") (CONTINUED)

(i) Details of ESOS shares awarded:

Award Date	Fair Value RM	Awarded (Units '000)	Vesting Dates
9 June 2021 – First grant	0.45	216,758	31 March 2024
			31 March 2025
31 March 2022 – Second grant	0.75	8,991	31 March 2024
			31 March 2025
8 September 2022 – Third grant	0.74	3,430	31 March 2024
			31 March 2025
8 December 2022 – Fourth grant	0.81	660	31 March 2024
			31 March 2025

The following table indicates the number and movement of ESOS shares during the financial year ended 31 December 2025:

Award Date	As at 1 January 2025 (Units '000)	Movement during the year			Outstanding as at 31 December 2025 (Units '000)	Exercisable as at 31 December 2025 (Units '000)
		Awarded (Units '000)	Exercised (Units '000)	Expired/ Forfeited (Units '000)		
9 June 2021 – First grant	116,091	–	(52,558)	(644)	62,889	62,889
31 March 2022 – Second grant	6,407	–	(1,232)	–	5,175	5,175
8 September 2022 – Third grant	2,043	–	(1,259)	–	784	784
8 December 2022 – Fourth grant	330	–	(330)	–	–	–

The fair value of ESOS shares awarded was determined using the Black Scholes model based on the terms and conditions of ESOS awards. The fair value of ESOS shares measured, closing share price at grant date and the valuation assumptions are as follows:

	Award Date			
	9 June 2021 – First grant	31 March 2022 – Second grant	8 September 2022 – Third grant	8 December 2022 – Fourth grant
Fair value of ESOS shares (RM)	0.45	0.75	0.74	0.81
Exercise Price (RM)	4.96	5.58	5.75	5.93
Closing share price at award date (RM)	4.65	5.33	5.40	5.61
Option term	From award date until 8 June 2028	From award date until 8 June 2028	From award date until 8 June 2028	From award date until 8 June 2028
Expected volatility (%)	23.60	24.85	25.04	25.62
Risk-free rate (%)	2.87	3.50	3.82	3.69
Discounted dividend flow	2.05	1.72	1.67	1.63

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for the financial year ended 31 December 2025

49 EMPLOYEE BENEFITS (CONTINUED)
LONG TERM INCENTIVE PLAN ("LTIP") (CONTINUED)

(ii) Details of SGP shares awarded:

Award Date	Fair Value RM	Awarded (Units '000)	Vesting Dates*
9 June 2021 – First grant	4.65	15,748	31 March 2024
			31 March 2025
31 March 2022 – Second grant	5.33	1,965	31 March 2024
			31 March 2025
8 September 2022 – Third grant	5.40	736	31 March 2024
			31 March 2025
8 December 2022 – Fourth grant	5.61	142	31 March 2024
			31 March 2025
12 January 2024 – Fifth grant	5.92	250	31 March 2025

* *Subject to performance conditions*

The following table indicates the number and movement of SGP shares during the financial year ended 31 December 2025:

Award Date	As at 1 January 2025 (Units '000)	Movement during the year			As at 31 December 2025 (Units '000)
		Awarded (Units '000)	Vested (Units '000)	Forfeited (Units '000)	
9 June 2021 – First grant	6,072	–	(5,258)	(814)	–
31 March 2022 – Second grant	967	–	(840)	(127)	–
8 September 2022 – Third grant	364	–	(320)	(44)	–
8 December 2022 – Fourth grant	71	–	(60)	(11)	–
12 January 2024 – Fifth grant	250	–	(210)	(40)	–

The fair value of SGP shares awarded was determined using the closing market price of CIMB shares on the award date, as shown below:

	Award Date				
	9 June 2021 – First grant	31 March 2022 – Second grant	8 September 2022 – Third grant	8 December 2022 – Fourth grant	12 January 2024 – Fifth grant
Fair value of SGP Shares (RM)	4.65	5.33	5.40	5.61	5.92
Closing share price at award date (RM)	4.65	5.33	5.40	5.61	5.92

Notes to the Financial Statements

for the financial year ended 31 December 2025

49 EMPLOYEE BENEFITS (CONTINUED)

EMPLOYEE STOCK OPTION MANAGEMENT PROGRAM ESTABLISHED USING THE SHARES OF SUBSIDIARY OF THE COMPANY – PT BANK CIMB NIAGA ("MESOP")

The MESOP is a one-time program to reward performance and loyalty of management and selected employees. The amount implemented is 208,216,392 shares which was approved at the Extraordinary General Meeting of Shareholders on 24 August 2017. This program was launched on 26 February 2018.

The amount of shares allocated to each employees is determined by considering the compensation received, current positions in the company, and performance of the past 2 years. The total amount of shares allocated to the MESOP program is 208.2 million shares, in which 12 millions of shares will be allocated for the share grants and 196.2 millions of shares for the share options. The first 40% of the share options are vested on 26 February 2018 (with condition of lock-up period up to 25 October 2018), another 30% of options are vested on 25 April 2019, and the last 30% of options are vested on 25 April 2020. Every share options corridor has different strike prices.

There are no dividends paid to share option holders before the option is exercised. All treasury shares that were repurchased on 22 February 2018 but not transferred up to 22 February 2021, must be made at the latest within 2 years and will be extended for another 1 year ending 22 February 2024, should the shares not fully transferred, based on POJK No.30/POJK.04/2017. During the year ended 31 December 2024, the Bank has released all remaining unexercised treasury shares on the stock exchange in accordance with applicable regulations.

The total share-based payment expenses of the Group recognised in statement of income during the financial year amounting to RM Nil (2024: RM Nil).

MATERIAL RISK TAKERS PROGRAMME ("MRT") ESTABLISHED USING THE SHARES OF SUBSIDIARY OF THE COMPANY – PT BANK CIMB NIAGA

In accordance with POJK No. 45/POJK.03/2015 concerning the Implementation of Governance in Providing Remuneration for Commercial Banks, Banks are required to provide variable remuneration in the form of shares or stock-based instruments to parties that have been designated as Material Risk Takers (MRT), which is a remuneration policy in attracting, motivating and retaining the best employees in order to provide qualified human resources. The remuneration policy includes and applies to employees in businesses, operational and support functions.

On 25 March 2019, CIMB Niaga has obtained the OJK approval through letter No.S-19/PB.33/2019 dated 25 March 2019 to repurchase shares of a maximum of 20,000,000 (full amount) shares at a cost of up to Rp25,000 (including transaction fees and taxes).

During the year ended 31 December 2025, the total treasury shares which were granted to employees were 2,721,500 (2024: 2,946,600) (full amount) shares.

As at 31 December 2025, the remaining treasury shares of 1,686,800 (2024: 4,240,300) (full amount) shares were used for MRT programme.

The total share-based payment expenses of the Group recognised in statement of income during the financial year amounting to RM72,000 (2024: RM48,000).

Notes to the Financial Statements

for the financial year ended 31 December 2025

50 CAPITAL COMMITMENTS

Capital expenditure approved by Directors but not provided for in the Financial Statements are as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
Capital expenditure:		
Authorised and contracted for	**286,104**	118,383
Authorised but not contracted for	**1,450,240**	1,411,018
	1,736,344	1,529,401

Analysed as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
Property, plant and equipment	**803,071**	610,660
Software development	**–**	3,309
Computer software	**933,273**	915,432
	1,736,344	1,529,401

51 COMMITMENTS AND CONTINGENCIES

(i) In the normal course of business, the Group and the Company 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 Company, 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.

Treasury related 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. Refer to Note 9.

The notional or principal amount of the credit-related commitments and contingencies constitute the following:

The Group	**2025 Principal RM'000**	**2024 Principal RM'000**
Credit-related		
Direct credit substitutes	**4,744,913**	4,603,489
Certain transaction-related contingent items	**7,995,927**	7,509,478
Short-term self-liquidating trade-related contingencies	**4,983,218**	5,755,914
Obligations under underwriting agreement	**286,479**	173,002
Irrevocable commitments to extend credit:		
– maturity not exceeding one year	**108,653,587**	127,509,118
– maturity exceeding one year	**34,784,548**	33,039,876
Miscellaneous commitments and contingencies	**522,823**	3,889,094
Total credit-related commitments and contingencies	**161,971,495**	182,479,971
Total treasury-related commitments and contingencies (Note 9)	**1,912,546,104**	1,780,459,528
	2,074,517,599	1,962,939,499

Notes to the Financial Statements

for the financial year ended 31 December 2025

51 COMMITMENTS AND CONTINGENCIES (CONTINUED)

(i) Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account (refer to Note 10 for more details) as follows:

	The Group	
	2025 Principal RM'000	**2024 Principal RM'000**
Irrevocable commitments to extend credit:		
– maturity not exceeding one year	**2,100,000**	3,700,000
– maturity exceeding one year	**–**	500,000
	2,100,000	4,200,000

(ii) CIMB Bank has given a continuing guarantee to Bank Negara Malaysia to meet the liabilities and financial obligations and requirements of its subsidiary, CIMB Bank (L) Limited, arising from its offshore banking business in the Federal Territory of Labuan.

52 SEGMENT REPORTING

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.

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

(A) BUSINESS SEGMENT REPORTING

Definition of segments

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

(i) 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.

(ii) 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.

Notes to the Financial Statements

for the financial year ended 31 December 2025

52 SEGMENT REPORTING (CONTINUED)

(A) BUSINESS SEGMENT REPORTING (CONTINUED)

(iii) 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.

- The equities business/unit 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.

(iv) CIMB Digital Assets & Group Funding

CIMB Digital Assets comprises CIMB's portfolio of digital businesses and ventures, which includes Touch 'n Go and TNG Digital (collectively Touch 'n Go Group), as well as CIMB's digital banking businesses in the Philippines and Vietnam. This segment focuses on value creation in these franchises through equity and non-equity partnerships, in addition to driving strategy, growth and overseeing the execution of these businesses. 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.

Notes to the Financial Statements

for the financial year ended 31 December 2025

52 SEGMENT REPORTING (CONTINUED)

(A) BUSINESS SEGMENT REPORTING (CONTINUED)

	31 December 2025				
Group	**Consumer Banking RM'000**	**Commercial Banking RM'000**	**Wholesale Banking RM'000**	**CIMB Digital Assets & Group Funding RM'000**	**Total RM'000**
Net interest income – after modification loss					
– External income	**4,854,002**	**1,170,336**	**3,432,444**	**1,806,394**	**11,263,176**
– Inter-segment income/(expense)	**161,125**	**1,018,356**	**(1,048,103)**	**(131,378)**	**–**
	5,015,127	**2,188,692**	**2,384,341**	**1,675,016**	**11,263,176**
Income from Islamic Banking operations	**1,964,204**	**1,278,086**	**832,935**	**883,558**	**4,958,783**
Net non-interest income	**2,119,033**	**643,379**	**2,985,392**	**497,649**	**6,245,453**
Net income	**9,098,364**	**4,110,157**	**6,202,668**	**3,056,223**	**22,467,412**
Overheads of which:	**(5,155,893)**	**(2,114,544)**	**(2,375,005)**	**(981,474)**	**(10,626,916)**
– Depreciation of property, plant and equipment	**(80,459)**	**(3,638)**	**(10,114)**	**(176,618)**	**(270,829)**
– Amortisation of intangible assets	**(139,543)**	**(14,509)**	**(83,041)**	**(294,857)**	**(531,950)**
Profit before expected credit losses	**3,942,471**	**1,995,613**	**3,827,663**	**2,074,749**	**11,840,496**
Expected credit losses (made)/written back on loans, advances and financing	**(1,161,750)**	**(194,524)**	**533,326**	**(559,381)**	**(1,382,329)**
Expected credit losses written back/(made) for commitments and contingencies	**27,862**	**(1,667)**	**(34)**	**2**	**26,163**
Other expected credit losses and impairment allowances (made)/written back	**(13,071)**	**(5,978)**	**148,817**	**(27,658)**	**102,110**
Segment results	**2,795,512**	**1,793,444**	**4,509,772**	**1,487,712**	**10,586,440**
Share of results of joint ventures	**5,565**	**–**	**–**	**82,738**	**88,303**
Share of results of associates	**–**	**–**	**–**	**5,293**	**5,293**
Profit before taxation and zakat	**2,801,077**	**1,793,444**	**4,509,772**	**1,575,743**	**10,680,036**
Taxation and zakat					**(2,651,606)**
Profit for the financial year					**8,028,430**
Segment assets	**240,548,942**	**73,141,877**	**322,403,738**	**117,742,591**	**753,837,148**
Investment in associates and joint ventures	**151,773**	**–**	**–**	**2,228,748**	**2,380,521**
	240,700,715	**73,141,877**	**322,403,738**	**119,971,339**	**756,217,669**
Unallocated assets	**–**	**–**	**–**	**–**	**22,506,721**
Total assets	**240,700,715**	**73,141,877**	**322,403,738**	**119,971,339**	**778,724,390**
Segment liabilities	**219,677,778**	**100,780,164**	**318,148,614**	**41,747,649**	**680,354,205**
Unallocated liabilities	**–**	**–**	**–**	**–**	**26,462,419**
Total liabilities	**219,677,778**	**100,780,164**	**318,148,614**	**41,747,649**	**706,816,624**
Other segment items					
Capital expenditure	**341,574**	**22,830**	**122,167**	**642,047**	**1,128,618**
Investment in joint ventures	**151,773**	**–**	**–**	**2,174,619**	**2,326,392**
Investment in associates	**–**	**–**	**–**	**54,129**	**54,129**

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for the financial year ended 31 December 2025

52 SEGMENT REPORTING (CONTINUED)
(A) BUSINESS SEGMENT REPORTING (CONTINUED)

	31 December 2024				
Group	**Consumer Banking RM'000**	**Commercial Banking RM'000**	**Wholesale Banking RM'000**	**CIMB Digital Assets & Group Funding RM'000**	**Total RM'000**
Net interest income – after modification loss					
– External income	4,509,692	1,217,679	4,093,764	1,542,716	11,363,851
– Inter-segment income/(expense)	816,944	1,066,923	(1,863,295)	(20,572)	–
	5,326,636	2,284,602	2,230,469	1,522,144	11,363,851
Income from Islamic Banking operations	2,028,407	1,217,341	743,839	750,998	4,740,585
Net non-interest income	1,845,816	652,216	3,311,459	387,227	6,196,718
Net income	9,200,859	4,154,159	6,285,767	2,660,369	22,301,154
Overheads of which:	(5,278,614)	(2,087,903)	(2,462,525)	(591,189)	(10,420,231)
– Depreciation of property, plant and equipment	(98,950)	(4,257)	(10,531)	(187,244)	(300,982)
– Amortisation of intangible assets	(164,382)	(16,342)	(82,929)	(279,983)	(543,636)
Profit before expected credit losses	3,922,245	2,066,256	3,823,242	2,069,180	11,880,923
Expected credit losses made on loans, advances and financing	(1,046,112)	27,185	22,983	(372,836)	(1,368,780)
Expected credit losses written back/(made) for commitments and contingencies	176,827	(16,587)	83,639	(4)	243,875
Other expected credit losses and impairment allowances (made)/written back	(222,112)	(11,423)	(81,547)	(63,770)	(378,852)
Segment results	2,830,848	2,065,431	3,848,317	1,632,570	10,377,166
Share of results of joint ventures	(6,103)	–	–	22,658	16,555
Share of results of associates	–	–	–	2,207	2,207
Profit before taxation and zakat	2,824,745	2,065,431	3,848,317	1,657,435	10,395,928
Taxation and zakat					(2,476,548)
Profit for the financial year					7,919,380
Segment assets	234,993,752	75,158,365	312,540,214	110,356,062	733,048,393
Investment in associates and joint ventures	146,208	–	–	2,188,754	2,334,962
	235,139,960	75,158,365	312,540,214	112,544,816	735,383,355
Unallocated assets	–	–	–	–	19,747,348
Total assets	235,139,960	75,158,365	312,540,214	112,544,816	755,130,703
Segment liabilities	221,005,651	99,441,315	304,056,370	36,064,797	660,568,133
Unallocated liabilities	–	–	–	–	23,723,680
Total liabilities	221,005,651	99,441,315	304,056,370	36,064,797	684,291,813
Other segment items					
Capital expenditure	374,737	18,556	143,856	378,781	915,930
Investment in joint ventures	146,208	–	–	2,133,414	2,279,622
Investment in associates	–	–	–	55,340	55,340

Notes to the Financial Statements

for the financial year ended 31 December 2025

52 SEGMENT REPORTING (CONTINUED)

(A) BUSINESS SEGMENT REPORTING (CONTINUED)

Basis of pricing for inter-segment transfers:

Inter-segmental charges are computed principally based on the interest-bearing assets and liabilities of each business segment with appropriate rates applied.

(B) GEOGRAPHICAL SEGMENT REPORTING

The Group's business segments are managed on a worldwide basis and they operate mainly in four main geographical areas:

- Malaysia, the home country of the Group, which includes all the areas of operations in the business segments.
- Indonesia, the areas of operation in this country include all the business segments of a subsidiary bank, PT Bank CIMB Niaga Tbk.
- Thailand, the areas of operation in this country include all the business segments of a subsidiaries, CIMB Thai Bank Public Company Limited and Sathorn Asset Management Company Limited.
- Singapore, the areas of operation in this country include all the business segments of a subsidiary bank, CIMB branch in Singapore.
- Other countries include branch and subsidiary operations in United Kingdom, China, Cambodia, Hong Kong, Vietnam and Philippines. The overseas operations involved mainly in corporate lending and borrowing, and stockbroking activities. With the exception of Malaysia, Indonesia, Thailand and Singapore, no other individual country contributed more than 10% of the consolidated net interest income or assets.

The Group	Net interest income RM'000	Total non-current assets RM'000	Total assets RM'000	Total liabilities RM'000
2025				
Malaysia	**5,012,440**	**11,080,133**	**477,606,035**	**437,979,130**
Indonesia	**3,014,318**	**1,139,377**	**89,841,214**	**76,582,059**
Thailand	**1,137,795**	**289,168**	**69,379,277**	**62,537,879**
Singapore	**975,853**	**269,486**	**103,592,088**	**96,431,841**
Other countries	**1,122,770**	**229,175**	**38,305,776**	**33,285,715**
	11,263,176	**13,007,339**	**778,724,390**	**706,816,624**
2024				
Malaysia	4,778,183	11,075,151	465,029,007	420,320,453
Indonesia	3,193,655	1,324,231	98,881,857	85,016,295
Thailand	1,335,164	309,325	66,621,874	59,860,811
Singapore	1,133,929	255,602	102,792,045	96,586,965
Other countries	922,920	229,719	21,805,920	22,507,289
	11,363,851	13,194,028	755,130,703	684,291,813

Notes to the Financial Statements
for the financial year ended 31 December 2025

53 SIGNIFICANT EVENTS

53.1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

(a) Issuance of bonds and Sukuk

(i) On 13 March 2025, CIMB Niaga Auto Finance issued unsecured IDR1,600,000 million bonds. The bonds were divided into 370-day Series A Bond and 3-year Series B Bond amounting to IDR1,200,000 million and IDR400,000 million, with fixed interest rates of 6.70% and 7.00% per annum respectively, as disclosed in Note 30(ad);

(ii) On 25 March 2025, CIMB Bank issued RM200 million of senior MTN under its RM20.0 billion Senior MTN Programme. The MTN bears a coupon rate of 4.00% per annum, as disclosed in Note 30(ae);

(iii) On 25 March 2025, CIMB Islamic issued RM500 million 10-year fixed rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk bears a profit rate of 3.97% per annum payable semi-annually, as disclosed in Note 30(af);

(iv) On 8 August 2025, CIMB Islamic issued RM200 million 2.25-year floating rate senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk bears a profit rate of 3 month KLIBOR plus 0.3% per annum payable quarterly, as disclosed in Note 30(ag);

(v) On 3 September 2025, CIMB Niaga Auto Finance issued unsecured IDR1,500,000 million bonds. The bonds were divided into 370-day Series A Bond and 3-year Series B Bond amounting to IDR1,105,000 million and IDR395,000 million, with fixed interest rates of 6.15% and 6.50% per annum respectively, as disclosed in Note 30(ah);

(vi) On 27 October 2025, CIMB Bank issued Renminbi 3.0 billion, 3-year bond in the China Inter-bank Bond Market. The bond bears a coupon rate of 2.18% per annum that will mature on 27 October 2028, as disclosed in Note 30(ai).

(b) Full redemption of bonds and Sukuk

The redemptions during the financial year are as follows:

(i) On 27 March 2025, CIMB Niaga redeemed its Continuous Sukuk Mudharabah I Phase III Year 2020 Series C Sukuk amounting to IDR391,000 million, as disclosed in Note 30(c).

(c) Issuance of MTN/CP

(i) On 3 April 2025, the Company issued RM500 million 5-year MTN which will mature on 3 April 2030. The MTN was issued out of its existing Conventional and Islamic MTN Programme, which has a combined limit of RM6.0 billion in nominal value as disclosed in Note 31(a);

(ii) On 3 April 2025, the Company issued RM100 million 70-day CPs under its Conventional Commercial Papers ("CPs") Programme. The CPs, bearing a discount rate of 3.71% were redeemed on 12 June 2025 as disclosed in Note 31(a);

(iii) On 12 June 2025, the Company issued RM450 million 1-year unrated MTN which will mature on 12 June 2026. The MTN was issued out of its existing Conventional and Islamic MTN Programme, which has a combined limit of RM6.0 billion in nominal value as disclosed in Note 31(a);

(iv) On 18 September 2025, the Company issued RM500 million 3-year MTN, RM500 million 5-year MTN and RM400 million 6-year MTN which will mature on 18 September 2028, 18 September 2030 and 18 September 2031 respectively. The MTNs were issued out of its existing Conventional and Islamic Medium Term Notes Programmes, which has a combined limit of RM6.0 billion in nominal value as disclosed in Note 31(a);

(v) In 2025, CIMB Bank issued a nominal value of RM4.4 billion commercial papers in aggregate under its RM10.0 billion Commercial Papers Programme. The commercial papers, with maturities ranging between 89 to 365 days from the respective issuance dates, bear discount rates ranging between 3.16% to 3.75% per annum, as disclosed in Note 31(a).

Notes to the Financial Statements

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53 SIGNIFICANT EVENTS (CONTINUED)

53.1 SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR (CONTINUED)

(d) Full redemption of MTN/CP

(i) On 3 April 2025, the Company redeemed its RM600 million 5-year MTN issued under the existing Conventional and Islamic Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value, as disclosed in Note 31(a);

(ii) On 12 June 2025, the Company redeemed its RM350 million 1-year unrated MTN issued under the existing Conventional and Islamic Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value, as disclosed in Note 31(a);

(iii) On 18 September 2025, the Company completed the buyback and cancellation of its RM1.0 billion 4-year MTN issued under the existing Conventional and Islamic Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value, as disclosed in Note 31(a);

(iv) On 18 September 2025, the Company redeemed its RM400 million 1-year MTN issued under the existing Conventional and Islamic Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value, as disclosed in Note 31(a);

(v) In 2025, a total of RM1.1 billion commercial papers at CIMB Bank were matured as disclosed in Note 31(a).

(e) Issuance of subordinated obligations

Issuance during the financial year are as follows:

(i) On 12 August 2025, the Company issued RM2,350 million 13-year non-callable 8-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 4.00% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. (see Note 32(p));

(ii) On 12 August 2025, the Company issued RM150 million 10-year non-callable 5-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.71% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. (see Note 32(q));

(iii) On 3 December 2025, the Company issued RM225 million 10-year non-callable 5-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.80% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. (See Note 32(r));

(iv) On 3 December 2025, the Company issued RM775 million 12-year non-callable 7-year Tier 2 Sukuk Wakalah, bearing a periodic distribution rate of 3.93% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. (See Note 32(s));

(v) On 3 December 2025, the Company issued RM550 million Perpetual non-callable 5-year Additional Tier 1 Sukuk Wakalah, bearing a periodic distribution rate of 4.03% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. (See Note 32(t)).

(f) Full redemption of subordinated obligations of the Group

The redemptions during the financial year are as follows:

(i) On 12 November 2025, the Company redeemed its existing RM2.5 billion 10-year non-callable 5-year Tier 2 Subordinated Debt on the first call date as disclosed in Note 32(b);

(ii) On 15 November 2025, CIMB Niaga redeemed its IDR75 billion subordinated bonds as disclosed in Note 32(a);

(iii) On 3 December 2025, the Company redeemed its existing RM550 million Additional Tier 1 Capital Securities issued under RM10.0 billion Additional Tier 1 Capital Securities Programme on the first call date as disclosed in Note 32(c).

Notes to the Financial Statements
for the financial year ended 31 December 2025

53 SIGNIFICANT EVENTS (CONTINUED)

53.2 SIGNIFICANT EVENTS SUBSEQUENT TO THE FINANCIAL YEAR

(a) Issuance and paid-up capital of the Company

The issued and paid-up capital of the Company increased from 10,790,973,323 as at 31 December 2025 to 10,802,402,223 shares via issuance of 11,428,900 new ordinary shares amounting to RM62.1 million arising from the LTIP-ESOS.

(b) Litigation at CIMB Investment Bank ("CIMB IB")

On 5 January 2026, CIMB IB was served with an Amended Writ of Summons and Amended Statement of Claim re-dated 2 January 2026 ("the Suit") by solicitors acting for 14 Plaintiffs, in relation to the Islamic Medium Term Notes under the Shariah principle of Murabahah issued in 2016 by the 1st Defendant, MEX II Sdn Bhd (In Receivership) ("MEX II"), for the construction of the MEX Highway from Putrajaya to KLIA/KLIA 2 ("MEX II Highway"). CIMB IB has been named as one of the 12 Defendants in the Suit.

The Plaintiffs alleged that as registered holders, custodians, fund trustees, beneficial owners and/or fund managers and their representatives of the Sukuk Murabahah, they have suffered loss and damage as a result of MEX II having defaulted on the principal repayments and periodic profit payments of the Sukuk Murabahah.

The Suit alleged that CIMB IB in its various roles of Principal Adviser, Lead Arranger, Lead Manager and Facility Agent for the Sukuk Murabahah failed to discharge various pre and post-issuance duties and obligations, resulting in grossly insufficient funds being ring-fenced for the completion of the MEX II Highway. The Suit also alleged that CIMB IB is jointly and severally liable with the other Defendants for all losses suffered by the Plaintiffs for the "Dissolution Amount" amounting to RM1.38 billion as at 3 January 2022 or such other sums as adjudged by the Court.

On 6 March 2026, CIMB IB filed and served its Defence to the Plaintiffs. On the same date, CIMB IB was served with a copy of the Defence and Counterclaim by Maju Lingkaran Development Sdn Bhd, Maju Holdings Sdn Bhd, Tan Sri Abu Sahid Bin Mohamed, Puan Sri Noor Azrina Binti Mohd Azmi and Mohd Faiq Bin Abu Sahid (collectively, "Maju Counterclaiming Group") seeking indemnity or contribution from CIMB IB and other parties in connection with the Suit.

(c) TNGD restructuring

On 2 Jan 2026, TNGD completed the transfer of all it's ordinary shares in TNG Digital Remittance Sdn Bhd ("TNGDR") and NADI Tech Sdn Bhd ("NADI") to TNG Digital Group ("TNGD Stage 2 Restructuring"). Upon completion of the TNGD Stage 2 Restructuring, TNGDR and NADI are now wholly-owned subsidiaries of TNG Digital Group. There is no material impact arising from the TNGD Stage 2 Restructuring.

(d) Issuance and redemption of structured debentures and short term debentures at CIMB Thai

Subsequent to the financial year, CIMB Thai issued various unsecured structured debentures amounting to THB382 million with tenures ranges between 1 month to 2 years from respective issuance dates. It bears both fixed and variable interest rates, payable at respective maturity dates.

CIMB Thai had also redeemed various unsecured structured debentures amounting to THB804 million subsequent to the financial year.

(e) Issuance of RMB3 billion bond at CIMB Bank

On 9 February 2026, CIMB Bank issued Renminbi 3.0 billion, 2-year bond in the China Inter-bank Bond Market. The bond bears a coupon rate of 1.98% per annum that will mature on 9 February 2028.

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54 CAPITAL ADEQUACY

The key driving principles of the Group's capital management policies are to diversify its sources of capital to allocate capital efficiently, and achieve and maintain an optimal and efficient capital structure of the Group, with the objective of balancing the need to meet the requirements of all key constituencies, including regulators, shareholders and rating agencies.

This is supported by the Capital Management Plan which is centrally supervised by CIMB Group Executive Committee who periodically assesses and reviews the capital requirements and source of capital across the Group, taking into account all on-going and future activities that consume or create capital, and ensuring that the minimum target for capital adequacy is met. Quarterly updates on capital position of the Group are also provided to the Board of Directors.

The capital adequacy ratios of the banking subsidiaries of the Group 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 14 June 2024. The revised guidelines took effect on 14 June 2024 for all banking institutions and financial holding companies and sets out 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 18 December 2023.

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. As for CIMB Investment Bank Group, the Standardised Approach is applied for Credit Risk and Market Risk. With effect from 1 January 2025, Operational Risk for CIMB Bank, CIMB Islamic Bank and CIMB Investment Bank Group is based on Standardised Approach as stipulated by Capital Adequacy Framework (Operational Risk) issued by BNM on 15 December 2023.

The capital adequacy ratios of CIMB Thai Bank are based on the Bank of Thailand's (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 are based on Otoritas Jasa Keuangan's (OJK) requirements. Credit Risk, Market Risk and Operational Risk are based on Standardised Approach.

The Capital Adequacy Ratios of CIMB Bank PLC are based on National Bank of Cambodia (NBC) Prakas B7-024-745, B7-023-337, B7-023-338, B7-024-471 and B7-024-299. Credit Risk and Operational Risk are based on Standardised Approach while Market risk is based on Simplified Standardised approach.

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 risks.

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54 CAPITAL ADEQUACY (CONTINUED)

Capital Structure and Adequacy

The table below sets out the summary of the sources of capital and the capital adequacy ratios of the Group as at 31 December 2025 and 31 December 2024. The banking subsidiaries issue various capital instruments pursuant to the respective regulatory guidelines, that qualify as capital pursuant to the CAF and CAFIB issued by BNM.

The respective banking subsidiaries as listed in note 54(c) have complied with the capital requirements in accordance with the local regulatory requirements for the financial year ended 31 December 2025 and 31 December 2024.

(a) The table below sets out the summary of the sources of capital and the capital adequacy ratios of the Group as at 31 December 2025 and 31 December 2024.

	The Group	
	2025	**2024**
Before deducting proposed dividend		
Common equity tier 1 ratio	**14.902%**	15.224%
Tier 1 ratio	**15.486%**	15.831%
Total capital ratio	**18.611%**	18.842%
After deducting proposed dividend		
Common equity tier 1 ratio	**14.325%**	14.642%
Tier 1 ratio	**14.909%**	15.249%
Total capital ratio	**18.034%**	18.260%

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

	The Group	
	2025 RM'000	**2024 RM'000**
Credit risk[1]	**311,579,742**	305,916,299
Market risk	**27,357,943**	23,701,458
Large exposure risk requirements	**1,349,742**	1,306,841
Operational risk	**42,869,347**	38,837,383
Total risk-weighted assets	**383,156,774**	369,761,981

(1) The RWA for credit risk relating to the Restricted Agency Investment Account (refer Note 10(i)(c) for more details) are as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
Under Restricted Agency Investment Account arrangement	**1,550,186**	1,241,607

Notes to the Financial Statements

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54 CAPITAL ADEQUACY (CONTINUED)

(b) Components of Tier 1 and Tier 2 capital for the financial year ended 31 December 2025 and 31 December 2024 are as follows:

	The Group	
	2025 RM'000	**2024 RM'000**
Common Equity Tier 1 capital		
Ordinary share capital	**29,774,000**	29,439,251
Other reserves	**40,587,115**	39,804,545
Qualifying non-controlling interests	**536,093**	560,583
Less: Proposed dividends	**(2,209,973)**	(2,152,744)
Common Equity Tier 1 capital before regulatory adjustments	**68,687,235**	67,651,635
Less: Regulatory adjustments		
Goodwill	**(6,134,805)**	(6,370,826)
Intangible assets	**(1,757,671)**	(1,788,466)
Deferred tax assets	**(1,267,254)**	(1,484,507)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	**(2,217,937)**	(2,176,769)
Regulatory reserve	**(2,399,918)**	(1,777,092)
Others	**(22,495)**	87,265
Common Equity Tier 1 capital after regulatory adjustments	**54,887,155**	54,141,240
Additional Tier 1 capital		
Perpetual subordinated capital securities	**2,150,000**	2,150,000
Qualifying capital instruments held by third parties	**88,722**	94,081
	2,238,722	2,244,081
Less: Regulatory adjustments		
Investments in own Additional Tier 1 capital instruments	**–**	–
Additional Tier 1 capital after regulatory adjustments	**2,238,722**	2,244,081
Total Tier 1 capital	**57,125,877**	56,385,321
Tier 2 capital		
Subordinated obligations	**9,400,000**	8,400,000
Qualifying capital instruments held by third parties	**84,817**	93,371
Surplus of eligible provisions over expected loss	**1,009,867**	1,093,390
General provisions √	**1,479,334**	1,546,057
Tier 2 capital before regulatory adjustments	**11,974,018**	11,132,818
Less: Regulatory adjustments		
Investments in own Tier 2 capital instruments	**–**	–
Total Tier 2 capital	**11,974,018**	11,132,818
Total capital	**69,099,895**	67,518,139

Notes to the Financial Statements
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54 CAPITAL ADEQUACY (CONTINUED)

(c) 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
2025								
Before deducting proposed dividend								
Common equity tier 1 ratio	**15.202%**	**14.356%**	**14.863%**	**81.827%**	**16.825%**	**23.441%**	**14.415%**	**42.701%**
Tier 1 ratio	**15.578%**	**14.756%**	**15.350%**	**81.827%**	**16.825%**	**23.441%**	**14.415%**	**42.701%**
Total capital ratio	**19.259%**	**18.775%**	**18.105%**	**81.827%**	**21.384%**	**24.542%**	**17.631%**	**43.125%**
After deducting proposed dividend								
Common equity tier 1 ratio	**14.582%**	**13.383%**	**14.863%**	**69.535%**	**16.825%**	**23.441%**	**14.415%**	**42.701%**
Tier 1 ratio	**14.959%**	**13.783%**	**15.350%**	**69.535%**	**16.825%**	**23.441%**	**14.415%**	**42.701%**
Total capital ratio	**18.639%**	**17.803%**	**18.105%**	**69.535%**	**21.384%**	**24.542%**	**17.631%**	**43.125%**

	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
2024								
Before deducting proposed dividend								
Common equity tier 1 ratio	15.642%	15.089%	14.543%	86.561%	16.327%	21.873%	N/A	N/A
Tier 1 ratio	16.042%	15.517%	15.065%	86.561%	16.327%	21.873%	N/A	N/A
Total capital ratio	19.592%	19.353%	17.749%	86.561%	21.014%	22.962%	18.766%	52.959%
After deducting proposed dividend								
Common equity tier 1 ratio	15.088%	14.210%	14.543%	74.440%	16.327%	21.873%	N/A	N/A
Tier 1 ratio	15.487%	14.638%	15.065%	74.440%	16.327%	21.873%	N/A	N/A
Total capital ratio	19.037%	18.474%	17.749%	74.440%	21.014%	22.962%	18.766%	52.959%

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

√ *Total Capital of CIMB Group as at 31 December 2025 has excluded general provisions/portfolio impairment on impaired loans restricted from Tier 2 capital of RM1,095 million (2024: RM1,328 million).*

^ *The Directors have proposed a single tier special dividend of RM1,000 million in respect of the financial year ended 31 December 2025. The proposed single tier special dividend was approved by the Board of Directors on 29 January 2026.*

On 29 January 2026, the Directors have approved the proposed new issuance of 159,950,181 ordinary shares by CIMB Bank at an issue price of RM6.25 per ordinary share. The issuance is made in satisfaction of a dividend payable.

The proposed single tier special dividend and the proposed share issuance of new shares, collectively, do not have an impact on the capital ratios of CIMB Bank.

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55 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES

The Group and the Company make estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, rarely equal the related actual results. To enhance the information content of the estimates, certain key variables that are anticipated to have material impact to the Group's and the Company's results and financial position are tested for sensitivity to changes in the underlying parameters. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities within the next financial year are outlined below:

(a) Expected credit loss allowance on financial assets at amortised cost and FVOCI

The expected credit loss allowance for financial assets at amortised cost and FVOCI requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. Significant judgements are required in applying the accounting requirements for measuring expected credit loss, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of expected credit loss;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated expected credit loss; and
- Establishing groups of similar financial assets for the purposes of measuring expected credit loss.

Refer to Section 57.1 Credit risk measurement for details on the key judgements and assumptions of the estimation of expected credit loss allowance for financial assets at amortised cost and FVOCI.

(b) Goodwill impairment

The Group tests annually whether goodwill has suffered any impairment in accordance with the accounting policy stated in Note M(a) of the Summary of Material Group Accounting Policies.

The first step of the impairment review process requires the identification of independent operating units, dividing the Group's business into the various cash-generating-units ("CGU"). The goodwill is then allocated to these various CGU. The allocation is based on the areas of the business expected to benefit from the synergies derived from the acquisition.

The carrying value of the CGU, including the allocated goodwill, is compared to the higher of fair value less cost to sell and value in use to determine whether any impairment exists. Detailed calculations may need to be carried out taking into consideration changes in the market in which a business operates. In the absence of readily available market price data, this calculation is usually based upon discounting expected pre-tax cash flows at the individual CGU's pre-tax discount rate, which reflect the specific risks relating to the CGU. This requires exercise of judgement. Refer to Note 20 for details of these assumptions and the potential impact of changes to the assumptions. Changes to the assumptions used by management, particularly the discount rate and the terminal growth rate, may significantly affect the results of the impairment.

Value-in-use does not reflect future cash outflows or related cost savings (for example reductions in staff costs) or benefits that are expected to arise from a future restructuring to which an entity is not yet committed.

(c) Investment in joint ventures impairment

The Group tests annually whether the investment in joint ventures have suffered any impairment in accordance with the accounting policy stated in Note B of the Summary of Material Group Accounting Policies.

The recoverable amount of the investment was determined at the higher of its fair value less costs of disposal or value in use. The Group determines whether its investments are impaired following certain indications of impairment such as, amongst others, prolonged shortfall between market value and carrying amount, significant changes with adverse effects on the investment and deteriorating financial performance of the investment due to observed changes in the economic environment. Depending on the investment itself, judgements are made on inputs such as underlying multipliers. Changes to the assumptions used by management may significantly affect the results of the impairment. Refer to Note 16 for details of these assumptions and the potential impact of changes to the assumptions.

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55 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS IN APPLYING ACCOUNTING POLICIES (CONTINUED)

(d) Fair value of financial instruments

The majority of the Group's financial instruments reported at fair value are based on quoted and observable market prices. Where the fair values of financial assets and financial liabilities recorded on the statement of financial position cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of mathematical models. The inputs to these models are derived from observable market data where possible, but where observable market data are not available, judgement is required to establish fair values. The judgements include considerations of liquidity and model inputs such as volatility for longer dated derivatives and discount rates, prepayment rates and default rate assumptions for asset backed securities. The valuation of financial instruments using significant unobservable inputs (Level 3) is described in more detail in Note 57.4.3.

56 ACQUISITION IN PRIOR YEAR

On 8 February 2024, CIMB Investment completed the acquisition of the entire equity interest in KESB, from KAFSC, for an adjusted final purchase consideration of RM144,706,000.

Following the completion of the Acquisition, KESB became a wholly owned subsidiary of the Group. On 11 March 2024, KESB changed its name to CIMB Securities.

The following table summarises the consideration paid for the acquisition of KAF, identifiable assets acquired and liabilities assumed at the acquisition date:

	Note	RM'000
Cash and short-term funds		**94,585**
Other assets		**61,636**
Taxation recoverable		**3,013**
Deferred tax assets	12	**551**
Property, plant and equipment	17	**414**
Intangible assets		**2,055**
Right-of-use assets		**769**
Other liabilities		**(59,073)**
Lease liabilities		**(782)**
Net identifiable assets acquired		**103,168**
Add: goodwill	20	**41,538**
Net assets acquired		**144,706**
Total purchase consideration		**144,706**
Less: cash and cash equivalents acquired		**(94,585)**
Net cash flow on acquisition		**50,121**
Less: Deposit in relation to the acquisition paid in the previous financial year		**(14,794)**
Net cash outflow on acquisition during the financial year		**35,327**

The acquired subsidiary contributed revenue of RM58,230,000 and net profit of RM9,651,000 to the Group for the period from 8 February 2024 to 31 December 2024. If the acquisition had occurred on 1 January 2024, the subsidiary would have contributed revenue and net profit of RM60,372,000 and RM7,890,000 respectively.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT

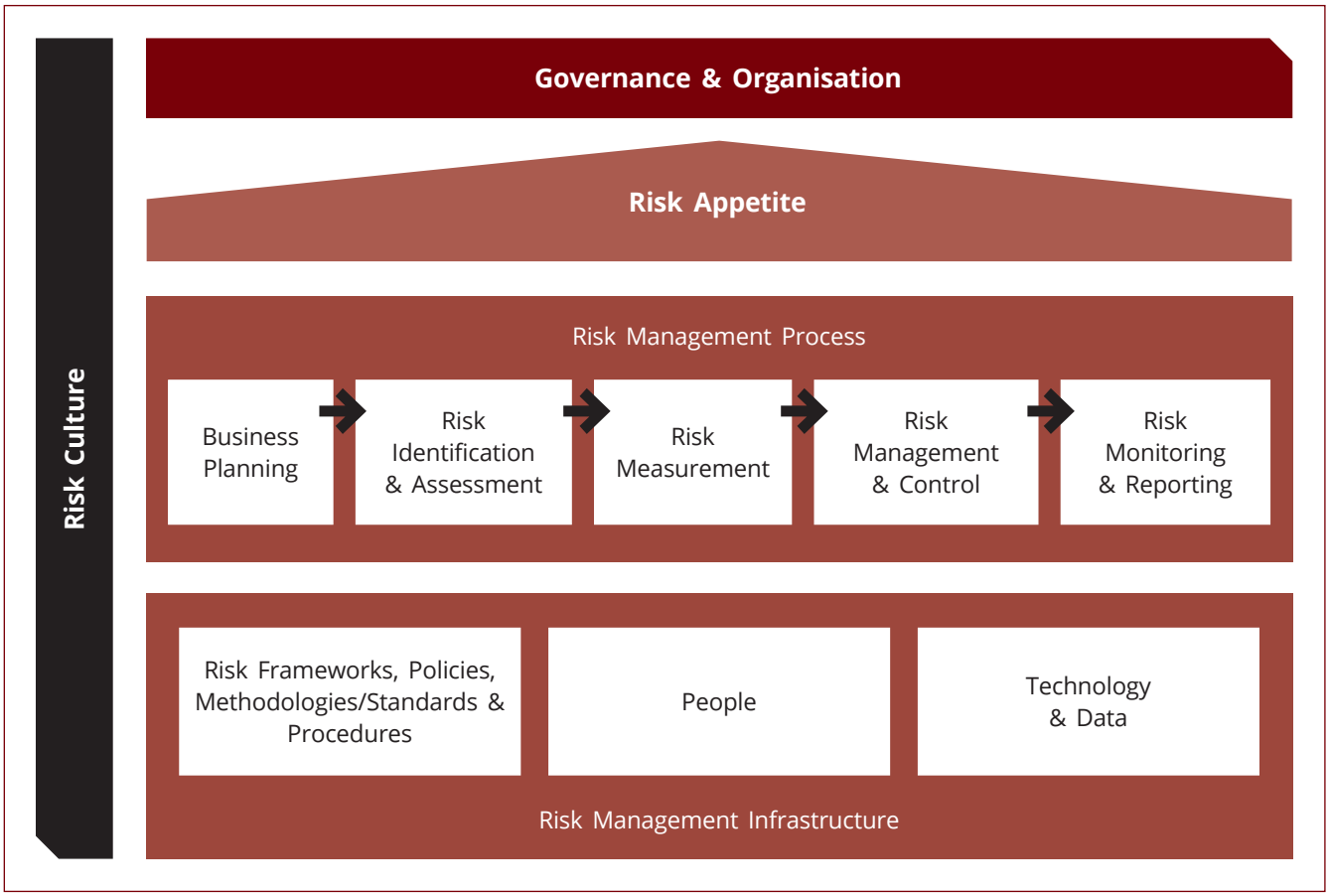
(A) FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group embraces risk management as an integral part of the Group's strategy, business, operations and decision-making processes. In ensuring that the Group achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the strategy discussion and risk-taking process by providing independent inputs, including relevant valuations and analysis, credit evaluations, new product assessments and quantification of capital requirements and risk return analysis/simulations. These inputs enable the business units to assess the risk-vs-reward scenario of their propositions.

(B) ENTERPRISE WIDE RISK MANAGEMENT FRAMEWORK ("EWRM")

The Group employs a Group Enterprise-Wide Risk Management ("EWRM") framework as a standardised approach to effectively manage its risks and opportunities. The Group EWRM framework provides the Board and its management with tools to anticipate and manage both the existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.

The key components of the Group's EWRM framework are represented in the diagram below:



The design of the Group EWRM framework incorporates a complementary 'top-down strategic' and 'bottom-up tactical' risk management approach.

The key features of the Group EWRM framework include:

(I) RISK CULTURE

The Group embraces risk management as an integral part of its culture and decision-making processes. The Group's risk management philosophy is embodied in the Three Lines-of-Defence approach, whereby risks are managed initially from the onset of risk-taking activities. There is clear accountability of risk ownership across the Group.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

(B) ENTERPRISE WIDE RISK MANAGEMENT FRAMEWORK ("EWRM") (CONTINUED)

The key features of the Group EWRM framework include (Continued):

(II) GOVERNANCE & ORGANISATION

A strong governance structure is important to ensure an effective and consistent implementation of the Group EWRM framework. The Board is ultimately responsible for the Group's strategic direction, which is supported by the risk appetite and relevant risk management frameworks, policies, methodologies/standards, and procedures. The Board is assisted by various risk committees and control functions in ensuring that the Group's risk management framework is effectively implemented.

(III) RISK APPETITE

It is defined as the amount and type of risks that the Group is able and willing to accept in pursuit of its strategic and business objectives. Risk appetite is set in conjunction with the annual strategy and business planning process to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and risk.

(IV) RISK MANAGEMENT PROCESS

- Business Planning: Risk management is central to the business planning process, including setting frameworks for risk appetite, risk posture, new product and business activities.
- Risk Identification & Assessment: Risks are systematically identified and assessed through the robust application of the Group's risk framework, policies, methodologies/standards and procedures.
- Risk Measurement: Risks are measured and aggregated using the Group-wide methodologies across each of the risk types, including stress testing.
- Risk Management and Control: Risk management limits and controls are used to manage risk exposures within the risk appetite set by the Board. Risk management limits and controls are regularly monitored and reviewed in the face of evolving business needs, market conditions and regulatory changes. Corrective actions are taken to mitigate risk. This can be achieved by positioning various control tools to reduce the likelihood of an occurrence or the impact of the risk. The various control tools are accepting, treating, transferring and/or terminating the risk.
- Risk Monitoring and Reporting: Risks on an individual exposure, as well as on a portfolio basis, are monitored on a daily basis and periodically and/or ad-hoc basis in tandem with market developments and reported to Group Risk and Compliance Committee ("GRCC") and Board Risk & Compliance Committee ("BRCC") on a monthly basis or need basis to ensure they remain within the Group's risk appetite.

(V) RISK MANAGEMENT INFRASTRUCTURE

- Risk Frameworks, Policies, Methodologies/Standards and Procedures addressing all areas of material risks: Frameworks provide broad objectives and overarching risk management architecture for managing risks. Well-defined risk policies by risk type provide the principles by which the Group manages its risks. Methodologies/Standards provide specific directions that help support and enforce policies. Procedures provide more detailed guidance to assist with the implementation of policies.
- People: Attracting the right talent and skills is key to ensuring a well-functioning Group EWRM framework. The organisation continuously evolves and proactively responds to the increasing complexity of the Group as well as the economic and regulatory environment.
- Technology and Data: Appropriate technology and sound data management support risk management activities.

(C) RISK GOVERNANCE

At the apex of the governance structure are the respective Boards of entities within the Group, which decides on the entity's risk appetite corresponding to its business strategies. Each BRCC reports directly to the respective Boards and assumes responsibility on behalf of the respective Boards for the supervision of risk management and control activities. Each BRCC determines the relevant entity's risk strategies and policies, keeping them aligned with the principles within the risk appetite. Each BRCC also oversees the implementation of the Group EWRM framework, provides strategic guidance and reviews the decisions of the GRCC.

To facilitate the effective implementation of the Group EWRM framework, the BRCC has established various specialised/sub-risk committees within the Group, each with distinct lines of responsibilities and functions, which are clearly defined in the terms of reference.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

(C) RISK GOVERNANCE (CONTINUED)

The responsibility of risk management supervision and control is delegated to the GRCC, which reports directly to the BRCC. The GRCC, comprising senior management of the Group, performs the oversight function for the overall management of risks. The GRCC is supported by specialised/sub-risk committees, namely Group Credit Committee, Group Market and Conduct Risks Committee, Group Operational and Resiliency Risk Committee, Group Asset Liability Management Committee and Group Asset Quality Committee Group, Basel Steering Committee, Management Product Approval Committee for Treasury Products, and Management Product Approval Committee for Non-Treasury Products, each addressing one or more of the following:

(i) Credit risk, defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Group;

(ii) Market risk, defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility;

(iii) Liquidity and funding risk, defined as the current and potential risk to earnings, shareholders' funds or reputation arising from the inability to efficiently meet its present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they come due, which may adversely affect its daily operations and incur unacceptable losses;

(iv) Interest rate/rate of return risk in the banking book, which is the current and potential risk to the Group's earning and economic value arising from movement in interest/profit rates;

(v) Model risk is defined as the type of risk that the method used to measure or quantify the bank's material risk is not accurate due to deterioration of model, hence limiting the usefulness and application of the model itself. It also covers improper implementation and improper usage of methods developed to quantify risk;

(vi) Operational risk, defined as the risk of loss resulting from inadequate or failed processes, people and systems, or from external events. It includes legal risk but excludes strategic and Shariah non-compliance ("SNC") risks;

(vii) Financial Crime Risk, defined as the risk that typically arises from illicit activities including money laundering, fraud, corruption, organised crime, smuggling, drug trafficking, terrorism financing and proliferation financing. It carries potential regulatory and legal consequences, and may result in regulatory actions, financial losses, and serious reputational damage, which in turn threatens the integrity of the financial system and undermines stakeholder trust;

(viii) Data management risk, defined as the risk of failing to appropriately manage and maintain data (including customer data, employee data, and the Group's proprietary data), and non-compliance with relevant data regulations.

(ix) Conduct risk, defined as the risk of failing to have behaviours and practices that deliver suitable, fair and clear outcomes for the Group's employee, and customers while maintaining market integrity.

(x) Tax and regulatory reporting risk, defined as the risk of failing to meet statutory reporting and tax payments/filing requirements.

(xi) Enterprise-wide risk, defined as the risk that arises from events which may affect achieving objectives due to changing risk profiles as dictated by changes in business strategies, operating and regulatory environment, and functional activities.

(xii) Strategic risk, defined as the risk of current and/or prospective impact on the Group's earnings, reputation or position arising from changes in the environment that the Group operates in and from adverse strategic decisions, improper implementation of strategic initiatives, new business lines or markets or the lack of responsiveness to industry, economic or technological changes.

(xiii) Business risk, defined as the probability of loss inherent in the Group's operations and environment that may impair its ability to provide expected returns on investments.

(xiv) Investment performance risk, defined as the risk that the return achieved on an investment will be different from that expected or its intended financial objective, and the size of the difference. This includes the possibility of losing some or all of the original investment.

(xv) Geopolitical risk, defined as the risk that an investment's returns could suffer as a result of political changes or instability in a country, or at the regional and/or global level. Instability affecting investment returns could stem from, but are not limited to, the following: a change in government, legal and political institutions, tensions between countries affecting the global and regional political and economic environment, and military conflict.

(xvi) Reputation risk is defined as the current or prospective risk to earnings and capital arising from the adverse perception by the stakeholders about the Group's business practices, conduct or financial condition. Such adverse perception, whether true or not, may impair public confidence in the Group, result in costly litigation, or lead to a decline in its customer base, business, revenue or share price;

(xvii) Technology risk, is the risk of loss resulting from inadequate or weaknesses in strategy, people, process, technology (including emerging technologies e.g. Cloud Artificial Intelligence etc.) or external events, which includes cyber risks, financial risk, regulatory/compliance risk and the risk of reputational loss/damage;

(xviii) SNC risk, defined as the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage which CIMB Group may suffer arising from failure to comply with Shariah requirements determined by SAC of BNM and SC, including standards on Shariah matters issued by BNM pursuant to Section 29(1) of the IFSA; or decisions or advice by BSC of CIMB Islamic Bank; or other Shariah regulatory authorities of the jurisdictions where the Group operates;

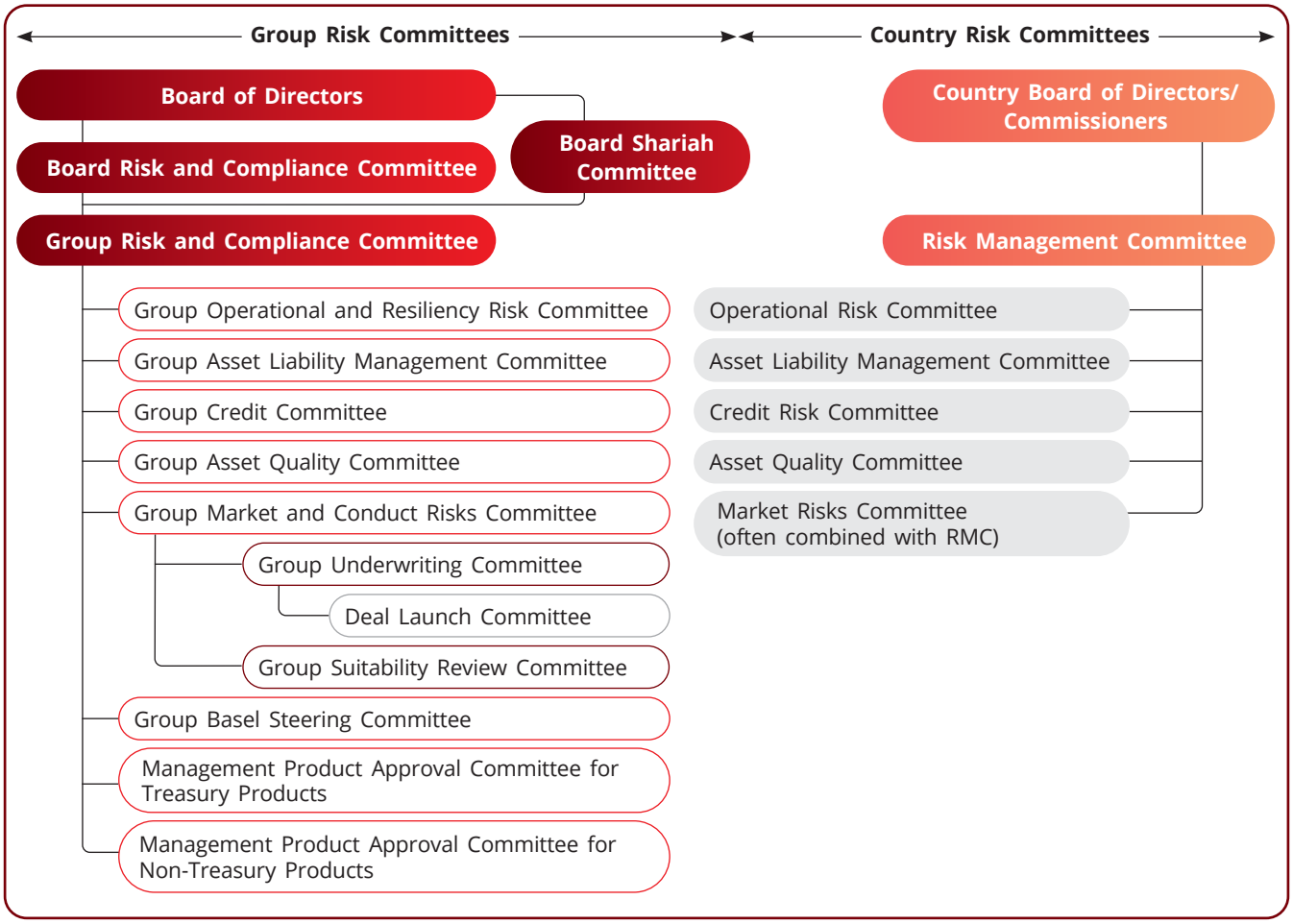
(xix) Regulatory compliance risk, defined as the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage, which CIMB Group may suffer arising from possible failure to comply with the applicable laws and regulations of the jurisdictions in which the Group operates; and

(xx) Sustainability risk, defined as the risk of financial and non-financial impact arising from environmental, social and ethical issues stemming from transactions and/or activities associated with a business relation and its operations, and/or the Group's own internal operations and employees.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)
(C) RISK GOVERNANCE (CONTINUED)

The structure of CIMB Group Risk Committees is depicted in the following chart:



The overseas subsidiaries' risk committees are set-up in a similar structure in their respective jurisdictions. Whilst recognising the autonomy of the local jurisdiction and compliance to local requirements, the Group strives to ensure a consistent and standardised approach in its risk governance process. As such, Group and regional committees have consultative and advisory responsibilities on regional matters across the Group as regulators allow. This structure increases regional communication and sharing of technical knowledge and best practices. It further enhances support towards managing and responding to risk management issues, thus allowing the Board to have a comprehensive view of the activities within the Group.

In addition to the CIMB Group Risk Committees, the Group has established a Board Group Sustainability Committee ("BGSC") consisting of Independent Directors to assist the Board to review and guide our Group's sustainability strategy, frameworks, policies and group-wide targets and to monitor progress against our Group's climate transition plan.

Sustainability is also embedded in the roles and responsibilities of various Board Committees. To ensure information-symmetry and consensus across all Board Committees and entity boards, with regards to the direction and progress of the Group's sustainability and climate change strategy deliberated at the BGSC, selected business enablers are responsible for providing relevant updates and inputs to the various Board Committees and entity boards on a periodic basis.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

(C) RISK GOVERNANCE (CONTINUED)

Three Lines-of-Defence

The Group's risk management culture is embodied through the adoption of the Three Lines-of-Defence philosophy, whereby risks are managed initially from the onset of risk-taking activities. This is to ensure clear accountability of risk and control management across the Group and Group Risk as an enabler of business units. As the first line-of-defence, the line management (including key business pillars and enablers) is primarily responsible for risk management on a day-to-day basis by taking appropriate actions to mitigate risk through effective controls and within the agreed risk limits/appetite. There is an embedded Risk Control Unit (RCU) within the first line-of-defence, which provides independent advice, support, and assurance for risk & compliance related matters within the Business Pillars and Enablers (the first line-of-defence), integrating business, risk & compliance knowledge. The second line-of-defence provides oversight and performs independent monitoring of business activities with reporting to the Board and management to ensure that the Group conducts business and operates within the approved risk appetite and is in compliance with regulations. The third line-of-defence is the Group Corporate Assurance Division who provides independent assurance of the adequacy and effectiveness of the governance, internal controls and risk management processes.

The Roles of Group Chief Risk Officer ("CRO") and Group Risk Division ("GRD")

Within the second line-of-defence is Group Risk Division, a function independent of business units. It assists the Group's management and stakeholders in the monitoring and controlling of risk exposures within the Board-approved risk appetite statement.

Group Risk Divsion is headed by the Group CRO, appointed by the Board to lead the Group-wide risk management functions, including implementation of the Group EWRM framework. The Group CRO:

(i) actively engages the respective boards and senior management on risk management issues and initiatives; and

(ii) maintains an oversight on risk management functions across all entities within the Group. In each key country of operations, there is a local CRO or a local Head of Risk Management, whose main functions are to assess and manage the enterprise risk and liaise with regulators in the respective countries.

The organisational structure of Group Risk is made of two major components, namely the CRO and the Risk Centres of Excellence ("CoE"):

(I) CRO

- The Group CRO is supported by the CROs who oversee the risk management functions in overseas branches and banking subsidiaries.
- CRO's main function is to assess and manage the enterprise risk and liaise with regulators in the respective country/entity under his/her purview.
- For countries where a CRO is not present and/or not required, a local Head of Risk Management is appointed to be the overall risk coordinator for that country.

(II) RISK CENTRES OF EXCELLENCE

- These are specialised teams of risk officers responsible for the active oversight of Group-wide functional risk management and the teams support respective CROs in the various geographies.
- The Risk CoEs consist of Asset Liability Management, Credit Risk, Market Risk, Non-Financial Risk Management (comprising Operational, Business Continuity, Technology, Third Party and Fraud Risk Management), Shariah Risk Management and Enterprise Risk and Infrastructure CoEs.

(1) Enterprise Risk and Infrastructure

The Enterprise Risk and Infrastructure CoE ensures the Group's compliance to capital adequacy and single counterparty exposure limit regulatory requirements, including Basel and underwriting model development, implementation and validation of risk models, and management of risk data for credit risk measurement and risk reporting across the Group. In addition, the climate risk unit within the CoE is responsible for working with Group Sustainability, various risk CoEs and business units to implement climate risk management at an enterprise level, in support of the Group's 2050 net zero ambition, which is to transition all operational and attributable greenhouse gas emissions from the Group's financing and investment portfolios in alignment with net zero pathways by 2050.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

(C) RISK GOVERNANCE (CONTINUED)

The Roles of Group Chief Risk Officer ("CRO") and Group Risk Division ("GRD") (Continued)

The organisational structure of Group Risk is made of two major components, namely the CRO and the Risk Centres of Excellence ("CoE") (Continued):

(II) RISK CENTRES OF EXCELLENCE (CONTINUED)

(1) Enterprise Risk and Infrastructure (continued)

Sustainability risk (including climate risk) is recognised as a principal and cross-cutting risk that manifests itself through existing risk types. Due to the cross-cutting nature of Sustainability risk, the implementation of Group-wide Sustainability Governance Framework is currently spearheaded and managed by Group Sustainability as the Sustainability CoE, which sits outside of Group Risk. Refer to the section on Sustainability Risk for further details. Notwithstanding this, Sustainability risk has been and will continue to be integrated into the Group's existing risk management frameworks.

(2) Market Risk CoE

The Market Risk CoE recommends the framework and policies for the independent assessment, measurement and monitoring of market risk. This is operationalised through the review of treasury positions versus limits framework, performing mark-to-market valuation, validation of financial models, calculating Value at Risk and market risk capital, as well as performing stress testing.

(3) Non-Financial Risk Management CoE

The Non-Financial Risk Management ("NFRM") CoE ensures the first line-of-defence manages their non-financial risks (which comprise Operational, Technology, Outsourcing, Business Continuity and Fraud risks) effectively by providing framework that enables them to identify, assess, manage and report their non-financial risks. The NFRM CoE provides independent feedback, advisory and assessment to the first line-of-defence's execution of the non-financial risk frameworks.

(4) Shariah Risk CoE

Shariah Risk Management ("SRM") unit within the NFRM CoE facilitates the process of identifying, measuring, controlling and monitoring SNC risks inherent in the Group's Islamic banking businesses and services. It formulates, recommends and implements appropriate SRM policies and procedures; as well as develops and implements processes to mitigate SNC risk and conducts training to enhance level of awareness on SNC risk.

(5) Asset Liability Management CoE

The Asset Liability Management CoE recommends the framework and policies for the independent assessment, measurement, monitoring and reporting of liquidity and funding risk and interest rate/rate of return risk in the banking book. It conducts regular stress testing on the Group's liquidity and interest rate risk/rate of return profile, by leveraging on the standardised infrastructure it has designed, built and implemented across the region. It provides the framework and tools for maintenance of the early warning system indicators and contingency funding plan by business owners across the Group.

(6) Credit Risk CoE

The Credit Risk CoE consists of Retail and Non-Retail credit risk and is dedicated to the identification and assessment, measurement, management, monitoring and reporting of credit risk in the Group. The scope under the CoE function include areas ranging from development of credit risk policies, procedures and standards to advance portfolio analytics, and use of credit risk modelling (including rollout of Alternative Credit Underwriting models leveraging on machine learning techniques for Retail portfolios).

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

(C) RISK GOVERNANCE (CONTINUED)

STRATEGIES AND PROCESSES FOR VARIOUS RISK MANAGEMENT

Information on strategies and processes for Credit Risk, Market Risk and Liquidity Risk are available in the later sections.

57.1 CREDIT RISK

Credit risk is defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Group.

Credit risk is inherent in banking activities and arises from traditional financing activities through conventional loans, financing facilities, trade finance, as well as commitments to support clients' obligations to third parties, e.g. guarantees or kafalah contracts. In derivatives, sales and trading activities, credit risk arises from the possibility that the Group's counterparties will be unable or unwilling to fulfil their obligation on transactions on or before settlement dates.

CREDIT RISK MANAGEMENT

Without effective credit risk management, the impact of the potential losses can be overwhelming. The purpose of credit risk management is to keep credit risk exposure to an acceptable level vis-à-vis the capital, and to ensure the returns commensurate with risks.

Consistent with the Three Lines-of-Defence model on risk management where risks are managed initially from the onset of risk-taking activities, the Group implemented the risk-based delegated authority framework. This promotes clarity of risk accountability whereby the business unit, being the first line-of-defence, manages risk in a proactive manner with Group Risk being independent from the business units, functions as the second line-of-defence. This enhances the collaboration between Group Risk and the business units.

The risk-based delegated authority framework encompasses joint delegated authority, enhanced credit approval process and a clear set of policies and procedures that defines the limits and types of authority designated to specific individuals.

The Group adopts a multi-tiered credit approving authority spanning from the delegated authorities at business level, joint delegated authorities between business units and Group Risk, to the various credit committees. The credit approving committees are set up to enhance the efficiency and effectiveness of the credit oversight as well as the credit approval process for all credit applications originating from the business units. For corporate, commercial and private banking loans/financing, credit applications are independently evaluated by the Credit Risk (Non-Retail) CoE team prior to submission to the joint delegated authority or the relevant committees for approval; certain business units' officers are delegated with credit approving authority to approve low value credit facilities. In addition, for loan/financing to sectors and clients that are exposed to high environmental and social risks, the Sustainability CoE conducts due diligence from an environmental and social point of view.

For retail loans/financing, all credit applications are evaluated and approved by Consumer Credit Operations according to the designated delegated authority with higher limits submitted to joint delegated authorities or relevant committees for approval.

The GRCC, with the support of Group Credit Committee, Group Asset Quality Committee, other relevant credit committees as well as Group Risk, is responsible for ensuring adherence to the Board's approved risk appetite and risk posture. This, amongst others, includes reviewing and analysing portfolio trends, asset quality, watch-list reporting and policy reviews. It is also responsible for articulating key credit risks and mitigating controls.

Adherence to and compliance with country sector limit, single customer and country and global counterparty limits, are approaches adopted to address concentration risk to any large sector or industry, or to a particular counterparty group or individual. In view of the tightening regulations around climate change and to support the Group's Net Zero commitment by 2050, a climate overlay focusing on sector sensitivity to transition risks (which references the Transition Risk Heatmap developed under United Nations Environment Program Finance Initiative) was integrated by Group Sustainability into Group Risk's Country Sector Limit Methodology since 2022. In order to ensure sustainability considerations are accounted for in the early stages of business planning, an overall sustainability rating was applied alongside other risk factors as part of the Risk Posture setting for 2022 to set the high level risk direction for the Group and its entities before the formal budget process starts.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MANAGEMENT (CONTINUED)

Adherence to the above established credit limits is monitored daily by Group Risk, which combines all exposures for each counterparty or group, including off balance sheet items and potential exposures. For retail products, portfolio limits are monitored monthly by Group Risk.

It is the Group policy that all exposures must be rated or scored based on the appropriate internal rating models, where available. Retail exposures are managed on a portfolio basis and the risk rating models are designed to assess the credit worthiness and the likelihood of the obligors to repay their debts, performed by way of statistical analysis from credit bureau and demographic information of the obligors. The risk rating models for non-retail exposures are designed to assess the credit worthiness of the corporations or entities in paying their obligations, derived from both quantitative and qualitative risk factors such as financial history and demographics or company profile. These rating models are developed and implemented to standardise and enhance the credit underwriting and decision-making process for the Group's retail and non-retail exposures.

Credit reviews and rating are conducted on the non-retail credit exposures at minimum on an annual basis, and more frequently when material information on the obligor or other external factors is made available.

The exposures are actively monitored, reviewed on a regular basis and reported regularly to the GRCC and BRCC. Asset quality is closely monitored so that deteriorating exposures are identified, analysed and discussed with the relevant business units for appropriate remedial actions, including recovery actions, if required.

The Group recognises that our financing activities may have an impact on the environment and society and such impact may in turn result in potential financial and reputational risks to the Group. The sustainable financing approach integrates environmental, social and economic/ethical considerations, including climate-related physical and transition risks, into our credit risk assessment process for the financing practices and capital raising transactions, whereby clients and transactions identified to have high sustainability risk or potential concern are subject to a structured due diligence and escalation process.

The Group quantifies credit concentration risk by leveraging on the credit VaR engine, CreditMetrics. Using the CreditMetrics approach, the portfolio's Value at Risk is estimated after taking into account effects of portfolio diversification across obligors and sectors. Hence, the risk computed covers both default/credit migration risk as well as credit concentration risk (single name and sector concentration).

CREDIT RISK MITIGATION

The employment of various credit risk mitigation techniques such as appropriate credit structuring, and posting of collateral and/or third party support, form an integral part of the credit risk management process. Credit risk mitigants are taken, where possible, and are considered secondary recourse to the obligor for the credit risk underwritten.

(i) Collaterals/Securities

All extension of secured credit facilities deemed prudent, must be appropriately and adequately collateralised. A credit proposal is considered secured only when the entire proposal is fully covered by approved collateral/securities within their approved margins as set out in the relevant credit policy/standard. GCC or the relevant credit approving authority is empowered to approve any inclusion of new acceptable collaterals/securities.

Recognised collaterals include both financial and physical assets. Financial collaterals consist of mainly cash deposits, quoted shares, unit trusts and debt securities, while physical collateral includes land, buildings and vehicles. Guarantors accepted are in line with BNM's CAF (Basel II - Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets) guidelines. Eligible credit protection is also used to mitigate credit losses in the event that the obligor/counterparty defaults.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MITIGATION (CONTINUED)

(ii) Collateral Valuation and Management

The Group has in place policies which govern the determination of eligibility of various collaterals including credit protection, to be considered for credit risk mitigation which includes the minimum operational requirements that are required for the specific collaterals to be considered as effective risk mitigants.

The collateral is valued periodically ranging from daily to annually, depending on the type of collateral. Specifically for real estate properties, a procedure for valuation of real estate properties is established to ensure adequate policies and procedures are in place for efficient and proper conduct of valuation of real estate properties and other related activities in relation to the interpretation, monitoring and management of valuation of real estate properties.

(iii) Netting

In mitigating the counterparty credit risks in foreign exchange and derivative transactions, the Group enters into master agreements that provide for closeout netting with counterparties, whenever possible. A master agreement that governs all transactions between two parties, creates greater legal certainty that the netting of outstanding obligations can be enforced upon termination of outstanding transactions if an event of default occurs.

(iv) Portfolio diversification for better clarity

The Group avoids unwanted credit or market risk concentrations by diversifying our portfolios through a number of measures. Amongst others, there are guidelines in place relating to maximum exposure to any products, counterparty, sectors and country.

CREDIT RISK MEASUREMENT

The measurement of expected credit loss allowance under the MFRS 9's three-stage approach is to recognise lifetime expected credit loss allowance for financial instrument for which there has been a significant increase in credit risk since initial origination or is credit-impaired as at the reporting date. The financial instrument which has not undergone any significant deterioration in credit risk shall be recognised with 12-month expected credit loss allowance.

Under the three-stage approach, the financial instrument is allocated into three stages based on the relative movement of the credit risk.

- Stage 1 includes financial instruments that neither have a significant increase in credit risk since initial recognition nor credit-impaired as at reporting date. For these assets, 12-month expected credit loss allowance are recognised.
- Stage 2 includes financial instruments that have had a significant increase in credit risk since initial recognition but do not have objective evidence of impairment. For these assets, lifetime expected credit loss allowance are recognised.
- Stage 3 includes financial instruments that have objective evidence of impairment at the reporting date. For these assets, lifetime expected credit loss allowance are recognised.
- Purchased or originated credit-impaired financial assets are those financial assets that are credit-impaired on initial recognition. Their expected credit loss allowance is always measured on a lifetime basis (Stage 3).

The key judgements and assumptions adopted by the Group in addressing the requirements of the standard on the measurement of allowances are:

(i) Significant increase in credit risk ("SICR")

The assessment of SICR shall be a multifactor and holistic analysis and based on a mixture of quantitative and/or qualitative information. To determine whether the risk of default of a loan/financing has increased significantly since initial recognition, the current risk of default at the reporting date is compared with the risk of default at initial recognition.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MEASUREMENT (CONTINUED)

(i) Significant increase in credit risk ("SICR") (Continued)

Retail

A retail loan, advances and financing is perceived to have experienced significant increase in credit risk when the asset meets one of the following criteria:

- Past due for more than 1 month on its contractual payment;
- Habitual delinquent;
- Modified under Agensi Kaunseling dan Pengurusan Kredit ("AKPK") scheme and subject to monitoring period.

Non-retail

The stage allocation will be performed at borrower level. A borrower is considered to have credit risk increased significantly since initial recognition if any of the following criteria is met:

- Significant downgrade of internal rating;
- Borrower on watchlist and exhibits weaknesses which, if uncorrected, will potentially become a non-performing account in the next 12 months;
- Past due for more than 1 month on its contractual payment;
- Habitual delinquent.

Treasury

A debt instrument is considered to have credit risk increased significantly since initial recognition if any of the following criteria is met:

- Significant downgrade of internal rating;
- Borrower on watchlist and exhibits weaknesses which will potentially become a non-performing account in the next 12 months;
- Margin call or force selling trigger not regularalised within the stipulated period (applicable to option premium financing only).

The Group has not used the low credit risk exemption for any financial instruments for the year ended 31 December 2025 and 31 December 2024. The criteria used to identify SICR are monitored and reviewed periodically for appropriateness by the management.

(ii) Definition of credit impaired

Loans, advances and financing

The Group classifies a loan, advances and financing as impaired when it meets one or more of the following criteria:

(a) Where the principal or interest/profit or both of the credit facility is past due for more than 90 days or 3 months;

(b) In the case of revolving credit facilities (e.g. overdraft facilities), where the outstanding amount has remained in excess of the approved limit for a period of more than 90 days or 3 months;

(c) Where the amount is past due or the outstanding amount has been in excess of the approved limit for 90 days or 3 months or less, and the credit facility exhibits weaknesses in accordance with the Group's internal credit risk rating framework; or

(d) As soon as a default occurs where the principal and/or interest/profit repayments/payments are scheduled on intervals of 3 months or longer.

For the purpose of ascertaining the period in arrears:

- Repayment/payment on each of the instalment amount must be made in full. A partial repayment/payment made on an instalment amount shall be deemed to be still in arrears; and
- Where a moratorium on credit facilities is granted in relation to the rescheduling and restructuring exercise due to specific and exceptional circumstances as set in the Group's internal policy, the determination of period in arrears shall exclude the moratorium period granted.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MEASUREMENT (CONTINUED)

(ii) Definition of credit impaired (Continued)

Loans, advances and financing (Continued)

(e) Force Impaired Credit Facilities

The credit facility is force impaired due to various reasons which may include the following: PN17 classification by Bursa, bankruptcy/winding up orders, appointment of Independent Financial Advisor/Liquidator/Receivers & Managers, ceased operations and/or suspended with no likelihood of resuming in the next 12 months, business viability is affected with repayment/payment capability in doubt resulting in going concern issue in the near term, etc. In the event where a credit facility is not in default or past due but force impaired, the credit facility shall be classified as impaired upon approval by GAQC.

(f) Cross Default

When an obligor/counterparty has multiple credit facilities with the Group and cross default obligation applies, an assessment of provision is required under which default of one debt/financing obligation triggers default on another debt/financing obligation (cross default). Where there is no right to set off clause is available, assessment of provision needs to be performed on individual credit facility level instead of consolidated obligor/counterparty level.

Bonds and other debt instruments measured at amortised cost or FVOCI

The financial instruments are classified as impaired when it meets one or more of the following criteria:

- Bond that have an internal rating of 14 and above shall be classified as impaired upon approval by relevant approval authority. Impaired credits must be graded/classified with the appropriate regulatory financing grading(s).
- Bonds which are force impaired and approved by GAQC will be subject to individual impairment assessment.
- When an obligor/counterparty has multiple loans/bonds with the Group and cross default obligation applies, an assessment of provision is required under which default of one debt obligation triggers default on another debt obligation (cross default). Where there is no right to set off clause is available, an assessment of provision needs to be performed on individual loan/bond level instead of consolidated obligor/counterparty level.

(iii) Definition of default

Loans, advances and financing

The Group defines a financial instrument as in default when it meets one or more of the following criteria:

- Credit-impaired;
- Restructured accounts by AKPK scheme;
- Write-off/charged-off accounts;
- Repossessed accounts (applicable for hire purchase receivables only);
- Force disposed accounts (applicable for non-voluntary ASB loans, advances and financing only).

The criteria above have been applied to all financial instruments held by the Group and are consistent with the definition of default used for internal credit risk management purposes. The default definition has been applied consistently to model the Probability of Default ("PD"), Exposure at Default ("EAD") and Loss given Default ("LGD") throughout the Group's expected loss calculations for loans, advances and financing.

An instrument is considered to no longer be in default (i.e. to have cured) when it no longer meets any of the default criteria for a consecutive period of six months. This period of six months has been determined based on an analysis which considers the likelihood of a financial instrument returning to default status after cure using different possible cure definitions.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MEASUREMENT (CONTINUED)

(iii) Definition of default (Continued)

Bonds and other debt instruments measured at amortised cost or FVOCI

The default criteria is fully aligned with external rating agency's default definition as the Group has chosen to benchmark external data for modelling purposes:

- Failure to make principal and/or interest/profit payment under the contractual terms, which is not remedied within the grace period.
- Bankruptcy filings, administration, receivership, liquidation, winding-up or cessation of business of issuer/obligor.
- Failure to honor corporate-guarantee obligations provided to subsidiaries.
- Distressed exchange offer (e.g. extended maturities, lower coupons and etc.).
- Change in payment terms of a credit arrangement or indenture imposed by the sovereign that results in a diminished financial obligation.

(iv) Measuring ECL – inputs, assumptions and estimation techniques

The Group assesses on a forward looking basis the expected credit losses (ECL) associated with its loans, advances and financing. The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The 12-month or lifetime ECL reflects multiple forward-looking scenarios and is weighted based on the probability of occurrence for each scenario. The ECL can be assessed and measured either on collective or individual basis.

For collective assessment, the ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. The three components are multiplied together to calculate an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest/profit rate or an approximation thereof.

For individual assessment, the ECL allowance is determined by comparing the outstanding exposure with the present value of cash flow which is expected to be received from the borrower.

Probability of Default

The PD represents the likelihood of a borrower will be unable to meet its financial obligation either over the next 12 months (12-month PD) or over the remaining lifetime (Lifetime PD) of the obligation.

The PD is derived based on the modelling approach of which statistical analysis and expert judgement was performed to identify the risk parameters which correlate with the historical observed default. The model relies on the risk parameters and its correlation with the historical observed default to predict the 12-month PD. The Lifetime PD is developed using forecasted MEV with the applicaton of survival probabilities up to maturity of the loan facility.

Exposure at Default

EAD is the total amount that the Group is exposed to at the time the borrower defaults.

The 12-month and lifetime EADs are determined based on the expected payment profile, which varies by product type.

- For amortising products and bullet repayment loans, this is based on the contractual repayments owed by the borrower over a 12-month or remaining maturity.
- For revolving products the exposure at default is predicted by taking current drawn balance and adding a "credit conversion factor" which allows for the expected drawdown of the remaining limit by the time of default.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MEASUREMENT (CONTINUED)

(iv) Measuring ECL – inputs, assumptions and estimation techniques (Continued)

Loss Given Default

LGD represents the Group's expectation of the extent of loss on a defaulted exposure. LGD varies by type of counterparty, type and seniority of claim and availability of collateral or other credit support. LGD is expressed as a percentage loss per unit of exposure at the time of default.

The 12-month and lifetime LGDs are determined based on the factors which impact the recoveries made post default. These vary by product type.

- For secured products, this is primarily based on collateral type and projected collateral values, historical discounts to market/book values due to forced sales, time to repossession and recovery costs observed.

- For unsecured products, LGD's are typically set at product level due to the limited differentiation in recoveries achieved across different borrowers. These LGD's are influenced by collection strategies, including contracted debt sales and price.

The assumptions underlying the ECL calculation are monitored and reviewed periodically. There have been no significant changes in estimation techniques or significant assumptions made during the reporting period.

(v) Forward-looking information incorporated into the ECL models

The estimation of ECL incorporates forward-looking information. The Group has performed statistical analysis based on historical experience and identified the key economic variables impacting credit risk and expected credit losses for each portfolio. The relationship of these economic variables on the PD, EAD and LGD has been determined by performing statistical regression analysis to understand the impact changes in these variables have had historically on default rates and on the components of PD and LGD. These economic variables and their associated impact on the PD, EAD and LGD vary by financial instrument. Expert judgement has also been applied in this process. Forecasts of these economic variables are sourced from Group's Economics team and external research house.

The Group applies three economic scenarios to reflect an unbiased probability-weighted range of possible future outcome in estimating ECL:

Base case: This represents 'most likely outcome' of future economic conditions which is aligned with information used by the Group for other purposes such as budgeting and stress testing.

Best and Worst case: This represent the 'upside' and 'downside' outcome of future economic conditions.

As with any economic forecasts, the projections and likelihoods of occurrence are subject to some degree of inherent uncertainty and therefore the actual outcomes may be different to those projected. The Group considers these forecasts to represent its best estimate of the possible outcomes and are appropriately representative of the range of possible scenarios. The scenario weightage, number of scenarios and their attributes are reassessed periodically.

The Group and the Company have also identified the key economic variables and carried out sensitivity assessment of ECL for loans, advances and financing (including undrawn loans, advances and financing) and treasury bonds in relation to the changes in these key economic variables whilst keeping other variables unchanged.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

CREDIT RISK MEASUREMENT (CONTINUED)

(v) Forward-looking information incorporated into the ECL models (Continued)

The key economic variables used for the ECL sensitivity assessment:

Key variables:	Changes (+/- bps) 2025	2024
GDP growth	**75**	75
Equity market and share price index	**100 – 300**	25 – 300
Housing Price Index ("HPI")	**25 – 75**	5 –75
Overnight policy rate ("OPR")	**25 – 50**	25
Exchange Rate	**30**	25
Interbank rate	**10**	25
Crude oil price	**400**	150
Consumer Price Index, CPI	**–**	50 – 200
Export	**50**	50 – 150
Leading indicator	**50**	50
Retail Sale	**100**	25
Bank Indonesia Rate	**–**	25
Private Consumption	**50**	50
Labour Rate	**50**	50
Average Lending Rate	**10**	–
Household debt	**50 – 100**	–
Unemployment rate	**50**	–

	The Group (Writeback)/made			
	2025		2024	
	RM'000 +	RM'000 –	RM'000 +	RM'000 –
Impact from expected credit losses	**(54,535)**	**65,738**	37,019	1,311

The impact captures the non-linearity and offsetting effect arising from the correlation of variables with the ECL and does not reflect any overlay or adjustment which could potentially be put in place as a result of the change in macroeconomics.

(vi) Grouping of exposure for ECL measured on collective basis

For expected credit loss provisions modelled on a collective basis, a grouping of exposures is performed on the basis of shared risk characteristics, such that risk exposures within a group are homogeneous. In performing this grouping, there must be sufficient information for the group to be statistically credible. Where sufficient information is not available internally, the Group has considered benchmarking internal/external supplementary data to use for modelling purposes. The appropriateness of groupings is monitored and reviewed on a periodic basis by the Credit Risk and Modeling team.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

WRITE-OFF POLICY

Write-off is usually taken when relevant recovery actions have been exhausted or further recovery is not economically feasible or justifiable. When a loan or debt instrument is deemed uncollectible, it is written off against the related allowance for impairment. Such loans are either written off in full or partially after taking into consideration the realisable value of collateral (if any) and when in the judgement of the management, there is no prospect of recovery. All write-offs must be approved by the Board or its delegated authorities.

The Group may write-off loan or debt instrument that are still subject to enforcement activity. The outstanding contractual amounts of such assets written off during the year ended 31 December 2025 was RM2,949 million (2024: RM2,469 million).

MODIFICATION OF LOANS

Where the original contractual terms of a financial asset have been modified and the instrument has not been derecognised, the resulting modification loss is recognised in the income statements with a corresponding decrease in the gross carrying value of the asset.

If the modification involved a concession that the Group and the Company would not otherwise consider, the instrument is considered to be credit impaired and is considered forborne. ECL for modified financial assets that have not been derecognised and are not considered to be credit-impaired will be recognised on a 12-month basis, or a lifetime basis, if there is a significant increase in credit risk.

These assets are assessed to determine whether there has been a significant increase in credit risk subsequent to the modification. The risk of default of such loans after modification is assessed at the reporting date and compared with the risk under the original terms at initial recognition, when the modification is not substantial and so does not result in derecognition of the original loans. The Group and the Company monitor the subsequent performance of modified assets. The Group and the Company may determine that the credit risk has significantly improved after restructuring, so that the assets are moved from Stage 3 or Stage 2 (Lifetime ECL) to Stage 1 (12-month ECL). This is only the case for assets which have performed in accordance with the new terms for six consecutive months or more.

OFF-BALANCE SHEET EXPOSURES AND COUNTERPARTY CREDIT RISK ("CCR")

Off-Balance exposures are exposures are exposures such as derivatives, trade facilities and undrawn commitments. The Group adopts the Current Exposure method to compute the capital requirement for CCR under BNM's guidelines on CAF (Basel II - Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets).

(i) Credit Risk Mitigation

For credit derivatives and swaps transactions, the Group enters into master agreement with counterparties, whenever possible. Further, the Group may also enter into CSA with counterparties. The net credit exposure with each counterparty is monitored based on the threshold agreed in the master agreement and the Group may request for additional margin for any exposures above the agreed threshold, in accordance with the terms specified in the relevant CSA or the master agreement. The eligibility of collaterals and frequency calls are negotiated with the counterparty and endorsed by GCC or the relevant credit approving authority.

(ii) Treatment of Rating Downgrade

In the event of a one-notch downgrade of rating, based on the terms of the existing Credit Support Annexes, International Swaps and Derivatives Association Agreement and exposure as at 31 December 2025 and 31 December 2024 there was no requirement for additional collateral to be posted.

On the other hand, counterparty rating is being monitored and in the event of a rating downgrade, remedial actions such as revision of the counterparty credit limit, suspension of the limit or the request for additional collateral may be taken.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.1 MAXIMUM EXPOSURE TO CREDIT RISK (WITHOUT TAKING INTO ACCOUNT ANY COLLATERAL HELD OR OTHER CREDIT ENHANCEMENTS)

For financial assets reflected in the statement of financial position, the exposure to credit risk equals their carrying amount. For financial guarantees and similar contract granted, it is the maximum amount that the Group and the Company would have to pay if the guarantees were called upon. For credit related commitments and contingents that are irrevocable over the life of the respective facilities, it is generally the full amount of the committed facilities.

All financial assets of the Group are subject to credit risk except for cash in hands, securities instruments in financial investments at fair value through profit or loss, unit trust in debt instruments at fair value through other comprehensive income, equity instruments at fair value through other comprehensive income, statutory deposits with central banks as well as non-financial assets.

	The Group Maximum exposure	
	2025 RM'000	**2024 RM'000**
Financial guarantees	**7,849,455**	7,943,046
Credit related commitments and contingencies	**154,122,040**	174,536,925
	161,971,495	182,479,971

The financial effect of collateral (quantification to the extent to which collateral and other credit enhancements mitigate credit risk) held for net loans, advances and financing for the Group is 67.8% (2024: 68.6%) while the financial effect of collateral for derivatives for the Group is 94.9% (2024: 82.1%). The financial effect of collateral held for the remaining financial assets are insignificant.

The financial effect of collateral (quantification to the extent to which collateral and other credit enhancements mitigate credit risk) held for net loans, advances and financing that are credit impaired as at 31 December 2025 for the Group is 81.1% (2024: 81.2%).

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.2 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES

(a) Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements – by type

	The Group					
				Related amounts not offsetted in the statement of financial position		
	Gross amounts of recognised financial assets in the statement of financial position RM'000	Gross amounts of offsetted financial liabilities in the statement of financial position RM'000	Net amounts of financial assets in the statement of financial position RM'000	Financial instruments RM'000	Financial collateral received RM'000	Net amount RM'000
Financial assets						
2025						
Derivatives	**15,265,565**	**-**	**15,265,565**	**(9,425,254)**	**(3,032,076)**	**2,808,235**
Reverse repurchase agreements/ reverse Collateralised Commodity Murabahah	**14,205,733**	**-**	**14,205,733**	**(2,026,813)**	**(11,934,408)**	**244,512**
Loans, advances and financing – Share margin financing	**34,019**	**-**	**34,019**	**-**	**(33,038)**	**981**
Total	**29,505,317**	**-**	**29,505,317**	**(11,452,067)**	**(14,999,522)**	**3,053,728**
2024						
Derivatives	15,022,058	-	15,022,058	(9,558,361)	(1,929,977)	3,533,720
Reverse repurchase agreements/ reverse Collateralised Commodity Murabahah	10,882,458	-	10,882,458	(4,277,808)	(6,364,317)	240,333
Loans, advances and financing – Share margin financing	22,637	-	22,637	-	(21,593)	1,044
Total	25,927,153	-	25,927,153	(13,836,169)	(8,315,887)	3,775,097

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.2 OFFSETTING FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONTINUED)

(b) Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements – by type

	The Group					
				Related amounts not offsetted in the statement of financial position		
	Gross amounts of recognised financial liabilities in the statement of financial position RM'000	Gross amounts of offsetted financial assets in the statement of financial position RM'000	Net amounts of financial liabilities in the statement of financial position RM'000	Financial instruments RM'000	Financial collaterals pledged RM'000	Net amount RM'000
Financial liabilities						
2025						
Derivatives	**15,691,607**	**-**	**15,691,607**	**(9,333,366)**	**(2,426,184)**	**3,932,057**
Repurchase agreements/Collateralised Commodity Murabahah	**42,765,709**	**-**	**42,765,709**	**(42,322,035)**	**-**	**443,674**
Amount due to brokers	**23,878**	**(9,442)**	**14,436**	**-**	**-**	**14,436**
Total	**58,481,194**	**(9,442)**	**58,471,752**	**(51,655,401)**	**(2,426,184)**	**4,390,167**
2024						
Derivatives	14,423,807	-	14,423,807	(9,532,855)	(1,797,453)	3,093,499
Repurchase agreements/Collateralised Commodity Murabahah	47,228,104	-	47,228,104	(46,967,070)	-	261,034
Amount due to brokers	52,026	(28,440)	23,586	-	-	23,586
Total	61,703,937	(28,440)	61,675,497	(56,499,925)	(1,797,453)	3,378,119

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE

A concentration of credit risk exists when a number of counterparties are engaged in similar activities and have similar economic characteristics that would cause their ability to meet contractual obligations to be similarly affected by changes in economic or other conditions.

(a) Geographical sectors

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location as at 31 December 2025 and 31 December 2024 are as follows:

The Group 2025	Malaysia RM'000	Indonesia RM'000	Thailand RM'000	Singapore RM'000	United States RM'000	United Kingdom RM'000	Hong Kong RM'000	China RM'000	Others RM'000	Total RM'000
Cash and short-term funds	10,672,737	2,960,701	50,417	2,091,972	946,163	2,402,835	680,494	234,115	3,433,694	23,473,128
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah	6,690,408	253,400	405,513	1,425,057	1,938,294	107,069	675,090	7,955	2,702,947	14,205,733
Deposits and placements with banks and other financial institutions	3,116,535	73	-	746,244	-	-	405,565	122,416	266,765	4,657,598
Financial investments at fair value through profit or loss	24,135,818	6,627,856	9,064,187	13,250,818	749,766	740,878	45,506	288,660	5,681,101	60,584,590
Debt instruments at fair value through other comprehensive income	44,116,827	13,729,552	10,922,962	3,928,646	1,912,287	1,884,029	1,288,141	1,002,086	6,544,153	85,328,683
Debt instruments at amortised cost	56,824,901	2,807,406	4,792,408	14,402,200	32,982	100,625	60,562	-	1,107,609	80,128,693
Derivative financial instruments	3,371,354	164,742	6,941,883	1,239,683	12,098	2,541,639	124,544	40,482	829,140	15,265,565
Loans, advances and financing	281,705,383	59,696,840	30,510,777	46,608,008	444,879	3,772,868	1,782,452	4,912,689	15,486,534	444,920,430
Other assets	6,477,233	797,905	3,987,393	2,184,488	493,195	1,367,730	225,196	4,317	320,356	15,857,813
Financial guarantees	3,243,767	357,584	5,536	2,148,252	237	1,382	45,098	261,722	1,785,877	7,849,455
Credit related commitments and contingencies	113,905,495	7,283,095	4,249,497	15,438,143	9,522	2,553,882	1,679,502	3,998,143	5,004,761	154,122,040
Total credit exposures	554,260,458	94,679,154	70,930,573	103,463,511	6,539,423	15,472,937	7,012,150	10,872,585	43,162,937	906,393,728

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE (CONTINUED)

(a) Geographical sectors (Continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location as at 31 December 2025 and 31 December 2024 are as follows (Continued):

The Group 2024	Malaysia RM'000	Indonesia RM'000	Thailand RM'000	Singapore RM'000	United States RM'000	United Kingdom RM'000	Hong Kong RM'000	China RM'000	Others RM'000	Total RM'000
Cash and short-term funds	11,709,989	1,467,248	52,258	3,267,401	1,479,383	1,422,645	824,689	680,457	3,764,400	24,668,470
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah	5,991,794	451,552	124,352	2,440,456	27,299	87,680	448,454	10,637	1,300,234	10,882,458
Deposits and placements with banks and other financial institutions	1,631,699	84	–	2,157,754	–	–	326,651	142,269	909,322	5,167,779
Financial investments at fair value through profit or loss	21,778,205	6,635,360	8,203,479	8,468,296	281,359	660,044	86,232	211,013	3,075,415	49,399,403
Debt instruments at fair value through other comprehensive income	40,858,471	16,704,278	9,363,416	2,764,297	640,488	1,320,300	1,527,310	817,567	4,885,228	78,881,355
Debt instruments at amortised cost	54,140,044	4,834,649	4,964,039	13,774,050	–	94,133	80,183	185,796	590,562	78,663,456
Derivative financial instruments	2,839,447	297,754	5,644,445	869,090	3,724	3,589,384	272,811	73,026	1,432,377	15,022,058
Loans, advances and financing	269,229,837	64,396,802	34,076,405	47,184,363	570,918	6,601,978	2,090,516	4,672,256	13,340,404	442,163,479
Other assets	6,094,808	894,530	1,759,390	1,507,336	633,081	999,221	96,241	3,722	1,696,516	13,684,845
Financial guarantees	3,031,062	179,323	8,243	3,018,007	2,189	–	23,059	164,697	1,516,466	7,943,046
Credit related commitments and contingencies	129,360,998	8,410,409	3,875,388	14,353,650	225,524	655,536	2,283,916	4,074,023	11,297,481	174,536,925
Total credit exposures	546,666,354	104,271,989	68,071,415	99,804,700	3,863,965	15,430,921	8,060,062	11,035,463	43,808,405	901,013,274

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE (CONTINUED)

(a) Geographical sectors (Continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) based on the location as at 31 December 2025 and 31 December 2024 are as follows (Continued):

The Company 2025	**Malaysia RM'000**	**Total RM'000**
Cash and short-term funds	**266,561**	**266,561**
Debt instruments at fair value through other comprehensive income	**614,441**	**614,441**
Debt instruments at amortised cost	**10,006,054**	**10,006,054**
Other assets	**817**	**817**
Amount due from subsidiaries	**20**	**20**
	10,887,893	**10,887,893**

The Company 2024	**Malaysia RM'000**	**Total RM'000**
Cash and short-term funds	407,956	407,956
Debt instruments at fair value through other comprehensive income	1,157,825	1,157,825
Debt instruments at amortised cost	8,414,474	8,414,474
Other assets	924	924
	9,981,179	9,981,179

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE (CONTINUED)

(b) Industry sectors

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) for the following financial assets as at 31 December 2025 and 31 December 2024 based on the industry sectors are as follows:

The Group 2025	Cash and short-term funds RM'000	Reverse repurchase agreements/ reverse Collateralised Commodity Murabahah RM'000	Deposits and placements with banks and other financial institutions RM'000	Financial investments at fair value through profit or loss RM'000	Debt instruments at fair value through other comprehensive income RM'000	Debt instruments at amortised cost RM'000	Derivative financial instruments RM'000	Loans, advances and financing RM'000	Other assets RM'000	Total RM'000
Primary agriculture	-	-	-	106,697	510,106	49,976	6,468	7,507,605	365	8,181,217
Mining and quarrying	-	-	-	121,785	870,372	150,414	58,584	3,148,350	-	4,349,505
Manufacturing	-	-	-	233,889	644,685	110,867	139,772	26,886,756	163	28,016,132
Electricity, gas and water	-	-	-	1,110,317	5,346,023	1,889,335	199,759	10,264,096	7,033	18,816,563
Construction	-	-	-	1,706,389	1,553,890	1,560,616	43,272	13,695,843	2,182	18,562,192
Transport, storage and communications	-	-	-	292,167	2,949,236	3,305,880	120,103	11,769,453	2,516	18,439,355
Education and health	-	-	-	-	-	-	909	20,112,899	146	20,113,954
Wholesale and retail trade, and restaurant	-	-	-	5,683	185,274	-	33,878	33,896,258	1,087	34,122,180
Finance, insurance, real estate business:										
Finance, insurance/takaful, real estate and business activities	23,322,414	13,001,766	4,657,598	16,476,096	29,241,798	21,657,036	14,388,283	67,402,360	13,153,832	203,301,183
Others:										
Household	-	-	-	-	-	-	973	228,891,467	2,431	228,894,871
Others	150,714	1,203,967	-	40,531,567	44,027,299	51,404,569	273,564	21,345,343	2,688,058	161,625,081
	23,473,128	14,205,733	4,657,598	60,584,590	85,328,683	80,128,693	15,265,565	444,920,430	15,857,813	744,422,233

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE (CONTINUED)

(b) Industry sectors (Continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) for the following financial assets as at 31 December 2025 and 31 December 2024 based on the industry sectors are as follows (Continued):

The Group 2024	Cash and short-term funds RM'000	Reverse repurchase agreements/ reverse Collateralised Commodity Murabahah RM'000	Deposits and placements with banks and other financial institutions RM'000	Financial investments at fair value through profit or loss RM'000	Debt instruments at fair value through other comprehensive income RM'000	Debt instruments at amortised cost RM'000	Derivative financial instruments RM'000	Loans, advances and financing RM'000	Other assets RM'000	Total RM'000
Primary agriculture	–	–	–	–	294,042	55,075	1,398	11,497,175	24	11,847,714
Mining and quarrying	–	–	–	107,565	761,728	959,211	41,824	4,659,473	–	6,529,801
Manufacturing	–	–	–	142,994	753,513	119,228	102,459	28,038,153	689	29,157,036
Electricity, gas and water	–	–	–	926,303	5,106,775	2,027,132	99,651	8,159,365	32,752	16,351,978
Construction	–	–	–	1,248,762	1,334,957	1,614,821	8,390	12,853,397	2,260	17,062,587
Transport, storage and communications	–	–	–	391,052	3,613,590	3,462,846	43,603	12,201,476	25,964	19,738,531
Education and health	–	–	–	–	–	–	740	19,359,940	499	19,361,179
Wholesale and retail trade, and restaurant	–	–	–	36,833	335,813	–	4,774	37,541,211	1,306	37,919,937
Finance, insurance, real estate business:										
Finance, insurance/takaful, real estate and business activities	24,668,470	9,367,284	5,167,779	17,285,527	23,763,215	26,538,370	14,394,107	64,407,513	12,011,385	197,603,650
Others:										
Household	–	–	–	–	–	–	244	221,388,259	1,310	221,389,813
Others	–	1,515,174	–	29,260,367	42,917,722	43,886,773	324,868	22,057,517	1,608,656	141,571,077
	24,668,470	10,882,458	5,167,779	49,399,403	78,881,355	78,663,456	15,022,058	442,163,479	13,684,845	718,533,303

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE (CONTINUED)

(b) Industry sectors (Continued)

The analysis of credit risk concentrations (without taking into account any collateral held or other credit enhancements) for the following financial assets as at 31 December 2025 and 31 December 2024 based on the industry sectors are as follows (Continued):

The Company 2025	Cash and short-term funds RM'000	Other financial assets* RM'000	Debt instruments at fair value through other comprehensive income RM'000	Debt instruments at amortised cost RM'000	Total RM'000
Finance, insurance/takaful, real estate and business activities	**266,561**	**837**	**614,441**	**10,006,054**	**10,887,893**
	266,561	**837**	**614,441**	**10,006,054**	**10,887,893**

The Company 2024	Cash and short-term funds RM'000	Other financial assets* RM'000	Debt instruments at fair value through other comprehensive income RM'000	Debt instruments at amortised cost RM'000	Total RM'000
Finance, insurance/takaful, real estate and business activities	407,956	924	1,157,825	8,414,474	9,981,179
	407,956	924	1,157,825	8,414,474	9,981,179

** Other financial assets include amount due from subsidiaries and other financial assets*

Notes to the Financial Statements

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.3 CONCENTRATION OF RISKS OF FINANCIAL ASSETS WITH CREDIT RISK EXPOSURE (CONTINUED)

(b) Industry sectors (Continued)

The analysis of credit risk concentrations for financial guarantees and credit related commitments and contingencies as at 31 December 2025 and 31 December 2024 based on the industry sectors are as follows:

	The Group			
	Financial guarantees 2025 RM'000	**Credit related commitments and contingencies 2025 RM'000**	**Financial guarantees 2024 RM'000**	**Credit related commitments and contingencies 2024 RM'000**
Primary agriculture	**58,669**	**3,420,875**	55,618	2,809,899
Mining and quarrying	**82,831**	**5,974,311**	108,596	6,400,389
Manufacturing	**1,296,702**	**12,451,433**	1,020,686	13,445,086
Electricity, gas and water	**450,779**	**5,273,626**	485,738	8,842,996
Construction	**910,987**	**14,081,993**	662,411	12,087,247
Transport, storage and communications	**164,275**	**5,885,911**	333,818	5,740,375
Education and health	**79,963**	**6,518,895**	71,777	7,327,558
Wholesale and retail trade, and restaurant	**3,791,556**	**16,399,589**	4,288,893	15,732,594
Finance, insurance/takaful, real estate and business activities	**831,173**	**28,659,801**	720,828	48,332,045
Others:				
Household	**112,124**	**53,047,498**	124,262	50,699,914
Others	**70,396**	**2,408,108**	70,419	3,118,822
	7,849,455	**154,122,040**	7,943,046	174,536,925

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS

(a) Financial assets using General 3-stage approach

Where expected credit loss model is applied, the credit quality of financial instruments subject to credit risk are assessed by reference to the internal rating system adopted by the Group, as summarised below:

Loans, advances and financing and loans commitment and financial guarantees

Rating classification	**Internal rating label**
Good	1 to 17
Satisfactory	18 to 25
Impaired	26 and above

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

Other financial instruments

Rating classification	Internal rating label
Investment grade (IG)	1 to 10
Non-investment grade	11 to 25
Impaired	26 and above

Other financial instruments include cash and short-term funds, deposits and placements with banks and other financial institutions, reverse repurchase agreements at amortised cost, debt instruments at FVOCI, debt instruments at amortised cost, amount due from subsidiaries and other assets.

Credit quality description can be summarised as follows:

Good – There is a high likelihood of the asset being recovered in full and therefore, of no cause for concern to the Group and the Company.

Satisfactory – There is concern over the counterparty's ability to make payments when due. However, these have not yet converted to actual delinquency and the counterparty is continuing to make payments when due and is expected to settle all outstanding amounts of principal and interest.

Investment Grade – It refers to the credit quality of the financial asset where there is a relatively low risk of credit default as the issuer of the financial asset has a high likelihood to meet payment obligations.

Non-investment Grade – There is concern over the credit quality of the financial asset due to the issuer's ability to repay its obligation when due.

No rating – This includes exposures under the Standardised Approach and those where ratings are not available and portfolio average were applied.

Impaired – Refers to the asset that is being impaired.

Sovereign – Refers to exposures relate to government and central bank.

Notes to the Financial Statements

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following tables are analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised.

The Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Cash and short-term funds and Deposits and placements with Banks and other Financial Institutions					
2025					
Sovereign	**4,023,862**	**–**	**–**	**–**	**4,023,862**
Investment grade	**13,833,033**	**–**	**–**	**–**	**13,833,033**
Non-investment grade	**2,046**	**–**	**–**	**–**	**2,046**
Impaired	**–**	**–**	**–**	**–**	**–**
No rating	**10,273,259**	**–**	**–**	**–**	**10,273,259**
Gross carrying amount	**28,132,200**	**–**	**–**	**–**	**28,132,200**
Total ECL	**(1,474)**	**–**	**–**	**–**	**(1,474)**
Net carrying amount	**28,130,726**	**–**	**–**	**–**	**28,130,726**
2024					
Sovereign	3,043,606	–	–	–	3,043,606
Investment grade	13,953,637	–	–	–	13,953,637
Non-investment grade	2,318	–	–	–	2,318
Impaired	–	–	–	–	–
No rating	12,837,998	–	–	–	12,837,998
Gross carrying amount	29,837,559	–	–	–	29,837,559
Total ECL	(1,310)	–	–	–	(1,310)
Net carrying amount	29,836,249	–	–	–	29,836,249
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah, at amortised cost					
2025					
Sovereign	**4,888,835**	**–**	**–**	**–**	**4,888,835**
Investment grade	**1,447,430**	**–**	**–**	**–**	**1,447,430**
Non-investment grade	**–**	**–**	**–**	**–**	**–**
No rating	**7,686,522**	**–**	**–**	**–**	**7,686,522**
Gross carrying amount	**14,022,787**	**–**	**–**	**–**	**14,022,787**
Total ECL	**–**	**–**	**–**	**–**	**–**
Net carrying amount	**14,022,787**	**–**	**–**	**–**	**14,022,787**
2024					
Sovereign	–	–	–	–	–
Investment grade	2,201,748	–	–	–	2,201,748
Non-investment grade	–	–	–	–	–
No rating	8,322,549	–	–	–	8,322,549
Gross carrying amount	10,524,297	–	–	–	10,524,297
Total ECL	–	–	–	–	–
Net carrying amount	10,524,297	–	–	–	10,524,297

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following tables are analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised. (Continued)

The Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Debt instruments at FVOCI					
2025					
Sovereign	**46,826,400**	**–**	**–**	**–**	**46,826,400**
Investment grade	**27,816,634**	**–**	**–**	**–**	**27,816,634**
Non-investment grade	**8,164,459**	**124,914**	**–**	**–**	**8,289,373**
No rating	**2,396,276**	**–**	**–**	**–**	**2,396,276**
Gross carrying amount*	**85,203,769**	**124,914**	**–**	**–**	**85,328,683**
Total ECL^^	**(25,768)**	**(36,112)**	**–**	**–**	**(61,880)**
2024					
Sovereign	45,913,057	–	–	–	45,913,057
Investment grade	25,540,401	20,510	–	–	25,560,911
Non-investment grade	6,796,313	38,384	–	–	6,834,697
No rating	572,690	–	–	–	572,690
Gross carrying amount*	78,822,461	58,894	–	–	78,881,355
Total ECL^^	(50,258)	(17,149)	–	–	(67,407)

* *This represents the fair value of the securities*

^^ *The ECL is recognised in OCI reserves instead of in the statement of financial position as the carrying amount of debt instruments at FVOCI is equivalent to their fair value.*

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following tables are analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised. (Continued)

The Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Debt instruments at amortised cost					
2025					
Sovereign	**68,786,139**	**–**	**–**	**–**	**68,786,139**
Investment grade	**6,444,072**	**29,020**	**–**	**–**	**6,473,092**
Non-investment grade	**4,392,004**	**–**	**–**	**–**	**4,392,004**
Impaired	**–**	**–**	**158**	**95,104**	**95,262**
No rating	**386,737**	**–**	**–**	**–**	**386,737**
Gross carrying amount	**80,008,952**	**29,020**	**158**	**95,104**	**80,133,234**
Total ECL	**(4,040)**	**(343)**	**(158)**	**–**	**(4,541)**
Net carrying amount	**80,004,912**	**28,677**	**–**	**95,104**	**80,128,693**
2024					
Sovereign	66,408,859	–	–	–	66,408,859
Investment grade	7,523,143	31,269	–	–	7,554,412
Non-investment grade	3,348,801	–	–	–	3,348,801
Impaired	–	–	1,417,787	–	1,417,787
No rating	521,267	–	–	–	521,267
Gross carrying amount	77,802,070	31,269	1,417,787	–	79,251,126
Total ECL	(7,057)	(1,198)	(579,415)	–	(587,670)
Net carrying amount	77,795,013	30,071	838,372	–	78,663,456
Loans, advances and financing at amortised cost (i)					
2025					
Good	**248,497,571**	**3,665,340**	**–**	**–**	**252,162,911**
Satisfactory	**46,582,118**	**15,756,827**	**–**	**–**	**62,338,945**
Impaired	**–**	**–**	**7,786,158**	**–**	**7,786,158**
No rating	**124,193,108**	**6,474,993**	**–**	**–**	**130,668,101**
Gross carrying amount	**419,272,797**	**25,897,160**	**7,786,158**	**–**	**452,956,115**
Total ECL	**(1,746,250)**	**(1,810,982)**	**(4,478,453)**	**–**	**(8,035,685)**
Net carrying amount	**417,526,547**	**24,086,178**	**3,307,705**	**–**	**444,920,430**
2024					
Good	227,136,474	3,570,144	–	–	230,706,618
Satisfactory	53,559,543	17,071,713	–	–	70,631,256
Impaired	–	–	9,574,614	–	9,574,614
No rating	134,033,020	7,295,496	–	–	141,328,516
Gross carrying amount	414,729,037	27,937,353	9,574,614	–	452,241,004
Total ECL	(2,435,885)	(1,793,505)	(5,848,135)	–	(10,077,525)
Net carrying amount	412,293,152	26,143,848	3,726,479	–	442,163,479

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following tables are analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised. (Continued)

The Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Other assets					
2025					
Sovereign	**1,383,725**	**–**	**–**	**–**	**1,383,725**
Investment grade	**5,455,610**	**–**	**–**	**–**	**5,455,610**
Non-investment grade	**874,013**	**–**	**–**	**–**	**874,013**
Impaired	**–**	**–**	**517,419**	**–**	**517,419**
No rating	**6,955,568**	**–**	**–**	**–**	**6,955,568**
Gross carrying amount	**14,668,916**	**–**	**517,419**	**–**	**15,186,335**
Total ECL	**(90,368)**	**–**	**(517,419)**	**–**	**(607,787)**
Net carrying amount	**14,578,548**	**–**	**–**	**–**	**14,578,548**
2024					
Sovereign	871,015	–	–	–	871,015
Investment grade	4,885,512	–	–	–	4,885,512
Non-investment grade	344,481	–	–	–	344,481
Impaired	–	–	517,614	–	517,614
No rating	6,448,515	–	–	–	6,448,515
Gross carrying amount	12,549,523	–	517,614	–	13,067,137
Total ECL	(90,368)	–	(517,614)	–	(607,982)
Net carrying amount	12,459,155	–	–	–	12,459,155

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following tables are analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised. (Continued)

The Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Loan commitments and Financial guarantee contracts					
2025					
Good	**119,403,455**	**509,596**	**–**	**–**	**119,913,051**
Satisfactory	**9,327,451**	**2,849,204**	**–**	**–**	**12,176,655**
Impaired	**–**	**–**	**188,050**	**–**	**188,050**
No rating	**29,377,588**	**311,276**	**4,875**	**–**	**29,693,739**
Gross exposure	**158,108,494**	**3,670,076**	**192,925**	**–**	**161,971,495**
Total ECL	**(178,107)**	**(104,667)**	**(88,005)**	**–**	**(370,779)**
Net exposure	**157,930,387**	**3,565,409**	**104,920**	**–**	**161,600,716**
2024					
Good	106,330,588	1,229,960	–	–	107,560,548
Satisfactory	8,187,529	2,702,040	–	–	10,889,569
Impaired	–	–	281,589	–	281,589
No rating	63,116,287	631,083	895	–	63,748,265
Gross exposure	177,634,404	4,563,083	282,484	–	182,479,971
Total ECL	(215,355)	(87,227)	(104,546)	–	(407,128)
Net exposure	177,419,049	4,475,856	177,938	–	182,072,843

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

(i) Analysis of credit quality of loans, advances and financing by product

	Loans and advances at amortised cost									
The Group 2025	Overdraft RM'000	Term loans/ financing RM'000	Bills receivable RM'000	Trust receipts RM'000	Claims on customers under acceptance credits RM'000	Staff loans RM'000	Credit card receivables RM'000	Revolving credits RM'000	Share margin financing RM'000	Total gross carrying amount RM'000
12-month ECL (Stage 1)	4,385,082	343,996,025	7,470,516	1,540,220	2,947,485	1,762,253	10,601,262	46,535,935	34,019	419,272,797
– Good	1,500,809	207,461,929	6,605,820	1,246,162	2,160,341	1,329,616	4,244,955	23,947,939	–	248,497,571
– Satisfactory	361,586	40,017,250	268,545	79,171	286,868	647	3,702,413	1,865,638	–	46,582,118
– No rating	2,522,687	96,516,846	596,151	214,887	500,276	431,990	2,653,894	20,722,358	34,019	124,193,108
Lifetime ECL not credit-impaired (Stage 2)	895,748	20,015,596	1,014,461	101,454	768,103	3,040	360,872	2,737,886	–	25,897,160
– Good	214,760	2,034,902	309,241	65,429	308,509	238	1,785	730,476	–	3,665,340
– Satisfactory	617,300	12,143,329	703,034	23,125	429,034	1,243	321,077	1,518,685	–	15,756,827
– No rating	63,688	5,837,365	2,186	12,900	30,560	1,559	38,010	488,725	–	6,474,993
Lifetime ECL credit-impaired (Stage 3)	231,382	6,678,201	66,285	16,285	59,997	3,889	196,404	418,854	–	7,671,297
– Impaired	231,382	6,678,201	66,285	16,285	59,997	3,889	196,404	418,854	–	7,671,297
Purchased credit impaired	–	114,861	–	–	–	–	–	–	–	114,861
– Impaired	–	114,861	–	–	–	–	–	–	–	114,861
Total	5,512,212	370,804,683	8,551,262	1,657,959	3,775,585	1,769,182	11,158,538	49,692,675	34,019	452,956,115

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

(i) Analysis of credit quality of loans, advances and financing by product (Continued)

	Loans and advances at amortised cost									
The Group 2024	**Overdraft RM'000**	**Term loans/ financing RM'000**	**Bills receivable RM'000**	**Trust receipts RM'000**	**Claims on customers under acceptance credits RM'000**	**Staff loans RM'000**	**Credit card receivables RM'000**	**Revolving credits RM'000**	**Share margin financing RM'000**	**Total gross carrying amount RM'000**
12-month ECL (Stage 1)	4,242,386	342,678,775	6,556,034	1,618,613	3,296,475	1,832,197	10,376,538	44,105,382	22,637	414,729,037
– Good	1,437,544	194,595,270	4,133,352	1,157,038	1,190,173	1,346,698	3,912,243	19,364,156	–	227,136,474
– Satisfactory	356,832	46,871,451	494,271	141,155	194,298	975	3,545,048	1,955,513	–	53,559,543
– No rating	2,448,010	101,212,054	1,928,411	320,420	1,912,004	484,524	2,919,247	22,785,713	22,637	134,033,020
Lifetime ECL not credit-impaired (Stage 2)	914,770	21,855,252	903,822	466,929	641,858	3,159	308,350	2,843,213	–	27,937,353
– Good	218,076	2,079,882	130,040	415,423	122,514	–	1,667	602,542	–	3,570,144
– Satisfactory	630,398	13,200,246	772,796	34,695	464,756	597	252,156	1,716,069	–	17,071,713
– No rating	66,296	6,575,124	986	16,811	54,588	2,562	54,527	524,602	–	7,295,496
Lifetime ECL credit-impaired (Stage 3)	208,723	8,588,693	49,749	17,079	106,366	3,033	220,340	380,631	–	9,574,614
– Impaired	208,723	8,588,693	49,749	17,079	106,366	3,033	220,340	380,631	–	9,574,614
Purchased credit impaired	–	–	–	–	–	–	–	–	–	–
– Impaired	–	–	–	–	–	–	–	–	–	–
Total	5,365,879	373,122,720	7,509,605	2,102,621	4,044,699	1,838,389	10,905,228	47,329,226	22,637	452,241,004

Notes to the Financial Statements
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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following table disclose an analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised. (Continued)

The Company	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Cash and short-term funds					
2025					
No rating	**266,561**	**–**	**–**	**–**	**266,561**
Gross carrying amount	**266,561**	**–**	**–**	**–**	**266,561**
Total ECL	**–**	**–**	**–**	**–**	**–**
Net carrying amount	**266,561**	**–**	**–**	**–**	**266,561**
2024					
No rating	407,956	–	–	–	407,956
Gross carrying amount	407,956	–	–	–	407,956
Less: ECL	–	–	–	–	–
Net carrying amount	407,956	–	–	–	407,956
Debt instruments at FVOCI					
2025					
No rating	**614,441**	**–**	**–**	**–**	**614,441**
Gross carrying amount*	**614,441**	**–**	**–**	**–**	**614,441**
Total ECL^^	**(2,830)**	**–**	**–**	**–**	**(2,830)**
2024					
No rating	1,157,825	–	–	–	1,157,825
Gross carrying amount*	1,157,825	–	–	–	1,157,825
Total ECL^^	(7,679)	–	–	–	(7,679)

* *This represents the fair value of the securities.*

^^ *The ECL is recognised in OCI reserves instead of in the statement of financial position as the carrying amount of debt instruments at FVOCI is equivalent to their fair value.*

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(a) Financial assets using General 3-stage approach (Continued)

The following table disclose an analysis of the credit risk exposure of financial assets for which an expected credit losses allowance ("ECL") is recognised. (Continued)

The Company	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit-impaired (Stage 2) RM'000	Lifetime ECL credit-impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Debt instruments at amortised cost					
2025					
No rating	**10,053,045**	**–**	**–**	**–**	**10,053,045**
Gross carrying amount	**10,053,045**	**–**	**–**	**–**	**10,053,045**
Total ECL	**(46,991)**	**–**	**–**	**–**	**(46,991)**
Net carrying amount	**10,006,054**	**–**	**–**	**–**	**10,006,054**
2024					
No rating	8,469,822	–	–	–	8,469,822
Gross carrying amount	8,469,822	–	–	–	8,469,822
Total ECL	(55,348)	–	–	–	(55,348)
Net carrying amount	8,414,474	–	–	–	8,414,474

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(b) Financial assets using simplified approach

ANALYSIS OF OTHER ASSETS BY CREDIT RATING

The credit quality of other assets are assessed by reference to internal rating system adopted by the Group. Where internal rating system is not applied, external credit rating by major credit rating agencies will be adopted, as summarised below:

The Group and the Company

Rating classification	Internal rating label	External credit rating
Investment grade (IG)	1 to 10	AAA to BBB-
Non-investment grade	11 to 28	BB+ and below

Credit quality description can be summarised below:

Investment Grade – It refers to the credit quality of the financial asset where there is a relatively low risk of credit default as the issuer of the financial asset has a high likelihood to meet payment obligations.

Non-investment Grade – There is concern over the credit quality of the financial asset due to the issuer's ability to repay its obligation when due.

No rating – This includes exposures where ratings are not available and portfolio average were applied.

Sovereign – Refers to exposures relate to government and central bank

The following tables are analysis of the credit risk exposure of other assets using simplified approach:

The Group	Sovereign RM'000	Investment grade RM'000	Non-investment grade RM'000	No rating RM'000	Gross carrying amount RM'000	ECL RM'000	Net carrying amount RM'000
2025							
Other assets	**–**	**27,169**	**–**	**1,352,570**	**1,379,739**	**(100,474)**	**1,279,265**
Total	**–**	**27,169**	**–**	**1,352,570**	**1,379,739**	**(100,474)**	**1,279,265**
2024							
Other assets	70,692	48,336	–	1,218,765	1,337,793	(112,103)	1,225,690
Total	70,692	48,336	–	1,218,765	1,337,793	(112,103)	1,225,690

Notes to the Financial Statements

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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.4 CREDIT QUALITY OF FINANCIAL ASSETS (CONTINUED)

(b) Financial assets using simplified approach (Continued)

ANALYSIS OF OTHER ASSETS BY CREDIT RATING (CONTINUED)

The following tables are analysis of the credit risk exposure of other assets using simplified approach (Continued):

The Company	Sovereign RM'000	Investment grade RM'000	Non-investment grade RM'000	No rating RM'000	Gross carrying amount RM'000	ECL RM'000	Net carrying amount RM'000
2025							
Other assets	**–**	**–**	**–**	**817**	**817**	**–**	**817**
Total	**–**	**–**	**–**	**817**	**817**	**–**	**817**
2024							
Other assets	–	–	–	969	969	–	969
Total	–	–	–	969	969	–	969

57.1.5 REPOSSESSED COLLATERAL

The Group obtained assets by taking possession of collateral held as security as at 31 December 2025 and 31 December 2024 are as follows:

	The Group Carrying amount RM'000	The Company Carrying amount RM'000
2025		
Nature of assets		
Industrial and residential properties, development land and motor vehicles	**237,087**	**–**
2024		
Nature of assets		
Industrial and residential properties, development land and motor vehicles	249,978	–

Repossessed collaterals are sold as soon as practicable. The Group does not utilise the repossessed collaterals for its business use.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.1 CREDIT RISK (CONTINUED)

57.1.6 MODIFICATION OF LOANS, ADVANCES AND FINANCING

The following table provides information on financial assets that were modified while they had a loss allowance measured at an amount equal to lifetime expected credit loss – not credit impaired (Stage 2):

	The Group	
	2025 RM'000	**2024 RM'000**
Amortised cost before modification	**449,882**	230,250
Modification loss	**(18,226)**	(1,396)
Amortised cost after modification	**431,656**	228,854

Gross carrying amounts of loans, advances and financing of the Group as at 31 December 2025, for which loss allowance has changed to 12-month measurement (Stage 1) during the financial year amounting to RM7,516,000 (2024: RM3,472,000).

57.1.7 OVERLAYS AND ADJUSTMENTS FOR EXPECTED CREDIT LOSSES

In the post-COVID-19 environment, the Group continued to apply overlays and post-model adjustments to address economic uncertainties and external risks including, but not limited to, international trade trends, the prevailing effects of high policy rates and inflation, as well as the potential consequences of global geopolitical tensions for the adequacy of the overall level of ECL for the year ended 31 December 2025.

These overlays and post-model adjustments were applied to reflect the latest macroeconomic outlook not captured in the modelled outcome and the potential impact on delinquencies and defaults arising from the potential risks mentioned above.

The overlays and post-model adjustments involved a significant level of judgement and have reflected the management's views on the severity of post-pandemic impacts and paths to recovery in the forward-looking assessment of ECL estimation.

The impact of these overlays and post-model adjustments is estimated at the portfolio level, which remains outside the core MFRS 9 process and amounts to RM984.0 million (2024: RM1,179.0 million) of the Group's ECL on loans, advances/financing (including undrawn loans, advances and financing). Total overlays for ECL inclusive of the macro-economic adjustments is maintained by the Group within loans, advances/financing as at 31 December 2025.

In addition, the Group has performed climate risk assessment on property-backed financing exposures in Malaysia, focusing on physical climate risks using forward-looking climate scenarios commonly applied in climate risk analysis. The results of the assessment were considered as part of management's forward-looking credit risk evaluation. Based on the assessment, management concluded that the climate-related physical risks are not expected to have a material impact on expected credit losses as at the reporting date, and accordingly no additional expected credit losses were recognised.

The Group recognises that climate-related risks, data and methodologies continue to evolve and will continue to enhance its monitoring of both physical and transition climate risks across its operating geographies. Adjustments to expected credit losses will be incorporated where future assessments indicate a material impact on the Group's carrying amounts of financial assets. This approach is consistent with the requirements of MFRS 9 and aligns with the disclosure objectives of IFRS S2, ensuring that climate-related risks are appropriately considered within the Group's governance, strategy, risk management and metrics frameworks.

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for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK

Market risk is defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility.

MARKET RISK MANAGEMENT ("MRM")

The Group hedges the exposures to market risk by employing various strategies, including the use of derivative instruments.

The Group adopts various measures as part of the risk management process. The GRCC with the assistance of GMCRC and its delegated committees ensure that the risk exposures undertaken by the Group is within the risk appetite approved by the Board.

Market Risk CoE is responsible for measuring and controlling the Group's market risk through robust measurement and market risk limit monitoring while facilitating business growth within a controlled and transparent risk management framework.

Market Risk CoE evaluates the market exposures using the applicable market price and pricing model. The valuation process is carried out with the independent price verification requirements to ensure that financial assets/liabilities are recorded at fair value. The valuation methods and models used are validated by Market Risk Management quantitative analysts to assess their applicability relative to market conditions.

The Group adopts the VaR methodology as an approach in the measurement of market risk. VaR is a statistical measure of the potential losses that could occur as a result of movements in market rates and prices over a specified time horizon within a given confidence level. The usage of market VaR by risk type based on 1-day holding period of the Group's trading exposures as at 31 December 2025 is shown in Note 57.2.1.

Stress testing is conducted to capture the potential market risk exposures from an unexpected market movement. In formulating stress scenarios, consideration is given to various aspects of the market; for example, identification of areas where unexpected losses can occur and areas where historical correlation may no longer hold true.

In addition to the above, Market Risk CoE undertakes the monitoring and oversight process at Treasury & Markets' trading floors, which include reviewing and analysing treasury trading activities vis-à-vis changes in the financial markets, monitoring limit usage, assessing limit adequacy and verifying transaction prices.

Capital Treatment for Market Risk

At present, the Group adopts the Standardised Approach to compute market risk capital requirement under BNM's guidelines on CAF (Basel II - Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets).

57.2.1 VaR

The usage of market VaR by risk type based on 1-day holding period of the Group's trading exposures are set out as below:

	The Group	
	2025 RM'000	**2024 RM'000**
Foreign exchange risk	**13,150**	23,660
Interest rate risk	**34,241**	31,795
Equity risk	**5,184**	2,667
Commodity risk	**256**	171
Total	**52,831**	58,293
Total shareholder's fund	**70,361,115**	69,243,796
Percentage of shareholder's fund	**0.08%**	0.08%

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK

Interest rate risk relates to the potential adverse impact on net interest income arising from changes in market rates. One of the primary sources of interest rate risk is the repricing mismatches between interest earning assets and interest bearing liabilities. Interest rate risk is measured and reported at various levels through various techniques including Earnings-at-Risk ("EaR").

(a) Financial assets and financial liabilities analysed by the earlier of contractual repricing or maturity dates

The table below summarises the Group's financial assets and financial liabilities at their full carrying amounts, analysed by the earlier of contractual repricing or maturity dates.

	← Non-trading book →								
The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Non-interest sensitive RM'000	Trading book RM'000	Total RM'000
Financial assets									
Cash and short-term funds	21,246,826	203,365	–	–	–	–	6,734,281	–	28,184,472
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah	11,739,570	2,245,386	–	–	–	–	37,831	182,946	14,205,733
Deposits and placements with banks and other financial institutions	–	3,200,293	1,328,594	111,096	–	–	17,615	–	4,657,598
Financial investments at fair value through profit or loss	–	–	–	–	–	–	1,490,442	63,210,043	64,700,485
Debt instruments at fair value through other comprehensive income	863,254	2,560,546	2,804,555	5,623,062	41,261,291	31,382,999	832,976	–	85,328,683
Equity instruments at fair value through other comprehensive income	–	–	–	–	–	–	601,576	–	601,576
Debt instruments at amortised cost	4,077,996	7,587,486	4,395,218	4,525,030	30,690,399	28,211,372	641,192	–	80,128,693
Derivative financial instruments	13,654	29,693	99,885	18,333	184,310	234,174	–	14,685,516	15,265,565
Loans, advances and financing	316,117,521	15,415,226	9,850,497	14,550,295	40,599,505	48,350,959	36,427	–	444,920,430
Other assets	5,341,244	11	570	–	39,830	–	10,476,158	–	15,857,813
Total financial assets	359,400,065	31,242,006	18,479,319	24,827,816	112,775,335	108,179,504	20,868,498	78,078,505	753,851,048

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(a) Financial assets and financial liabilities analysed by the earlier of contractual repricing or maturity dates (Continued).

The table below summarises the Group's financial assets and financial liabilities at their full carrying amounts, analysed by the earlier of contractual repricing or maturity dates (Continued).

	← Non-trading book →								
The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Non-interest sensitive RM'000	Trading book RM'000	Total RM'000
Financial liabilities									
Deposits from customers	245,724,481	83,242,789	45,126,961	41,036,913	1,892,292	664,943	60,066,962	–	477,755,341
Investment accounts of customers	9,745,587	13,299,060	7,614,839	1,137,556	856	–	493,873	–	32,291,771
Deposits and placements of banks and other financial institutions	31,646,305	12,852,578	3,191,647	574,523	899,980	465,959	276,569	–	49,907,561
Repurchase agreements/Collateralised Commodity Murabahah	20,442,228	18,595,288	3,573,924	–	–	–	154,269	–	42,765,709
Derivative financial instruments	5,528	53,083	9,202	137,167	451,198	135,716	–	14,899,713	15,691,607
Bills and acceptances payable	1,144,452	456,420	352,530	–	–	–	50,170	–	2,003,572
Financial liabilities at fair value through profit or loss	376,193	1,226,183	1,219,706	775,643	6,189,020	3,144,279	45,850	206,275	13,183,149
Other liabilities	6,126,552	2,139,087	656,753	1,367,858	964,868	10,010	12,604,161	–	23,869,289
Lease liabilities	3,232	7,572	13,351	29,897	282,730	21,714	426	–	358,922
Recourse obligation on loans and financing sold to Cagamas	–	157,923	330,000	541,821	2,528,841	1,489,107	24,288	–	5,071,980
Bonds, Sukuk and debentures	203,404	798,963	1,733,905	1,240,418	6,371,828	6,617,044	153,672	–	17,119,234
Other borrowings	1,221,670	8,222,460	2,077,707	528,935	994,027	–	130,695	–	13,175,494
Subordinated obligations	–	–	–	99,697	6,699,760	5,364,115	127,602	–	12,291,174
Total financial liabilities	316,639,632	141,051,406	65,900,525	47,470,428	27,275,400	17,912,887	74,128,537	15,105,988	705,484,803
Net interest sensitivity gap	42,760,433	(109,809,400)	(47,421,206)	(22,642,612)	85,499,935	90,266,617		62,972,517	
Financial guarantees and commitments and contingencies									
Financial guarantees	–	–	–	–	–	–	7,849,455	–	7,849,455
Credit related commitments and contingencies	–	–	–	–	–	–	154,122,040	–	154,122,040
Treasury related commitments and contingencies (hedging)	9,023,481	4,433,404	10,171,136	–	31,381,607	18,350,702	–	–	73,360,330
Net interest sensitivity gap	9,023,481	4,433,404	10,171,136	–	31,381,607	18,350,702	161,971,495	–	235,331,825

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(a) Financial assets and financial liabilities analysed by the earlier of contractual repricing or maturity dates (Continued).

The table below summarises the Group's financial assets and financial liabilities at their full carrying amounts, analysed by the earlier of contractual repricing or maturity dates (Continued).

	← Non-trading book →								
The Group 2024	**Up to 1 month RM'000**	**> 1 – 3 months RM'000**	**> 3 – 6 months RM'000**	**> 6 – 12 months RM'000**	**> 1 – 5 years RM'000**	**Over 5 years RM'000**	**Non-interest sensitive RM'000**	**Trading book RM'000**	**Total RM'000**
Financial assets									
Cash and short-term funds	22,282,351	–	–	–	–	–	7,326,287	–	29,608,638
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah	8,005,340	1,078,571	447,673	953,672	–	–	39,041	358,161	10,882,458
Deposits and placements with banks and other financial institutions	–	3,948,709	1,124,177	77,149	–	–	17,744	–	5,167,779
Financial investments at fair value through profit or loss	–	–	–	–	–	–	1,488,335	51,194,811	52,683,146
Debt instruments at fair value through other comprehensive income	800,773	2,638,575	4,299,234	3,918,734	32,976,865	33,517,426	729,748	–	78,881,355
Equity instruments at fair value through other comprehensive income	–	–	–	–	–	–	393,289	–	393,289
Debt instruments at amortised cost	3,337,763	7,578,403	6,560,128	4,344,190	24,131,959	31,950,039	760,974	–	78,663,456
Derivative financial instruments	54,657	30,685	49,881	10,378	346,757	307,208	–	14,222,492	15,022,058
Loans, advances and financing	309,800,857	17,266,555	9,202,573	13,904,982	42,592,624	49,354,924	40,964	–	442,163,479
Other assets	5,670,233	–	–	–	45,656	–	7,968,956	–	13,684,845
Total financial assets	349,951,974	32,541,498	21,683,666	23,209,105	100,093,861	115,129,597	18,765,338	65,775,464	727,150,503

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(a) Financial assets and financial liabilities analysed by the earlier of contractual repricing or maturity dates (Continued).

The table below summarises the Group's financial assets and financial liabilities at their full carrying amounts, analysed by the earlier of contractual repricing or maturity dates (Continued).

	← Non-trading book →								
The Group 2024	**Up to 1 month RM'000**	**> 1 – 3 months RM'000**	**> 3 – 6 months RM'000**	**> 6 – 12 months RM'000**	**> 1 – 5 years RM'000**	**Over 5 years RM'000**	**Non-interest sensitive RM'000**	**Trading book RM'000**	**Total RM'000**
Financial liabilities									
Deposits from customers	245,038,512	77,355,986	51,339,177	33,863,785	1,705,011	460,868	62,187,527	–	471,950,866
Investment accounts of customers	3,931,239	6,536,126	7,371,843	5,660,764	621,395	–	321,943	–	24,443,310
Deposits and placements of banks and other financial institutions	25,958,026	13,378,648	2,984,790	1,358,250	975,842	446,552	342,473	–	45,444,581
Repurchase agreements/Collateralised Commodity Murabahah	20,131,908	22,667,674	3,634,541	585,252	–	–	208,729	–	47,228,104
Derivative financial instruments	31,567	29,405	65,342	26,578	305,819	134,267	–	13,830,829	14,423,807
Bills and acceptances payable	852,150	590,978	650,859	37	–	–	40,008	–	2,134,032
Financial liabilities at fair value through profit or loss	220,746	970,925	1,037,479	811,111	7,058,669	2,554,916	34,535	43,522	12,731,903
Other liabilities	5,027,746	2,437,538	794,976	852,840	687,438	12,680	11,555,778	–	21,368,996
Lease liabilities	20,630	6,378	11,819	33,717	325,268	113,778	9,414	–	521,004
Recourse obligation on loans and financing sold to Cagamas	–	160,021	–	699,772	2,573,037	1,477,627	24,385	–	4,934,842
Bonds, Sukuk and debentures	231,092	350,938	1,826,306	231,423	5,482,541	6,148,870	141,027	–	14,412,197
Other borrowings	1,516,766	6,958,986	2,388,518	221,095	433,398	–	38,988	–	11,557,751
Subordinated obligations	–	–	–	3,043,150	5,470,679	2,694,769	95,262	–	11,303,860
Total financial liabilities	302,960,382	131,443,603	72,105,650	47,387,774	25,639,097	14,044,327	75,000,069	13,874,351	682,455,253
Net interest sensitivity gap	46,991,592	(98,902,105)	(50,421,984)	(24,178,669)	74,454,764	101,085,270		51,901,113	
Financial guarantees and commitments and contingencies									
Financial guarantees	–	–	–	–	–	–	7,943,046	–	7,943,046
Credit related commitments and contingencies	–	–	–	–	–	–	174,536,925	–	174,536,925
Treasury related commitments and contingencies (hedging)	1,884,404	2,829,816	2,310,462	5,918,746	31,319,689	17,565,482	–	–	61,828,599
Net interest sensitivity gap	1,884,404	2,829,816	2,310,462	5,918,746	31,319,689	17,565,482	182,479,971	–	244,308,570

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(a) Financial assets and financial liabilities analysed by the earlier of contractual repricing or maturity dates (Continued).

The table below summarises the Company's financial assets and financial liabilities at their full carrying amounts, analysed by the earlier of contractual repricing or maturity dates.

	← Non-trading book →								
The Company 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Non-interest sensitive RM'000	Trading book RM'000	Total RM'000
Financial assets									
Cash and short-term funds	194,210	–	–	–	–	–	72,351	–	266,561
Debt instruments at fair value through other comprehensive income	–	–	–	–	–	610,162	4,279	–	614,441
Debt instruments at amortised cost	–	–	–	–	–	9,903,010	103,044	–	10,006,054
Other assets	–	–	–	–	–	–	817	–	817
Amount owing by subsidiaries	–	–	–	–	–	–	20	–	20
Total financial assets	194,210	–	–	–	–	10,513,172	180,511	–	10,887,893
Financial liabilities									
Other liabilities	–	–	–	–	–	–	4,289	–	4,289
Amount due to subsidiaries	–	–	–	–	–	–	4,915	–	4,915
Other borrowings	–	3,850,000	–	–	500,000	–	8,076	–	4,358,076
Subordinated obligations	–	–	–	100,000	6,475,000	4,975,000	107,677	–	11,657,677
Total financial liabilities	–	3,850,000	–	100,000	6,975,000	4,975,000	124,957	–	16,024,957
Net interest sensitivity gap	194,210	(3,850,000)	–	(100,000)	(6,975,000)	5,538,172		–	

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(a) Financial assets and financial liabilities analysed by the earlier of contractual repricing or maturity dates (Continued).

The table below summarises the Company's financial assets and financial liabilities at their full carrying amounts, analysed by the earlier of contractual repricing or maturity dates (Continued).

	← Non-trading book →								
The Company 2024	**Up to 1 month RM'000**	**> 1 – 3 months RM'000**	**> 3 – 6 months RM'000**	**> 6 – 12 months RM'000**	**> 1 – 5 years RM'000**	**Over 5 years RM'000**	**Non-interest sensitive RM'000**	**Trading book RM'000**	**Total RM'000**
Financial assets									
Cash and short-term funds	401,488	–	–	–	–	–	6,468	–	407,956
Debt instruments at fair value through other comprehensive income	–	–	–	548,375	407,995	195,602	5,853	–	1,157,825
Debt instruments at amortised cost	–	–	–	2,483,485	4,023,340	1,837,828	69,821	–	8,414,474
Other assets	–	–	–	–	–	–	924	–	924
Total financial assets	401,488	–	–	3,031,860	4,431,335	2,033,430	83,066	–	9,981,179
Financial liabilities									
Other liabilities	–	–	–	–	–	–	4,949	–	4,949
Amount due to subsidiaries	–	–	–	–	–	–	3,768	–	3,768
Other borrowings	–	3,750,000	600,000	–	–	–	7,034	–	4,357,034
Subordinated obligations	–	–	–	3,050,000	5,450,000	2,050,000	76,087	–	10,626,087
Total financial liabilities	–	3,750,000	600,000	3,050,000	5,450,000	2,050,000	91,838	–	14,991,838
Net interest sensitivity gap	401,488	(3,750,000)	(600,000)	(18,140)	(1,018,665)	(16,570)		–	

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(b) Sensitivity of profit

The table below shows the sensitivity of the Group's and the Company's banking book to movement in interest rates:

	The Group		The Company	
	Increase/(decrease)		Increase/(decrease)	
	+100 basis points RM'000	-100 basis points RM'000	+100 basis points RM'000	-100 basis points RM'000
2025				
Impact to profit (after tax)	**(646,301)**	**646,301**	**(23,159)**	**23.159**
2024				
Impact to profit (after tax)	(571,453)	571,453	(31,218)	31,218

Sensitivity is measured using the EaR methodology. The treatments and assumptions applied are based on the contractual repricing maturity and remaining maturity of the products, whichever is earlier. Items with indefinite repricing are profiled based on core balance assumptions. The actual dates may vary from the repricing profile allocated due to factors such as pre-mature withdrawals, prepayment and so forth.

A 100 bps parallel rate movement is applied to the yield curve to model the potential impact on profit in the next 12 months from policy rate change.

The projection assumes that interest rates of all maturities move by the same amount and, therefore, do not reflect the potential impact on profit of some rates changing while others remain unchanged. The projections also assume that all other variables are held constant and are based on a constant reporting date position and that all positions run to maturity.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.2 INTEREST RATE RISK (CONTINUED)

(c) Sensitivity of reserves

The table below shows the sensitivity of the Group's and the Company's banking book to movement in interest rates:

	The Group		The Company	
	Increase/(decrease)		Increase/(decrease)	
	+100 basis points RM'000	-100 basis points RM'000	+100 basis points RM'000	-100 basis points RM'000
2025				
Impact to fair value reserves- debt instruments at fair value through other comprehensive income	**(3,033,413)**	**3,033,413**	**20,275**	**(20,275)**
2024				
Impact to fair value reserves- debt instruments at fair value through other comprehensive income	(2,869,087)	2,869,087	29,777	(29,777)

A 100 bps parallel rate movement is applied to the yield curve to model the potential impact on reserves in the next 12 months from changes in risk free rates. The impact on reserves arises from changes in valuation of financial investments at fair value through other comprehensive income following movements in risk free rates.

The projection assumes that all other variables are held constant. It also assumes a constant reporting date position and that all positions run to maturity.

The above sensitivities of profit and reserves do not take into account the effects of hedging and do not incorporate actions that the Group would take to mitigate the impact of this interest rate risk. In practice, the Group proactively seeks to mitigate the effect of prospective interest movements.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK

The Group and the Company are exposed to transactional foreign exchange exposures which are exposures on assets and liabilities denominated in currencies other than the functional currency of the transacting entity.

The Group and the Company take minimal exposure to the effects of fluctuations in the prevailing foreign currency exchange rates on its financial position and cash flows. The Group manages its exposure to foreign exchange currencies at each entity level.

(a) Sensitivity of profit and reserves

The table below shows the sensitivity of the Group's and the Company's profit and reserves to movement in foreign exchange rates:

	The Group		The Group	
	1% appreciation in foreign currency Increase/ (decrease) 2025 RM'000	1% depreciation in foreign currency Increase/ (decrease) 2025 RM'000	1% appreciation in foreign currency Increase/ (decrease) 2024 RM'000	1% depreciation in foreign currency Increase/ (decrease) 2024 RM'000
Impact to profit (after tax)	**934**	**(934)**	2,454	(2,454)
USD	**(557)**	**557**	(84)	84
THB	**143**	**(143)**	248	(248)
HKD	**(563)**	**563**	(542)	542
GBP	**670**	**(670)**	400	(400)
JPY	**502**	**(502)**	320	(320)
SGD	**(243)**	**243**	657	(657)
EUR	**(273)**	**273**	(22)	22
AUD	**633**	**(633)**	738	(738)
KHR	**731**	**(731)**	440	(440)
Others	**(109)**	**109**	299	(299)
Impact to reserves	**(55,218)**	**55,218**	(54,620)	54,620
USD	**(23,644)**	**23,644**	(24,348)	24,348
SGD	**(26,879)**	**26,879**	(26,791)	26,791
GBP	**(759)**	**759**	(857)	857
HKD	**(3,936)**	**3,936**	(2,624)	2,624

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK (CONTINUED)

(a) Sensitivity of profit and reserves (Continued).

The table below shows the sensitivity of the Group's and the Company's profit and reserves to movement in foreign exchange rates (Continued):

	The Company		The Company	
	1% appreciation in foreign currency Increase/ (decrease) 2025 RM'000	1% depreciation in foreign currency Increase/ (decrease) 2025 RM'000	1% appreciation in foreign currency Increase/ (decrease) 2024 RM'000	1% depreciation in foreign currency Increase/ (decrease) 2024 RM'000
Impact to profit (after tax)	^	^	^	^
USD	^	^	^	^
Impact to reserves	-	-	-	-

The impact on profit arises from transactional exposures while the impact on reserves arises from net investment hedge from parallel shifts in foreign exchange rates.

The projection assumes that foreign exchange rates move by the same amount and, therefore, do not reflect the potential impact on profit and reserves of some rates changing while others remain unchanged. The projections also assume that all other variables are held constant and are based on a constant reporting date position and that all positions run to maturity.

^ The impact for the current and prior financial year is below RM1,000

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK (CONTINUED)

(b) The table below summarises the net foreign exchange positions of the Group and the Company by major currencies profile of the Group and the Company.

The Group 2025	MYR RM'000	IDR RM'000	THB RM'000	SGD RM'000	USD RM'000	AUD RM'000	GBP RM'000	JPY RM'000	RMB RM'000	HKD RM'000	EUR RM'000	Others RM'000	Total non-MYR RM'000	Grand total RM'000
Financial assets														
Cash and short-term funds	11,119,353	2,854,236	163,896	1,217,088	6,393,646	525,806	709,622	505,475	211,948	151,316	453,210	3,878,876	17,065,119	28,184,472
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah	4,491,486	249,689	405,513	725,559	7,298,970	356,509	32,768	2,994	-	9,777	140,754	491,714	9,714,247	14,205,733
Deposits and placements with banks and other financial institutions	1,393,479	74	-	-	1,342,700	1,088,144	437,303	129,821	201,024	-	-	65,053	3,264,119	4,657,598
Financial investments at fair value through profit or loss	24,583,735	5,839,214	9,012,628	13,784,610	5,543,604	1,323,113	12,612	3,530,351	367,167	247,722	455,729	-	40,116,750	64,700,485
Debt instruments at fair value through other comprehensive income	42,832,085	11,827,004	10,153,542	2,849,992	11,426,666	3,029,083	556,958	20,716	41,519	2,028,900	503,636	58,582	42,496,598	85,328,683
Equity instruments at fair value through other comprehensive income	469,803	3,989	121,528	125	-	-	-	-	-	-	6,131	-	131,773	601,576
Debt instruments at amortised cost	56,933,088	2,315,859	3,993,436	14,604,240	2,227,247	-	-	-	-	-	-	54,823	23,195,605	80,128,693
Derivative financial instruments	68,365,164	775,877	101,947,099	(11,519,897)	(134,289,435)	1,647,935	7,797,378	(13,625,497)	9,543,537	(7,313,537)	(2,434,751)	(5,628,308)	(53,099,599)	15,265,565
Loans, advances and financing	273,605,487	47,414,993	29,008,864	38,645,823	32,708,836	1,182,379	7,456,479	612,117	2,780,659	1,915,361	850,763	8,738,669	171,314,943	444,920,430
Other assets	6,047,759	2,066,503	4,242,921	499,066	2,196,011	67,152	21,550	32,438	18,888	94,390	386,585	184,550	9,810,054	15,857,813
	489,841,439	73,347,438	159,049,427	60,806,606	(65,151,755)	9,220,121	17,024,670	(8,791,585)	13,164,742	(2,866,071)	362,057	7,843,959	264,009,609	753,851,048

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK (CONTINUED)

(b) The table below summarises the net foreign exchange positions of the Group and the Company by major currencies profile of the Group and the Company (Continued).

The Group 2025	MYR RM'000	IDR RM'000	THB RM'000	SGD RM'000	USD RM'000	AUD RM'000	GBP RM'000	JPY RM'000	RMB RM'000	HKD RM'000	EUR RM'000	Others RM'000	Total non-MYR RM'000	Grand total RM'000
Financial liabilities														
Deposits from customers	265,058,122	47,632,393	30,623,322	47,984,624	62,851,427	2,394,791	2,858,400	1,695,862	1,086,429	9,607,789	1,356,771	4,605,411	212,697,219	477,755,341
Investment accounts of customers	32,291,771	-	-	-	-	-	-	-	-	-	-	-	-	32,291,771
Deposits and placements of banks and other financial institutions	5,721,021	1,623,749	3,860,268	4,604,685	21,991,669	33,327	995,295	1,801,563	4,367,921	3,081,387	269,569	1,557,107	44,186,540	49,907,561
Repurchase agreements/ Collateralised Commodity Murabahah	26,360,912	2,805,315	6,211,502	19,804	5,237,108	924,815	-	1,035,362	-	146,942	-	23,949	16,404,797	42,765,709
Financial liabilities at fair value through profit or loss	4,322,561	5,427,471	3,433,117	-	-	-	-	-	-	-	-	-	8,860,588	13,183,149
Derivatives financial instruments	80,620,201	637,671	106,148,513	2,199,650	(164,141,053)	5,668,301	13,068,229	(12,783,171)	4,681,190	(15,394,407)	(1,191,165)	(3,822,352)	(64,928,594)	15,691,607
Bills and acceptances payable	391,552	218,380	273,060	213,871	872,488	-	25	902	4,047	-	23,686	5,561	1,612,020	2,003,572
Other liabilities	8,919,218	4,341,845	2,306,905	3,223,287	3,832,085	99,548	33,323	80,211	16,830	196,788	42,751	776,498	14,950,071	23,869,289
Lease liabilities	188,391	30,772	32,310	56,540	14,750	-	426	-	3,661	10,187	-	21,885	170,531	358,922
Recourse obligation on loans and financing sold to Cagamas	5,071,980	-	-	-	-	-	-	-	-	-	-	-	-	5,071,980
Other borrowings	7,759,919	1,088,021	-	-	4,327,554	-	-	-	-	-	-	-	5,415,575	13,175,494
Bonds, Sukuk and debentures	9,537,390	902,398	59,130	-	4,353,175	-	-	122,262	1,746,023	398,856	-	-	7,581,844	17,119,234
Subordinated obligations	12,032,344	-	258,830	-	-	-	-	-	-	-	-	-	258,830	12,291,174
	458,275,382	64,708,015	153,206,957	58,302,461	(60,660,797)	9,120,782	16,955,698	(8,047,009)	11,906,101	(1,952,458)	501,612	3,168,059	247,209,421	705,484,803
Financial guarantees	3,276,415	147,891	1,551	473,767	3,608,162	4,532	14,891	3,406	212,289	-	83,042	23,509	4,573,040	7,849,455
Credit related commitments and contingencies	106,344,491	4,617,913	4,574,903	12,624,287	19,128,235	361,581	1,800,152	74,382	1,230,040	1,623,584	569,506	1,172,966	47,777,549	154,122,040
	109,620,906	4,765,804	4,576,454	13,098,054	22,736,397	366,113	1,815,043	77,788	1,442,329	1,623,584	652,548	1,196,475	52,350,589	161,971,495

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK (CONTINUED)

(b) The table below summarises the net foreign exchange positions of the Group and the Company by major currencies profile of the Group and the Company (Continued).

The Group 2024	MYR RM'000	IDR RM'000	THB RM'000	SGD RM'000	USD RM'000	AUD RM'000	GBP RM'000	JPY RM'000	RMB RM'000	HKD RM'000	EUR RM'000	Others RM'000	Total non-MYR RM'000	Grand total RM'000
Financial assets														
Cash and short-term funds	11,563,722	1,454,178	204,140	1,389,262	7,486,384	1,481,956	979,412	2,175,372	126,527	156,422	390,466	2,200,797	18,044,916	29,608,638
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah	4,267,693	448,637	124,352	1,495,445	3,693,442	144,112	349,644	9,749	-	1,839	1,560	345,985	6,614,765	10,882,458
Deposits and placements with banks and other financial institutions	884,165	85	-	-	2,399,306	897,836	-	504,674	373,232	-	-	108,481	4,283,614	5,167,779
Financial investments at fair value through profit or loss	20,148,633	5,990,485	8,162,373	8,790,264	6,020,287	797,570	-	1,859,032	220,244	303,063	391,195	-	32,534,513	52,683,146
Debt instruments at fair value through other comprehensive income	39,503,521	14,467,794	8,962,617	2,290,466	9,619,639	2,282,463	-	135,500	-	1,385,121	172,719	61,515	39,377,834	78,881,355
Equity instruments at fair value through other comprehensive income	293,172	4,316	90,635	54	-	-	-	-	-	-	5,112	-	100,117	393,289
Debt instruments at amortised cost	53,642,544	3,947,778	4,217,869	13,921,158	2,791,485	-	-	28,880	-	-	44,947	68,795	25,020,912	78,663,456
Derivative financial instruments	(36,710,122)	135,992	22,531,025	(35,791,230)	132,916,103	(8,491,752)	(23,019,725)	(23,190,118)	(4,516,050)	2,023,216	(4,521,581)	(6,343,700)	51,732,180	15,022,058
Loans, advances and financing	261,910,597	52,501,892	31,541,118	38,825,988	35,090,009	653,974	6,822,220	824,366	2,889,881	2,202,377	922,114	7,978,943	180,252,882	442,163,479
Other assets	6,198,281	1,129,086	2,196,465	308,105	3,186,886	47,384	1,329	23,888	3,626	92,937	291,378	205,480	7,486,564	13,684,845
	361,702,206	80,080,243	78,030,594	31,229,512	203,203,541	(2,186,457)	(14,867,120)	(17,628,657)	(902,540)	6,164,975	(2,302,090)	4,626,296	365,448,297	727,150,503

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK (CONTINUED)

(b) The table below summarises the net foreign exchange positions of the Group and the Company by major currencies profile of the Group and the Company (Continued).

The Group 2024	MYR RM'000	IDR RM'000	THB RM'000	SGD RM'000	USD RM'000	AUD RM'000	GBP RM'000	JPY RM'000	RMB RM'000	HKD RM'000	EUR RM'000	Others RM'000	Total non-MYR RM'000	Grand total RM'000
Financial liabilities														
Deposits from customers	247,785,937	52,582,299	34,854,221	51,260,882	66,839,930	2,557,112	1,836,675	1,669,658	1,089,337	5,994,050	1,211,626	4,269,139	224,164,929	471,950,866
Investment accounts of customers	23,811,559	-	-	-	631,751	-	-	-	-	-	-	-	631,751	24,443,310
Deposits and placements of banks and other financial institutions	8,976,414	1,395,586	3,421,196	2,736,936	20,087,137	208,414	104,935	17,972	5,802,477	2,178,160	305,422	209,932	36,468,167	45,444,581
Repurchase agreements/ Collateralised Commodity Murabahah	25,512,766	3,134,151	5,254,602	411,777	8,243,898	3,526,323	-	1,144,587	-	-	-	-	21,715,338	47,228,104
Financial liabilities at fair value through profit or loss	5,179,163	6,130,135	1,415,175	-	7,430	-	-	-	-	-	-	-	7,552,740	12,731,903
Derivatives financial instruments	(12,217,103)	154,941	25,535,864	(29,033,601)	90,417,964	(8,581,404)	(16,654,339)	(19,291,568)	(8,070,433)	(2,337,138)	(3,969,247)	(1,530,129)	26,640,910	14,423,807
Bills and acceptances payable	320,451	427,630	267,922	170,710	906,720	-	56	1,143	1,928	-	37,468	4	1,813,581	2,134,032
Other liabilities	7,371,903	4,763,712	1,561,248	2,973,139	3,706,253	92,725	62,307	80,168	43,747	120,145	83,403	510,246	13,997,093	21,368,996
Lease liabilities	294,611	49,793	25,405	82,962	23,046	-	2,177	-	-	16,396	-	26,614	226,393	521,004
Recourse obligation on loans and financing sold to Cagamas	4,934,842	-	-	-	-	-	-	-	-	-	-	-	-	4,934,842
Other borrowings	4,424,370	1,912,176	-	-	5,221,205	-	-	-	-	-	-	-	7,133,381	11,557,751
Bonds, Sukuk and debentures	8,549,992	473,224	186,860	-	4,641,201	-	-	135,301	-	425,619	-	-	5,862,205	14,412,197
Subordinated obligations	11,029,631	10,822	263,407	-	-	-	-	-	-	-	-	-	274,229	11,303,860
	335,974,536	71,034,469	72,785,900	28,602,805	200,726,535	(2,196,830)	(14,648,189)	(16,242,739)	(1,132,944)	6,397,232	(2,331,328)	3,485,806	346,480,717	682,455,253
Financial guarantees	3,032,574	158,011	3,492	410,418	4,000,295	-	19,302	5,563	198,813	-	70,997	43,581	4,910,472	7,943,046
Credit related commitments and contingencies	127,995,570	5,177,567	3,630,157	11,780,023	18,551,458	1,267,296	794,535	67,747	610,225	1,297,066	926,725	2,438,556	46,541,355	174,536,925
	131,028,144	5,335,578	3,633,649	12,190,441	22,551,753	1,267,296	813,837	73,310	809,038	1,297,066	997,722	2,482,137	51,451,827	182,479,971

Notes to the Financial Statements
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57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.2 MARKET RISK (CONTINUED)

57.2.3 FOREIGN EXCHANGE RISK (CONTINUED)

(b) The table below summarises the net foreign exchange positions of the Group and the Company by major currencies profile of the Group and the Company (Continued).

The Company 2025	MYR RM'000	IDR RM'000	USD RM'000	Total non-MYR RM'000	Grand total RM'000
Financial assets					
Cash and short-term funds	**266,548**	**1**	**12**	**13**	**266,561**
Debt instruments at fair value through other comprehensive income	**614,441**	**–**	**–**	**–**	**614,441**
Debt instruments at amortised cost	**10,006,054**	**–**	**–**	**–**	**10,006,054**
Other assets	**817**	**–**	**–**	**–**	**817**
Amount owing by subsidiaries	**20**	**–**	**–**	**–**	**20**
	10,887,880	**1**	**12**	**13**	**10,887,893**
Financial liabilities					
Other liabilities	**4,289**	**–**	**–**	**–**	**4,289**
Amount due to subsidiaries	**4,915**	**–**	**–**	**–**	**4,915**
Other borrowings	**4,358,076**	**–**	**–**	**–**	**4,358,076**
Subordinated obligations	**11,657,677**	**–**	**–**	**–**	**11,657,677**
	16,024,957	**–**	**–**	**–**	**16,024,957**

The Company 2024	MYR RM'000	IDR RM'000	USD RM'000	Total non-MYR RM'000	Grand total RM'000
Financial assets					
Cash and short-term funds	407,941	1	14	15	407,956
Debt instruments at fair value through other comprehensive income	1,157,825	–	–	–	1,157,825
Debt instruments at amortised cost	8,414,474	–	–	–	8,414,474
Other assets	924	–	–	–	924
	9,981,164	1	14	15	9,981,179
Financial liabilities					
Other liabilities	4,949	–	–	–	4,949
Amount due to subsidiaries	3,768	–	–	–	3,768
Other borrowings	4,357,034	–	–	–	4,357,034
Subordinated obligations	10,626,087	–	–	–	10,626,087
	14,991,838	–	–	–	14,991,838

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK

Liquidity and funding risk is defined as the current and potential risk to earnings, shareholders' fund or reputation arising from the Group's inability to efficiently meet its present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they come due, which may adversely affect its daily operations and incur unacceptable losses. Liquidity risk arises from mismatches in the timing of cash flows.

The objective of the Group's liquidity risk management is to ensure that the Group can meet its cash obligations in a timely and cost-effective manner. To this end, the Group's liquidity risk management policy is to maintain high quality and well diversified portfolios of liquid assets and sources of funds under both business-as-usual ("BAU") and stress conditions. Due to its large delivery network and marketing focus, the Group is able to maintain a diversified core deposit base comprising savings, demand, and term deposits, thus providing the Group with a stable large funding base from individuals, SMEs, corporates and financial institutions segments. The Group maintains some buffers of liquidity throughout the year to ensure safe and sound operations from a strategic, structural and tactical perspective.

The day-to-day responsibility for liquidity risk management and control in each individual entity is delegated to the respective Country Asset Liability Management Committee ("Country ALCO") which subsequently report to Group ALCO ("GALCO"). GALCO meets at least once a month to discuss the liquidity risk and funding profile of the Group. The key liquidity risk metrics comprise of internal liquidity gaps or cashflow maturity profile mismatches under business as usual and stress scenarios, regulatory liquidity coverage ratio ("LCR") and Net Stable Funding Ratio ("NSFR") which are measured and monitored regularly. LCR is a quantitative regulatory requirement which seeks to ensure that banking institutions hold sufficient high quality liquid assets ("HQLA") to withstand an acute liquidity stress scenario over a 30-calendar-days horizon.

The Group monitors and reports LCR and NSFR based on the BNM LCR and NSFR Policy Document dated 25 August 2016 and 31 July 2019 respectively. The effective date for NSFR is 1 July 2020. As part of its ordinary course of business, the Group maintains the LCR and NSFR above the regulatory requirements. In addition, liquidity risk stress testing under various scenarios covering bank-specific (idiosyncratic), market-wide and combined crises is performed regularly to identify sources of potential liquidity strain. Liquidity risk positions based on balance sheet forecasts and relevant risk drivers are projected to help in business planning.

In addition to regulatory limits, liquidity risk undertaken by the Group is governed by a set of established liquidity risk appetite and limits. Management Action Triggers ("MATs") have been established to alert the management to potential and emerging liquidity pressures. The Group's liquidity risk management policy is subjected to periodic review. The assumptions, risk limits and appetite are regularly reviewed in response to regulatory changes, changing business needs and market conditions.

The Asset-Liability Management function, which is responsible for the independent monitoring of the Group liquidity risk profile, works closely with Group Treasury and Markets in its surveillance on market conditions. Business units are responsible for establishing and maintaining strong business relations with their respective depositors and key providers of funds. Overseas branches and subsidiaries should seek to be self-sufficient in funding at all times. Group Treasury and Markets only acts as a global provider of funds on a need-to or contingency basis. Each entity has to prudently manage its liquidity position to meet its daily operating needs.

The Group's Contingency Funding Plan ("CFP") is in place to alert and enable the management to act effectively and efficiently during a liquidity or funding crisis and under adverse market conditions. The CFP is subjected to regular testing.

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.1 CONTRACTUAL MATURITY OF ASSETS AND LIABILITIES

The table below analyses assets and liabilities of the Group and the Company based on the remaining period at the end of the reporting period to the contractual maturity date in accordance with the requirement of Bank Negara Malaysia Guidelines:

The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Assets								
Cash and short-term funds	**27,648,184**	–	–	–	–	–	**536,288**	**28,184,472**
Reverse repurchase agreements/ reverse Collateralised Commodity Murabahah	**11,764,852**	**2,257,106**	**183,775**	–	–	–	–	**14,205,733**
Deposits and placements with banks and other financial institutions	**3,117**	**3,225,004**	**1,341,588**	**87,889**	–	–	–	**4,657,598**
Financial investments at fair value through profit or loss	**8,319,866**	**8,526,038**	**2,926,090**	**7,176,904**	**16,970,112**	**16,665,579**	**4,115,896**	**64,700,485**
Debt instruments at fair value through other comprehensive income	**659,324**	**1,645,059**	**2,897,554**	**5,592,455**	**42,793,066**	**31,741,225**	–	**85,328,683**
Equity instruments at fair value through other comprehensive income	–	–	–	–	–	–	**601,576**	**601,576**
Debt instruments at amortised cost	**2,982,211**	**6,142,631**	**4,541,118**	**4,151,275**	**29,166,907**	**33,144,551**	–	**80,128,693**
Derivative financial instruments	**2,326,570**	**2,704,425**	**522,706**	**1,548,378**	**5,472,181**	**2,691,305**	–	**15,265,565**
Loans, advances and financing	**74,735,852**	**15,877,927**	**11,052,327**	**20,915,077**	**86,291,325**	**236,047,922**	–	**444,920,430**
Other assets	**10,328,456**	**5,455,790**	**163,356**	**6,145**	**65,190**	**104**	**1,844,841**	**17,863,882**
Tax recoverable	–	–	–	–	–	–	**524,583**	**524,583**
Deferred tax assets	–	–	–	–	–	–	**1,118,487**	**1,118,487**
Statutory deposits with central banks	–	–	–	–	–	–	**8,216,864**	**8,216,864**
Investment in associates	–	–	–	–	–	–	**54,129**	**54,129**
Investment in joint ventures	–	–	–	–	–	–	**2,326,392**	**2,326,392**
Property, plant and equipment	–	–	–	–	–	–	**2,084,732**	**2,084,732**
Right-of-use assets	–	–	–	–	–	–	**474,423**	**474,423**
Investment properties	–	–	–	–	–	–	**8,337**	**8,337**
Goodwill	–	–	–	–	–	–	**6,134,805**	**6,134,805**
Intangible assets	–	–	–	–	–	–	**1,924,521**	**1,924,521**
Total assets	**138,768,432**	**45,833,980**	**23,628,514**	**39,478,123**	**180,758,781**	**320,290,686**	**29,965,874**	**778,724,390**

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.1 CONTRACTUAL MATURITY OF ASSETS AND LIABILITIES (CONTINUED)

The table below analyses assets and liabilities of the Group and the Company based on the remaining period at the end of the reporting period to the contractual maturity date in accordance with the requirement of Bank Negara Malaysia Guidelines (Continued):

The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Liabilities								
Deposits from customers	303,777,797	82,915,630	45,352,488	41,941,249	3,102,763	665,414	–	477,755,341
Investment accounts of customers	10,239,461	13,299,059	7,614,839	1,137,556	856	–	–	32,291,771
Deposits and placements of banks and other financial institutions	31,805,728	12,793,587	3,164,272	574,367	1,103,649	465,958	–	49,907,561
Repurchase agreements/Collateralised Commodity Murabahah	20,498,773	18,659,109	3,607,827	–	–	–	–	42,765,709
Derivatives financial instruments	2,196,120	2,626,917	940,260	1,485,658	5,657,754	2,784,898	–	15,691,607
Bills and acceptances payable	1,014,607	384,644	173,931	210,469	12,412	207,509	–	2,003,572
Other liabilities	18,907,204	1,403,082	660,773	1,379,811	1,120,417	1,252,919	312,343	25,036,549
Lease liabilities	4,718	10,219	18,206	49,862	260,450	15,467	–	358,922
Recourse obligation on loans and financing sold to Cagamas	11,851	11,151	331,285	541,821	2,528,842	1,647,030	–	5,071,980
Deferred tax liabilities	–	–	–	–	–	–	18,083	18,083
Provision for taxation and zakat	110,803	–	–	–	–	–	–	110,803
Financial liabilities at fair value through profit or loss	1,055,418	1,432,940	771,533	801,857	5,649,688	3,471,713	–	13,183,149
Bonds, Sukuk and debentures	243,622	491,851	89,058	1,264,720	8,397,661	6,632,322	–	17,119,234
Other borrowings	1,255,782	1,554,017	1,129,401	1,940,841	6,895,453	400,000	–	13,175,494
Subordinated obligations	6,814	98,630	21,119	99,697	23,995	12,040,919	–	12,291,174
Total liabilities	391,128,698	135,680,836	63,874,992	51,427,908	34,753,940	29.584,149	330,426	706,780,949
Net liquidity gap	(252,360,266)	(89,846,856)	(40,246,478)	(11,949,785)	146,004,841	290,706,537	29,635,448	71,943,441

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.1 CONTRACTUAL MATURITY OF ASSETS AND LIABILITIES (CONTINUED)

The table below analyses assets and liabilities of the Group and the Company based on the remaining period at the end of the reporting period to the contractual maturity date in accordance with the requirement of Bank Negara Malaysia Guidelines (Continued):

The Group 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Assets								
Cash and short-term funds	29,036,912	–	–	–	–	–	571,726	29,608,638
Reverse repurchase agreements/ reverse Collateralised Commodity Murabahah	8,026,277	1,083,700	807,292	965,189	–	–	–	10,882,458
Deposits and placements with banks and other financial institutions	–	3,926,420	1,159,187	82,172	–	–	–	5,167,779
Financial investments at fair value through profit or loss	5,479,044	8,661,956	3,661,619	2,583,277	14,668,351	14,345,156	3,283,743	52,683,146
Debt instruments at fair value through other comprehensive income	563,097	1,768,043	4,463,844	3,931,990	34,410,911	33,743,470	–	78,881,355
Equity instruments at fair value through other comprehensive income	–	–	–	–	–	–	393,289	393,289
Debt instruments at amortised cost	2,816,192	6,184,664	6,731,382	6,852,690	25,543,559	30,534,969	–	78,663,456
Derivative financial instruments	3,023,959	2,638,266	1,202,206	1,583,046	4,113,644	2,460,937	–	15,022,058
Loans, advances and financing	108,340,798	15,299,820	9,412,229	21,229,116	69,393,876	218,487,640	–	442,163,479
Other assets	8,599,265	4,709,802	54,251	692	653,108	107	1,988,771	16,005,996
Tax recoverable	–	–	–	–	–	–	416,795	416,795
Deferred tax assets	–	–	–	–	–	–	1,400,940	1,400,940
Statutory deposits with central banks	–	–	–	–	–	–	10,647,286	10,647,286
Investment in associates	–	–	–	–	–	–	55,340	55,340
Investment in joint ventures	–	–	–	–	–	–	2,279,622	2,279,622
Property, plant and equipment	–	–	–	–	–	–	1,962,762	1,962,762
Right-of-use assets	–	–	–	–	–	–	590,481	590,481
Investment properties	–	–	–	–	–	–	8,485	8,485
Goodwill	–	–	–	–	–	–	6,370,826	6,370,826
Intangible assets	–	–	–	–	–	–	1,926,512	1,926,512
Total assets	165,885,544	44,272,671	27,492,010	37,228,172	148,783,449	299,572,279	31,896,578	755,130,703

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.1 CONTRACTUAL MATURITY OF ASSETS AND LIABILITIES (CONTINUED)

The table below analyses assets and liabilities of the Group and the Company based on the remaining period at the end of the reporting period to the contractual maturity date in accordance with the requirement of Bank Negara Malaysia Guidelines (Continued):

The Group 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Liabilities								
Deposits from customers	305,625,775	78,066,153	51,717,075	34,392,751	1,688,244	460,868	–	471,950,866
Investment accounts of customers	4,242,818	6,546,490	7,371,843	5,660,764	621,395	–	–	24,443,310
Deposits and placements of banks and other financial institutions	26,260,711	13,582,866	2,997,596	1,181,006	975,851	446,551	–	45,444,581
Repurchase agreements/Collateralised Commodity Murabahah	20,093,150	22,898,315	3,643,710	592,929	–	–	–	47,228,104
Derivatives financial instruments	2,560,912	2,802,611	1,105,810	1,701,995	4,036,978	2,215,501	–	14,423,807
Bills and acceptances payable	807,284	275,529	455,540	37	481,991	113,651	–	2,134,032
Other liabilities	17,720,797	1,607,259	796,501	870,547	681,435	1,337,744	–	23,014,283
Lease liabilities	22,417	10,463	18,725	52,156	313,330	103,913	–	521,004
Recourse obligation on loans and financing sold to Cagamas	14,901	8,336	2,431	699,772	2,573,040	1,636,362	–	4,934,842
Deferred tax liabilities	–	–	–	–	–	–	54,479	54,479
Provision for taxation and zakat	136,794	–	–	–	–	–	–	136,794
Financial liabilities at fair value through profit or loss	41,308	312,904	592,100	811,905	7,334,968	3,638,718	–	12,731,903
Bonds, Sukuk and debentures	250,872	189,636	85,328	257,437	7,483,821	6,145,103	–	14,412,197
Other borrowings	1,519,781	53,137	1,185,050	1,621,431	7,178,352	–	–	11,557,751
Subordinated obligations	13,962	52,543	28,490	3,043,415	5,470,681	2,694,769	–	11,303,860
Total liabilities	379,311,482	126,406,242	70,000,199	50,886,145	38,840,086	18,793,180	54,479	684,291,813
Net liquidity gap	(213,425,938)	(82,133,571)	(42,508,189)	(13,657,973)	109,943,363	280,779,099	31,842,099	70,838,890

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.1 CONTRACTUAL MATURITY OF ASSETS AND LIABILITIES (CONTINUED)

The table below analyses assets and liabilities of the Group and the Company based on the remaining period at the end of the reporting period to the contractual maturity date in accordance with the requirement of Bank Negara Malaysia Guidelines (Continued):

The Company 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Assets								
Cash and short-term funds	**266,561**	–	–	–	–	–	–	**266,561**
Debt instruments at fair value through other comprehensive income	–	–	**4,279**	–	–	**610,162**	–	**614,441**
Debt instruments at amortised cost	–	**86,558**	**16,485**	–	–	**9,903,011**	–	**10,006,054**
Other assets	–	–	–	–	–	–	**82,899**	**82,899**
Amount due from subsidiaries	**20**	–	–	–	–	–	–	**20**
Tax recoverable	**182,786**	–	–	–	–	–	–	**182,786**
Investment in subsidiaries	–	–	–	–	–	–	**35,444,142**	**35,444,142**
Property, plant and equipment	–	–	–	–	–	–	**576**	**576**
Right-of-use assets	–	–	–	–	–	–	**430**	**430**
Investment properties	–	–	–	–	–	–	**273**	**273**
Total assets	**449,367**	**86,558**	**20,764**	–	–	**10,513,173**	**35,528,320**	**46,598,182**
Liabilities								
Other liabilities	**4,289**	–	–	–	–	–	–	**4,289**
Amount due to subsidiaries	**4,915**	–	–	–	–	–	–	**4,915**
Other borrowings	–	**3,305**	**454,771**	**1,000,000**	**2,500,000**	**400,000**	–	**4,358,076**
Subordinated obligations	–	**86,557**	**21,120**	–	–	**11,550,000**	–	**11,657,677**
Total liabilities	**9,204**	**89,862**	**475,891**	**1,000,000**	**2,500,000**	**11,950,000**	–	**16,024,957**
Net liquidity gap	**440,163**	**(3,304)**	**(455,127)**	**(1,000,000)**	**(2,500,000)**	**(1,436,827)**	**35,528,320**	**30,573,225**

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.1 CONTRACTUAL MATURITY OF ASSETS AND LIABILITIES (CONTINUED)

The table below analyses assets and liabilities of the Group and the Company based on the remaining period at the end of the reporting period to the contractual maturity date in accordance with the requirement of Bank Negara Malaysia Guidelines (Continued):

The Company 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Assets								
Cash and short-term funds	407,956	–	–	–	–	–	–	407,956
Debt instruments at fair value through other comprehensive income	–	–	5,853	548,376	407,995	195,601	–	1,157,825
Debt instruments at amortised cost	–	47,595	22,226	2,483,528	4,023,315	1,837,810	–	8,414,474
Other assets	–	–	–	–	–	–	83,299	83,299
Tax recoverable	183,522	–	–	–	–	–	–	183,522
Investment in subsidiaries	–	–	–	–	–	–	35,457,323	35,457,323
Right-of-use assets	–	–	–	–	–	–	430	430
Investment properties	–	–	–	–	–	–	291	291
Total assets	591,478	47,595	28,079	3,031,904	4,431,310	2,033,411	35,541,343	45,705,120
Liabilities								
Other liabilities	4,949	–	–	–	–	–	–	4,949
Amount due to subsidiaries	3,768	–	–	–	–	–	–	3,768
Other borrowings	–	2,004	955,030	1,400,000	2,000,000	–	–	4,357,034
Subordinated obligations	–	47,595	28,492	3,050,000	5,450,000	2,050,000	–	10,626,087
Total liabilities	8,717	49,599	983,522	4,450,000	7,450,000	2,050,000	–	14,991,838
Net liquidity gap	582,761	(2,004)	(955,443)	(1,418,096)	(3,018,690)	(16,589)	35,541,343	30,713,282

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.2 CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES ON AN UNDISCOUNTED BASIS

NON-DERIVATIVE FINANCIAL LIABILITIES

The tables below present the cash flows payable by the Group and the Company under non-derivative financial liabilities by remaining contractual maturities at the end of the reporting period. The amounts disclosed in the table are the contractual undiscounted cash flow.

The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Non-derivative financial liabilities								
Deposits from customers	**304,065,197**	**83,336,957**	**45,685,300**	**42,816,736**	**3,188,561**	**675,074**	**–**	**479,767,825**
Investment accounts of customers	**10,250,852**	**13,377,336**	**7,709,143**	**1,162,638**	**880**	**–**	**–**	**32,500,849**
Deposits and placements of banks and other financial institutions	**32,237,949**	**12,876,441**	**3,197,913**	**671,270**	**1,105,421**	**488,477**	**–**	**50,577,471**
Repurchase agreements/ Collateralised Commodity Murabahah	**20,504,501**	**18,636,757**	**3,607,827**	**–**	**–**	**–**	**–**	**42,749,085**
Bills and acceptances payable	**1,015,027**	**386,002**	**177,400**	**222,715**	**64,522**	**236,650**	**–**	**2,102,316**
Financial liabilities at fair value through profit or loss	**235,149**	**549,839**	**875,386**	**930,505**	**7,964,038**	**5,906,713**	**–**	**16,461,630**
Other liabilities	**17,956,063**	**1,411,509**	**658,449**	**1,385,435**	**1,175,652**	**1,598,908**	**312,342**	**24,498,358**
Lease liabilities	**5,188**	**33,674**	**37,718**	**80,903**	**194,384**	**4,624**	**–**	**356,491**
Recourse obligation on loans and financing sold to Cagamas	**13,535**	**34,530**	**365,369**	**636,767**	**2,985,535**	**1,817,295**	**–**	**5,853,031**
Other borrowings	**1,255,216**	**1,610,270**	**1,192,915**	**2,027,015**	**7,677,510**	**410,840**	**–**	**14,173,766**
Bonds, Sukuk and debentures	**264,358**	**545,902**	**156,618**	**1,553,759**	**9,878,696**	**7,427,287**	**–**	**19,826,620**
Subordinated obligations	**10,064**	**218,439**	**218,992**	**751,265**	**9,347,959**	**6,579,753**	**–**	**17,126,472**
Financial guarantees	**4,063,822**	**1,349,950**	**149,731**	**1,977,303**	**305,226**	**3,423**	**–**	**7,849,455**
Credit related commitments and contingencies	**94,715,312**	**3,760,546**	**4,688,358**	**9,921,860**	**13,295,791**	**27,740,173**	**–**	**154,122,040**
	486,592,233	**138,128,152**	**68,721,119**	**64,138,171**	**57,184,175**	**52,889,217**	**312,342**	**867,965,409**

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.2 CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES ON AN UNDISCOUNTED BASIS (CONTINUED)

NON-DERIVATIVE FINANCIAL LIABILITIES (CONTINUED)

The tables below present the cash flows payable by the Group and the Company under non-derivative financial liabilities by remaining contractual maturities at the end of the reporting period. The amounts disclosed in the table are the contractual undiscounted cash flow (Continued).

The Group 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	No-specific maturity RM'000	Total RM'000
Non-derivative financial liabilities								
Deposits from customers	307,150,967	78,486,269	52,237,721	35,072,413	1,818,606	474,750	–	475,240,726
Investment accounts of customers	4,245,555	6,588,545	7,471,647	5,803,759	736,395	–	–	24,845,901
Deposits and placements of banks and other financial institutions	26,533,780	13,697,107	3,035,219	1,318,859	969,645	476,015	–	46,030,625
Repurchase agreements/ Collateralised Commodity Murabahah	20,125,240	22,903,886	3,643,710	592,929	–	–	–	47,265,765
Bills and acceptances payable	807,415	277,467	463,637	14,918	535,210	126,410	–	2,225,057
Financial liabilities at fair value through profit or loss	40,478	345,263	644,438	1,051,619	8,330,366	5,324,724	–	15,736,888
Other liabilities	16,328,963	1,620,979	804,311	876,924	741,792	1,780,868	303	22,154,140
Lease liabilities	4,886	37,839	43,886	91,178	346,420	19,963	–	544,172
Recourse obligation on loans and financing sold to Cagamas	34,651	27,406	38,515	801,889	3,092,448	1,876,248	–	5,871,157
Other borrowings	1,522,278	131,937	1,231,587	1,707,642	8,211,672	–	–	12,805,116
Bonds, Sukuk and debentures	270,102	241,416	156,331	527,336	9,154,216	7,143,003	–	17,492,404
Subordinated obligations	16,809	138,708	220,961	3,510,327	7,391,303	3,422,400	–	14,700,508
Financial guarantees	4,197,246	1,670,129	138,004	1,686,881	216,806	33,980	–	7,943,046
Credit related commitments and contingencies	117,841,204	2,638,880	4,311,501	10,339,434	11,416,546	27,989,360	–	174,536,925
	499,119,574	128,805,831	74,441,468	63,396,108	52,961,425	48,667,721	303	867,392,430

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.2 CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES ON AN UNDISCOUNTED BASIS (CONTINUED)

NON-DERIVATIVE FINANCIAL LIABILITIES (CONTINUED)

The tables below present the cash flows payable by the Group and the Company under non-derivative financial liabilities by remaining contractual maturities at the end of the reporting period. The amounts disclosed in the table are the contractual undiscounted cash flow (Continued).

The Company 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Non-derivative financial liabilities							
Other liabilities	**4,289**	**–**	**–**	**–**	**–**	**–**	**4,289**
Amount due to subsidiaries	**4,915**	**–**	**–**	**–**	**–**	**–**	**4,915**
Other borrowings	**–**	**34,823**	**494,805**	**1,071,339**	**2,787,924**	**410,840**	**4,799,731**
Subordinated obligations	**–**	**132,725**	**112,213**	**344,520**	**7,835,439**	**5,393,736**	**13,818,633**
	9,204	**167,548**	**607,018**	**1,415,859**	**10,623,363**	**5,804,576**	**18,627,568**

The Company 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Non-derivative financial liabilities							
Other liabilities	4,949	–	–	–	–	–	4,949
Amount due to subsidiaries	3,768	–	–	–	–	–	3,768
Other borrowings	–	37,551	998,887	1,465,592	2,153,520	–	4,655,550
Subordinated obligations	–	82,260	131,088	3,263,886	6,410,232	2,208,960	12,096,426
	8,717	119,811	1,129,975	4,729,478	8,563,752	2,208,960	16,760,693

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.2 CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES ON AN UNDISCOUNTED BASIS (CONTINUED)

DERIVATIVE FINANCIAL LIABILITIES

All trading derivatives, whether net or gross settled are analysed based on the expected maturity as the contractual maturity is not considered to be essential to the understanding of the timing of the cash flows. The amounts disclosed in respect of such contracts are the fair values.

Hedging derivatives are disclosed based on remaining contractual maturities as the contractual maturities of such contracts are essential for an understanding of the timing of the cash flows. The amounts disclosed in respect of such contracts are the contractual undiscounted cash flows.

The table below analyses the Group's trading derivative financial liabilities and hedging derivative financial liabilities that will be settled on a net basis.

The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Derivative financial liabilities							
Trading derivatives							
– Foreign exchange derivatives	**(324,271)**	**–**	**–**	**–**	**–**	**–**	**(324,271)**
– Interest rate derivatives	**(4,549,373)**	**–**	**–**	**–**	**–**	**–**	**(4,549,373)**
– Equity related derivatives	**(375,616)**	**–**	**–**	**–**	**–**	**–**	**(375,616)**
– Commodity related derivatives	**(342,462)**	**–**	**–**	**–**	**–**	**–**	**(342,462)**
– Credit related contracts	**(19,222)**	**–**	**–**	**–**	**–**	**–**	**(19,222)**
– Bond contract	**(881,665)**	**–**	**–**	**–**	**–**	**–**	**(881,665)**
Hedging derivatives							
– Interest rate derivatives	**(7,676)**	**1,374**	**(44,936)**	**(55,476)**	**(214,606)**	**(165,360)**	**(486,680)**
	(6,500,285)	**1,374**	**(44,936)**	**(55,476)**	**(214,606)**	**(165,360)**	**(6,979,289)**

The Group 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Derivative financial liabilities							
Trading derivatives							
– Foreign exchange derivatives	(1,086,352)	–	–	–	–	–	(1,086,352)
– Interest rate derivatives	(3,372,147)	–	–	–	–	–	(3,372,147)
– Equity related derivatives	(282,171)	–	–	–	–	–	(282,171)
– Commodity related derivatives	(73,739)	–	–	–	–	–	(73,739)
– Credit related contracts	(13,137)	–	–	–	–	–	(13,137)
– Bond contract	(600,678)	–	–	–	–	–	(600,678)
Hedging derivatives							
– Interest rate derivatives	(12,179)	(19,257)	(36,405)	(72,104)	(159,451)	(100,348)	(399,744)
	(5,440,403)	(19,257)	(36,405)	(72,104)	(159,451)	(100,348)	(5,827,968)

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.3 LIQUIDITY RISK (CONTINUED)

57.3.2 CONTRACTUAL MATURITY OF FINANCIAL LIABILITIES ON AN UNDISCOUNTED BASIS (CONTINUED)

DERIVATIVE FINANCIAL LIABILITIES (CONTINUED)

The Group's and the Company's derivatives that will be settled on a gross basis include foreign exchange derivatives, such as currency forward, currency swap, currency options and cross currency interest rate swaps.

The table below analyses the Group's derivative financial liabilities that will be settled on a gross basis into relevant maturity groupings by expected maturities at the end of the reporting period. The amounts disclosed in the table are the contractual undiscounted cash flow.

The Group 2025	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Derivative financial liabilities							
Trading derivatives							
Foreign exchange derivatives	**(8,407,104)**	**–**	**–**	**–**	**–**	**–**	**(8,407,104)**
Hedging derivatives							
Foreign exchange derivatives							
– Outflow	**(460,983)**	**(1,325,065)**	**(1,432,826)**	**(1,727,639)**	**(4,145,921)**	**(251,867)**	**(9,344,301)**
– Inflow	**468,723**	**1,270,407**	**1,428,380**	**1,621,254**	**3,919,052**	**240,257**	**8,948,073**
	(8,399,364)	**(54,658)**	**(4,446)**	**(106,385)**	**(226,869)**	**(11,610)**	**(8,803,332)**

The Group 2024	Up to 1 month RM'000	> 1 – 3 months RM'000	> 3 – 6 months RM'000	> 6 – 12 months RM'000	> 1 – 5 years RM'000	Over 5 years RM'000	Total RM'000
Derivative financial liabilities							
Trading derivatives							
Foreign exchange derivatives	(8,402,605)	–	–	–	–	–	(8,402,605)
Hedging derivatives							
Foreign exchange derivatives							
– Outflow	(420,927)	(1,995,996)	(2,664,977)	(95,454)	(3,504,963)	(47,596)	(8,729,913)
– Inflow	389,580	1,971,950	2,591,815	104,330	3,473,117	46,414	8,577,206
	(8,433,952)	(24,046)	(73,162)	8,876	(31,846)	(1,182)	(8,555,312)

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 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.

57.4.1 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. Judgement may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.1 DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY (CONTINUED)

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 GMCRC 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 GMCRC;
- 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.

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.1 DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY (CONTINUED)

The following table represents financial assets and liabilities measured at fair value and classified by level with the following fair value hierarchy:

	The Group				The Company			
	Fair Value				Fair Value			
2025	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Recurring fair value measurements								
Financial assets								
Reverse repurchased agreements at fair value through profit or loss	–	182,946	–	182,946	–	–	–	–
Financial investments at fair value through profit or loss								
– Money market instruments	5,616,883	45,204,101	273,451	51,094,435	–	–	–	–
– Quoted securities	2,737,578	–	–	2,737,578	–	–	–	–
– Unquoted securities	–	9,600,311	1,268,161	10,868,472	–	–	–	–
Debt instruments at fair value through other comprehensive income								
– Money market instruments	11,171,657	31,271,130	–	42,442,787	–	–	–	–
– Unquoted securities	–	42,885,896	–	42,885,896	–	614,441	–	614,441
Equity instruments at fair value through other comprehensive income								
– Quoted securities	101,901	–	118,565*	220,466	–	–	–	–
– Unquoted securities	–	85,580	295,530	381,110	–	–	–	–
Derivative financial instruments								
– Trading derivatives	8,738	14,424,185	252,593	14,685,516	–	–	–	–
– Hedging derivatives	–	580,049	–	580,049	–	–	–	–
Total	19,636,757	144,234,198	2,208,300	166,079,255	–	614,441	–	614,441
Recurring fair value measurements								
Financial liabilities								
Derivative financial instruments								
– Trading derivatives	103,416	14,523,621	272,676	14,899,713	–	–	–	–
– Hedging derivatives	–	791,894	–	791,894	–	–	–	–
Financial liabilities at fair value through profit or loss	–	13,183,149	–	13,183,149	–	–	–	–
Total	103,416	28,498,664	272,676	28,874,756	–	–	–	–

* *the quoted security is subject to trading restriction.*

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.1 DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY (CONTINUED)

The following table represents financial assets and liabilities measured at fair value and classified by level with the following fair value hierarchy (Continued):

	The Group				The Company			
	Fair Value				Fair Value			
2024	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Recurring fair value measurements								
Financial assets								
Reverse repurchased agreements at fair value through profit or loss	–	358,161	–	358,161	–	–	–	–
Financial investments at fair value through profit or loss								
– Money market instruments	6,124,444	36,107,190	301,267	42,532,901	–	–	–	–
– Quoted securities	1,991,119	–	–	1,991,119	–	–	–	–
– Unquoted securities	–	6,920,718	1,238,408	8,159,126	–	–	–	–
Debt instruments at fair value through other comprehensive income								
– Money market instruments	14,206,198	26,529,871	–	40,736,069	–	–	–	–
– Unquoted securities	–	38,145,286	–	38,145,286	–	1,157,825	–	1,157,825
Equity instruments at fair value through other comprehensive income								
– Quoted securities	23,529	–	–	23,529	–	–	–	–
– Unquoted securities	–	86,352	283,408	369,760	–	–	–	–
Derivative financial instruments								
– Trading derivatives	17,516	14,109,665	95,311	14,222,492	–	–	–	–
– Hedging derivatives	–	799,566	–	799,566	–	–	–	–
Total	22,362,806	123,056,809	1,918,394	147,338,009	–	1,157,825	–	1,157,825
Recurring fair value measurements								
Financial liabilities								
Derivative financial instruments								
– Trading derivatives	122,577	13,553,501	154,751	13,830,829	–	–	–	–
– Hedging derivatives	–	592,978	–	592,978	–	–	–	–
Financial liabilities at fair value through profit or loss	–	12,731,903	–	12,731,903	–	–	–	–
Total	122,577	26,878,382	154,751	27,155,710	–	–	–	–

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.1 DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY (CONTINUED)

The following represents the changes in Level 3 instruments for the financial year ended 31 December 2025 and 31 December 2024 for the Group:

	Financial Assets					Financial Liabilities	
	Financial investments at fair value through profit or loss	Equity instruments at fair value through other comprehensive income		Derivative financial instruments		Derivative financial instruments	
The Group	Money market instruments and unquoted securities RM'000	Quoted securities RM'000	Unquoted securities RM'000	Trading derivatives RM'000	Total RM'000	Trading derivatives RM'000	Total RM'000
2025							
At 1 January	**1,539,675**	**–**	**283,408**	**95,311**	**1,918,394**	**(154,751)**	**(154,751)**
Total gains/(losses) recognised in statement of income	**41,476**	**–**	**–**	**157,709**	**199,185**	**(63,803)**	**(63,803)**
Total gains recognised in other comprehensive income	**–**	**34,171**	**12,684**	**–**	**46,855**	**–**	**–**
Purchases	**122**	**–**	**266**	**14,870**	**15,258**	**(424,745)**	**(424,745)**
Sales and redemption	**(7,898)**	**–**	**–**	**–**	**(7,898)**	**–**	**–**
Settlements	**–**	**–**	**–**	**(8,732)**	**(8,732)**	**364,068**	**364,068**
Transfers into Level 3	**–**	**86,003***	**–**	**–**	**86,003**	**–**	**–**
Exchange fluctuation	**(31,763)**	**(1,609)**	**(828)**	**(6,565)**	**(40,765)**	**6,555**	**6,555**
At 31 December	**1,541,612**	**118,565**	**295,530**	**252,593**	**2,208,300**	**(272,676)**	**(272,676)**
Total gains recognised in Statement of Income for financial year ended 31 December under: – net non-interest income							
Total gains recognised in Other Comprehensive Income for the financial year ended 31 December under "revaluation reserves"	**41,767**	**–**	**–**	**157,709**	**199,476**	**(63,803)**	**(63,803)**
Change in unrealised gains/(losses) recognised in profit or loss relating to assets held on 31 December under "net non-interest income"	**–**	**34,171**	**12,684**	**–**	**46,855**	**–**	**–**
	41,807	**–**	**–**	**527,157**	**568,964**	**(313,420)**	**(313,420)**

* *the quoted security is subject to trading restriction*

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.1 DETERMINATION OF FAIR VALUE AND FAIR VALUE HIERARCHY (CONTINUED)

The following represents the changes in Level 3 instruments for the financial year ended 31 December 2025 and 31 December 2024 for the Group (Continued):

	Financial Assets				Financial Liabilities	
	Financial investments at fair value through profit or loss	Equity instruments at fair value through other comprehensive income	Derivative financial instruments		Derivative financial instruments	
The Group	Money market instruments and unquoted securities RM'000	Unquoted securities RM'000	Trading derivatives RM'000	Total RM'000	Trading derivatives RM'000	Total RM'000
2024						
At 1 January	1,482,524	276,181	128,102	1,886,807	(146,237)	(146,237)
Total gains recognised in statement of income	82,531	15	(31,154)	51,392	(11,290)	(11,290)
Total losses recognised in other comprehensive income	–	2,190	–	2,190	–	–
Purchases	2,229	–	12,108	14,337	(318,489)	(318,489)
Sales and redemption	(18,545)	–	–	(18,545)	–	–
Settlements	–	–	(11,989)	(11,989)	319,672	319,672
Exchange fluctuation	(9,064)	5,022	(1,756)	(5,798)	1,593	1,593
At 31 December	1,539,675	283,408	95,311	1,918,394	(154,751)	(154,751)
Total gains recognised in Statement of Income for financial year ended 31 December under:						
– net non-interest income	82,531	15	(31,154)	51,392	(11,290)	(11,290)
Total losses recognised in Other Comprehensive Income for financial year ended 31 December under "revaluation reserves"	–	2,190	–	2,190	–	–
Change in unrealised gains/(losses) recognised in profit or loss relating to assets held on 31 December under "net non-interest income"	82,875	–	186,610	269,485	(99,286)	(99,286)

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST

The following table analyses within the fair value hierarchy the Group's and the Company's assets and liabilities' fair value at 31 December 2025 and 31 December 2024, where the fair value does not approximate to carrying amount in the statement of financial position:

	The Group					The Company				
		Fair Value					Fair Value			
2025	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets										
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah at amortised costs	14,022,787	–	14,022,787	–	14,022,787	–	–	–	–	–
Deposits and placement with banks and other financial institutions	4,657,598	–	4,657,711	–	4,657,711	–	–	–	–	–
Debt instruments at amortised cost	80,128,693	2,286,232	79,276,718	–	81,562,950	10,006,054	–	10,143,217	–	10,143,217
Loans, advances and financing at amortised cost	444,920,430	–	442,533,323	–	442,533,323	–	–	–	–	–
Total	543,729,508	2,286,232	540,490,539	–	542,776,771	10,006,054	–	10,143,217	–	10,143,217
Financial liabilities										
Deposits from customers	477,755,341	–	476,981,909	–	476,981,909	–	–	–	–	–
Investment accounts of customers	32,291,771	–	32,287,963	–	32,287,963	–	–	–	–	–
Deposits and placements of banks and other financial institutions	49,907,561	–	49,897,697	–	49,897,697	–	–	–	–	–
Repurchase agreements/Collateralised Commodity Murabahah	42,765,709	–	42,765,709	–	42,765,709	–	–	–	–	–
Recourse obligation on loans and financing sold to Cagamas	5,071,980	–	5,086,991	–	5,086,991	–	–	–	–	–
Bonds, Sukuk and debentures	17,119,234	–	17,281,220	–	17,281,220	–	–	–	–	–
Other borrowings	13,175,494	–	13,240,133	–	13,240,133	4,358,076	–	4,369,393	–	4,369,393
Subordinated obligations	12,291,174	–	13,757,657	–	13,757,657	11,657,677	–	11,762,964	–	11,762,964
Total	650,378,264	–	651,299,279	–	651,299,279	16,015,753	–	16,132,357	–	16,132,357

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST (CONTINUED)

The following table analyses within the fair value hierarchy the Group's and the Company's assets and liabilities' fair value at 31 December 2025 and 31 December 2024, where the fair value does not approximate to carrying amount in the statement of financial position (Continued):

	The Group					The Company				
		Fair Value					Fair Value			
2024	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Carrying amount RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
Financial assets										
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah at amortised costs	10,524,297	–	10,567,137	–	10,567,137	–	–	–	–	–
Deposits and placement with banks and other financial institutions	5,167,779	–	5,165,911	–	5,165,911	–	–	–	–	–
Debt instruments at amortised cost	78,663,456	4,092,239	74,890,512	–	78,982,751	8,414,474	–	8,452,323	–	8,452,323
Loans, advances and financing at amortised cost	442,163,479	–	437,516,841	–	437,516,841	–	–	–	–	–
Total	536,519,011	4,092,239	528,140,401	–	532,232,640	8,414,474	–	8,452,323	–	8,452,323
Financial liabilities										
Deposits from customers	471,950,866	–	471,901,463	–	471,901,463	–	–	–	–	–
Investment accounts of customers	24,443,310	–	24,468,488	–	24,468,488	–	–	–	–	–
Deposits and placements of banks and other financial institutions	45,444,581	–	45,371,881	–	45,371,881	–	–	–	–	–
Repurchase agreements/Collateralised Commodity Murabahah	47,228,104	–	47.194,594	–	47,194,594	–	–	–	–	–
Recourse obligation on loans and financing sold to Cagamas	4,934,842	–	4,925,290	–	4,925,290	–	–	–	–	–
Bonds, Sukuk and debentures	14,412,197	–	14,477,728	–	14,477,728	–	–	–	–	–
Other borrowings	11,557,751	–	11,636,638	–	11,636,638	4,357,034	–	4,372,227	–	4,372,227
Subordinated obligations	11,303,860	–	11,289,117	–	11,289,117	10,626,087	–	10,649,834	–	10,649,834
Total	631,275,511	–	631,265,199	–	631,265,199	14,983,121	–	15,022,061	–	15,022,061

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST (CONTINUED)

The fair values are based on the following methodologies and assumptions:

Short-term funds and placements with financial institutions and reverse repurchase agreements/reverse Collateralised Commodity Murabahah

For short-term funds, placements with financial institutions and reverse repurchase agreements/reverse Collateralised Commodity Murabahah with maturities of less than six months, the carrying value is a reasonable estimate of fair value. For deposits and placements with maturities of six months and above, the estimated fair value is based on discounted cash flows using prevailing money market interest rates at which similar deposits and placements would be made with financial institutions of similar credit risk and remaining period to maturity.

Debt instruments at amortised cost

The estimated fair value is generally based on quoted and observable market prices. Where there is no ready market in certain securities, the Group and the Company establish fair value by using valuation techniques. These include the use of recent arm's length transactions, discounted cash flow analysis and other valuation techniques commonly used by market participants.

Other assets

The fair value of other assets approximates the carrying value less impairment allowance at the statement of financial position date.

Loans, advances and financing

For floating rate loans, the carrying value is generally a reasonable estimate of fair value.

For fixed rate loans with maturities of six months or more, the fair value is estimated by discounting the estimated future cash flows using the prevailing market rates of loans with similar credit risks and maturities.

The fair values of impaired floating and fixed rate loans are represented by their carrying value, net of expected credit losses, being the expected recoverable amount.

Amount due (to)/from subsidiaries and related companies

The estimated fair values of the amount due (to)/from subsidiaries and related companies approximate the carrying values as the balances are either recallable on demand or are based on the current rates for such similar loans.

Deposits from customers

For deposits from customers with maturities of less than six months, the carrying amounts are a reasonable estimate of their fair value. For deposit with maturities of six months or more, fair values are estimated using discounted cash flows based on prevailing market rates for similar deposits from customers.

Investment accounts of customers

The estimated fair values of investment accounts of customers with maturities of less than six months approximate the carrying values. For placements with maturities of six months or more, the fair values are estimated based on discounted cash flows using prevailing money market profit rates for placements with similar remaining period to maturities.

Deposits and placements of banks and other financial institutions

The estimated fair values of deposits and placements of banks and other financial institutions with maturities of less than six months approximate the carrying values. For deposits and placements with maturities of six months or more, the fair values are estimated based on discounted cash flows using prevailing money market interest rates for deposits and placements with similar remaining period to maturities.

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.2 FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES MEASURED AT AMORTISED COST (CONTINUED)

Obligations on securities sold under repurchase agreements/Collateralised Commodity Murabahah

The estimated fair values of obligations on securities sold under repurchase agreements/Collateralised Commodity Murabahah with maturities of less than six months approximate the carrying values. For obligations on securities sold under repurchase agreements/Collateralised Commodity Murabahah with maturities of six months or more, the fair values are estimated based on discounted cash flows using prevailing money market interest rates with similar remaining period to maturity.

Bills and acceptances payable

The estimated fair values of bills and acceptances payable with maturities of less than six months approximate the carrying values. For floating rate bills and acceptance payable, the carrying value is generally a reasonable estimate of fair value.

For bills and acceptance payable with maturities of six months or more, the fair values are estimated based on discounted cash flows using prevailing money market interest rates for bills and acceptance payable with similar remaining period to maturity.

Other liabilities

The fair value of other liabilities approximates the carrying value at the statement of financial position date.

Recourse obligation on loans and financing sold to Cagamas

The estimated fair values of loans and financing sold to Cagamas with maturities of less than six months approximate the carrying values. For loans and financing sold to Cagamas with maturities six months or more, the fair values are estimated based on discounted cash flows using prevailing market rates for loans and financing sold to Cagamas with similar risk profile.

Bonds, Sukuk and debentures and other borrowings

The estimated fair values of bonds, Sukuk and debentures and other borrowings with maturities of less than six months approximate the carrying values. For bonds, Sukuk and debentures and other borrowings with maturities six months or more, the fair values are estimated based on discounted cash flows using prevailing market rates for borrowings with similar risk profile.

Subordinated obligations

The fair values for the quoted subordinated obligations are obtained from quoted market prices while the fair values for unquoted subordinated obligations are estimated based on discounted cash flow models.

Credit related commitment and contingencies

The net fair value of these items was not calculated as estimated fair values are not readily ascertainable. These financial instruments generally relate to credit risks and attract fees in line with market prices for similar arrangements. They are not presently sold nor traded. The fair value may be represented by the present value of fees expected to be received, less associated costs.

Notes to the Financial Statements

for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.3 QUANTITATIVE INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3)

Certain credit derivatives products where valuation inputs are unobservable are valued using analytic/semi-analytic pricing models that model credit default with other market variables such as foreign exchange ("FX") rates in a mathematically and theoretically consistent framework. These valuation models are the usual market standard used in credit derivatives pricing.

Credit derivatives inputs deemed to trigger Level 3 classification:

- Correlation between Credit and FX

Actual transactions, where available, are used to regularly recalibrate such unobservable parameters.

For the purpose of Model Reserve, the following ranges (where applicable) are proposed to be used for performing sensitivity analysis to determine such reserves:

- Credit and FX correlation (reserve on a Level 3 input) –
  1. Short Quanto CDS position shocked with larger negative correlation
  2. Long Quanto CDS position shocked with larger positive correlation
- FX Volatility (reserve on valuation model) –
  1. Long volatility shocked with lower volatility
  2. Short volatility shocked with higher volatility

Equity derivatives which primarily include over-the-counter options on individual or basket of shares or market indices are valued using option pricing models such as Black-Scholes and Monte Carlo Simulations.

These models are calibrated with the inputs which include underlying spot prices, dividend and yield curves. A Level 3 input for equity options is historical volatility i.e. volatility derived from the shares' historical prices. The magnitude and direction of the impact to the fair value depend on whether the Group is long or short the exposure.

- Higher volatility will result in higher fair value for net long positions.
- Higher volatility will result in lower fair value for net short positions.

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.3 QUANTITATIVE INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) (CONTINUED)

2025 Description	Fair value Assets RM'000	"Fair value (Liabilities)" RM'000	Valuation technique(s)	Unobservable input	Range (Weighted average)	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative financial instruments						
- Trading derivatives						
Credit derivatives	**487**	**(4,439)**	Discounted Cash Flow, Stochastic Default and FX Correlation Model	Credit Default/FX Correlation	-45.00% to +25.92%	Given a short correlation position, an increase in correlation, in isolation, would generally result in a decrease in fair value measurement.
Equity derivatives	**252,106**	**(268,237)**	Option pricing	Equity Volatility	7.25% to 68.07%	Higher volatility results in higher/lower fair value depending on the net long/short positions
Financial investments at fair value through profit or loss						
Promissory notes	**273,451**	**Not applicable**	Weighted probability valuation based on market comparables and discounted cash flow	Estimated revenue of underlying asset, discount factor and probability assigned to each scenario	Not applicable	Higher estimated revenue and lower discount factor would results in higher valuation. Probability assigned would result in higher/ lower fair value depending on the amount of cash flows generated for each scenario.
Unquoted shares and private equity funds	**1,268,161**	**Not applicable**	Net tangible assets	Net tangible assets	Not applicable	Higher net tangible assets results in higher fair value
Equity instruments at fair value through other comprehensive income						
Quoted shares	**118,565**	**Not applicable**	Adjusted market price	Liquidity adjustment	Not applicable	Higher liquidity adjustment assigned would result in lower fair value.
Unquoted shares and private equity funds	**295,530**	**Not applicable**	Net tangible assets	Net tangible assets	Not applicable	Higher net tangible assets results in higher fair value

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.3 QUANTITATIVE INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) (CONTINUED)

The Group 2024 Description	Fair value Assets RM'000	Fair value (Liabilities) RM'000	Valuation technique(s)	Unobservable input	Range (Weighted average)	Inter-relationship between significant unobservable inputs and fair value measurement
Derivative financial instruments						
- Trading derivatives						
Credit derivatives	**891**	**(3,259)**	Discounted Cash Flow, Stochastic Default and FX Correlation Model	Credit Default/FX Correlation	-45.00% to +31.00%	Given a short correlation position, an increase in correlation, in isolation, would generally result in a decrease in fair value measurement.
Equity derivatives	**94,420**	**(151,492)**	Option pricing	Equity Volatility	7.21% to 71.99%	Higher volatility results in higher/lower fair value depending on the net long/short positions
Financial investments at fair value through profit or loss						
Promissory notes	**301,267**	**Not applicable**	Weighted probability valuation based on market comparables and discounted cash flow	Estimated revenue of underlying asset, discount factor and probability assigned to each scenario	Not applicable	Higher estimated revenue and lower discount factor would results in higher valuation. Probability assigned would result in higher/ lower fair value depending on the amount of cash flows generated for each scenario.
Unquoted shares and private equity funds	**1,238,408**	**Not applicable**	Net tangible assets	Net tangible assets	Not applicable	Higher net tangible assets results in higher fair value
Equity instruments at fair value through other comprehensive income						
Unquoted shares and private equity funds	**283,408**	**Not applicable**	Net tangible assets	Net tangible assets	Not applicable	Higher net tangible assets results in higher fair value

Notes to the Financial Statements
for the financial year ended 31 December 2025

57 FINANCIAL RISK MANAGEMENT (CONTINUED)

57.4 FAIR VALUE ESTIMATION (CONTINUED)

57.4.3 QUANTITATIVE INFORMATION ABOUT FAIR VALUE MEASUREMENTS USING SIGNIFICANT UNOBSERVABLE INPUTS (LEVEL 3) (CONTINUED)

Sensitivity analysis for level 3

The Group 2025	Sensitivity of significant unobservable input	Effect of reasonably possible alternative assumptions to: Profit or loss	
		Favourable changes RM'000	Unfavourable changes RM'000
Derivative financial instruments – trading			
– Credit derivatives	**+10%**	**4**	**–**
	-10%	**–**	**(5)**
– Equity derivatives	**+25%**	**30,455**	**–**
	-25%	**–**	**(37,330)**
Financial investments at fair value through profit or loss			
– Promissory notes	**+10%***	**17,013**	**–**
	-10%*	**–**	**(17,013)**
Equity instruments at fair value through other comprehensive income			
– Quoted shares	**+0.5%**	**–**	**(593)**
	-0.5%	**593**	**–**
Total		**48,065**	**(54,940)**

The Group 2024	Sensitivity of significant unobservable input	Effect of reasonably possible alternative assumptions to: Profit or loss	
		Favourable changes RM'000	Unfavourable changes RM'000
Derivative financial instruments – trading			
– Credit derivatives	+10%	9	–
	–10%	–	(12)
– Equity derivatives	+25%	9,599	–
	–25%	–	(12,402)
Financial investments at fair value through profit or loss			
– Promissory notes	+10%*	18,744	–
	–10%*	–	(18,744)
Total		28,352	(31,158)

** 10% stress is applied to the estimated revenue of underlying assets*

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025

	Note	2025 RM'000	2024 RM'000
Assets			
Cash and short-term funds	(a)	**12,225,592**	10,597,180
Reverse Collateralised Commodity Murabahah		**1,681,048**	1,734,605
Deposits and placements with banks and other financial institutions	(b)	**787,353**	603,136
Financial investments at fair value through profit or loss	(c)	**3,972,798**	5,592,074
Debt instruments at fair value through other comprehensive income	(d)	**12,025,025**	7,422,884
Debt instruments at amortised cost	(e)	**14,989,552**	15,132,151
Islamic derivative financial instruments	(f)(i)	**1,346,809**	793,338
Financing, advances and other financing/loans	(g)	**163,261,118**	153,094,118
Other assets	(h)	**4,151,977**	4,022,124
Deferred tax assets	(i)	**219,472**	253,612
Tax recoverable		**202,819**	172,994
Amount due from conventional operations		**24,903,367**	21,578,888
Statutory deposits with central banks	(j)	**1,753,303**	2,578,796
Property, plant and equipment	(k)	**8,851**	6,603
Right-of-use assets	(l)	**2,068**	1,152
Goodwill	(m)	**136,000**	136,000
Intangible assets	(n)	**14,085**	5,503
Total assets		**241,681,237**	223,725,158
Liabilities			
Deposits from customers	(o)	**132,218,461**	128,888,208
Investment accounts of customers	(p)	**32,291,771**	24,443,310
Deposits and placements of banks and other financial institutions	(q)	**9,419,922**	6,386,090
Investment accounts due to designated financial institutions	(r)	**2,800,834**	2,927,281
Collateralised Commodity Murabahah		**3,300,207**	4,349,732
Financial liabilities designated at fair value through profit or loss	(s)	**2,167,804**	3,125,723
Islamic derivative financial instruments	(f)(i)	**1,191,350**	629,666
Bills and acceptances payable		**45,983**	50,236
Other liabilities	(t)	**24,549,032**	21,345,888
Lease liabilities	(u)	**208**	338
Recourse obligation on loans and financing sold to Cagamas		**3,651,597**	3,614,777
Amount due to conventional operations		**1,989,231**	2,068,617
Provision for taxation		**46**	16
Deferred tax liabilities	(i)	**227**	–
Sukuk	(v)	**8,528,486**	7,849,979
Subordinated Sukuk	(w)	**1,714,781**	1,513,741
Total liabilities		**223,869,940**	207,193,602

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 31 DECEMBER 2025 (CONTINUED)

	Note	2025 RM'000	2024 RM'000
Equity			
Islamic banking funds		**55,000**	55,000
Ordinary share capital	(x)	**1,000,000**	1,000,000
Perpetual preference shares	(x)	**350,000**	350,000
Reserves	(y)	**16,160,090**	14,885,010
		17,565,090	16,290,010
Non-controlling interests		**246,207**	241,546
Total equity		**17,811,297**	16,531,556
Total equity and liabilities		**241,681,237**	223,725,158
Restricted Agency Investment Account(*)	(z)	**16,289,779**	16,482,284
Total Islamic Banking Assets		**257,971,016**	240,207,442
Commitments and contingencies	(f)(ii)	**116,874,486**	106,936,871

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

CONSOLIDATED STATEMENT OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM'000	2024 RM'000
Income derived from investment of depositors' funds and others	(aa)	**7,634,336**	7,729,231
Income derived from investment of investment account	(ab)	**1,615,774**	1,264,446
Net income derived from investment of shareholders' funds	(ac)	**950,756**	948,491
Modification loss	(ad)	**–**	(1)
Expected credit made on financing, advances and other financing/loans	(ae)	**(468,018)**	(494,942)
Expected credit losses written back for commitments and contingencies	(t)(i)	**21,409**	22,968
Other expected credit losses made	(af)	**(1,672)**	(36,874)
Total distributable income		**9,752,585**	9,433,319
Income attributable to depositors and others	(ag)	**(4,588,458)**	(4,740,365)
Profit distributed to investment account holder	(ah)	**(1,042,572)**	(852,394)
Total net income	(am)	**4,121,555**	3,840,560
Personnel expenses	(ai)	**(145,604)**	(84,735)
Other overheads and expenditures	(aj)	**(1,460,724)**	(1,361,397)
Profit before taxation and zakat		**2,515,227**	2,394,428
Taxation and zakat	(ak)	**(484,044)**	(411,234)
Profit for the financial year		**2,031,183**	1,983,194
Profit attributable to:			
Owners of the Parent		**1,994,380**	1,936,015
Non-controlling interests		**36,803**	47,179
		2,031,183	1,983,194

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Note	2025 RM'000	2024 RM'000
Profit for the financial year		**2,031,183**	1,983,194
Other comprehensive income/(expense):			
Items that will not be reclassified subsequently to profit or loss			
Fair value changes on financial liabilities designated at fair value attributable to own credit risk		**(4,273)**	903
		(4,273)	903
Items that may be reclassified subsequently to profit or loss			
Debt instruments at fair value through other comprehensive income		**41,594**	27,614
– Net gain from change in fair value		**127,852**	39,991
– Realised gain transferred to statement of income on disposal		**(72,908)**	(7,409)
– Changes in expected credit losses		**(151)**	631
– Income tax effects		**(13,199)**	(5,599)
Deferred hedging cost		**–**	(4,454)
– Net gain from change in fair value		**–**	(4,454)
Exchange fluctuation reserve		**(470,235)**	(273,416)
		(428,641)	(250,256)
Other comprehensive expense for the financial year, net of tax		**(432,914)**	(249,353)
Total comprehensive income for the financial year		**1,598,269**	1,733,841
Total comprehensive income attributable to:			
Owners of the Parent		**1,593,608**	1,703,244
Non-controlling interests		**4,661**	30,597
		1,598,269	1,733,841
Reconciliation to the income from Islamic Banking operations as presented in the Consolidated Statement of Income:			
Total net income	(am)	**4,121,555**	3,840,560
Add: Expected credit losses made on financing, advances and other financing/loans		**468,018**	494,942
Add: Expected credit losses written back made for commitments and contingencies		**(21,409)**	(22,968)
Add: Other expected credit losses made		**1,672**	36,874
		4,569,836	4,349,408
Elimination for transaction with conventional operations		**388,947**	391,177
Income from Islamic Banking operations		**4,958,783**	4,740,585

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	Share capital RM'000	Perpetual preference shares RM'000	Islamic Banking funds RM'000	Debt instruments at fair value through other comprehensive income RM'000	Exchange fluctuation reserve RM'000	Hedging reserve RM'000	Regulatory reserve RM'000	Own credit risk reserve RM'000	Share-based payment RM'000	Capital contribution by Holding company RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
2025														
At 1 January 2025	1,000,000	350,000	55,000	(34,970)	(133,272)	-	397,222	425	-	4,557	14,651,048	16,290,010	241,546	16,531,556
Net profit for the financial year	-	-	-	-	-	-	-	-	-	-	1,994,380	1,994,380	36,803	2,031,183
Other comprehensive income/(expense) (net of tax)	-	-	-	41,594	(438,093)	-	-	(4,273)	-	-	-	(400,772)	(32,142)	(432,914)
- debt instruments at fair value through other comprehensive income	-	-	-	41,594	-	-	-	-	-	-	-	41,594	-	41,594
- fair value changes on financial liabilities designated at fair value attributable to own credit risk reserve	-	-	-	-	-	-	-	(4,273)	-	-	-	(4,273)	-	(4,273)
- deferred hedging cost	-	-	-	-	-	-	-	-	-	-	-	-	-	-
- currency translation difference	-	-	-	-	(438,093)	-	-	-	-	-	-	(438,093)	(32,142)	(470,235)
Total comprehensive income/(expense) for the financial year	-	-	-	41,594	(438,093)	-	-	(4,273)	-	-	1,994,380	1,593,608	4,661	1,598,269
Interim dividend paid in respect of the financial year ended 31 December 2024	-	-	-	-	-	-	-	-	-	-	(19,000)	(19,000)	-	(19,000)
First interim dividend for the financial year ended 31 December 2025	-	-	-	-	-	-	-	-	-	-	(300,000)	(300,000)	-	(300,000)
Share-based payment expense	-	-	-	-	-	-	-	-	702	(230)	-	472	-	472
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	702	(230)	(319,000)	(318,528)	-	(318,528)
Transfer to regulatory reserve	-	-	-	-	-	-	245,698	-	-	-	(245,698)	-	-	-
At 31 December 2025	1,000,000	350,000	55,000	6,624	(571,365)	-	642,920	(3,848)	702	4,327	16,080,730	17,565,090	246,207	17,811,297

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

	Share capital RM'000	Perpetual preference shares RM'000	Islamic Banking funds RM'000	Debt instruments at fair value through other comprehensive income RM'000	Exchange fluctuation reserve RM'000	Hedging reserve RM'000	Regulatory reserve RM'000	Own credit risk reserve RM'000	Capital contribution by Holding company RM'000	Retained earnings RM'000	Total RM'000	Non-controlling interests RM'000	Total RM'000
2024													
At 1 January 2024	1,000,000	350,000	55,000	(62,584)	123,562	4,454	210,633	(478)	4,212	12,926,872	14,611,671	210,949	14,822,620
Net profit for the financial year	–	–	–	–	–	–	–	–	–	1,936,015	1,936,015	47,179	1,983,194
Other comprehensive income/(expense) (net of tax)	–	–	–	27,614	(256,834)	(4,454)	–	903	–	–	(232,771)	(16,582)	(249,353)
– debt instruments at fair value through other comprehensive income	–	–	–	27,614	–	–	–	–	–	–	27,614	–	27,614
– fair value changes on financial liabilities designated at fair value attributable to own credit risk reserve	–	–	–	–	–	–	–	903	–	–	903	–	903
– deferred hedging cost	–	–	–	–	–	(4,454)	–	–	–	–	(4,454)	–	(4,454)
– currency translation difference	–	–	–	–	(256,834)	–	–	–	–	–	(256,834)	(16,582)	(273,416)
Total comprehensive income/(expense) for the financial year	–	–	–	27,614	(256,834)	(4,454)	–	903	-	1,936,015	1,703,244	30,597	1,733,841
Interim dividend paid in respect of the financial year ended 31 December 2023	–	–	–	–	–	–	–	–	–	(25,250)	(25,250)	–	(25,250)
Share-based payment expense	–	–	–	–	–	–	–	–	345	–	345	–	345
Total transactions with owners recognised directly in equity	–	–	–	–	–	–	–	–	345	(25,250)	(24,905)	–	(24,905)
Transfer to regulatory reserve	–	–	–	–	–	–	186,589	–	–	(186,589)	–	–	–
At 31 December 2024	1,000,000	350,000	55,000	(34,970)	(133,272)	–	397,222	425	4,557	14,651,048	16,290,010	241,546	16,531,556

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025

	2025 RM'000	2024 RM'000
Operating activities		
Profit before taxation and zakat	**2,515,227**	2,394,428
Adjustments for:		
Depreciation of property, plant and equipment	**1,630**	1,443
Depreciation of right-of-use assets	**1,403**	1,173
Amortisation of intangible assets	**2,950**	4,289
Net unrealised gain on derivatives	**82,346**	(139,403)
Accretion of discount less amortisation of premium	**(45,957)**	(141,267)
Net gain from sale of debt instruments at fair value through other comprehensive income	**(72,908)**	(7,409)
Profit income from debt instruments at amortised cost	**(682,734)**	(620,937)
Profit income on debt instruments at fair value through other comprehensive income	**(395,545)**	(290,561)
Profit expense on Subordinated Sukuk	**61,820**	49,140
Profit expense on Sukuk	**310,614**	189,627
Profit expense on recourse obligation on loans and financing sold to Cagamas	**135,863**	125,126
Share-based payment expense	**472**	345
Unrealised loss from financial liabilities designated at fair value through profit or loss	**22,210**	21,713
Unrealised loss from financial investments at fair value through profit or loss	**3,829**	383
Net gain from foreign exchange transactions	**(288,418)**	(178,143)
Expected credit losses written back for commitments and contingencies	**(21,409)**	(22,968)
Net (gain)/loss from hedging activities	**(344)**	23,589
Other expected credit losses made	**1,672**	36,874
Expected credit losses made on financing, advances and other financing/loans	**636,150**	661,574
Modification loss	**-**	1
	(246,356)	(285,411)
	2,268,871	2,109,017
(Increase)/decrease in operating assets		
Reverse Collateralised Commodity Murabahah	**53,557**	(1,034,538)
Deposits and placements with banks and other financial institutions with original maturity of more than three months	**21**	(74)
Cash and short-term funds with original maturity of more than three months	**20,545**	(154,786)
Financial investments at fair value through profit or loss	**1,710,909**	(1,665,187)
Islamic derivative financial instruments	**31,414**	(86,664)
Financing, advances and other financing/loans	**(10,965,251)**	(12,935,037)
Statutory deposits with central banks	**825,493**	(208,055)
Other assets	**(162,242)**	(635,405)
Amount due from conventional operations	**(3,324,479)**	(2,539,276)
Right-of-use assets	**(1,882)**	(516)
	(11,811,915)	(19,259,538)
Increase/(decrease) in operating liabilities		
Deposits from customers	**3,330,253**	335,472
Deposits and placements of banks and other financial institutions	**3,033,832**	(3,547,990)
Other liabilities	**3,532,532**	4,516,556
Lease liabilities	**527**	(293)
Financial liabilities designated at fair value through profit or loss	**(984,402)**	282,226
Bills and acceptance payable	**(4,253)**	42,062
Collateralised Commodity Murabahah	**(1,049,525)**	2,120,611
Amount due to conventional operations	**(79,386)**	(95,536)
Investment accounts of customers	**7,848,461**	5,459,185
Investment accounts due to designated financial institutions	**(126,447)**	(497,570)
	15,501,592	8,614,723
Cash flows generated from/(used in) operations	**5,958,548**	(8,535,798)
Taxation and zakat paid*	**(480,693)**	(466,212)
Net cash flows generated from/(used in) operating activities	**5,477,855**	(9,002,010)

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

	Note	2025 RM'000	2024 RM'000
Investing activities			
Purchase of property, plant and equipment		**(12,065)**	(4,697)
Purchase of intangible assets		**(11,917)**	(3,349)
Profit income from debt instruments at fair value through other comprehensive income		**336,553**	255,944
Profit income from debt instruments at amortised cost		**775,394**	569,511
Net purchase of debt instruments at amortised cost		**26,881**	(66,300)
Net purchase of debt instruments at fair value through other comprehensive income		**(4,444,586)**	(1,236,001)
Proceeds from disposal of property, plant and equipment		**6,945**	482
Proceeds from disposal of intangible assets		**3**	3
Net cash flows used in investing activities		**(3,322,792)**	(484,407)
Financing activities			
Proceeds from issuance of subordinated Sukuk (i)		**200,000**	1,200,000
Repayment of subordinated Sukuk (i)		**-**	(800,000)
Profit expense paid on subordinated Sukuk (i)		**(60,780)**	(44,823)
Profit expense paid on Sukuk (i)		**(306,762)**	(115,273)
Profit expense paid on recourse obligation on loans and financing sold to Cagamas (i)		**(136,295)**	(125,264)
Repayment of recourse obligation on loans and financing sold to Cagamas (i)		**(472,978)**	(488,000)
Dividends paid		**(319,000)**	(25,250)
Issuance of Sukuk (i)		**700,000**	6,620,000
Redemption of Sukuk (i)		**(95,230)**	(119,024)
Repayment of lease liabilities (i)		**(657)**	(610)
Proceeds from issuance of recourse obligation on loans and financing sold to Cagamas (i)		**490,000**	1,273,023
Net cash flows (used in)/generated from financing activities		**(1,702)**	7,374,779
Net increase/(decrease) in cash and cash equivalents		**2,153,361**	(2,111,638)
Cash and cash equivalents at beginning of financial year		**10,999,533**	13,305,157
Effect of exchange rate changes		**(320,187)**	(193,986)
Cash and cash equivalents at end of financial year		**12,832,707**	10,999,533
Cash and cash equivalents comprise:			
Cash and short-term funds	(a)	**12,225,592**	10,597,180
Deposits and placements with banks and other financial institutions	(b)	**787,353**	603,136
		13,012,945	11,200,316
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months		**(180,238)**	(200,783)
Cash and cash equivalents at end of financial year		**12,832,707**	10,999,533

* *Included in taxation and zakat paid during the financial year is payment of zakat amounting to RM16 million (2024: RM12 million)*

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for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2025 (CONTINUED)

(i) An analysis of changes in liabilities arising from financing activities is as follows:

	Sukuk RM'000	Recourse obligation on loans and financing sold to Cagamas RM'000	Subordinated Sukuk RM'000	Lease liabilities RM'000	Total RM'000
At 1 January 2025	**7,849,979**	**3,614,777**	**1,513,741**	**338**	**12,978,835**
Proceeds from issuance	**700,000**	**490,000**	**200,000**	**–**	**1,390,000**
Repayment and redemption	**(95,230)**	**(472,978)**	**–**	**(657)**	**(568,865)**
Profit expense paid	**(306,762)**	**(136,295)**	**(60,780)**	**–**	**(503,837)**
Exchange fluctuation	**(13,256)**	**–**	**–**	**–**	**(13,256)**
Other non cash movement	**393,755**	**156,093**	**61,820**	**527**	**612,195**
At 31 December 2025	**8,528,486**	**3,651,597**	**1,714,781**	**208**	**13,895,072**
At 1 January 2024	1,254,903	2,822,998	1,109,424	1,241	5,188,566
Proceeds from issuance	6,620,000	1,273,023	1,200,000	–	9,093,023
Repayment and redemption	(119,024)	(488,000)	(800,000)	(610)	(1,407,634)
Profit expense paid	(115,273)	(125,264)	(44,823)	–	(285,360)
Exchange fluctuation	(16,895)	–	–	–	(16,895)
Other non cash movement	226,268	132,020	49,140	(293)	407,135
At 31 December 2024	7,849,979	3,614,777	1,513,741	338	12,978,835

(a) CASH AND SHORT-TERM FUNDS

	2025 RM'000	2024 RM'000
Cash and balances with banks and other financial institutions	**2,139,007**	2,054,584
Money at call and deposit placements maturing within one month	**10,086,585**	8,542,596
	12,225,592	10,597,180

(b) DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	2025 RM'000	2024 RM'000
Licensed Islamic banks	**707,330**	403,191
Other financial institutions	**80,095**	200,042
	787,425	603,233
Less: Expected credit loss	**(72)**	(97)
	787,353	603,136

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(b) DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS (CONTINUED)

Expected credit losses movement for money at call and deposits and placements with banks and other financial institutions:

	12-month expected credit losses (Stage 1) RM'000	Total RM'000
At 1 January 2025	**97**	**97**
Total charge to Statement of Income:	**(22)**	**(22)**
New financial assets purchased	**824**	**824**
Financial assets that have been derecognised	**(86)**	**(86)**
Change in credit risk	**(760)**	**(760)**
Exchange fluctuation	**(3)**	**(3)**
At 31 December 2025	**72**	**72**
At 1 January 2024	24	24
Total charge to Statement of Income:	74	74
New financial assets purchased	180	180
Financial assets that have been derecognised	(95)	(95)
Change in credit risk	(11)	(11)
Exchange fluctuation	(1)	(1)
At 31 December 2024	97	97

(c) FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RM'000	2024 RM'000
Money market instruments:		
Unquoted		
Malaysian Government treasury bills	**171,478**	277,430
Bank Negara Malaysia monetary notes	**402,685**	1,530,686
Cagamas bonds	**15,064**	353,537
Islamic negotiable instruments of deposit	**1,344,764**	1,791,452
Government Investment Issues	**425,138**	338,545
Islamic Commercial Paper	**492,463**	845,315
	2,851,592	5,136,965
Unquoted securities:		
In Malaysia:		
Corporate Sukuk	**1,121,206**	455,109
	3,972,798	5,592,074

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(d) DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	2025 RM'000	2024 RM'000
Fair value		
Money market instruments:		
Unquoted		
Islamic Cagamas bonds	**131,659**	75,888
Other Government Securities	**449,087**	105,243
Government Investment Issues	**3,210,116**	2,263,396
	3,790,862	2,444,527
Unquoted securities:		
In Malaysia:		
Corporate Sukuk	**8,234,163**	4,978,357
	12,025,025	7,422,884

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.

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses – not credit impaired (Stage 2) RM'000	Total RM'000
At 1 January 2025	**2,234**	**–**	**2,234**
Total charge to Statement of Income:	**(151)**	**–**	**(151)**
New financial assets purchased	**20,513**	**–**	**20,513**
Financial assets that have been derecognised	**(333)**	**–**	**(333)**
Change in credit risk	**(20,331)**	**–**	**(20,331)**
At 31 December 2025	**2,083**	**–**	**2,083**
At 1 January 2024	1,603	–	1,603
Total charge to Statement of Income:	631	–	631
New financial assets purchased	11,894	–	11,894
Financial assets that have been derecognised	(369)	–	(369)
Change in credit risk	(10,894)	–	(10,894)
At 31 December 2024	2,234	–	2,234

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(e) DEBT INSTRUMENTS AT AMORTISED COST

	2025 RM'000	2024 RM'000
Money market instruments:		
Unquoted		
Islamic Cagamas bonds	**85,935**	20,151
Other Government securities	**158,065**	556,758
Government Investment Issue	**8,105,789**	5,978,111
Commercial papers	**–**	180,685
Malaysian Government treasury bills	**65,184**	–
	8,414,973	6,735,705
Unquoted securities		
In Malaysia		
Corporate Sukuk	**6,634,915**	8,410,904
Total	**15,049,888**	15,146,609
Amortisation of premium, net of accretion of discount	**(60,017)**	(14,055)
Less: Expected credit losses	**(319)**	(403)
	14,989,552	15,132,151

Expected credit losses movement for debt instruments at amortised cost:

	12-month expected credit losses (Stage 1) RM'000	Total RM'000
At 1 January 2025	**403**	**403**
Total charge to Statement of Income:	**(84)**	**(84)**
New financial assets purchased	**418**	**418**
Change in credit risk	**(502)**	**(502)**
At 31 December 2025	**319**	**319**
At 1 January 2024	563	563
Total charge to Statement of Income:	(157)	(157)
New financial assets purchased	3,486	3,486
Change in credit risk	(3,643)	(3,643)
Exchange fluctuation	(3)	(3)
At 31 December 2024	403	403

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(e) DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

Gross carrying amount movement for debt instruments at amortised cost:

	Lifetime expected credit losses – credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2025	**634,852**	**634,852**
Amount fully recovered	**(510,741)**	**(510,741)**
Other movements	**(96,651)**	**(96,651)**
Exchange fluctuation	**(27,460)**	**(27,460)**
At 31 December 2025	**–**	**–**

Gross carrying amount movement for debt instruments at amortised cost:

	Lifetime expected credit losses – credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2024	594,678	594,678
Other movements	52,526	52,526
Exchange fluctuation	(12,352)	(12,352)
At 31 December 2024	634,852	634,852

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for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(f) ISLAMIC DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES

(I) ISLAMIC DERIVATIVE FINANCIAL INSTRUMENTS

The following tables summarise the contractual or underlying principal amounts of trading derivative and financial instruments held for hedging purposes. The principal or contractual amounts of these instruments reflect the volume of transactions outstanding at the date of statements of financial position 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 "Islamic derivative financial instruments" Assets and Liabilities respectively.

	31 December 2025		
	Principal RM'000	Asset RM'000	Liability RM'000
Trading derivatives			
Foreign exchange derivatives			
Currency forwards	**25,235,029**	**58,027**	**(803,945)**
– Less than 1 year	**24,929,817**	**35,533**	**(786,277)**
– 1 year to 3 years	**90,635**	**5,558**	**(4,347)**
– More than 3 years	**214,577**	**16,936**	**(13,321)**
Currency swaps	**32,209,045**	**801,551**	**(108,235)**
– Less than 1 year	**32,181,870**	**801,551**	**(108,158)**
– 1 year to 3 years	**27,175**	**–**	**(77)**
Currency spots	**364,458**	**561**	**(325)**
– Less than 1 year	**364,458**	**561**	**(325)**
Currency options	**404,563**	**3,930**	**(3,930)**
– Less than 1 year	**404,563**	**3,930**	**(3,930)**
Cross currency profit rate swaps	**2,178,709**	**67,822**	**(42,728)**
– Less than 1 year	**392,908**	**7,799**	**(7,655)**
– 1 year to 3 years	**670,000**	**11,266**	**(3,342)**
– More than 3 years	**1,115,801**	**48,757**	**(31,731)**
Profit rate derivatives			
Islamic profit rate swaps	**8,228,601**	**25,574**	**(57,581)**
– Less than 1 year	**3,135,073**	**3,046**	**(4,370)**
– 1 year to 3 years	**1,889,613**	**5,605**	**(10,798)**
– More than 3 years	**3,203,915**	**16,923**	**(42,413)**
Equity related derivatives			
Equity options	**4,670**	**101**	**(101)**
– Less than 1 year	**4,670**	**101**	**(101)**
Commodity related derivatives			
Commodity options	**7,056,268**	**166,480**	**(166,419)**
– Less than 1 year	**7,056,268**	**166,480**	**(166,419)**
Credit related contracts			
Total return swaps	**39,800**	**436**	**(436)**
– less than 1 year	**39,800**	**436**	**(436)**
Hedging derivatives			
Islamic profit rate swaps	**11,071,594**	**222,327**	**(7,650)**
– Less than 1 year	**926,594**	**5,061**	**(327)**
– 1 year to 3 years	**3,100,000**	**35,073**	**(4,690)**
– More than 3 years	**7,045,000**	**182,193**	**(2,633)**
Total derivative assets/(liabilities)	**86,792,737**	**1,346,809**	**(1,191,350)**

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(f) ISLAMIC DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(I) ISLAMIC DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	31 December 2024		
	Principal RM'000	Asset RM'000	Liability RM'000
Trading derivatives			
Foreign exchange derivatives			
Currency forwards	18,172,427	327,042	(216,697)
– Less than 1 year	17,877,348	292,656	(188,534)
– 1 year to 3 years	17,039	3,865	(2,278)
– More than 3 years	278,040	30,521	(25,885)
Currency swaps	31,995,184	235,159	(249,998)
– Less than 1 year	31,995,184	235,159	(249,998)
Currency spots	406,338	284	(494)
– Less than 1 year	406,338	284	(494)
Currency options	97,548	935	(935)
– Less than 1 year	97,548	935	(935)
Cross currency profit rate swaps	836,319	55,848	(53,758)
– Less than 1 year	365,169	28,502	(28,441)
– 1 year to 3 years	251,910	2,046	(1,816)
– More than 3 years	219,240	25,300	(23,501)
Profit rate derivatives			
Islamic profit rate swaps	8,752,818	17,174	(73,774)
– Less than 1 year	1,138,330	613	(1,230)
– 1 year to 3 years	3,041,132	3,568	(38,062)
– More than 3 years	4,573,356	12,993	(34,482)
Equity related derivatives			
Equity options	56,184	996	(996)
– Less than 1 year	50,914	881	(881)
– 1 year to 3 years	5,270	115	(115)
Commodity related derivatives			
Commodity options	2,526,737	26,279	(26,234)
– Less than 1 year	2,526,737	26,279	(26,234)
Credit related contracts			
Total return swaps	39,800	450	(450)
– 1 year to 3 years	39,800	450	(450)
Hedging derivatives			
Islamic profit rate swaps	11,124,202	129,171	(6,330)
– Less than 1 year	16,925	520	–
– 1 year to 3 years	1,431,842	10,885	(2,077)
– More than 3 years	9,675,435	117,766	(4,253)
Total derivative assets/(liabilities)	74,007,557	793,338	(629,666)

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(f) ISLAMIC DERIVATIVE FINANCIAL INSTRUMENTS, COMMITMENTS AND CONTINGENCIES (CONTINUED)

(II) COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group enters 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, 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.

Treasury related derivative financial instruments are revalued on a gross position basis and the unrealised gains or losses are reflected in "Islamic Derivative Financial Instruments" Assets and Liabilities respectively. Refer Note 58(f)(i).

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

	2025 Principal RM'000	2024 Principal RM'000
Credit related		
Direct credit substitutes	**854,368**	592,823
Certain transaction-related contingent items	**1,382,023**	1,252,135
Short-term self-liquidating trade-related contingencies	**95,877**	232,200
Irrevocable commitments to extend credit:		
- Maturity not exceeding one year	**18,665,960**	20,539,916
- Maturity exceeding one year	**8,836,124**	10,072,631
Miscellaneous commitments and contingencies	**247,397**	239,609
Total credit-related commitments and contingencies	**30,081,749**	32,929,314
Total treasury-related commitments and contingencies (Note 59(f)(i))	**86,792,737**	74,007,557
Total commitments and contingencies	**116,874,486**	106,936,871

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS

(I) BY TYPE AND SHARIAH CONTRACT

	Sale-based contracts						Lease-based contracts		Profit sharing contracts		Loan contract	Others		
2025	Murabahah RM'000	Bai' Bithaman Ajil RM'000	Bai' al-'Inah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Bai' Salam RM'000	Ijarah Muntahiah Bi al-Tamlik* RM'000	Al-Ijarah Thumma al-Bai'# RM'000	Mudharabah RM'000	Musharakah RM'000	Qard RM'000	Ujrah RM'000	Kafalah RM'000	Total RM'000
At amortised cost														
Cash line^	-	-	-	-	2,061,399	-	-	-	-	-	7,499	-	-	2,068,898
Term financing														
House financing	80,636	2,937,740	-	-	55,098,871	-	855,210	-	-	5,490,099	-	-	-	64,462,556
Syndicated financing	-	-	-	-	2,098,092	-	-	-	-	-	-	-	-	2,098,092
Hire purchase receivables	189,792	-	-	-	-	-	-	21,643,050	-	-	-	-	-	21,832,842
Other term financing	1,307,345	520,977	679,647	-	50,079,473	-	25,830	-	116,345	5,083,566	608,399	-	-	58,421,582
Lease receivable	-	-	-	-	-	-	280,162	-	-	-	-	-	-	280,162
Bills receivable	-	-	-	326,384	1,452,217	267,693	-	-	-	-	-	-	-	2,046,294
Islamic trust receipts	-	-	-	-	17,609	-	-	-	-	-	33,130	-	-	50,739
Claims on customers under acceptance credits	-	-	-	-	1,297,961	-	-	-	-	-	-	-	45,983	1,343,944
Staff financing	-	-	-	-	358,176	-	-	-	-	29,494	-	-	-	387,670
Revolving credits	-	-	-	-	10,316,846	-	-	-	-	891,918	-	-	-	11,208,764
Credit card receivables	-	-	-	-	-	-	-	-	-	-	496,558	825,866	-	1,322,424
Gross financing, advances and other financing/loans	1,577,773	3,458,717	679,647	326,384	122,780,644	267,693	1,161,202	21,643,050	116,345	11,495,077	1,145,586	825,866	45,983	165,523,967
Fair value changes arising from fair value hedge														-
														165,523,967
Less: Expected credit losses														(2,262,849)
Net financing, advances and other financing/loans														163,261,118

^ *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.*

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(I) BY TYPE AND SHARIAH CONTRACT (CONTINUED)

	Sale-based contracts						Lease-based contracts		Profit sharing contracts		Loan contract	Others		
2024	Murabahah RM'000	Bai' Bithaman Ajil RM'000	Bai' al-'Inah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Bai' Salam RM'000	Ijarah Muntahiah Bi al-Tamlik* RM'000	Al-Ijarah Thumma al-Bai'# RM'000	Mudharabah RM'000	Musharakah RM'000	Qard RM'000	Ujrah RM'000	Kafalah RM'000	Total RM'000
At amortised cost														
Cash line^	-	-	-	-	1,890,281	-	-	-	-	-	7,386	-	-	1,897,667
Term financing														
House financing	112,541	3,269,654	-	-	50,904,382	-	921,601	-	-	6,909,771	-	-	-	62,117,949
Syndicated financing	-	-	-	-	1,265,388	-	-	-	-	-	-	-	-	1,265,388
Hire purchase receivables	624,963	-	-	-	-	-	-	19,830,538	-	-	-	-	-	20,455,501
Other term financing	464,900	631,260	887,419	-	47,132,376	-	29,097	-	93,755	6,492,778	240,005	-	-	55,971,590
Lease receivable	-	-	-	-	-	-	386,545	-	-	-	-	-	-	386,545
Bills receivable	-	-	-	102,171	1,097,863	319,062	-	-	-	-	-	-	-	1,519,096
Islamic trust receipts	-	-	-	-	15,826	-	-	-	-	-	36,825	-	-	52,651
Claims on customers under acceptance credits	-	-	-	-	1,208,563	-	-	-	-	-	-	-	50,236	1,258,799
Staff financing	-	-	-	-	338,903	-	-	-	-	31,529	-	-	-	370,432
Revolving credits	-	-	-	-	8,186,099	-	-	-	-	1,012,626	-	-	-	9,198,725
Credit card receivables	-	-	-	-	-	-	-	-	-	-	555,863	558,518	-	1,114,381
Gross financing, advances and other financing/loans	1,202,404	3,900,914	887,419	102,171	112,039,681	319,062	1,337,243	19,830,538	93,755	14,446,704	840,079	558,518	50,236	155,608,724
Fair value changes arising from fair value hedge														(187)
														155,608,537
Less: Expected credit losses														(2,514,419)
Net financing, advances and other financing/loans														153,094,118

^ *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.*

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)
(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)
(I) BY TYPE AND SHARIAH CONTRACT (CONTINUED)

	2025 RM'000	2024 RM'000
Gross financing, advances and other financing/loans		
– At amortised cost	**165,523,967**	155,608,724
	165,523,967	155,608,724

Sale-based contracts

– Murabahah

A contract of sale of assets at a mark-up price, which includes a profit margin as agreed by the contracting parties. The price, costs and profit margin in Murabahah shall be made transparent and agreed upon between buyer and seller. Income is recognised on effective profit rate basis over the expected life of the contract based on the principal amounts outstanding.

– Bai' al-'Inah

A contract of sale and purchase of an asset whereby the seller sells to buyer in cash and subsequently buys back the asset at a marked up and deferred. Income is recognised on effective profit rate basis over the expected life of the contract based on principal amount outstanding.

– Tawarruq vis-à-vis Commodity Murabahah

Tawarruq structure for CIMB Islamic's financing product consists of three (3) sales and purchases transaction. The first involves, the purchase of a commodity by the Bank from Commodity Trader 1, on cash and spot basis. Secondly, the Bank will sell the commodity using Murabahah contract, to customer on deferred basis. Subsequently, the customer will sell the commodity to Commodity Trader 2 on cash and spot basis. Finally, the customer will get a cash to finance the customer's needs.

– Bai' Bithaman Ajil

A contract of sale and purchase of an asset in which the payment of price is deferred either be paid in lump-sum or installment basis within an agreed period of time. Income from financing shall be recognised on effective profit rate basis over the expected life of the contract based on principal amount outstanding. Meanwhile, profit expense from deposits shall be recognised on accrual basis by maturity date.

– Bai' al-Dayn

A contract of trading of debt and the outstanding debt may be sold to the debtor or to a third party on cash basis. Income from financing shall be recognised on effective profit rate basis over the expected life of the contract based on principal amount outstanding. Meanwhile, profit expense from deposits shall be recognised on accrual basis by maturity date.

– Bai' Salam

Bai' Salam is a Shariah-based sale and purchase contract of goods based on an order with specified criteria, where Bank as the buyer, pays in full amount when contract is signed (upfront), while the delivery of the goods to be deferred to a specified future date. Income is recognised when the goods have been sold and Bank receives payment from the end buyer.

Lease-based contracts

– Ijarah

A lease contract that transfers the ownership of a usufruct of an asset to another party for a specified period in exchange for a rental. Ijarah contract may end with the transfer of the legal title of the leased asset to the lessee is called Ijarah Muntahia bi al-Tamlik (IMBT). Effective transfer of the legal title is a consequent to the conclusion of the lease arrangement that can be in the form of a sale or a gift of the asset to the lessee. Al-Ijarah Thumma al-Bai (AITAB) is a form of Ijarah Muntahia bi al-Tamlik where the sale of asset to the lessee is executed at the completion of the lease period. Income is recognised on effective profit rate basis over the lease term.

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(I) BY TYPE AND SHARIAH CONTRACT (CONTINUED)

Profit sharing contracts

– Musharakah

Agreement of cooperation between two or more parties to a particular business, where each parties contribute funds. Profits are shared based on agreement, while loss is based on the portion of the contribution of funds in the form of cash or non-cash assets permitted by Shariah. Profits are recognised in the period the entitlement is based on Laporan Hasil Usaha in accordance with the agreed nisbah. Gain on Musharakah financing that has become the bank's rights and have not been paid by the customer is recognised as a profit sharing receivable.

– Mudharabah

Mudharabah is a Shariah compliant business partnership contract between a capital provider (shahibul maal) and a business manager (mudharib), in which the capital provider supplies 100% of the financing – whether on an unrestricted (mutlaqah) or restricted (muqayyadah) basis – while the business manager is responsible for operating the venture. Net revenues/profits are shared according to the pre agreed net revenue/profit sharing ratio (nisbah), whereas losses are borne solely by the capital provider unless caused by negligence, misconduct, or breach by the manager. Net revenue/profit is recognised when the entitlement to such net revenue/profit has been established in accordance with the business report and the contractual terms.

Loan contract

– Qard

A contract of lending a fungible asset to a borrower who is bound to return an equivalent replacement. No income from financing shall be generated from the transactions.

Ujrah

Arrangement that involves payment of a service fee in exchange for the services rendered to customers.

Kafalah

Guarantee contract given by the guarantor (kafil) to a third party (makful lahu) to fulfil the obligations of the second party or those guaranteed (makful 'anhu, ashil).

(a) During the financial year, the Group has undertaken fair value hedges on the profit rate risk of RM Nil (2024: RM17,195,000) financing using Islamic 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 December 2025, the gross exposure and expected credit losses relating to RPSIA financing are RM2,801,569,000 (2024: RM2,928,095,000) and RM198,000 (2024: RM352,000) respectively, which are recognised in CIMB Bank Berhad.

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(I) BY TYPE AND SHARIAH CONTRACT (CONTINUED)

(c) Movement of Qard financing

	2025 RM'000	2024 RM'000
At 1 January	**840,079**	705,865
New disbursement	**816,124**	514,302
Repayment	**(408,902)**	(332,190)
Exchange fluctuation	**(101,715)**	(47,898)
At 31 December	**1,145,586**	840,079
Sources and uses of Qard Financing		
Sources of Qard fund:		
Depositors fund	**1,144,981**	839,543
Shareholders fund	**605**	536
	1,145,586	840,079
Uses of Qard fund:		
Personal use	**1,138,570**	**833,139**
Business use	**7,016**	**6,940**
	1,145,586	840,079

(II) BY TYPE OF CUSTOMERS

	2025 RM'000	2024 RM'000
Domestic non-bank financial institutions	**3,585,352**	3,158,268
Domestic business enterprises		
– Small medium enterprises	**28,127,978**	27,271,746
– Others	**18,788,883**	15,266,764
Government and statutory bodies	**2,595,196**	1,836,729
Individuals	**105,400,730**	101,483,714
Other domestic entities	**191,287**	1,047,914
Foreign entities	**6,834,541**	5,543,589
	165,523,967	155,608,724

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(III) BY PROFIT SENSITIVITY

	2025 RM'000	2024 RM'000
Fixed rate		
– House financing	**6,476,875**	7,650,148
– Hire purchase receivables	**17,057,682**	17,512,297
– Other fixed rate financing	**14,026,030**	14,893,618
Variable rate		
– House financing	**57,985,681**	54,467,802
– Others	**69,977,699**	61,084,859
	165,523,967	155,608,724

(IV) BY ECONOMIC PURPOSES

	2025 RM'000	2024 RM'000
Personal use	**2,716,565**	3,093,480
Credit card	**1,322,424**	1,114,381
Purchase of consumer durables	**5,034**	5,627
Construction	**3,435,396**	2,593,490
Residential property	**66,411,871**	63,229,550
Non-residential property	**20,303,345**	18,515,168
Purchase of fixed assets other than land and building	**3,546,662**	4,406,474
Purchase of securities	**10,346,670**	10,782,005
Purchase of transport vehicles	**22,153,638**	20,824,349
Working capital	**31,936,842**	29,360,096
Other purpose	**3,345,520**	1,684,104
	165,523,967	155,608,724

(V) BY GEOGRAPHICAL DISTRIBUTION

	2025 RM'000	2024 RM'000
Malaysia	**145,219,234**	133,186,205
Indonesia	**13,984,806**	17,201,744
Singapore	**5,049,088**	4,978,362
China	**51,249**	54,807
Other countries	**1,219,590**	187,606
	165,523,967	155,608,724

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(VI) BY RESIDUAL CONTRACTUAL MATURITY

	2025 RM'000	2024 RM'000
Within one year	**22,077,752**	17,307,151
One year to less than three years	**6,677,362**	5,415,142
Three years to less than five years	**12,156,599**	12,696,768
Five years and more	**124,612,254**	120,189,663
	165,523,967	155,608,724

(VII) BY ECONOMIC SECTOR

	2025 RM'000	2024 RM'000
Primary agriculture	**2,194,299**	3,895,660
Mining and quarrying	**447,242**	534,410
Manufacturing	**6,761,615**	6,929,153
Electricity, gas and water supply	**4,016,072**	2,215,945
Construction	**5,768,169**	4,972,474
Transport, storage and communications	**4,822,432**	4,417,234
Education, health and others	**3,665,637**	2,959,213
Wholesale and retail trade, and restaurants and hotels	**12,453,780**	12,136,829
Finance, insurance/takaful, real estate and business activities	**18,866,434**	15,224,691
Household	**100,273,607**	94,480,750
Others	**6,254,680**	7,842,365
	165,523,967	155,608,724

(VIII) CREDIT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING/LOANS BY ECONOMIC PURPOSES

	2025 RM'000	2024 RM'000
Personal use	**56,220**	79,502
Credit cards	**37,934**	30,771
Purchase of consumer durables	**227**	4
Residential property	**1,106,946**	1,114,070
Non-residential property	**194,841**	172,316
Purchase of fixed assets other than land and building	**26,763**	44,006
Construction	**168,034**	170,130
Purchase of securities	**420**	850
Purchase of transport vehicles	**241,798**	188,335
Working capital	**259,019**	257,509
Other purpose	**124,035**	158,778
	2,216,237	2,216,271

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(IX) CREDIT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING/LOANS BY GEOGRAPHICAL DISTRIBUTIONS

	2025 RM'000	2024 RM'000
Malaysia	**1,625,203**	1,612,308
Indonesia	**477,837**	474,047
Singapore	**24,979**	38,564
Other countries	**88,218**	91,352
	2,216,237	2,216,271

(X) CREDIT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING/LOANS BY ECONOMIC SECTOR

	2025 RM'000	2024 RM'000
Primary agriculture	**12,842**	4
Mining and quarrying	**30,496**	644
Manufacturing	**53,654**	116,622
Electricity, gas and water supply	**1,145**	1
Construction	**306,171**	384,005
Transport, storage and communications	**13,003**	8,701
Education, health and others	**20,684**	18,849
Wholesale and retail trade, and restaurants and hotels	**155,467**	158,269
Finance, insurance/takaful, real estate and business activities	**143,507**	77,824
Household	**1,268,331**	1,255,770
Others	**210,937**	195,582
	2,216,237	2,216,271

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(XI) MOVEMENTS IN THE EXPECTED CREDIT LOSSES FOR FINANCING, ADVANCES AND OTHER FINANCING/LOANS ARE AS FOLLOWS:

	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
Financing, advances and other financing/ loans at amortised cost				
At 1 January 2025	**705,975**	**683,498**	**1,124,946**	**2,514,419**
Changes in expected credit losses due to transfer within stages:	**238,814**	**(149,929)**	**(88,885)**	**–**
Transferred to Stage 1	**441,864**	**(418,266)**	**(23,598)**	**–**
Transferred to Stage 2	**(199,688)**	**634,124**	**(434,436)**	**–**
Transferred to Stage 3	**(3,362)**	**(365,787)**	**369,149**	**–**
Total charge to Statement of Income:	**(365,609)**	**94,256**	**896,145**	**624,792**
New financial assets originated	**114,609**	**76,723**	**3,970**	**195,302**
Financial assets that have been derecognised	**(77,512)**	**(158,153)**	**–**	**(235,665)**
Writeback in respect of full recoveries	**–**	**–**	**(33,979)**	**(33,979)**
Change in credit risk	**(402,706)**	**175,686**	**926,154**	**699,134**
Write-offs	**–**	**(930)**	**(796,598)**	**(797,528)**
Disposal of financing, advances and other financing/loans	**–**	**–**	**(1,145)**	**(1,145)**
Exchange fluctuation	**(10,495)**	**(22,569)**	**(60,561)**	**(93,625)**
Other movements	**–**	**–**	**15,936**	**15,936**
At 31 December 2025	**568,685**	**604,326**	**1,089,838**	**2,262,849**
Financing, advances and other financing/ loans at amortised cost				
At 1 January 2024	861,641	636,885	846,741	2,345,267
Changes in expected credit losses due to transfer within stages:	220,495	(109,946)	(110,549)	–
Transferred to Stage 1	402,843	(374,677)	(28,166)	–
Transferred to Stage 2	(181,015)	619,598	(438,583)	–
Transferred to Stage 3	(1,333)	(354,867)	356,200	–
Total charge to Statement of Income:	(364,677)	173,660	843,944	652,927
New financial assets originated	124,598	5,487	6,793	136,878
Financial assets that have been derecognised	(84,231)	(43,061)	–	(127,292)
Writeback in respect of full recoveries	–	–	(60,290)	(60,290)
Change in credit risk	(405,044)	211,234	897,441	703,631
Write-offs	–	(164)	(436,699)	(436,863)
Disposal of financing, advances and other financing/loans	–	–	(533)	(533)
Exchange fluctuation	(11,358)	(17,010)	(39,078)	(67,446)
Other movements	(126)	73	21,120	21,067
At 31 December 2024	705,975	683,498	1,124,946	2,514,419

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(g) FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

(XII) MOVEMENTS IN CREDIT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING/LOANS

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

	Lifetime expected credit losses – credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2025	**2,216,271**	**2,216,271**
Transfer within stages	**998,359**	**998,359**
New financial assets originated	**6,550**	**6,550**
Write-offs	**(796,598)**	**(796,598)**
Amount fully recovered	**(115,939)**	**(115,939)**
Other changes in financing, advances and other financing/loans	**(23,407)**	**(23,407)**
Disposal of financing, advances and other financing/loans	**(1,145)**	**(1,145)**
Exchange fluctuation	**(67,854)**	**(67,854)**
At 31 December 2025	**2,216,237**	**2,216,237**

	Lifetime expected credit losses – credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2024	2,189,290	2,189,290
Transfer within stages	623,786	623,786
New financial assets originated	14,409	14,409
Write-offs	(436,699)	(436,699)
Amount fully recovered	(175,596)	(175,596)
Other changes in financing, advances and other financing/loans	29,776	29,776
Disposal of financing, advances and other financing/loans	(533)	(533)
Exchange fluctuation	(28,162)	(28,162)
At 31 December 2024	2,216,271	2,216,271

	2025	2024
Ratio of credit impaired financing to total financing, advances and other financing/loans	**1.34%**	1.42%

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(h) OTHER ASSETS

	2025 RM'000	2024 RM'000
Deposits and prepayments	**2,988,748**	2,437,833
Sundry debtors net of expected credit losses*	**964,194**	1,487,614
Treasury related receivables	**143,160**	45,064
Collateral pledged for derivative transactions	**47,558**	27,369
Clearing accounts	**8,317**	24,244
	4,151,977	4,022,124

** Sundry debtors net of expected credit losses of the Group of RM54,737,000 (2024: RM54,829,000).*

(a) Movements of expected credit losses on sundry debtors are as follows:

(i) Under simplified approach

	2025 RM'000	2024 RM'000
At 1 January	**123**	106
Expected credit losses made/(written back) during the financial year	**(17)**	17
At 31 December	**106**	123

(ii) Under general approach

The Group	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses – credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2025	**54,172**	**534**	**54,706**
Total charge to Income Statement:	**–**	**(75)**	**(75)**
Change in credit risk	**–**	**(75)**	**(75)**
At 31 December 2025	**54,172**	**459**	**54,631**
At 1 January 2024	17,913	534	18,447
Total charge to Income Statement:	36,259	–	36,259
Change in credit risk	36,259	–	36,259
At 31 December 2024	54,172	534	54,706

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(h) OTHER ASSETS (CONTINUED)

(a) Movements of expected credit losses on sundry debtors are as follows (Continued):

(iii) Gross carrying amount movement of other assets classified as credit impaired under general approach

	Lifetime expected credit losses – credit impaired (Stage 3)	
	2025 RM'000	**2024 RM'000**
At 1 January	**534**	534
Other changes	**(75)**	–
At 31 December	**459**	534

Impact of movements in gross carrying amount on expected credit losses:

2025

Stage 1 ECL increased by RM0.075 million for the Group due to change in credit risk.

2024

Stage 1 ECL increased by RM36.3 million for the Group due to changes in credit risk.

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(i) DEFERRED TAXATION

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when the deferred taxes relate to the same tax authority. The following amounts, determined after appropriate offsetting, are shown in the statements of financial position:

	2025 RM'000	2024 RM'000
Deferred tax assets	**219,472**	253,612
Deferred tax liabilities	**(227)**	–
	219,245	253,612

Further breakdown are as follows:

Deferred tax assets	2025 RM'000	2024 RM'000
Expected credit losses	**192,147**	220,998
Fair value reserve – Debt instruments at fair value through other comprehensive income	**–**	12,158
Other temporarily differences	**345**	–
Provision for expenses	**28,631**	20,906
	221,123	254,062
Offsetting	**(1,651)**	(450)
	219,472	253,612
Deferred tax liabilities		
Property, plant and equipment	**(40)**	(26)
Intangible assets	**(797)**	(424)
Fair value reserve – Debt instruments at fair value through other comprehensive income	**(1,041)**	–
	(1,878)	(450)
Offsetting	**1,651**	450
	(227)	–

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(i) DEFERRED TAXATION (CONTINUED)

The movements in deferred tax assets and liabilities during the financial year comprise the following:

Deferred tax assets/(liabilities)	Note	Expected credit losses RM'000	Accelerated tax depreciation RM'000	Fair value reserve – Debt instruments at fair value through other comprehensive income RM'000	Other temporary differences RM'000	Right-of-use assets RM'000	Intangible assets RM'000	Lease liability RM'000	Provision for expenses RM'000	Total RM'000
2025										
At 1 January		**220,998**	**(26)**	**12,158**	**–**	**–**	**(424)**	**–**	**20,906**	**253,612**
Credited/(charged) to statement of income	(ak)	**(28,872)**	**(25)**	**–**	**345**	**–**	**(374)**	**–**	**7,725**	**(21,201)**
Over/(under) provision in prior year		**21**	**11**	**–**	**–**	**–**	**1**	**–**	**–**	**33**
Transferred to equity		**–**	**–**	**(13,199)**	**–**	**–**	**–**	**–**	**–**	**(13,199)**
At 31 December		**192,147**	**(40)**	**(1,041)**	**345**	**–**	**(797)**	**–**	**28,631**	**219,245**
2024										
At 1 January		251,040	(3)	17,757	–	(136)	(268)	189	15,643	284,222
(Charged)/credited to statement of income	(ak)	(30,042)	(16)	–	(29)	136	(131)	(189)	4,739	(25,532)
(Under)/over provision in prior year		–	(7)	–	29	–	(25)	–	524	521
Transferred to equity		–	–	(5,599)	–	–		–	–	(5,599)
At 31 December		220,998	(26)	12,158	–	–	(424)	–	20,906	253,612

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(j) STATUTORY DEPOSITS WITH CENTRAL BANKS

The non-interest bearing statutory deposits are maintained by certain subsidiaries with Bank Negara Malaysia in compliance with Section 26(2)(c) of the Central Bank of Malaysia Act, 2009, the amounts of which are determined at set percentages of total eligible liabilities. The non-interest bearing statutory deposits of a foreign subsidiary and foreign branches of the banking subsidiary are maintained with respective central banks in compliance with the applicable legislation.

(k) PROPERTY, PLANT AND EQUIPMENT

	Note	Freehold land	Renovations, work-in-progress, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Computer equipment and hardware RM'000	Total RM'000
2025						
Cost						
At 1 January		**–**	**12,489**	**389**	**23,342**	**36,220**
Additions		**1380**	**10,095**	**497**	**93**	**12,065**
Disposals		**–**	**(7,344)**	**–**	**(4,164)**	**(11,508)**
Reclassified to intangible assets	(n)	**–**	**(298)**	**–**	**–**	**(298)**
Exchange fluctuation		**(87)**	**(1,622)**	**–**	**(3)**	**(1,712)**
At 31 December		**1,293**	**13,320**	**886**	**19,268**	**34,767**
Accumulated depreciation						
At 1 January		**–**	**7,310**	**389**	**21,918**	**29,617**
Charge for the financial year		**–**	**1,480**	**58**	**92**	**1,630**
Disposals		**–**	**(409)**	**–**	**(4,154)**	**(4,563)**
Exchange fluctuation		**–**	**(765)**	**–**	**(3)**	**(768)**
At 31 December		**–**	**7,616**	**447**	**17,853**	**25,916**
Net book value at 31 December		**1,293**	**5,704**	**439**	**1,415**	**8,851**

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(k) PROPERTY, PLANT AND EQUIPMENT (CONTINUED)

	Note	Renovations, work-in-progress, office equipment, furniture and fittings RM'000	Motor vehicles RM'000	Computer equipment and hardware RM'000	Total RM'000
2024					
Cost					
At 1 January		12,276	508	24,305	37,089
Additions		4,431	–	266	4,697
Disposals		(3,599)	(119)	(977)	(4,695)
Exchange fluctuation		(619)	–	(252)	(871)
At 31 December		12,489	389	23,342	36,220
Accumulated depreciation					
At 1 January		10,239	508	22,158	32,905
Charge for the financial year		921	–	522	1,443
Disposals		(3,490)	(119)	(604)	(4,213)
Exchange fluctuation		(360)	–	(158)	(518)
At 31 December		7,310	389	21,918	29,617
Net book value at 31 December		5,179	–	1,424	6,603

The above property, plant and equipment include work-in-progress for the Group of RM4,486,000 (2024: RM4,427,000).

(l) RIGHT-OF-USE ASSETS

Carrying amount of Right-of-use assets by class of underlying assets are as follows:

	2025 RM'000	2024 RM'000
Buildings	**2,068**	1,152

There are additions to the Right-of-use assets during the financial year of RM1,882,000 (2024: RM516,000). Depreciation charge during the financial year for Right-of-use assets are RM1,403,000 (2024: RM1,173,000).

At 31 December 2025, the short-term leases expense and low-value expenses that are not included in lease liabilities are RM773,000 (2024: RM1,192,000) and RM Nil in 2025 and 2024 respectively.

(m) GOODWILL

	2025 RM'000	2024 RM'000
At 1 January/31 December	**136,000**	136,000

Goodwill is wholly allocated to the consumer banking cash-generating unit ("CGU"). This CGUs do not carry any intangible assets with indefinite useful life.

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(m) GOODWILL (CONTINUED)

Impairment test for goodwill

Value-in-use

The recoverable amount of the CGU is determined based on value-in-use calculations. These calculations use pre-tax cash flow projections based on the 2026 financial budgets approved by the Board of Directors, projected for four years based on the average historical Gross Domestic Product ("GDP") growth of the country covering a four-year period (2026 to 2029), revised for current economic conditions. Cash flows beyond the four years period are extrapolated using an estimated terminal growth rate and discounted using pre-tax discount rates. The cash flow projections are derived based on a number of key factors including the past performance and management's expectation of market developments.

The estimated terminal growth rates and discount rates used for value-in-use calculations are as follows:

	2025		2024	
	Terminal Growth rate (%)	**Discount rate (%)**	**Terminal Growth rate (%)**	**Discount rate (%)**
Malaysia				
Islamic Banking	**4.00**	**8.33**	4.08	9.66

(n) INTANGIBLE ASSETS

	Note	2025 RM'000	2024 RM'000
Computer software			
Cost			
At 1 January		**155,237**	152,611
Additions		**11,917**	3,349
Disposals		**(6,125)**	(3)
Reclassified from property, plant and equipment	(k)	**298**	–
Exchange fluctuation		**(1,459)**	(720)
At 31 December		**159,868**	155,237
Accumulated amortisation			
At 1 January		**149,734**	145,890
Charge for the financial year		**2,950**	4,289
Disposal		**(6,122)**	–
Exchange fluctuation		**(779)**	(445)
At 31 December		**145,783**	149,734
Net book value at 31 December		**14,085**	5,503

The remaining amortisation period of the intangible assets is between 4.0 months and 4.6 years.

The above intangible assets include computer software under construction at cost of the Group of RM3,880,882 (2024: RM1,643,792).

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(o) DEPOSITS FROM CUSTOMERS

(I) BY TYPE OF DEPOSITS

	2025 RM'000	2024 RM'000
Savings deposit		
Wadiah	**785,524**	856,902
Mudharabah	**2,887,381**	3,462,318
Commodity Murabahah (via Tawarruq arrangement)*	**12,137,024**	10,831,142
	15,809,929	15,150,362
Demand deposit		
Wadiah	**1,854,988**	1,996,712
Qard	**21,649,660**	19,521,051
Mudharabah	**1,968,095**	2,643,506
Hybrid (Qard and Mudharabah)		
Commodity Murabahah (via Tawarruq arrangement)*	**4,524,760**	4,437,070
	29,997,503	28,598,339
Term deposit	**80,578,048**	78,361,068
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	**45,101,633**	43,879,864
Fixed Deposit-i (via Tawarruq arrangement)*	**33,347,201**	33,489,634
Negotiable Islamic Debt Certificate (NIDC)		
Hybrid (Bai' Bithamin Ajil (BBA) and Bai' al-Dayn)	**2,129,214**	991,570
Fixed Deposit-i	**4,774,155**	6,227,253
Mudharabah	**4,774,139**	6,227,253
Commodity Murabahah	**16**	–
Specific investment account	**25,121**	24,971
Mudharabah	**25,121**	24,971
Others	**1,033,705**	526,215
Qard	**1,033,705**	526,215
	132,218,461	128,888,208

* *Included Qard contract of RM4,415,724,000 (2024: RM4,295,352,000)*

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(o) DEPOSITS FROM CUSTOMERS (CONTINUED)

(II) BY MATURITY STRUCTURES OF TERM DEPOSITS AND INVESTMENT ACCOUNT ARE AS FOLLOWS:

	2025 RM'000	2024 RM'000
Due within six months	**67,563,645**	70,198,008
Six months to one year	**16,228,787**	13,275,570
One year to three years	**1,573,061**	1,112,427
Three years to five years	**1,308**	16,888
More than five years	**10,523**	10,399
	85,377,324	84,613,292

(III) BY TYPE OF CUSTOMER

	2025 RM'000	2024 RM'000
Government and statutory bodies	**9,574,862**	6,046,635
Business enterprises	**48,412,587**	49,175,972
Individuals	**45,119,084**	45,868,301
Others	**29,111,928**	27,797,300
	132,218,461	128,888,208

Wadiah (Yad Dhamanah)

A safe keeping contract whereby the custodian guarantees payment of the whole amount of deposits, or any part thereof, outstanding in the account of the depositors, when demanded. The depositors are not entitled to any share of the profits (generated from usage of the deposits by the custodian). However, the custodian, at its discretion, may give hibah to the depositors, nevertheless, the hibah shall not be pre-conditioned.

Commodity Murabahah

A contract of sale and purchase of commodities as underlying assets. The customer appoints the Bank to act as the customer's agent for the purchase and sale of the commodity. At the first stage, the buyer will purchase an asset on credit from the original seller, and at the second stage, the buyer will then sell the asset on cash basis to a third party. It is named as Tawarruq because the buyer purchased the asset on credit with no intention of benefiting from it, rather to sell it to obtain cash. Profit expense shall be recognised on accrual basis by maturity date.

Mudharabah

A contract between a capital provider (rabbul mal) and an entrepreneur (Mudharib) under which the rabbul mal provides capital to be managed by the mudharib and any profit generated from the capital is shared between the rabbul mal and mudharib according to mutually agreed Profit Sharing Ratio ("PSR") whilst financial losses are borne by the rabbul mal provided that such losses are not due to the mudharib's, negligence (taqsir) or breach of specified terms (mukhalafah al-shurut). Mudharabah contract shall not stipulate a pre-determined fixed amount of profit to one contracting party. This contract is categorised into two types:

a) Unrestricted Mudharabah (Mudharabah Mutlaqah) is a contract in which the rabbul mal permits the mudharib to manage the venture without any specific restriction.

b) Restricted Mudharabah (Mudharabah Muqayyadah) is a contract in which the rabbul mal imposes specific restriction on the mudharabah terms such as determination of location, period for investment, type of project and commingling of funds.

Profit shall be recognised on accrual basis by actual liquidation of assets of mudharabah contract or constructive basis according to acceptable profit recognition method which may include valuation according to acceptable market methodology, independent valuation or valuation based on estimated figures.

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(o) DEPOSITS FROM CUSTOMERS (CONTINUED)

(III) BY TYPE OF CUSTOMER (CONTINUED)

Bai' Bithaman Ajil

A contract of sale and purchase of an asset in which the payment of price is deferred either be paid in lump-sum or instalment basis within an agreed period of time. Profit expense from deposits shall be recognised on accrual basis by maturity date.

Bai' al-Dayn

A contract of trading of debt and the outstanding debt may be sold to the debtor or to a third party on cash basis. Profit expense from deposits shall be recognised on accrual basis by maturity date.

Qard

A contract of lending a fungible asset to a borrower who is bound to return an equivalent replacement. No profit expense from deposits shall be paid from the transactions.

Tawarruq vis-à-vis Commodity Murabahah

Tawarruq structure for CIMB Islamic's financing product consists of three (3) sales and purchases transaction. The first involves, the purchase of a commodity by the Bank from Commodity Trader 1, on cash and spot basis. Secondly, the Bank will sell the commodity using Murabahah contract, to customer on deferred basis. Subsequently, the customer will sell the commodity to Commodity Trader 2 on cash and spot basis. Finally, the customer will get a cash to finance the customer's needs.

(p) INVESTMENT ACCOUNTS OF CUSTOMERS

	Note	2025 RM'000	2024 RM'000
Unrestricted investment accounts (Mudharabah)			
– without maturity			
Special Mudharabah Investment Account		**2,338,694**	2,007,761
Daily Investment Account-i		**301,223**	178,745
– with maturity			
Term Investment Account-i		**28,808,082**	21,492,133
Unrestricted investment accounts (Wakalah)			
– without maturity			
Daily Investment Account-i		**843,772**	132,920
Restricted investment accounts (Mudharabah)			
– with maturity			
Restricted Profit Sharing Investment Account (RPSIA)		**–**	631,751
	23	**32,291,771**	24,443,310

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(p) INVESTMENT ACCOUNTS OF CUSTOMERS (CONTINUED)

(I) MOVEMENT IN THE INVESTMENT ACCOUNTS OF CUSTOMERS

	2025				2024			
	Mudharabah		Wakalah		Mudharabah		Wakalah	
	Unrestricted Investment Account RM'000	Restricted Investment Account RM'000	Unrestricted Investment Account RM'000	Total RM'000	Unrestricted Investment Account RM'000	Restricted Investment Account RM'000	Unrestricted Investment Account RM'000	Total RM'000
At 1 January	**23,678,639**	**631,751**	**132,920**	**24,443,310**	18,343,238	592,587	48,300	18,984,125
Funding inflows/ outflows								
New placement during the financial year	**36,085,993**	**–**	**772,759**	**36,858,752**	26,743,825	–	108,573	26,852,398
Redemption during the year	**(29,213,483)**	**(634,646)**	**(65,233)**	**(29,913,362)**	(22,081,956)	–	(24,481)	(22,106,437)
Income from investment	**1,416,377**	**–**	**19,267**	**1,435,644**	981,491	40,211	3,284	1,024,986
Company's share of profit								
Profit distributed to mudarib	**(519,527)**	**(286)**	**(15,941)**	**(535,754)**	(307,959)	(454)	(2,756)	(311,169)
Incentive fee	**–**	**3,181**	**–**	**3,181**	–	(593)	–	(593)
At 31 December	**31,447,999**	**–**	**843,772**	**32,291,771**	23,678,639	631,751	132,920	24,443,310
Investment asset:								
House financing	**8,423,022**	**–**	**–**	**8,423,022**	6,822,278	–	–	6,822,278
Hire purchase receivables	**16,738,096**	**–**	**–**	**16,738,096**	14,309,842	–	–	14,309,842
Other term financing	**6,223,099**	**–**	**843,772**	**7,066,871**	2,518,899	–	132,920	2,651,819
Marketable securities	**–**	**–**	**–**	**–**	–	631,141	–	631,141
Miscellaneous Other Assets	**63,782**	**–**	**–**	**63,782**	27,620	610	–	28,230
Total investment	**31,447,999**	**–**	**843,772**	**32,291,771**	23,678,639	631,751	132,920	24,443,310

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(p) INVESTMENT ACCOUNTS OF CUSTOMERS (CONTINUED)

(II) PROFIT SHARING RATIO AND RATE OF RETURN

	2025 Investment account holder		2024 Investment account holder	
	Average profit sharing ratio (%)	Average rate of return (%)	Average profit sharing ratio (%)	Average rate of return (%)
Unrestricted investment accounts:				
no specific tenure	**6.37**	**0.27**	8.38	0.30
within 1 year	**69.15**	**3.51**	71.89	3.75
more than 1 year	**69.69**	**3.01**	69.45	2.80

	2025 Investment account holder			2024 Investment account holder		
	Average profit sharing ratio (%)	Average rate of return (%)	Performance incentive fee (%)	Average profit sharing ratio (%)	Average rate of return (%)	Performance incentive fee (%)
Restricted investment accounts:						
more than 5 years	**99.00**	**4.39**	**0.72**	99.00	4.51	0.78

(III) BY TYPE OF CUSTOMERS

	2025 RM'000	2024 RM'000
Government and Statutory bodies	**5,310**	2,010
Business enterprises	**3,593,958**	3,007,896
Individuals	**27,827,550**	20,754,595
Others	**864,953**	678,809
	32,291,771	24,443,310

Mudharabah

This category comprises restricted and unrestricted investment accounts. The placements from investment accounts that are used to fund specific financing are called Restricted Profit Sharing Investment Accounts ("RPSIA"). The RPSIA and Unrestricted Investment Accounts ("URIA") are a contract based on the Shariah concept of Mudharabah between two parties, i.e. investor and entrepreneur to finance a business venture where the investor provides capital and the business venture is managed solely by the entrepreneur. The profit of the business venture will be shared based on pre-agreed ratios with CIMB Islamic as Mudharib (manager or manager of funds), and losses shall be borne solely by investors.

Wakalah

Daily Investment Account-i is a daily investment account based on a Wakalah bi al-istithmar contract, agreed between the customers as capital providers (principal) and CIMB Islamic as an investment agent whereby CIMB Islamic will channel the funds in investment assets which are Shariah compliant. The profit distribution is after deducting the agency fee and any agreed performance incentive fee to CIMB Islamic (if any). The principal may agree to the agent retaining all or part of the excess profit as performance incentive fee if the actual profit is higher than the indicative profit. Any losses (if any) shall be borne by the customer, provided that such losses are not due to CIMB Islamic's misconduct (Ta'addi), negligence (Taqsir), or breach of specific terms (Mukhalafah al-Shurut). Daily Investment Account-i is classified as URIA.

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58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(q) DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	2025 RM'000	2024 RM'000
Licensed banks	**6,642,758**	4,820,783
Licensed Islamic banks	**404,392**	100,712
Licensed investment banks	**164,620**	282,258
Other financial institutions	**2,208,152**	1,182,337
	9,419,922	6,386,090

(r) INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS

	2025 RM'000	2024 RM'000
Restricted investment accounts		
Mudharabah	**2,800,834**	2,927,281
By type of counterparty		
Licensed banks	**2,800,834**	2,927,281

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

(I) MOVEMENT IN THE INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS

	2025 RM'000	2024 RM'000
At 1 January	**2,927,281**	3,424,851
Funding inflows/outflows		
Redemption during the year	**(232,203)**	(623,344)
Income from investment	**131,230**	155,508
CIMB Islamic Bank's share of profit		
Profit distributed to mudarib	**(1,312)**	(1,555)
Incentive fee	**(24,162)**	(28,179)
At 31 December	**2,800,834**	2,927,281
Investment asset:		
Other term financing	**2,385,282**	2,537,282
Miscellaneous other assets	**415,552**	389,999
Total investment	**2,800,834**	2,927,281

Notes to the Financial Statements

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58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(r) INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS (CONTINUED)

(II) PROFIT SHARING RATIO, RATE OF RETURN AND PERFORMANCE INCENTIVE

	2025 Investment account holder			2024 Investment account holder		
	Average profit sharing ratio (%)	Average rate of return (%)	Performance incentive fee (%)	Average profit sharing ratio (%)	Average rate of return (%)	Performance incentive fee (%)
Restricted investment accounts:						
within 1 year	**99.00**	**4.23**	**0.65**	99.00	4.51	0.78

These placements are the Restricted Profit Sharing Investment Account ("RPSIA") placed by CIMB Bank Berhad amounting to RM2,800,834,000 (2024: RM2,927,281,000) for tenures within 1 month (2024: within 1 month) at indicative profit rates from 3.28% to 3.77% per annum (2024: 3.68% to 4.30% per annum). These placements are used to fund certain specific financing. The RPSIA is a contract based on the Shariah concept of Mudharabah between two parties, i.e. investor and entrepreneur to finance a business venture where the investor provides capital and the business venture is managed solely by the entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratios. Losses shall be borne solely by the investors.

(s) FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	2025 RM'000	2024 RM'000
Deposits from customers – structured investments	**2,167,804**	**3,125,723**

The Group has issued structured investments, and have designated them at fair value in accordance with MFRS9. 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 December 2025 was RM27,968,000 (2024: RM54,450,000) lower than the contractual amount at maturity.

(t) OTHER LIABILITIES

	Note	2025 RM'000	2024 RM'000
Clearing accounts		**11,509,645**	10,355,820
Structured deposits		**20,099**	21,001
Accruals and other payables		**151,132**	276,093
Expected credit losses for loan commitments and financial guarantee contracts	(I)	**70,559**	94,839
Others		**12,797,597**	10,598,135
		24,549,032	21,345,888

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(t) OTHER LIABILITIES (CONTINUED)

(I) MOVEMENT IN THE EXPECTED CREDIT LOSSES FOR LOAN COMMITMENTS AND FINANCIAL GUARANTEE CONTRACTS ARE AS FOLLOWS:

	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 2025:	**42,234**	**14,988**	**37,617**	**94,839**
Changes in expected credit losses due to transfer within stages:	**1,915**	**207**	**(2,122)**	**–**
Transferred to Stage 1	**12,652**	**(12,626)**	**(26)**	**–**
Transferred to Stage 2	**(10,730)**	**17,084**	**(6,354)**	**–**
Transferred to Stage 3	**(7)**	**(4,251)**	**4,258**	**–**
Total charge to Statement of Income:	**(15,743)**	**3,774**	**(9,440)**	**(21,409)**
New exposures	**42,878**	**3,547**	**2,817**	**49,242**
Exposures derecognised or matured	**(24,621)**	**(10,367)**	**(5,553)**	**(40,541)**
Change in credit risk	**(34,000)**	**10,594**	**(6,704)**	**(30,110)**
Exchange fluctuation	**(893)**	**(721)**	**(1,257)**	**(2,871)**
Other movements	**–**	**–**	**–**	**–**
At 31 December 2025	**27,513**	**18,248**	**24,798**	**70,559**
At 1 January 2024	86,178	16,432	17,325	119,935
Changes in expected credit losses due to transfer within stages:	6,054	(10,947)	4,893	–
Transferred to Stage 1	11,887	(11,774)	(113)	–
Transferred to Stage 2	(5,830)	13,867	(8,037)	–
Transferred to Stage 3	(3)	(13,040)	13,043	–
Total charge to Statement of Income:	(49,209)	10,069	16,172	(22,968)
New exposures	51,932	–	379	52,311
Exposures derecognised or matured	(33,181)	(5,361)	(3,989)	(42,531)
Change in credit risk	(67,960)	15,430	19,782	(32,748)
Exchange fluctuation	(866)	(504)	(758)	(2,128)
Other movements	77	(62)	(15)	–
At 31 December 2024	42,234	14,988	37,617	94,839

The gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM50,215,000 (2024: RM87,575,000).

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(u) LEASE LIABILITIES

	2025 RM'000	2024 RM'000
Buildings	**208**	338

(v) SUKUK

		2025 RM'000	2024 RM'000
IDR1,000,000 million Sukuk (Series A: 2020/2021; Series B: 2020/2023; Series C: 2020/2025)	(a)	**–**	108,550
RM100 million Senior Sukuk (2023/2026)	(b)	**100,368**	100,357
RM600 million Senior Sukuk (2023/2028)	(c)	**602,247**	602,181
RM300 million Senior Sukuk (2023/2030)	(d)	**301,204**	301,169
RM250 million Senior Sukuk (2024/2027)	(e)	**252,414**	252,466
RM300 million Senior Sukuk (2024/2029)	(f)	**302,982**	303,046
RM1,450 million Senior Sukuk (2024/2031)	(g)	**1,465,049**	1,465,369
RM1,500 million Senior Sukuk (2024/2034)	(h)	**1,515,954**	1,516,294
RM125 million Senior Sukuk (2024/2029)	(i)	**127,044**	127,044
RM700 million Senior Sukuk (2024/2032)	(j)	**711,890**	711,890
RM2,175 million Senior Sukuk (2024/2035)	(k)	**2,212,592**	2,212,592
RM120 million Senior Sukuk (2024/2027)	(l)	**120,390**	120,430
RM500 million Senior Sukuk (2025/2035)	(m)	**505,330**	–
RM200 million Senior Sukuk (2025/2027)	(n)	**201,003**	–
		8,418,467	7,821,388
Fair value changes arising from fair value hedges		**110,019**	28,591
		8,528,486	7,849,979

(a) On 27 March 2020, CIMB Niaga issued IDR1,000,000 million Sukuk. The Sukuk are divided into 3 series. Nominal value of 1-year Series A Sukuk, 3-year Series B Sukuk, and 5-year Series C Sukuk amounting to IDR322,000 million, IDR287,000 million, and IDR391,000 million respectively, with fixed interest rate of 5.80%, 7.00% and 7.25% per annum respectively.

On 7 April 2021, CIMB Niaga redeemed its 1-year Series A Sukuk amounting to IDR322,000 million.

On 27 March 2023, CIMB Niaga redeemed its 3-year Series B Sukuk amounting to IDR287,000 million.

On 27 March 2025, CIMB Niaga redeemed its Continuous Sukuk Mudharabah I Phase III Year 2020 Series C Sukuk amounting to IDR391,000 million.

(b) On 30 November 2023, CIMB Islamic issued RM100 million 3-year Senior Sukuk under its RM10 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3.95% per annum payable semi-annually, will mature on 30 November 2026.

(c) On 30 November 2023, CIMB Islamic issued RM600 million 5-year Senior Sukuk under its RM10 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 4.02% per annum payable semi-annually, will mature on 30 November 2028.

(d) On 30 November 2023, CIMB Islamic issued RM300 million 7-year Senior Sukuk under its RM10 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 4.31% per annum payable semi-annually, will mature on 29 November 2030.

(e) On 27 March 2024, CIMB Islamic issued RM250.0 million 3-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3.75% per annum payable semi-annually, will mature on 26 March 2027.

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(V) SUKUK (CONTINUED)

(f) On 27 March 2024, CIMB Islamic issued RM300.0 million 5-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3.86% per annum payable semi-annually, will mature on 27 March 2029.

(g) On 27 March 2024, CIMB Islamic issued RM1,450.0 million 7-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 4.03% per annum payable semi-annually, will mature on 27 March 2031.

(h) On 27 March 2024, CIMB Islamic issued RM1,500.0 million 10-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 4.13% per annum payable semi-annually, will mature on 27 March 2034.

(i) On 30 July 2024, CIMB Islamic issued RM125.0 million 5-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3.85% per annum payable semi-annually, will mature on 30 July 2029.

(j) On 30 July 2024, CIMB Islamic issued RM700.0 million 8-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 4.00% per annum payable semi-annually, will mature on 30 July 2032.

(k) On 30 July 2024, CIMB Islamic issued RM2,175.0 million 11-year fixed rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 4.07% per annum payable semi-annually, will mature on 30 July 2035.

(l) On 28 November 2024, CIMB Islamic issued RM120.0 million 3-year floating rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3 month KLIBOR + plus 0.23% per annum payable quarterly will mature on the profit payment date falling on or nearest to 26 November 2027.

(m) On 25 March 2025, CIMB Islamic issued RM500 million 10-year fixed rate Senior Sukuk its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3.97% per annum payable semi-annually will mature on the profit payment date falling on or nearest to 23 March 2035.

(n) On 8 August 2025, CIMB Islamic issued RM200.0 million 2.25-year floating rate Senior Sukuk under its RM10.0 billion Sukuk Wakalah Programme. The Senior Sukuk, which bears a profit rate of 3 month KLIBOR plus 0.30% per annum payable quarterly will mature on the profit payment date falling on or nearest to 8 November 2027.

(w) SUBORDINATED SUKUK

		2025 RM'000	2024 RM'000
Subordinated Sukuk 2022/2032 RM300 million	(a)	**301,369**	301,369
Subordinated Sukuk 2024/2034 RM1,200 million	(b)	**1,212,372**	1,212,372
Subordinated Sukuk 2025/2035 RM200 million	(c)	**201,040**	–
		1,714,781	1,513,741

(a) On 28 November 2022, CIMB Islamic had issued RM300 million Tier 2 Junior Sukuk ("the Sukuk") at par and is due on 26 November 2032, with optional redemption on 28 November 2027 or any periodic payment date thereafter. The Sukuk bears a profit rate of 4.90% per annum.

The Sukuk is part of the Basel III Tier 2 Junior Sukuk programme which was approved by the Securities Commission on 22 September 2014. Under the programme, CIMB Islamic is allowed to raise Tier 2 capital of up to RM5.0 billion in nominal value outstanding at any one time.

The RM300 million Sukuk qualify as Tier 2 Capital for the purpose of the total capital ratio computation of CIMB Islamic.

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(W) SUBORDINATED SUKUK (CONTINUED)

(b) On 25 September 2024, CIMB Islamic had issued RM1.2 billion Tier 2 Junior Sukuk ("the Sukuk") at par and is due on 25 September 2034, with optional redemption on 25 September 2029 or any periodic payment date thereafter. The Sukuk bears a profit rate of 3.84% per annum.

The Sukuk is part of the Basel III Tier 2 Junior Sukuk programme which was approved by the Securities Commission on 22 September 2014. Under the programme, CIMB Islamic is allowed to raise Tier 2 capital of up to RM5.0 billion in nominal value outstanding at any one time.

The RM1,200 million Sukuk qualify as Tier 2 Capital for the purpose of the total capital ratio computation of CIMB Islamic.

(c) On 10 November 2025, CIMB Islamic had issued RM200 million Tier 2 Junior Sukuk ("the Sukuk") at par and is due on 9 November 2035, with optional redemption on 11 November 2030 or any periodic payment date thereafter. The Sukuk bears a profit rate of 3.65% per annum.

The Sukuk is part of the Basel III Tier 2 Junior Sukuk programme which was approved by the Securities Commission on 22 September 2014. Under the programme, CIMB Islamic is allowed to raise Tier 2 capital of up to RM5.0 billion in nominal value outstanding at any one time.

The RM200 million Sukuk qualify as Tier 2 Capital for the purpose of the total capital ratio computation of CIMB Islamic.

(X) ORDINARY SHARE CAPITAL AND PERPETUAL PREFERENCE SHARES

	2025 RM'000	2024 RM'000
Ordinary shares		
Issued and fully paid		
At 1 January/31 December	**1,000,000**	1,000,000
Perpetual preference shares		
Issued and fully paid		
At 1 January/31 December	**350,000**	350,000

The preference shares shall rank pari passu among themselves, and in priority to the ordinary shares.

Each preference share shall on a winding-up or other return of capital confer on its holder the right to receive, in priority to the holders of ordinary shares, the cash repayment in full the nominal amount and premium payable of that preference share after the payment and discharge of all debts and liabilities of CIMB Islamic and the costs of winding up or such capital reduction exercise.

A preference share shall not entitle its holder to participate in the surplus assets and profits of CIMB Islamic beyond such redemption rights as are expressly set out in these Articles.

CIMB Islamic may declare dividends on any of the preference shares.

The preference shares are not convertible to ordinary shares or any other class of share of CIMB Islamic.

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(y) RESERVES

(a) Regulatory reserve of the Group is maintained by the banking subsidiaries in Malaysia, which is transferred from the retained earnings, as an additional credit risk absorbent to ensure robustness on the loan impairment assessment methodology with the adoption of MFRS 9 beginning 1 January 2018.

BNM Guidelines on Financial Reporting for Islamic Banking Institutions requires banking institutions to maintain in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserve of no less than 1% of total credit exposures, net of loss allowance for credit-impaired exposures.

(b) Share-based payment reserve arose from the Employee Ownership Plan and Long Term Incentive Plan ("LTIP"), the Group's share-based compensation benefits.

(c) Exchange translation differences have arisen from translation of net assets of foreign subsidiaries, Labuan offshore banking subsidiary and the CIMB Bank's foreign branches. These translation differences are shown under exchange fluctuation reserve.

(d) For debt instruments at fair value through other comprehensive income ("FVOCI"), changes in fair value are accumulated within the financial assets at FVOCI reserve within equity. The accumulated changes in fair value are transferred to profit or loss when the investment is disposed of.

(e) Changes in fair value of financial liabilities designated at fair value relating to the Group's own credit risk are recognised in other comprehensive income. These changes are also accumulated within own credit risk reserve within equity.

(z) RESTRICTED AGENCY INVESTMENT ACCOUNT

(I) THE DETAILS OF THE RESTRICTED AGENCY INVESTMENT ("RAIA") FINANCING IS AS BELOW. THE EXPOSURES AND CORRESPONDING RISK WEIGHTED AMOUNT ARE REPORTED IN INVESTORS' FINANCIAL STATEMENTS.

RAIA arrangement

	2025 RM'000	2024 RM'000
Financing and advances	**14,189,779**	12,282,284
Commitments and contingencies	**2,100,000**	4,200,000
	16,289,779	16,482,284

	2025 RM'000	2024 RM'000
Total RWA for Credit Risk	**1,550,186**	1,241,607

RAIA is an arrangement between CIMB Bank and CIMB Islamic, and the contract is based on the Wakalah principle where CIMB Bank provides 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 allowance for impairment arising thereon, if any, are recognised and accounted for by CIMB Bank.

The recognition and derecognition of the above are in accordance to Note E and G in the financial statements of the Group.

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(z) RESTRICTED AGENCY INVESTMENT ACCOUNT (CONTINUED)

(II) MOVEMENT IN THE INVESTMENT ACCOUNT

Wakalah

Restricted Agency Investment Account – RAIA

	2025 RM'000	2024 RM'000
At 1 January	**12,282,284**	12,882,815
Funding inflows/outflows		
New placement during the financial year	**4,500,000**	600,000
Redemption during the financial year	**(3,152,948)**	(2,228,388)
Income from investment	**560,443**	1,027,857
At 31 December	**14,189,779**	12,282,284
Investment asset:		
Syndicated financing	**1,532,275**	1,532,005
Revolving credit	**1,606,445**	–
Other term financing	**11,051,059**	10,750,279
Total investment	**14,189,779**	12,282,284

(III) RATE OF RETURN

	Investment account holder Average rate of return	
	2025 (%)	2024 (%)
Restricted investment accounts:		
1 month or less	**4.59**	3.95
more than 1 month to 3 months	**4.03**	3.83
more than 4 years to 5 years	**4.26**	4.21
more than 5 years	**4.24**	4.20

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(aa) INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS

		2025 RM'000	2024 RM'000
Income derived from investment of:			
(i)	General investment deposits	**5,060,511**	5,380,146
(ii)	Specific investment deposits	**956**	988
(iii)	Other deposits	**2,572,869**	2,348,097
		7,634,336	7,729,231

(i) Income derived from investment of general investment deposits

	2025 RM'000	2024 RM'000
Finance income and hibah:		
Financing, advances and other financing/loans		
– Profit income	**3,873,809**	4,302,936
– Unwinding income*	**22,971**	27,262
Money at call and deposit with financial institutions	**172,457**	185,051
Debt instruments at fair value through other comprehensive income	**206,318**	162,156
Debt instrument at amortised cost	**337,513**	327,119
Reverse Collateralised Commodity Murabahah	**30,371**	23,495
Other financing income	**57**	–
	4,643,496	5,028,019
Accretion of discount less amortisation of premium	**(31,158)**	(24,869)
	4,612,338	5,003,150
Other finance income for financial assets at fair value through profit or loss		
– Financial investments at fair value through profit or loss	**35,380**	32,150
– Financing, advances and other financing/loan at fair value through profit or loss	**743**	3,717
– Net accretion of discount less amortisation of premium	**51,996**	98,739
Total finance income and hibah	**4,700,457**	5,137,756
Other operating income:		
Foreign exchange gain	**155,119**	90,971
Net gain from sale of debt instruments at fair value through other comprehensive income	**38,986**	2,180
Net unrealised gain/(loss) arising from financing, advances and other financings at fair value through profit or loss	**–**	1,282
Net gain from maturity of financial assets measured at amortised cost	**–**	235
Net gain/(loss) arising from financial investments at fair value through profit or loss		
– Realised	**15,148**	5,615
– Unrealised	**(2,061)**	(234)
	207,192	100,049
Fees and commission income:		
Fee on financing and advances	**97,239**	94,146
Guarantee fees	**10,896**	9,009
Service charges and fees	**25,934**	32,475
Other fee income	**3,974**	4,299
	138,043	139,929
Other income	**14,819**	2,412
	5,060,511	5,380,146

* *Unwinding income is income earned on credit impaired financial assets*

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(aa) INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS AND OTHERS (CONTINUED)

(ii) Income derived from investment of specific investment deposits

	2025 RM'000	2024 RM'000
Money at call and deposit with financial institutions	**956**	988
	956	988

(iii) Income derived from investment of other deposits

	2025 RM'000	2024 RM'000
Finance income and hibah:		
Financing, advances and other financing/loans		
– Profit income	**1,829,793**	1,754,507
– Unwinding income*	**16,381**	16,718
Money at call and deposit with banks and other financial institutions	**114,256**	110,330
Reverse Collateralised Commodity Murabahah	**21,804**	14,770
Debt instruments at fair value through other comprehensive income	**145,511**	93,509
Debt instrument at amortised cost	**241,415**	201,926
Other financing income	**44**	–
	2,369,204	2,191,760
Accretion of discount less amortisation of premium	**(22,362)**	(13,832)
	2,346,842	2,177,928
Other finance income for financial assets at fair value through profit or loss		
– Financial investments at fair value through profit or loss	**24,131**	18,044
– Financing, advances and other financing/loans at fair value through profit or loss	**562**	2,097
– Net accretion of discount less amortisation of premium	**35,690**	61,544
Total finance income and hibah	**2,407,225**	2,259,613
Other operating income:		
Foreign exchange gain	**109,871**	75,539
Net gain from sale of debt instruments at fair value through other comprehensive income	**28,064**	4,994
Net unrealised gain arising from financing, advances and other financings at fair value through profit or loss	**–**	714
Net gain from maturity of financial assets measured at amortised cost	**–**	159
Net gain from financial investments at fair value through profit or loss		
– Realised	**10,840**	3,444
– Unrealised	**(1,507)**	(125)
	147,268	84,725
Fees and commission income:		
Placement fees	**2,540**	–
Guarantee fees	**5,673**	3,746
Service charges and fees	**28**	28
Fee and commission income	**8,241**	3,774
Other income	**10,135**	(15)
	18,376	3,759
	2,572,869	2,348,097

* *Unwinding income is income earned on credit impaired financial assets*

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(ab) INCOME DERIVED FROM INVESTMENT OF INVESTMENT ACCOUNT

	2025 RM'000	2024 RM'000
Financing, advances and other financing/loans:		
– Profit income	**1,577,499**	1,209,520
– Unwinding income*	**24**	16
Debt instrument at amortised cost	**29,157**	45,450
	1,606,680	1,254,986
Accretion of discount less amortisation of premium	**5,085**	8,036
	1,611,765	1,263,022
Other operating income		
Net loss from foreign exchange transactions	**(607)**	(88)
	(607)	(88)
Fees and commission income		
– Service charges and fees	**4,605**	1,508
– Commission fee	**11**	4
	1,615,774	1,264,446

* *Unwinding income is income earned on credit impaired financial assets*

(ac) NET INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS

	2025 RM'000	2024 RM'000
Finance income and hibah:		
Financing, advances and other financing/loans		
– Profit income	**420,087**	381,289
– Unwinding income*	**3,480**	3,435
Money at call and deposit with financial institutions	**24,592**	22,779
Debt instruments at fair value through other comprehensive income	**43,716**	34,896
Debt instrument at amortised cost	**74,649**	91,892
Reverse Collateralised Commodity Murabahah	**4,600**	2,988
Other financing income	**9**	–
	571,133	537,279
Accretion of discount less amortisation of premium	**(1,070)**	(864)
	570,063	536,415
Other finance income for financial assets at fair value through profit or loss		
– Financial investments at fair value through profit or loss	**5,433**	3,983
– Financing, advances and other financing/loans at fair value through profit or loss	**117**	455
– Net accretion of discount less amortisation of premium	**7,776**	12,513
Total finance income and hibah	**583,389**	553,366

* *Unwinding income is income earned on credit impaired financial assets*

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(ac) NET INCOME DERIVED FROM INVESTMENT OF SHAREHOLDERS' FUNDS (CONTINUED)

	2025 RM'000	2024 RM'000
Other operating income:		
Net gain from hedging activities	**344**	486
Foreign exchange gain	**24,035**	11,633
Net gain from sale of debt instruments at fair value through other comprehensive income	**5,858**	235
Net unrealised gain arising from financing, advances and other financings at fair value through profit or loss	**–**	156
Net gain from maturity of financial assets measured at amortised cost	**–**	31
Net gain/(loss) arising from financial investments at fair value through profit or loss		
– Realised	**4,206**	1,687
– Unrealised	**(261)**	(24)
Net gain/(loss) arising from financial liabilities designated at fair value through profit or loss		
– Realised	**11,362**	22,447
– Unrealised	**(22,210)**	(21,713)
Net gain/(loss) arising from Islamic derivative financial instrument		
– Realised	**70,209**	(60,789)
– Unrealised	**(82,346)**	139,403
	11,197	93,552
Net fees and commission income:		
Advisory fees	**40,051**	3,980
Guarantee fees	**1,233**	772
Service charges and fees	**156,454**	154,281
Placement fees	**34,782**	13,010
Underwriting commission	**147**	81
Other fee income	**203,566**	189,344
Fee and commission income	**436,233**	361,468
Fee and commission expense	**(93,650)**	(71,288)
Net fees and commission income	**342,583**	290,180
Other income	**13,587**	11,393
	950,756	948,491

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(ad) MODIFICATION LOSS

	2025 RM'000	2024 RM'000
Loss on modification of cash flows	–	1

(ae) EXPECTED CREDIT LOSS ON FINANCING, ADVANCES AND OTHER FINANCING/LOANS

	2025 RM'000	2024 RM'000
Expected credit losses on financing, advances and other financing/loans at amortised cost:		
– Expected credit losses on financing, advances and other financing/loans	**624,792**	652,927
Credit impaired financing, advances and other financing/loans:		
– Recovered	**(168,132)**	(166,632)
– Written-off	**11,358**	8,647
	468,018	494,942

(af) OTHER EXPECTED CREDIT LOSSES MADE/(WRITTEN BACK)

	2025 RM'000	2024 RM'000
Other expected credit losses made/(written back) on:		
– Debt instrument at fair value through other comprehensive income	**(151)**	631
– Debt instrument at amortised cost	**(84)**	(157)
– Money at call and deposits and placements with banks and other financial institutions	**(22)**	74
– Other receivables	**1,929**	36,326
	1,672	36,874

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(ag) INCOME ATTRIBUTABLE TO DEPOSITORS AND OTHERS

	2025 RM'000	2024 RM'000
Deposits from customers		
– Mudharabah	**459,393**	511,977
– Non-Mudharabah	**3,097,153**	3,300,244
– Others	**27,654**	31,570
Deposits and placements of banks and other financial institutions		
– Mudharabah	**928**	911
– Non-Mudharabah	**275,020**	304,292
– Others	**14,770**	15,250
Financial liabilities designated at fair value through profit or loss	**74,481**	102,982
Subordinated Sukuk	**61,820**	49,140
Recourse obligation on loan and financing sold to Cagamas	**135,863**	125,126
Structured deposits	**12**	132
Lease liabilities	**14**	21
Collateralised Commodity Murabahah	**130,471**	109,093
Senior Sukuk	**310,614**	189,627
Others	**265**	–
	4,588,458	4,740,365

(ah) PROFIT DISTRIBUTED TO INVESTMENT ACCOUNT HOLDER

	2025 RM'000	2024 RM'000
Restricted	**142,892**	178,212
Unrestricted	**899,680**	674,182
	1,042,572	852,394

(ai) PERSONNEL EXPENSES

	2025 RM'000	2024 RM'000
Salaries, allowances and bonuses[2]	**79,447**	64,942
Pension costs (defined contribution plan)	**8,719**	7,543
Staff incentives and other staff payments	**7,332**	6,115
Medical expenses	**882**	977
Share-based expense[1]	**(230)**	345
Others	**49,454**	4,813
	145,604	84,735

[1] *The long term incentive plan ("LTIP") was implemented by the Company 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 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. Refer note 49.*

2 *Included in salaries, allowances and bonuses is shared-based payment expense (EOP) of RM701,730 (2024: RM Nil) for the Group. Refer note 49.*

Included in the personnel costs are fees paid to the Shariah Committee members amounting to RM800,000 (2024: RM676,000).

Notes to the Financial Statements
for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(aj) OTHER OVERHEADS AND EXPENDITURES

	2025 RM'000	2024 RM'000
Establishment costs		
– Depreciation of property, plant and equipment	**1,630**	1,443
– Rental	**596**	640
– Repairs and maintenance	**2,530**	2,020
– Depreciation of Right–of–use assets	**1,403**	1,173
– Amortisation of intangible assets	**2,950**	4,289
– Security expenses	**1,065**	1,159
– Utility expenses	**634**	565
– Others	**22,409**	8,765
	33,217	20,054
Marketing expenses		
– Advertisement and publicity	**12,935**	6,893
– Others	**4,254**	2,491
	17,189	9,384
Administration and general expenses		
– Legal and professional fees	**16,683**	1,525
– Stationery	**1,147**	733
– Communication	**36,681**	24,195
– Incidental expenses on banking operations	**3,589**	3,535
– Service expense	**1,309,351**	1,279,672
– Others	**42,867**	22,299
	1,410,318	1,331,959
	1,460,724	1,361,397

(ak) TAXATION AND ZAKAT

(I) TAX EXPENSE FOR THE FINANCIAL YEAR

	Note	2025 RM'000	2024 RM'000
Current year tax			
– Malaysian income tax		**451,087**	378,140
Deferred taxation	(i)	**21,201**	25,532
Over provision in prior year		**(4,444)**	(4,438)
		467,844	399,234
Zakat		**16,200**	12,000
		484,044	411,234

Notes to the Financial Statements

for the financial year ended 31 December 2025

58 THE OPERATIONS OF ISLAMIC BANKING (CONTINUED)

(ak) TAXATION AND ZAKAT (CONTINUED)

(II) NUMERICAL RECONCILIATION OF INCOME TAX EXPENSE

The explanation on the relationship between tax expense and profit before taxation and zakat is as follows:

	2025 RM'000	2024 RM'000
Profit before taxation and zakat	**2,515,227**	2,394,428
Tax calculated at tax rate of 24%	**603,653**	574,663
– Effect of different tax rates	**(117,950)**	(135,340)
– Income not subject to tax	**(24,499)**	(42,615)
– Expenses not deductible for tax purposes	**11,084**	6,964
Over provision in prior year	**(4,444)**	(4,438)
	467,844	399,234

(al) SOURCES AND USES OF CHARITY FUNDS

	2025 RM'000	2024 RM'000
Sources of charity funds		
Balance as at 1 January	**9,063**	9,327
Gharamah/penalty charges	**2,980**	2,529
Non-shariah compliance income	**438**	166
Exchange fluctuation	**(1,322)**	(748)
Total sources of charity funds during the financial year	**11,159**	11,274
Uses of charity funds		
Contribution to non-profit organisation	**2,934**	2,211
Total uses of charity funds during the financial year	**2,934**	2,211
Undistributed charity funds as at 31 December	**8,225**	9,063

Notes to the Financial Statements

for the financial year ended 31 December 2025

59 DIRECTORS OF SUBSIDIARIES OF THE GROUP

Name of Company	Name of Directors
CIMB ACTIVE VENTURES SDN BHD	1. Boey Wai Yee 2. Ivy Ong Ai Wai 3. Loh Chang Heng
CIMB BERHAD	1. Datin Rossaya Mohd Nashir 2. Khairulanwar Rifaie
CIMB FOUNDATION	1. Tan Sri Mohd Nasir Ahmad (Retired on 31 July 2025) 2. Datuk Dr. Richard Leete 3. Rosnah Dato' Kamarul Zaman 4. Teoh Su Yin 5. Shahnaz Al-Sadat Abdul Mohsein 6. Kee E-Lene (Appointed on 25 April 2025) 7. Datuk Syed Zaid Bin Syed Jaffar Albar (Appointed on 9 December 2025)
CIMB GROUP SDN BHD	1. Khairulanwar Rifaie 2. Mohd Haniz Mohd Nazlan
COMMERCE MGI SDN BHD	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
iCIMB (MSC) SDN BHD	1. Lim Sau Hong 2. Daniel Cheong Weng Teong 3. Ros Aziah Mohd Yusoff 4. Rosmawarni Abdul Samad
PREMIER FIDELITY SDN BHD	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
SBB BERHAD	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
CIG BERHAD	1. Mohd Haniz Mohd Nazlan 2. Chong Chooi Wan
CIMB BANCOM CAPITAL CORPORATION	1. Jefferi Mahmud Hashim 2. Gurdip Singh Sidhu Gurbachan Singh 3. Adhha' Amir Tan Sri Abdullah 4. Vicente Maria Nakpil Roxas 5. Paolo Lorenzo Picazo
CIMB BANK BERHAD	1. Tan Sri Mohd Nasir Ahmad (Retired on 19 July 2025) 2. Dato' Lee Kok Kwan 3. Chu Hong Keong 4. Sukanta Kumar Dutt 5. Christina Ong Soo Chan 6. Kee E-Lene 7. Dr. Nurmazilah Mahzan (Retired on 2 August 2025) 8. Muhammad Novan Amirudin 9. Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz 10. Marina Abdul Kahar (Appointed on 27 January 2025) 11. Choo Yoo Kwan @ Choo Yee Kwan (Appointed on 27 January 2025) 12. Datuk Syed Zaid bin Syed Jaffar Albar (Appointed on 18 June 2025)
CIMB CAPITAL MARKETS (AUSTRALIA) PTY LTD	1. Terry Rooney 2. Chong Chooi Wan

Notes to the Financial Statements

for the financial year ended 31 December 2025

59 DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONTINUED)

Name of Company	Name of Directors
CIMB DIGITAL ASSETS SDN BHD	1. Effendy Shahul Hamid 2. Muhammad Novan Amirudin
CIMB INVESTMENT BANK BERHAD	1. Raymond Yeoh Cheng Seong 2. Dr. Adrian Toho Parada Panggabean 3. Dato' Lee Kok Kwan 4. Tan Ting Min 5. Nor Masliza Sulaiman (Appointed as CEO/ED on 24 January 2025) 6. Tracy Chen Wee Keng (Appointed on 1 January 2026)
CIMB PRIVATE EQUITY ADVISORS SDN BHD *Note: Dissolved on 28 April 2025*	1. Chong Chooi Wan 2. Zulkifli Ismail
CIMB PRIVATE EQUITY SDN BHD	1. Mohd Haniz Mohd Nazlan 2. Chong Chooi Wan
CIMB REAL ESTATE SDN BHD	1. Lim Ching Hui 2. Chong Chooi Wan
CIMB SI II SDN BHD	1. Mohd Haniz Mohd Nazlan 2. Chong Chooi Wan
CIMB SI SDN BHD	1. Effendy Shahul Hamid 2. Lai Mee Fong
CIMB STRATEGIC ASSETS SDN BHD	1. Mohd Haniz Mohd Nazlan 2. Chong Chooi Wan
COMMERCE ASSET VENTURES SDN BHD	1. Mohd Haniz Mohd Nazlan 2. Chong Chooi Wan
CSI INVESTMENT LIMITED	1. Khairulanwar Rifaie 2. Chong Chooi Wan
PT BANK CIMB NIAGA TBK	1. Didi Syafruddin Yahya 2. Glenn Muhammad Surya Yusuf 3. Sri Widowati 4. Vera Handajani 5. Farina J. Situmorang 6. Dody Budi Waluyo 7. Muhammad Novan Amirudin (Appointed on 26 February 2025)
PT COMMERCE KAPITAL	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
SOUTHEAST ASIA SPECIAL ASSET MANAGEMENT BERHAD	1. Ahmad Shazli Kamarulzaman 2. Priya Darshini Vaithiyanathan
CIMB EOP MANAGEMENT SDN BHD	1. Tan Sri Mohd Nasir Ahmad 2. Gurdip Singh Sidhu Gurbachan Singh
CIMB HOLDINGS SDN BHD	1. Datin Rossaya Mohd Nashir 2. Khairulanwar Rifaie
CIMSEC NOMINEES (ASING) SDN BHD	1. Rosmawarni Abdul Samad 2. Tok Puan Datin Ezreen Eliza Zulkiplee
CIMSEC NOMINEES (TEMPATAN) SDN BHD	1. Rosmawarni Abdul Samad 2. Tok Puan Datin Ezreen Eliza Zulkiplee

Notes to the Financial Statements

for the financial year ended 31 December 2025

59 DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONTINUED)

Name of Company	Name of Directors
CIMB BANK (VIETNAM) LIMITED	1. Ahmed Baqar Rehman 2. Effendy Shahul Hamid (Resigned on 27 May 2025) 3. Gurdip Singh Sidhu Gurbachan Singh 4. Thomson Fam 5. Aisyah Lam Abdullah 6. Le Ie Thuy
CIMB BANK PLC	1. Tan Sri Mohd Nasir Ahmad (Retired on 31 July 2025) 2. Aisyah Lam Abdullah 3. Long Beang 4. Cheong Weng Teong (Resigned on 6 February 2025) 5. Ahmad Shazli Kamarulzaman (Resigned on 6 February 2025) 6. Bun Yin 7. Mohd Haniz Mohd Nazlan (Appointed on 6 February 2025) 8. Ankur Sehgal (Appointed on 6 February 2025)
BC MANAGEMENT SERVICES LIMITED	1. Sharifah Nadia Syed Abdul Rani 2. Amizah Salamat
BHLB PROPERTIES SDN BHD	1. Leslie In Hoe Aun 2. Chong Yew Leong
BUMIPUTRA-COMMERCE CORPORATE SERVICES LIMITED	1. Sharifah Nadia Syed Abdul Rani 2. Amizah Salamat
CIMB BANK (L) LIMITED	1. Zahardin Omardin (Retired on 3 July 2025) 2. Mustafa Shafiq Razalli 3. Chew Ker Chee (Appointed on 4 July 2025)
CIMB FACTORLEASE BERHAD	1. Yew Teik Beng 2. Ahmad Shazli Kamarulzaman
CIMB GROUP NOMINEES (ASING) SDN BHD	1. Rosmawarni Abdul Samad 2. Tok Puan Datin Ezreen Eliza Zulkiplee
CIMB GROUP NOMINEES (TEMPATAN) SDN BHD	1. Rosmawarni Abdul Samad 2. Tok Puan Datin Ezreen Eliza Zulkiplee
CIMB ISLAMIC BANK BERHAD	1. Dato' Mohamed Ross Mohd Din (Retired on 18 April 2025) 2. Ahmed Baqar Rehman 3. Jalalullail Othman 4. Dr. Azura Othman 5. Ahmad Shahriman Mohd Shariff 6. Zuhaida Zulkifli 7. Datin Azlina Mahmad
CIMB THAI BANK PUBLIC COMPANY LIMITED	1. Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz 2. Paul Wong Chee Kin (Resigned on 19 May 2025) 3. Anon Sirisaengtaksin 4. Oranuch Apisaksirikul 5. Natasak Rodjanapiches 6. Worapong Janyangyuen 7. Vera Handajani 8. Muhammad Novan Amirudin (Appointed on 17 April 2025) 9. Wut Thanittiraporn (Appointed on 19 May 2025)

Notes to the Financial Statements

for the financial year ended 31 December 2025

59 DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONTINUED)

Name of Company	Name of Directors
CIMB TRUST LIMITED	1. Zahardin Omardin (Retired on 25 June 2025) 2. Paul Gui Eng Hock (Retired on 30 April 2025) 3. Tok Puan Datin Ezreen Eliza Zulkiplee (Appointed on 25 June 2025) 4. Chew Ker Chee (Appointed on 26 June 2025) 5. Michael Yee Weng Kuan
iCIMB (MALAYSIA) SDN BHD	1. Lim Sau Hong 2. Daniel Cheong Weng Teong 3. Ros Aziah Mohd Yusoff 4. Rosmawarni Abdul Samad
PERDANA NOMINEES (TEMPATAN) SDN BHD	1. Wong Joon Hian 2. Khairulanwar Rifaie
S.B. PROPERTIES SDN BHD	1. Khairulanwar Rifaie 2. Leslie In Hoe Aun
S.B. VENTURE CAPITAL CORPORATION SDN BHD	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
SFB AUTO BERHAD	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
SFB DEVELOPMENT SDN BHD	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
SIBB BERHAD	1. Wong Joon Hian 2. Khairulanwar Rifaie
CIMB ISLAMIC NOMINEES (ASING) SDN BHD	1. Rosmawarni Abdul Samad 2. Tok Puan Datin Ezreen Eliza Zulkiplee
CIMB ISLAMIC NOMINEES (TEMPATAN) SDN BHD	1. Rosmawarni Abdul Samad 2. Tok Puan Datin Ezreen Eliza Zulkiplee
PT CIMB NIAGA AUTO FINANCE	1. Lani Darmawan 2. Koei Hwei Lien 3. Serena Karlita Ferdinandus 4. Hidayat Dardjat Prawiradilaga 5. Noviady Wahyudi 6. Jeffrey Kairupan (Appointed on 26 March 2025)
PT CIMB NIAGA SEKURITAS	1. Rusly Johannes 2. Nor Masliza Sulaiman 3. Achiran Pandu Djajanto
CIMB THAI AUTO COMPANY LIMITED	1. Tan Keat Jin 2. Visit Phuengpornsawan (Resigned on 1 July 2025) 3. Vijay K Manoharan (Resigned on 19 August 2025) 4. Arthit Masathirakul 5. Ankit Gutgutia 6. Kriangpop Panurach (Appointed on 8 September 2025)
WORLDLEASE COMPANY LIMITED	1. Yeong Thian Lim 2. Buppha Chaipin 3. Naranont Lewchalermwongs (Appointed on 2 January 2025)

Notes to the Financial Statements

for the financial year ended 31 December 2025

59 DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONTINUED)

Name of Company	Name of Directors
CIMB AI LABS PRIVATE LIMITED (formerly known as SHINING STAR SOLUTIONS AND SERVICES PRIVATE LIMITED)	1. Richard Kudakwashe Bururu 2. Nithialingam Selvaretnam 3. Mathew Joseph
CIMB ASIA SECURITY (GENERAL PARTNER) LIMITED Note: Dissolved on 26 March 2025	1. Chong Chooi Wan
CIMB COMMERCE TRUSTEE BERHAD	1. Zahardin Omardin (Retired on 31 May 2025) 2. Paul Gui Eng Hock (Retired on 30 April 2025) 3. Tok Puan Datin Ezreen Eliza Zulkiplee 4. Chew Ker Chee (Appointed on 1 June 2025) 5. Michael Yee Weng Kuan (Appointed on 1 June 2025)
CIMB ISLAMIC TRUSTEE BERHAD	1. Zahardin Omardin (Retired on 31 May 2025) 2. Tok Puan Datin Ezreen Eliza Zulkiplee 3. Chew Ker Chee (Appointed on 1 June 2025) 4. Michael Yee Weng Kuan (Appointed on 1 June 2025)
LOT A SENTRAL SDN BHD	1. Leslie In Hoe Aun 2. Muhammad Ismi bin Ismail
MINORCAP PTE LTD	1. Chong Chooi Wan 2. Andrew Boey Chwee Kiang
PT SYNERGY DHARMA NAYAGA	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir 3. Priya Darshini Vaithiyanathan
SATHORN ASSET MANAGEMENT CO., LTD	1. Ahmad Shazli Kamarulzaman 2. Priya Darshini Vaithiyanathan 3. Ekajai Tivutanond 4. Goh Therd Siang
SOUTHEAST ASIA SPECIAL ASSET VEHICLE LIMITED	1. Khairulanwar Rifaie 2. Datin Rossaya Mohd Nashir
TOUCH 'N GO SDN BHD	1. Effendy Shahul Hamid (Resigned on 30 June 2025) 2. Datuk Syed Zaid Albar (Appointed on 1 August 2025) 3. Tan Sri Mohd Nasir Ahmad (Resigned on 31 July 2025) 4. Gurdip Singh Sidhu (Appointed on 7 July 2025) 5. Hisham Zainal Mokhtar 6. Aida Mosira Mokhtar 7. Christina Foo
CIMB INVESTMENT BANK (PRIVATE) LIMITED (SRI LANKA)	1. Adhha' Amir Tan Sri Abdullah 2. Gurdip Singh Sidhu 3. Jefferi Mahmud Hashim 4. Reshani Enoka Dangalla 5. Yee Fun Wong 6. Sow Lin Chiew (Alternate director to Yee Fun Wong)
CIMB SECURITIES SDN BHD	1. Stephen John Watson Hagger 2. Julia Hashim 3. Ruzi Rani Ajith 4. Tan Ting Min 5. Nor Masliza Sulaiman (Appointed on 24 January 2025)

Notes to the Financial Statements

for the financial year ended 31 December 2025

59 DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONTINUED)

Name of Company	Name of Directors
CIMB SECURITIES NOMINEES (TEMPATAN) SDN BHD (Formerly known as KAF Nominees (Tempatan) Sdn Bhd)	1. Ruzi Rani Ajith 2. Liew Kuo Aun (Resigned on 4 September 2025) 3. Mustafa Shafiq Razalli (Appointed on 4 September 2025)
CIMB SECURITIES NOMINEES (ASING) SDN BHD (Formerly known as KAF Nominees (Asing) Sdn Bhd)	1. Ruzi Rani Ajith 2. Liew Kuo Aun (Resigned on 4 September 2025) 3. Mustafa Shafiq Razalli (Appointed on 4 September 2025)

60 AUTHORISATION FOR ISSUE OF FINANCIAL STATEMENTS

The Financial Statements have been authorised for issue by the Board of Directors in accordance with a resolution of the Directors dated 13 March 2026.

Shariah Screening Disclosure

Pursuant to Paragraph 9.25A of the MAIN Market Listing Requirements/Paragraph 9.41(b) of the MAIN Market Listing Requirements, below are the financial data that are relevant for purpose of Shariah screening by the Shariah Advisory Council of the Securities Commission Malaysia. These include financial data on Shariah non-permissible income arising from the Group's business activities and interest-based financial position.

(a) GROUP TOTAL INCOME AND TOTAL ASSETS

		Group	
Total Income	**Remarks**	**2025 RM'000**	**2024 RM'000**
Interest/Finance income		**25,144,861**	26,629,770
Other income		**7,257,044**	7,223,509
Dividend income		**70,694**	77,576
Share of profit of associates		**5,293**	2,207
Share of profit of joint ventures		**88,303**	16,555
Others	Income from Islamic banking operations	**4,958,783**	4,740,585
Total		**37,524,978**	38,690,202
Total Assets		**778,724,390**	755,130,703

(b) BUSINESS ACTIVITIES

		Group	
Shariah Non-Compliant Activities	**Remarks**	**2025 RM'000**	**2024 RM'000**
Banking & finance and related sevices		**7,421,334**	7,319,847
Interest income		**25,144,861**	26,629,770
Total		**32,566,195**	33,949,617

(c) COMPONENT OF FINANCIAL POSITION

(I) CASH COMPONENT

		Group	
Islamic Account/Instruments	**Remarks**	**2025 RM'000**	**2024 RM'000**
Cash at bank		**2,139,007**	2,054,584
Short-term funds		**10,086,585**	8,542,596
Reverse Collateralised Commodity Murabahah		**1,681,048**	1,734,605
Deposits with licensed bank		**787,353**	603,136
Financial assets		**179,191,066**	166,924,030
Money market instruments		**15,057,427**	14,317,197
Total Cash		**208,942,486**	194,176,148
Conventional Account/Instruments			
Cash at bank		**7,320,592**	7,138,895
Short-term funds		**7,723,780**	9,914,860
Reverse repurchase agreements		**12,524,685**	9,147,853
Deposits with licensed bank		**4,784,753**	6,522,346
Financial assets		**348,156,601**	352,206,103
Money market instruments		**132,673,197**	118,944,106
Total Cash		**513,183,608**	503,874,163

Shariah Screening Disclosure

(c) COMPONENT OF FINANCIAL POSITION (CONTINUED)

(II) DEBT COMPONENT

Islamic Financing	Remarks	Group 2025 RM'000	Group 2024 RM'000
Current			
Collateralised Commodity Murabahah		**3,300,207**	4,349,732
Bill payables		**45,983**	50,236
Sukuk		**198,824**	201,387
Other profit bearing debt	Includes Subordinated Sukuk, Recourse obligation on loans and financing sold to Cagamas and Lease liabilities	**574,277**	504,840
Non-Current			
Sukuk		**8,329,662**	7,648,592
Other profit bearing debt	Includes Subordinated Sukuk, Recourse obligation on loans and financing sold to Cagamas and Lease liabilities	**4,792,311**	4,624,016
Total Financing		**17,241,264**	17,378,803

Conventional Borrowing	Remarks	Group 2025 RM'000	Group 2024 RM'000
Current			
Repurchase agreements		**39,465,502**	42,878,372
Bill payables		**1,737,668**	1,488,154
Conventional bonds		**1,890,427**	446,585
Debentures		**–**	135,301
Commercial Papers		**3,401,843**	67,335
Medium term notes		**1,451,175**	2,356,641
Term loans		**1,027,023**	1,955,423
Other interest bearing debt	Includes debentures, bills payable and Debt securities in Financial liabilities at FVTPL, Subordinated obligations, Recourse obligation on loans and financing sold to Cagamas and Lease liabilities	**2,667,440**	3,828,384
Non-Current			
Bill payables		**219,921**	595,642
Conventional bonds		**6,578,059**	5,766,221
Debentures		**122,262**	214,111
Medium term notes		**2,906,901**	2,000,393
Term loans		**4,388,552**	5,177,959
Other interest bearing debt	Includes debentures, bills payable and Debt securities in Financial liabilities at FVTPL, Subordinated obligations, Recourse obligation on loans and financing sold to Cagamas and Lease liabilities	**13,321,928**	9,652,913
Total Debt		**79,178,701**	76,563,434

- CIMB Bank Group
- CIMB Islamic Bank Group
- CIMB Investment Bank Group

Basel II Pillar 3 Disclosure for 2025

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347 Overview of Basel II and Pillar 3
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Abbreviations

A-IRB Approach	:	Advanced Internal Ratings Based Approach
ALM COE	:	Asset Liability Management Centre of Excellence
ASB	:	Amanah Saham Bumiputra
BI	:	Banking Institutions
BIA	:	Basic Indicator Approach
BNM	:	Bank Negara Malaysia
BRCC	:	Board Risk & Compliance Committee
CAF	:	Capital Adequacy Framework and, in some instances referred to as the Risk-Weighted Capital Adequacy Framework
CAFIB	:	Capital Adequacy Framework for Islamic Banks
CAR	:	Capital Adequacy Ratio and, in some instances referred to as the Risk-Weighted Capital Ratio
CBSM	:	Capital and Balance Sheet Management
CCR	:	Counterparty Credit Risk
CIMBBG	:	CIMB Bank, CIMBISLG, CIMBTH, CIMB Bank PLC (Cambodia), CIMB Factorlease Berhad, CIMB Bank (Vietnam) Limited and non-financial subsidiaries
CIMBIBG	:	CIMB Investment Bank Berhad and non-financial subsidiaries
CIMBISLG	:	CIMB Islamic Bank Berhad, CIMB Islamic Nominees (Asing) Sdn Bhd and CIMB Islamic Nominees (Tempatan) Sdn Bhd
CIMBGH Group	:	Group of Companies under CIMB Group Holdings Berhad
CIMBTH	:	CIMB Thai Bank Public Company Ltd and its subsidiaries
CIMB Bank	:	CIMB Bank Berhad and CIMB Bank (L) Ltd (as determined under the CAF (Capital Components) and CAFIB (Capital Components) to include its wholly owned offshore banking subsidiary company)
CIMB Group or the Group	:	Collectively CIMBBG, CIMBIBG and CIMBISLG as described within this disclosure
CIMB IB	:	CIMB Investment Bank Berhad
CIMB Islamic	:	CIMB Islamic Bank Berhad
CRM	:	Credit Risk Mitigants
CRO	:	Chief Risk Officer
CSA	:	Credit Support Annexes, International Swaps and Derivatives Association Agreement
DFIs	:	Development Financial Institutions
EAD	:	Exposure At Default
EAR	:	Earnings-at-Risk
ECAIs	:	External Credit Assessment Institutions
EL	:	Expected Loss
EP	:	Eligible Provision
EVE	:	Economic Value of Equity
EWRM	:	Enterprise Wide Risk Management
Group EXCO	:	Group Executive Committee
GSOC	:	Group Strategic Oversight Committee
GSGC	:	Group Sustainability and Governance Committee
F-IRB Approach	:	Foundation Internal Ratings Based Approach
Fitch	:	Fitch Ratings
GALCO	:	Group Asset Liability Management Committee
GAQC	:	Group Asset Quality Committee
GCC	:	Group Credit Committee
GIBD	:	Group Islamic Banking Division
GMCRC	:	Group Market and Conduct Risks Committee
GRCC	:	Group Risk & Compliance Committee
GRD	:	Group Risk Division
GUC	:	Group Underwriting Committee
HPE	:	Hire Purchase Exposures
IRB Approach	:	Internal Ratings Based Approach
IRRBB	:	Interest Rate Risk in the Banking Book
KRI	:	Key Risk Indicators
LGD	:	Loss Given Default
MARC	:	Malaysian Rating Corporation Berhad
MDBs	:	Multilateral Development Banks
Moody's	:	Moody's Investors Service
MTM	:	Mark-to-Market and/or Mark-to-Model
ORM	:	Operational Risk Management
ORMF	:	Operational Risk Management Framework
OTC	:	Over the Counter
PD	:	Probability of Default
PSEs	:	Non-Federal Government Public Sector Entities
PSIA	:	Profit Sharing Investment Accounts
QRRE	:	Qualifying Revolving Retail Exposures
R&I	:	Rating and Investment Information, Inc
RAM	:	RAM Rating Services Berhad
RAROC	:	Risk Adjusted Return on Capital
RORBB	:	Rate of Return Risk in the Banking Book
RRE	:	Residential Real Estate
RWA	:	Risk-Weighted Assets
RWCAF	:	Risk-Weighted Capital Adequacy Framework and, in some instances referred to as the Capital Adequacy Framework
S&P	:	Standard & Poor's
SA	:	Standardised Approach
SMEs	:	Small and Medium Enterprises
SNC	:	Shariah Non-Compliance
SRM	:	Shariah Risk Management
VaR	:	Value-at-Risk

Overview of Basel II and Pillar 3

The 'International Convergence of Capital Measurement and Capital Standards: A Revised Framework' or commonly known as 'Basel II' issued by the Bank of International Settlements, as adopted by BNM seeks to increase the risk sensitivity in capital computations and prescribes a number of different approaches to risk calculation that allow the use of internal models to calculate regulatory capital. The particular approach selected must commensurate with the financial institution's risk management capabilities. The Basel II requirements are stipulated within three broad 'Pillars' or sections.

Pillar 1 focuses on the minimum capital measurement methodologies and their respective qualifying criteria to use specified approaches available to calculate the RWA for credit, market and operational risks. CIMB Bank and its subsidiaries including CIMBISLG which offers Islamic banking financial services (collectively known as 'CIMBBG'), apply the IRB Approach for its major credit exposures. The IRB Approach prescribes two approaches, the F-IRB Approach and A-IRB Approach. Under F-IRB Approach, the Group applies its own PD and the regulator prescribed LGD, whereas under the A-IRB Approach, the Group applies its own risk estimates of PD, LGD and EAD. The remaining credit exposures are on the SA and where relevant, will progressively migrate to the IRB Approach. CIMBIB and its subsidiaries ('CIMBIBG') adopt the SA for credit risk. CIMBBG, CIMBISLG and CIMBIBG (collectively known as 'CIMB Group' or the 'Group') adopt the SA for market risk and BIA for operational risk.

Pillar 2 focuses on how sound risk management practices should be implemented from the Supervisory Review perspective. It requires financial institutions to make their own assessments of capital adequacy in light of their risk profile and to have a strategy in place for maintaining their capital levels.

Pillar 3 complements Pillar 1 and Pillar 2 by presenting disclosures in accordance with requirements aimed to encourage market discipline in a manner that every market participant can assess key pieces of information attributed to the capital adequacy framework of financial institutions.

FREQUENCY OF DISCLOSURE

The qualitative disclosures contained herein are required to be updated on an annual basis and more frequently if significant changes to policies are made. The capital structure and adequacy disclosures are published on a quarterly basis. All other quantitative disclosures are published semi-annually in conjunction with the Group's half yearly reporting cycles.

MEDIUM AND LOCATION OF DISCLOSURE

These disclosures are also available on CIMBGH Group's corporate website (www.cimb.com). The individual disclosures for CIMB Bank, CIMB Islamic and CIMB IB are also available at the CIMBGH Group's 2025 Annual Report and corporate website.

BASIS OF DISCLOSURE

These disclosures herein are formulated in accordance with the requirements of BNM's guidelines on RWCAF (Basel II) – Disclosure Requirements (Pillar 3) and CAFIB – Disclosure Requirements (Pillar 3). These disclosures published are for the year ended 31 December 2025.

The basis of consolidation for financial accounting purposes is described in the 2025 financial statements. The capital requirements are generally based on the principles of consolidation adopted in the preparation of financial statements. During the financial year, the Group did not experience any impediments in the distribution of dividends. There were also no capital deficiencies in any subsidiaries that are not included in the consolidation for regulatory purposes.

The term 'credit exposure' as used in the disclosures is a prescribed definition by BNM based on the RWCAF (Basel II) – Disclosure Requirements (Pillar 3) and CAFIB – Disclosure Requirements (Pillar 3). Credit exposure is defined as the estimated maximum amount a banking institution may be exposed to a counterparty in the event of a default or EAD. This differs with similar terms applied in the 2025 financial statements as the credit risk exposure definition within the ambit of accounting standards represents the balance outstanding as at balance sheet date and does not take into account the expected undrawn/undisbursed contractual commitments. Therefore, information within this disclosure is not directly comparable to that of the 2025 financial statements.

Any discrepancies between the totals and sum of the components in the tables contained in the disclosures are due to actual summation method and then rounded up to the nearest thousands.

These disclosures have been reviewed and verified by internal auditors and approved by the Board Risk & Compliance Committee of CIMB Group, as delegated by the Board of Directors of CIMBGH Group.

Risk Management Overview

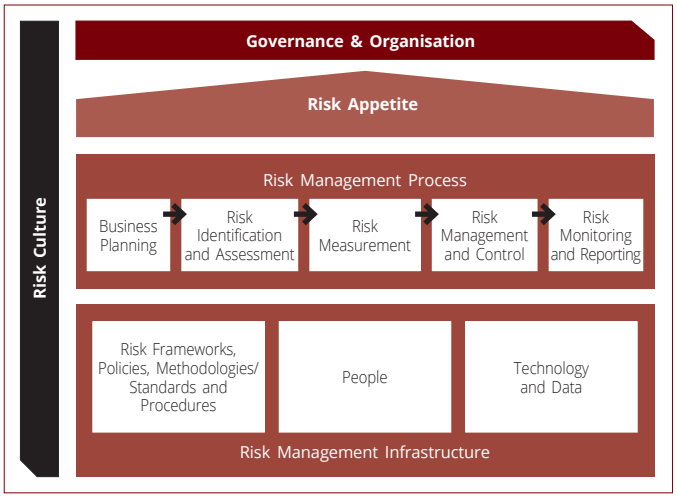
A robust and effective risk management system is critical for the Group to achieve continued risk balanced profitability and create shareholder and stakeholder value in today's globalised and inter-linked financial and economic environment.

The Group embraces risk management as an integral part of the Group's strategy, business, operations and decision-making processes. In ensuring that the Group achieves optimum returns whilst operating within a sound business environment, the risk management teams are involved at the early stage of the strategy discussion and risk-taking process by providing independent inputs, including relevant valuations and scenario analysis, credit evaluations, new product assessments and quantification of capital requirements and risk return analysis/simulations. These inputs enable the business units to assess the risk-vs-reward of their propositions.

ENTERPRISE WIDE RISK MANAGEMENT FRAMEWORK

The Group employs a Group Enterprise-Wide Risk Management (EWRM) framework as a standardised approach to effectively manage its risks and opportunities. The Group EWRM framework provides the Board and its management with tools to anticipate and manage both the existing and potential risks, taking into consideration evolving risk profiles as dictated by changes in business strategies, the external environment and/or regulatory environment.

The key components of the Group's EWRM framework are represented in the diagram below:



The design of the Group EWRM framework incorporates a complementary 'top-down strategic' and 'bottom-up tactical' risk management approach.

The key features of the Group EWRM framework include:

a) **Risk Culture:** The Group embraces risk management as an integral part of its culture and decision-making processes. The Group's risk management philosophy is embodied in the Three Lines-of-Defence approach, whereby risks are managed initially from the onset of risk-taking activities. There is clear accountability of risk ownership across the Group.

b) **Governance & Organisation:** A strong governance structure is important to ensure an effective and consistent implementation of the Group EWRM framework. The Board is ultimately responsible for the Group's strategic direction, which is supported by the risk appetite and relevant risk management frameworks, policies, methodologies/standards, and procedures. The Board is assisted by various risk committees and control functions in ensuring that the Group's risk management framework is effectively implemented.

c) **Risk Appetite:** Is defined as the amount and type of risks that the Group is able and willing to accept in pursuit of its strategic and business objectives. Risk appetite is set in conjunction with the annual strategy and business planning processes to ensure appropriate alignment between strategy, growth aspirations, operating plans, capital and risk.

d) **Risk Management Process:**

- **Business Planning:** Risk management is central to the business planning process, including setting frameworks for risk appetite, risk posture and new products & business activities.
- **Risk Identification & Assessment:** Risks are systematically identified and assessed through the robust application of the Group's risk frameworks, policies, methodologies/standards and procedures.
- **Risk Measurement:** Risks are measured and aggregated using the Group-wide methodologies across each of the risk types, including stress testing.
- **Risk Management and Control:** Risk management limits and controls are used to manage risk exposures within the risk appetite set by the Board. Risk management limits and controls are regularly monitored and reviewed in the face of evolving business needs, market conditions and regulatory changes. Corrective actions are taken to mitigate risks. This can be achieved by positioning various control tools to reduce the likelihood of an occurrence or the impact of the risk. The various control tools are accepting, treating, transferring and/or terminating the risk.
- **Risk Monitoring and Reporting:** Risks on an individual exposure, as well as on a portfolio basis, are monitored on a daily basis and periodically and/or ad-hoc basis in tandem with market developments and reported to the Group Risk & Compliance Committee (GRCC) and the Board Risk & Compliance Committee (BRCC) on a monthly basis or need basis to ensure they remain within the Group's risk appetite.

Risk Management Overview

ENTERPRISE WIDE RISK MANAGEMENT FRAMEWORK (CONTINUED)

e) **Risk Management Infrastructure**

- **Risk Frameworks, Policies, Methodologies/Standards and Procedures addressing all areas of material risks:** Frameworks provide broad objectives and overarching risk management architecture for managing risks. Well-defined risk policies by risk type provide the principles by which the Group manages its risks. Methodologies/Standards provide specific directions that help support and enforce policies. Procedures provide more detailed guidance to assist with the implementation of policies.
- **People:** Attracting the right talent and skills is key to ensuring a well-functioning Group EWRM framework. The organisation continuously evolves and proactively responds to the increasing complexity of the Group as well as the economic and regulatory environment.
- **Technology and Data:** Appropriate technology and sound data management support risk management activities.

RISK GOVERNANCE

At the apex of the governance structure are the Boards of the respective entities within the Group, which determine each entity's risk appetite in alignment with its business strategies. The BRCC reports directly to the respective Boards and is responsible for the supervision of risk management and control activities on behalf of the respective Boards. The BRCC determines the relevant entity's risk strategies and policies, ensuring they align with the principles within the risk appetite. The BRCC also oversees the implementation of the Group EWRM Framework, provides strategic guidance and reviews the decisions made by the GRCC.

To facilitate the effective implementation of the EWRM framework, the BRCC has established various delegated/sub-risk committees within the Group, each with distinct lines of responsibilities and functions.

The responsibility of risk management supervision and control is delegated to the GRCC, which reports directly to the BRCC. The GRCC, comprising senior management of the Group, performs the oversight function for the overall management of risks. The GRCC is supported by specialised delegated/sub-risk committees, namely Group Credit Committee, Group Market and Conduct Risks Committee, Group Operational and Resiliency Risk Committee, Group Asset Liability Management Committee, Group Asset Quality Committee, Group Basel Steering Committee, Management Product Approval Committee for Treasury Products, and Management Product Approval Committee for Non-Treasury Products, each addressing one or more of the following:

a) Credit risk, defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Group.

b) Market risk, defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates/profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility.

c) Liquidity and Funding risk, defined as the current and potential risk to earnings, shareholders' funds or reputation arising from the inability to efficiently meet its present and future (both anticipated and unanticipated) funding needs or regulatory obligations when they come due, which may adversely affect its daily operations and incur unacceptable losses.

d) Interest rate risk/rate of return risk in the banking book, which is the current and potential risk to the Group's earnings and economic value arising from movements in interest rates/profit rates.

e) Model risk is defined as the type of risk that the method used to measure or quantify the bank's material risk is not accurate due to deterioration of model, hence limiting the usefulness and application of the model itself. It also covers improper implementation and improper usage of methods developed to quantify risk.

f) Operational risk, defined as the risk of loss resulting from inadequate or failed processes, people and systems, or from external events. It includes legal risk but excludes strategic and Shariah non-compliance risks.

g) Financial Crime Risk, defined as the risk that typically arises from illicit activities including money laundering, fraud, corruption, organised crime, smuggling, drug trafficking, terrorism financing and proliferation financing. It carries potential regulatory and legal consequences, and may result in regulatory actions, financial losses, and serious reputational damage, which in turn threatens the integrity of the financial system and undermines stakeholder trust.

h) Data management risk, defined as the risk of failing to appropriately manage and maintain data (including customer data, employee data, and the Group's proprietary data), and non-compliance with relevant data regulations.

i) Conduct risk, defined as the risk of failing to have behaviours and practices that deliver suitable, fair and clear outcomes for the Group's employee, and customers while maintaining market integrity.

Risk Management Overview

RISK GOVERNANCE (CONTINUED)

j) Tax and regulatory reporting risk, defined as the risk of failing to meet statutory reporting and tax payments/filing requirements.

k) Enterprise-wide risk, defined as the risk that arises from events which may affect achieving objectives due to changing risk profiles as dictated by changes in business strategies, operating and regulatory environment, and functional activities.

l) Strategic risk, defined as the risk of current and/or prospective impact on the Group's earnings, reputation or position arising from changes in the environment that the Group operates in and from adverse strategic decisions, improper implementation of strategic initiatives, new business lines or markets or the lack of responsiveness to industry, economic or technological changes.

m) Business risk, defined as the probability of loss inherent in the Group's operations and environment that may impair its ability to provide expected returns on investments.

n) Investment performance risk, defined as the risk that the return achieved on an investment will be different from that expected or its intended financial objective, and the size of the difference. This includes the possibility of losing some or all of the original investment.

o) Geopolitical risk, defined as the risk that an investment's returns could suffer as a result of political changes or instability in a country, or at the regional and/or global level. Instability affecting investment returns could stem from, but are not limited to, the following: a change in government, legal and political institutions, tensions between countries affecting the global and regional political and economic environment, and military conflict.

p) Reputation risk is defined as the current or prospective risk to earnings and capital arising from the adverse perception by the stakeholders about the Group's business practices, conduct or financial condition. Such adverse perception, whether true or not, may impair public confidence in the Group, result in costly litigation, or lead to a decline in its customer base, business, revenue or share price.

q) Technology risk, is the risk of loss resulting from inadequate or weaknesses in strategy, people, process, technology (including emerging technologies e.g. Cloud Artificial Intelligence etc.) or external events, which includes cyber risks, financial risk, regulatory/compliance risk and the risk of reputational loss/damage.

r) Shariah Non-Compliance (SNC) risk, defined as the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage, which CIMB Group may suffer arising from failure to comply with Shariah requirements determined by Shariah Advisory Council (SAC) of Bank Negara Malaysia (BNM) and Securities Commission (SC), including standards on Shariah matters issued by BNM pursuant to Section 29(1) of the IFSA; or decisions or advice by Board Shariah Committee (BSC) of CIMB Islamic Bank or other Shariah regulatory authorities of the jurisdictions where the Group operates.

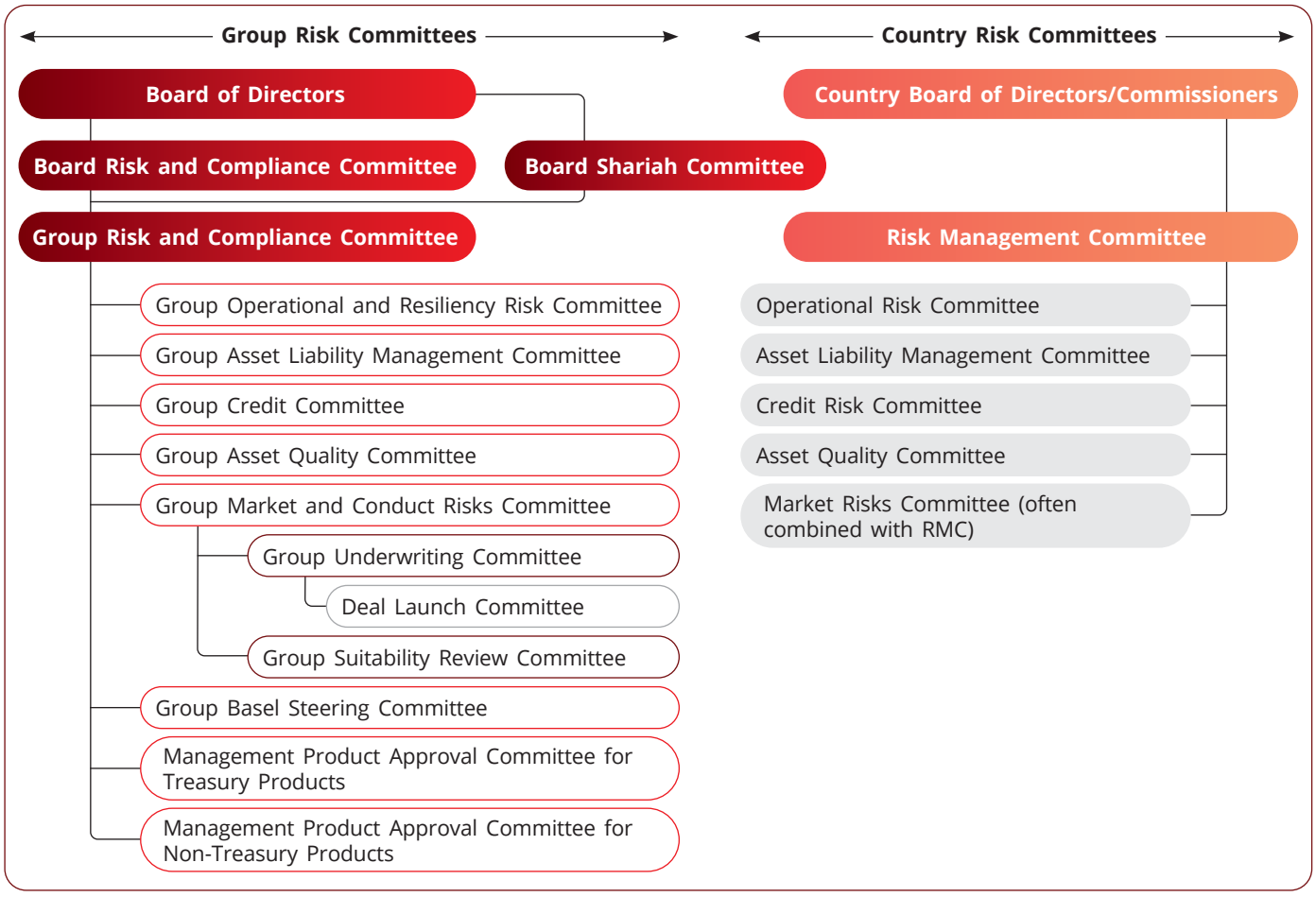
s) Regulatory compliance risk, defined as the risk of legal or regulatory sanctions, financial loss or non-financial implications including reputational damage, which CIMB Group may suffer arising from possible failure to comply with the applicable laws and regulations of the jurisdictions in which the Group operates.

t) Sustainability risk, defined as the risk of financial and non-financial impact arising from environmental, social and economic/ethical issues stemming from transactions and/or activities associated with a business relation and its operations, and/or the Group's own internal operations and employees.

Risk Management Overview

RISK GOVERNANCE (CONTINUED)

The structure of CIMB Group Risk Committees is depicted as follows:



The overseas subsidiaries' risk committees are set-up in a similar structure in their respective jurisdictions. Whilst recognising the autonomy of the local jurisdiction and compliance with local requirements, the Group strives to ensure a consistent and standardised approach in its risk governance process. As such, Group and Regional committees have consultative and advisory responsibilities on regional matters across the Group as regulators allow. This structure increases regional communication regarding technical knowledge and best practices. It further enhances support towards managing and responding to risk management issues, thus allowing the Board to have comprehensive view of the activities within the Group.

In addition to the CIMB Group Risk Committees, the Group has established a Board Group Sustainability Committee (BGSC) consisting of Independent Directors to assist the Board in fulfilling its responsibilities to review and guide our Group's sustainability strategy, frameworks, policies and group-wide targets and to monitor progress against our Group's climate transition plan.

Sustainability is also embedded in the roles and responsibilities of various Board Committees. To ensure information-symmetry and consensus across all Board Committees and entity boards, with regards to the direction and progress of the Group's sustainability and climate change strategy deliberated at the BGSC, selected business enablers are responsible for providing relevant updates and inputs to the various Board Committees and entity boards on a periodic basis.

Risk Management Overview

THREE LINES-OF-DEFENCE

The Group's risk management culture is embodied through the adoption of the Three Lines-of-Defence philosophy, whereby risks are managed initially from the onset of risk-taking activities. This is to ensure clear accountability of risk and control management across the Group and Group Risk as an enabler of business units. As the first line-of-defence, the line management (including key business pillars and enablers) is primarily responsible for risk management on a day-to-day basis by taking appropriate actions to mitigate risk through effective controls and within the agreed risk limits/appetite. There is an embedded Risk Control Unit (RCU) within the first line-of-defence, which provides independent advice, support, and assurance for risk & compliance related matters within the Business Pillars and Enablers (the first line-of-defence), integrating business, risk & compliance knowledge. The second line-of-defence provides oversight and performs independent monitoring of business activities with reporting to the Board and management to ensure that the Group conducts business and operates within the approved risk appetite and is in compliance with regulations. The third line-of-defence is the Group Corporate Assurance Division who provides independent assurance of the adequacy and effectiveness of the governance, internal controls and risk management processes.

THE ROLES OF GROUP CRO AND GROUP RISK DIVISION

Within the second line-of-defence is Group Risk Division, a function independent of business units. It assists the Group's management and stakeholders in the monitoring and controlling of risk exposures within the Board-approved risk appetite statement.

Group Risk Division is headed by the Group CRO, appointed by the Board to lead the Group-wide risk management functions, including implementation of the Group EWRM framework. The Group CRO:

(a) actively engages the respective boards and senior management on risk management issues and initiatives; and

(b) maintains an oversight on risk management functions across all entities within the Group. In each key country of operations, there is a local CRO or a local Head of Risk Management, whose main functions are to assess and manage the enterprise risk and liaise with regulators in the respective countries.

The organisational structure of Group Risk is made up of two major components, namely the CRO and the Risk Centres of Excellence ("CoE"):

(A) CRO

(i) The Group CRO is supported by the CROs who oversee the risk management functions in overseas branches and banking subsidiaries.

(ii) CRO's main function is to assess and manage the enterprise risk and liaise with regulators in the respective country/entity under his/her purview.

(iii) For countries where a CRO is not present and/or not required, a local Head of Risk Management is appointed to be the overall risk coordinator for that country.

(B) RISK CENTRES OF EXCELLENCE

(i) These are specialised teams of risk officers responsible for the active oversight of Group-wide functional risk management and the teams support respective CROs across various geographies.

(ii) The Risk CoEs consist of Asset Liability Management, Credit Risk, Market Risk, Non-Financial Risk Management (comprising Operational, Business Continuity, Technology, Third Party and Fraud Risk Management), Shariah Risk Management and Enterprise Risk and Infrastructure CoEs.

- **ENTERPRISE RISK AND INFRASTRUCTURE COE**

  The Enterprise Risk and Infrastructure CoE ensures the Group's compliance to capital adequacy and single counterparty exposure limit regulatory requirements, including Basel and underwriting model development, implementation and validation of risk models, and management of risk data for credit risk measurement and risk reporting across the Group. In addition, the climate risk unit within the CoE is responsible for working with Group Sustainability, various risk CoEs and business units to implement climate risk management at an enterprise level, in support of the Group's 2050 net zero ambition, which is to transition all operational and attributable greenhouse gas emissions from the Group's financing and investment portfolios in alignment with net zero pathways by 2050.

  Sustainability risk (including climate risk) is recognised as a principal and cross-cutting risk that manifests itself through existing risk types. Due to the cross-cutting nature of Sustainability risk, the implementation of Group-wide Sustainability Governance Framework is currently spearheaded and managed by Group Sustainability as the Sustainability CoE, which sits outside of Group Risk. Refer to the section on Sustainability Risk for further details. Notwithstanding this, Sustainability risk has been and will continue to be integrated into the Group's existing risk management frameworks.

Risk Management Overview

THE ROLES OF GROUP CRO AND GROUP RISK DIVISION (CONTINUED)

(B) RISK CENTRES OF EXCELLENCE (CONTINUED)

- **MARKET RISK COE**

  The Market Risk CoE recommends the framework and policies for the independent assessment, measurement and monitoring of market risk. This is operationalised through the review of treasury positions versus limits framework, performing mark-to-market valuation, validation of financial models, calculating Value-at-Risk and market risk capital, as well as performing stress testing.

- **NON-FINANCIAL RISK MANAGEMENT COE**

  The NFRM CoE ensures that the first line-of-defence manages their non-financial risks (which comprise of Operational, Technology, Third Party, Business Continuity and Fraud risks) effectively by providing frameworks that enable them to identify, assess, manage and report their non-financial risks. The NFRM CoE provides independent feedback, advisory and assessment to the execution of the non-financial risk frameworks by the first line-of-defence.

- **SHARIAH RISK COE**

  The Shariah Risk Management (SRM) CoE facilitates the process of identifying, measuring, controlling and monitoring SNC risks inherent in the Group's Islamic banking businesses and services. It formulates, recommends and implements appropriate SRM policies and procedures; as well as develops and implements processes to mitigate SNC risk and conducts training to enhance level of awareness on SNC risk.

- **ASSET LIABILITY MANAGEMENT COE**

  The Asset Liability Management CoE recommends the framework and policies for the independent assessment, measurement, monitoring and reporting of liquidity and funding risk and interest rate risk/rate of return risk in the banking book. It conducts regular stress testing on the Group's liquidity and interest rate risk/rate of return risk profile, by leveraging on the standardised infrastructure it has designed, built and implemented across the region. It provides the framework and tools for maintenance of the early warning system indicators and contingency funding plan by business owners across the Group.

- **CREDIT RISK COE**

  The Credit Risk CoE consists of Retail and Non-Retail credit risk and is dedicated to the identification and assessment, measurement, management, monitoring and reporting of credit risk in the Group. The scope under the CoE function includes areas ranging from development of credit risk policies, procedures and standards to advance portfolio analytics, and use of credit risk modelling (including rollout of alternative credit underwriting models leveraging on machine learning techniques for retail portfolios).

STRATEGIES AND PROCESSES FOR VARIOUS RISK MANAGEMENT

Information on strategies and processes for Credit Risk, Market Risk, Operational Risk, Interest Rate Risk/Rate of Return Risk in the Banking Book and Sustainability Risk are available in the later sections.

Shariah Governance Disclosure

The Islamic business in CIMB Group is managed and overseen by the Group Islamic Banking (GIB). Its products and services are managed in strict compliance with Shariah under the guidance of CIMB Islamic Board Shariah Committee.

The Board of Directors of CIMB Group, CIMB Investment Bank Berhad, and CIMB Bank Berhad delegate and empower the Board of Directors of CIMB Islamic Bank Berhad to undertake the overall oversight function of the Islamic businesses and operations of the whole CIMB Group, which in turn delegates overseeing of the Shariah governance of Islamic businesses and activities in CIMB Group to CIMB's Board Shariah Committee established under CIMB Islamic Bank Berhad.

Whilst the Board of Directors is accountable for the overall Shariah governance and compliance of the Islamic businesses in CIMB Group, the Management is to ensure execution of business and operations are in accordance with Shariah principles and to provide necessary support to the Board Shariah Committee.

Shariah Advisory and Governance Department ("S&G") of GIB which is basically a component of the Management serves as a coordinator of the overall Shariah governance of the Islamic businesses in CIMB Group. S&G is responsible to carry out Shariah Advisory, Secretariat, Governance, Research and Islamic Finance Capacity Building functions, whilst Shariah Review, Shariah Risk Management and Shariah Audit functions are performed by CIMB Group Compliance, Group Risk and Group Corporate Assurance Division respectively.

CIMB Group operates on a dual banking leverage model that utilises the full resources and infrastructure of CIMB Group. Accordingly, all divisions and staff of CIMB Group are responsible for complying with Shariah in their respective Islamic business activities.

In ensuring Islamic business activities are Shariah compliant and Shariah governance process are in place, S&G is to conduct the pre-product approval process, provide Shariah advisory and conduct in-depth Shariah research prior submission to the Board Shariah Committee. It is supported by control measures by Shariah Risk Management, regular review by Shariah Compliance Review and independent assessment by Shariah Audit. In CIMB Group, the Shariah Risk Management, Shariah Review, and Shariah Audit functions reside in Group Risk Division, Group Compliance, and Group Corporate Assurance Division respectively.

SHARIAH NON-COMPLIANCE INCOME DURING THE YEAR

During the year ended 31 December 2025, one SNC Actual event was recorded, involving approximately RM269,309.97 in profit collected from incidental Qard, arising from the non-execution of Tawarruq renewals for Accepted Bill-i and Multi-Currency Trade Financing-i at the facility level.

Capital Management

KEY CAPITAL MANAGEMENT PRINCIPLES

The key driving principles of CIMBGH Group's capital management policies are to diversify its sources of capital to allocate capital efficiently, and achieve and maintain an optimal and efficient capital structure of the CIMBGH Group, with the objective of balancing the need to meet the requirements of all key constituencies, including regulators, shareholders and rating agencies.

This is supported by the Capital Management Plan which is centrally supervised by CIMB Group Executive Committee who periodically assesses and reviews the capital requirements and source of capital across the Group, taking into account all on-going and future activities that consume or create capital, and ensuring that the minimum target for capital adequacy is met. Quarterly updates on capital position of the Group are also provided to the Board of Directors.

Included in the annual Capital Management Plan is the establishment of the internal minimum capital adequacy target which is substantially above the minimum regulatory requirement. In establishing this internal capital adequacy target, the Group considers many critical factors, including, amongst others, phasing-in of the capital adequacy requirement and capital buffer requirements, credit rating implication, current and future operating environment and peer comparisons.

CAPITAL STRUCTURE AND ADEQUACY

The capital adequacy framework applicable to the Malaysian banking entities is based on the Bank Negara Malaysia ("BNM") Capital Adequacy Framework (Capital Components)/Capital Adequacy Framework for Islamic Banks (Capital Components), of which the latest revisions were issued on 14 June 2024. The revised guidelines took effect on 14 June 2024 for all banking institutions and financial holding companies and sets out 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 CIMB Bank Group (other than CIMB Bank PLC), CIMB Bank and CIMB Islamic Bank are computed in accordance with the Capital Adequacy Framework (Basel II – Risk-Weighted Assets)/Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets), of which the latest revision was issued on 18 December 2023. The IRB Approach is applied for the major credit exposures. It prescribes two approaches, the F-IRB Approach and A-IRB Approach. The remaining credit exposures and Market Risk are on the Standardised Approach. The risk-weighted assets of CIMB Investment Bank Group are computed in accordance with Standardised Approach for Credit Risk and Market Risk based on the Capital Adequacy Framework (Basel II – Risk Weighted Assets). The components of eligible regulatory capital are based on the Capital Adequacy Framework (Capital Components). With effect from 1 January 2025, Operational Risk for CIMB Bank, CIMB Islamic Bank and CIMB Investment Bank Group is based on Standardised Approach as stipulated by the Capital Adequacy Framework (Operational Risk) issued by BNM on 15 December 2023.

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

The tables below present the Capital Position of CIMBBG, CIMBISLG and CIMBIBG respectively.

TABLE 1(A): CAPITAL POSITION FOR CIMBBG

	CIMBBG	
(RM'000)	**2025**	**2024**
Common Equity Tier 1 capital		
Ordinary share capital	**24,539,214**	24,539,214
Other reserves	**31,844,960**	29,936,796
Qualifying non-controlling interests	**153,787**	162,120
Less: Proposed dividends	**(1,944,213)**	(1,641,481)
Common Equity Tier 1 capital before regulatory adjustments	**54,593,748**	52,996,649
Less: Regulatory adjustments		
Goodwill	**(3,940,946)**	(3,945,365)
Intangible assets	**(1,275,804)**	(1,241,572)
Deferred tax assets	**(1,134,007)**	(1,367,399)
Regulatory reserve	**(2,399,918)**	(1,777,092)
Others	**(93,681)**	5,801
Common Equity Tier 1 capital after regulatory adjustments	**45,749,392**	44,671,022
Additional Tier 1 capital		
Perpetual subordinated capital securities	**1,150,000**	1,150,000
Qualifying capital instruments held by third parties	**32,110**	33,398
Additional Tier 1 capital before regulatory adjustments	**1,182,110**	1,183,398
Less: Regulatory adjustments		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	**–**	–
Additional Tier 1 capital after regulatory adjustments	**1,182,110**	1,183,398
Total Tier 1 capital	**46,931,502**	45,854,420

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 1(A): CAPITAL POSITION FOR CIMBBG (CONTINUED)

	CIMBBG	
(RM'000)	**2025**	**2024**
Tier 2 capital		
Subordinated obligations	**9,400,000**	8,400,000
Qualifying capital instruments held by third parties	**207,822**	218,983
Surplus of eligible provisions over expected loss	**1,135,835**	1,074,626
General provisions	**803,372**	816,883
Tier 2 capital before regulatory adjustments	**11,547,029**	10,510,492
Less: Regulatory adjustments		
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	**–**	–
Total Tier 2 capital after regulatory adjustments	**11,547,029**	10,510,492
Total capital	**58,478,531**	56,364,912
RWA		
Credit risk	**254,663,651**	244,454,914
Market risk	**25,576,105**	21,471,826
Large exposure risk requirement	**1,349,742**	1,306,841
Operational risk	**32,150,152**	28,842,989
Total RWA	**313,739,650**	296,076,570
Capital Adequacy Ratios		
Before deducting proposed dividend		
Common Equity Tier 1 ratio	**15.202%**	15.642%
Tier 1 ratio	**15.578%**	16.042%
Total Capital ratio	**19.259%**	19.592%
After deducting proposed dividend		
Common Equity Tier 1 ratio	**14.582%**	15.088%
Tier 1 ratio	**14.959%**	15.487%
Total Capital ratio	**18.639%**	19.037%

Total Capital ratio decreased in 2025 compared to 2024 primarily due to (i) higher Total RWA, (ii) FY2025 proposed dividend, (iii) higher regulatory reserves; offset by (iv) issuance of RM1.0 billion T2 Sukuk and (v) higher other reserves. The increase in RWA is from higher Credit RWA, Market RWA and Operational RWA.

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 1(B): CAPITAL POSITION FOR CIMBISLG

	CIMBISLG	
(RM'000)	**2025**	**2024**
Common Equity Tier 1 capital		
Ordinary share capital	**1,000,000**	1,000,000
Other reserves	**10,672,096**	9,534,786
Common Equity Tier 1 capital before regulatory adjustments	**11,672,096**	10,534,786
Less: Regulatory adjustments		
Goodwill	**(136,000)**	(136,000)
Intangible assets	**(7,036)**	(752)
Deferred tax assets	**(219,752)**	(253,556)
Regulatory reserve	**(642,920)**	(397,222)
Others	**1,726**	(426)
Common Equity Tier 1 capital after regulatory adjustments	**10,668,114**	9,746,830
Additional Tier 1 capital		
Perpetual preference shares	**350,000**	350,000
Additional Tier 1 capital before regulatory adjustments	**350,000**	350,000
Less: Regulatory adjustments	**–**	–
Additional Tier 1 capital after regulatory adjustments	**350,000**	350,000
Total Tier 1 capital	**11,018,114**	10,096,830
Tier 2 capital		
Subordinated Sukuk	**1,700,000**	1,500,000
Surplus of eligible provisions over expected loss	**188,514**	210,788
General provisions	**88,601**	87,847
Total Tier 2 capital	**1,977,115**	1,798,635
Total capital	**12,995,229**	11,895,465
RWA		
Credit risk	**65,175,350**	60,540,585
Market risk	**683,467**	736,474
Operational risk	**5,917,744**	5,742,135
Total RWA	**71,776,561**	67,019,194
Capital Adequacy Ratios		
Common Equity Tier 1 ratio	**14.863%**	14.543%
Tier 1 ratio	**15.351%**	15.066%
Total Capital ratio	**18.105%**	17.749%

Total Capital ratio increased in 2025 compared to 2024 mainly due to (i) higher retained earnings and (ii) issuance of RM200 million Tier 2 Junior Sukuk; offset by (iii) higher Total RWA. The increase in RWA is mainly due to higher Credit RWA and Operational RWA; offset by lower Market RWA.

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 1(C): CAPITAL POSITION FOR CIMBIBG

	CIMBIBG	
(RM'000)	**2025**	**2024**
Common Equity Tier 1 capital		
Ordinary share capital	**100,000**	100,000
Other reserves	**589,541**	573,413
Less: Proposed dividends	**(89,780)**	(81,400)
Common Equity Tier 1 capital before regulatory adjustments	**599,761**	592,013
Less: Regulatory adjustments		
Goodwill	**(41,538)**	(41,538)
Deferred tax assets	**(17,177)**	(16,178)
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	**(6,953)**	(5,721)
Intangible assets	**(26,214)**	(28,691)
Common Equity Tier 1 capital after regulatory adjustments/total Tier 1 capital	**507,879**	499,885
RWA		
Credit risk	**162,381**	139,686
Market risk	**16,345**	13,765
Operational risk	**551,671**	518,078
Total RWA	**730,397**	671,529
Capital Adequacy Ratios		
Before deducting proposed dividend		
Common Equity Tier 1 ratio	**81.827%**	86.561%
Tier 1 ratio	**81.827%**	86.561%
Total Capital ratio	**81.827%**	86.561%
After deducting proposed dividend		
Common Equity Tier 1 ratio	**69.535%**	74.440%
Tier 1 ratio	**69.535%**	74.440%
Total Capital ratio	**69.535%**	74.440%

Total Capital ratio decreased in 2025 compared to 2024 mainly due to increase in RWA; offset by higher retained earnings. The increase in RWA is mainly arising from higher Credit RWA, Market RWA and Operational RWA.

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

The tables below show the RWA under various exposure classes under the relevant approach and applying the minimum regulatory capital requirement at 8% to establish the minimum capital required for each of the exposure classes:

TABLE 2(A): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBBG

2025	CIMBBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	114,021,254	114,021,254	1,139,531	1,139,531	91,162
Public Sector Entities	12,415,796	12,415,755	87,632	87,632	7,011
Banks, DFIs & MDBs	3,595,375	3,595,375	1,239,689	1,239,689	99,175
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	3,127,271	2,918,375	2,478,358	2,478,358	198,269
Corporate	36,312,189	30,803,540	25,821,323	25,420,457	2,033,637
Regulatory Retail	30,721,220	29,618,854	18,506,913	17,748,426	1,419,874
Residential Mortgages/RRE Financing	17,792,358	17,744,703	8,784,594	8,770,618	701,649
Higher Risk Assets	1,891,867	1,891,867	2,837,800	2,837,800	227,024
Other Assets	9,502,483	9,502,483	4,281,984	4,281,984	342,559
Securitisation	331,905	331,905	66,381	66,381	5,310
Equity Exposure	198,908	198,908	198,908	198,908	15,913
Total for SA	229,910,626	223,043,020	65,443,114	64,269,784	5,141,583
Exposures under the IRB Approach					
Sovereign/Central Banks	–	–	–	–	–
Public Sector Entities	–	–	–	–	–
Banks, DFIs & MDBs	50,371,507	50,371,507	10,451,147	10,451,147	836,092
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	–	–	–	–	–
Corporate	167,299,005	167,299,005	104,007,785	98,458,138	7,876,651
Residential Mortgages/RRE Financing	125,104,296	125,104,296	32,016,439	30,912,464	2,472,997
Qualifying Revolving Retail	16,277,207	16,277,207	11,646,745	11,646,745	931,740
Hire Purchase	27,229,469	27,229,469	22,000,526	11,992,386	959,391
Other Retail	54,297,362	54,297,362	15,179,157	15,129,601	1,210,368
Securitisation	–	–	–	–	–
Total for IRB Approach	440,578,845	440,578,845	195,301,799	178,590,481	14,287,238
Exposure to Central Counterparties					
Banks, DFIs & MDBs	1,868,763	1,868,763	264,634	264,634	21,171
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,050,543	2,050,543	823,322	823,322	65,866
Total for Exposure to Central Counterparties	3,919,306	3,919,306	1,087,957	1,087,957	87,037
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	674,408,778	667,541,172	273,550,978	254,663,651	20,373,092
Large Exposure Risk Requirement	1,349,742	1,349,742	1,349,742	1,349,742	107,979
Market Risk (SA)					
Interest Rate Risk/profit Rate Risk			22,606,593	22,606,593	1,808,527
Foreign Currency Risk			987,742	987,742	79,019
Equity Risk			759,148	759,148	60,732
Commodity Risk			105,083	105,083	8,407
Options Risk			1,117,540	1,117,540	89,403
Total Market Risk			25,576,105	25,576,105	2,046,088
Operational Risk			32,150,152	32,150,152	2,572,012
Total RWA and Capital Requirement			332,626,977	313,739,650	25,099,172

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(A)(I): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBBG'S ISLAMIC BANKING WINDOW

2025	CIMBBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	**23,613,803**	**23,613,803**	**–**	**–**	**–**
Public Sector Entities	**12,409,575**	**12,409,575**	**86,396**	**86,396**	**6,912**
Banks, DFIs & MDBs	**226**	**226**	**45**	**45**	**4**
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	**8,875**	**8,875**	**4,822**	**4,822**	**386**
Corporate	**7,130,350**	**7,064,698**	**4,205,695**	**3,804,829**	**304,386**
Regulatory Retail	**10,616,610**	**10,545,172**	**5,797,261**	**5,038,774**	**403,102**
Residential Mortgages/RRE Financing	**511,863**	**511,853**	**248,565**	**234,589**	**18,767**
Higher Risk Assets	**–**	**–**	**–**	**–**	**–**
Other Assets	**164,365**	**164,365**	**159,449**	**159,449**	**12,756**
Securitisation	**10,303**	**10,303**	**2,061**	**2,061**	**165**
Equity Exposure	**–**	**–**	**–**	**–**	**–**
Total for SA	**54,465,970**	**54,328,870**	**10,504,293**	**9,330,964**	**746,477**
Exposures under the IRB Approach					
Sovereign/Central Banks	**–**	**–**	**–**	**–**	**–**
Public Sector Entities	**–**	**–**	**–**	**–**	**–**
Banks, DFIs & MDBs	**6,345,245**	**6,345,245**	**830,343**	**830,343**	**66,427**
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	**–**	**–**	**–**	**–**	**–**
Corporate	**51,107,704**	**51,107,704**	**32,649,383**	**27,099,736**	**2,167,979**
Residential Mortgages/RRE Financing	**55,614,790**	**55,614,790**	**16,689,907**	**15,585,933**	**1,246,875**
Qualifying Revolving Retail	**1,658,803**	**1,658,803**	**1,328,541**	**1,328,541**	**106,283**
Hire Purchase	**21,565,803**	**21,565,803**	**17,863,845**	**7,855,705**	**628,456**
Other Retail	**26,428,365**	**26,428,365**	**5,568,309**	**5,518,752**	**441,500**
Securitisation	**–**	**–**	**–**	**–**	**–**
Total for IRB Approach	**162,720,710**	**162,720,710**	**74,930,328**	**58,219,010**	**4,657,521**
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	**217,186,680**	**217,049,580**	**89,930,441**	**71,043,114**	**5,683,449**
Large Exposure Risk Requirement	**–**	**–**	**–**	**–**	**–**
Market Risk (SA)					
Interest Rate Risk/profit Rate Risk			**–**	**–**	**–**
Foreign Currency Risk			**–**	**–**	**–**
Equity Risk			**–**	**–**	**–**
Commodity Risk			**–**	**–**	**–**
Options Risk			**–**	**–**	**–**
Total Market Risk			**–**	**–**	**–**
Operational Risk			**–**	**–**	**–**
Total RWA and Capital Requirement			**89,930,441**	**71,043,114**	**5,683,449**

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(A): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBBG (CONTINUED)

2024	CIMBBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	111,043,510	110,950,370	1,110,020	1,110,020	88,802
Public Sector Entities	12,744,726	12,744,673	101,493	101,493	8,119
Banks, DFIs & MDBs	2,980,536	2,980,536	1,303,795	1,303,795	104,304
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	5,257,195	4,488,486	3,332,297	3,332,297	266,584
Corporate	36,867,850	31,641,399	26,279,465	26,024,396	2,081,952
Regulatory Retail	29,509,912	28,426,745	17,307,004	16,792,847	1,343,428
Residential Mortgages/RRE Financing	17,832,851	17,821,586	8,860,193	8,849,689	707,975
Higher Risk Assets	1,875,930	1,875,930	2,813,895	2,813,895	225,112
Other Assets	18,895,845	18,895,845	4,958,454	4,958,454	396,676
Securitisation	318,362	318,362	63,672	63,672	5,094
Equity Exposure	54	54	54	54	4
Total for SA	237,326,772	230,143,987	66,130,344	65,350,613	5,228,049
Exposures under the IRB Approach					
Sovereign/Central Banks	–	–	–	–	–
Public Sector Entities	–	–	–	–	–
Banks, DFIs & MDBs	46,158,407	46,158,407	10,190,778	10,190,778	815,262
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	–	–	–	–	–
Corporate	163,947,438	163,947,438	99,331,318	98,100,908	7,848,073
Residential Mortgages/RRE Financing	120,870,141	120,870,141	28,243,933	27,221,833	2,177,747
Qualifying Revolving Retail	15,124,749	15,124,749	8,072,276	8,072,276	645,782
Hire Purchase	25,403,252	25,403,252	20,459,929	11,084,507	886,761
Other Retail	55,446,666	55,446,666	14,312,740	14,296,020	1,143,682
Securitisation	–	–	–	–	–
Total for IRB Approach	426,950,654	426,950,654	180,610,974	168,966,322	13,517,306
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	664,277,426	657,094,641	257,577,977	244,454,914	19,556,393
Large Exposure Risk Requirement	1,306,841	1,306,841	1,306,841	1,306,841	104,547
Market Risk (SA)					
Interest Rate Risk/profit Rate Risk			18,984,387	18,984,387	1,518,751
Foreign Currency Risk			874,682	874,682	69,975
Equity Risk			252,456	252,456	20,196
Commodity Risk			307,606	307,606	24,608
Options Risk			1,052,695	1,052,695	84,216
Total Market Risk			21,471,826	21,471,826	1,717,746
Operational Risk (BIA)			28,842,989	28,842,989	2,307,439
Total RWA and Capital Requirement			309,199,633	296,076,570	23,686,126

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(A)(I): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBBG'S ISLAMIC BANKING WINDOW

2024	CIMBBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	23,592,171	23,592,171	–	–	–
Public Sector Entities	12,737,591	12,737,591	100,077	100,077	8,006
Banks, DFIs & MDBs	88	88	18	18	1
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	11,505	11,505	11,505	11,505	920
Corporate	6,555,844	6,413,399	3,637,103	3,382,034	270,563
Regulatory Retail	10,453,077	10,381,785	5,464,586	4,950,428	396,034
Residential Mortgages/RRE Financing	512,664	512,664	252,740	242,236	19,379
Higher Risk Assets	–	–	–	–	–
Other Assets	175,620	175,620	174,723	174,723	13,978
Securitisation	10,274	10,274	2,055	2,055	164
Equity Exposure	–	–	–	–	–
Total for SA	54,048,833	53,835,097	9,642,807	8,863,076	709,046
Exposures under the IRB Approach					
Sovereign/Central Banks	–	–	–	–	–
Public Sector Entities	–	–	–	–	–
Banks, DFIs & MDBs	3,731,757	3,731,757	479,394	479,394	38,352
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	–	–	–	–	–
Corporate	41,705,702	41,705,702	27,061,677	25,831,267	2,066,501
Residential Mortgages/RRE Financing	50,967,923	50,967,923	14,513,090	13,490,990	1,079,279
Qualifying Revolving Retail	1,125,566	1,125,566	709,301	709,301	56,744
Hire Purchase	19,825,730	19,825,730	16,283,701	6,908,279	552,662
Other Retail	28,060,597	28,060,597	5,854,288	5,837,568	467,005
Securitisation	–	–	–	–	–
Total for IRB Approach	145,417,274	145,417,274	64,901,450	53,256,798	4,260,544
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	199,466,108	199,252,371	78,438,344	65,315,281	5,225,222
Large Exposure Risk Requirement	–	–	–	–	–
Market Risk (SA)					
Interest Rate Risk/profit Rate Risk			–	–	–
Foreign Currency Risk			–	–	–
Equity Risk			–	–	–
Commodity Risk			–	–	–
Options Risk			–	–	–
Total Market Risk			–	–	–
Operational Risk (BIA)			–	–	–
Total RWA and Capital Requirement			78,438,344	65,315,281	5,225,222

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(B): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBISLG

2025	CIMBISLG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	**23,613,803**	**23,613,803**	**–**	**–**	**–**
Public Sector Entities	**2,830,642**	**2,830,642**	**76,637**	**76,637**	**6,131**
Banks, DFIs & MDBs	**226**	**226**	**45**	**45**	**4**
Takaful Operators, Securities Firms & Fund Managers	**5,520**	**5,520**	**1,466**	**1,466**	**117**
Corporate	**5,388,338**	**5,325,195**	**3,146,484**	**2,745,617**	**219,649**
Regulatory Retail	**8,547,578**	**8,476,140**	**4,626,707**	**3,868,220**	**309,458**
RRE Financing	**511,863**	**511,853**	**248,565**	**234,589**	**18,767**
Higher Risk Assets	**–**	**–**	**–**	**–**	**–**
Other Assets	**164,365**	**164,365**	**159,449**	**159,449**	**12,756**
Securitisation	**10,303**	**10,303**	**2,061**	**2,061**	**165**
Total for SA	**41,072,637**	**40,938,046**	**8,261,414**	**7,088,085**	**567,047**
Exposures under the IRB Approach					
Sovereign/Central Banks	**–**	**–**	**–**	**–**	**–**
Public Sector Entities	**–**	**–**	**–**	**–**	**–**
Banks, DFIs & MDBs	**8,605,000**	**8,605,000**	**1,153,960**	**1,153,960**	**92,317**
Takaful Operators, Securities Firms & Fund Managers	**–**	**–**	**–**	**–**	**–**
Corporate	**43,534,646**	**43,534,646**	**29,764,380**	**23,356,417**	**1,868,513**
RRE Financing	**55,614,790**	**55,614,790**	**16,689,907**	**15,585,933**	**1,246,875**
Qualifying Revolving Retail	**1,658,803**	**1,658,803**	**1,328,541**	**1,328,541**	**106,283**
Hire Purchase	**21,565,803**	**21,565,803**	**17,863,845**	**7,855,705**	**628,456**
Other Retail	**26,428,365**	**26,428,365**	**5,568,309**	**5,518,752**	**441,500**
Securitisation	**–**	**–**	**–**	**–**	**–**
Total for IRB Approach	**157,407,408**	**157,407,408**	**72,368,942**	**54,799,307**	**4,383,945**
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	**198,480,045**	**198,345,454**	**84,972,492**	**65,175,350**	**5,214,028**
Large Exposure Risk Requirement	**–**	**–**	**–**	**–**	**–**
Market Risk (SA)					
Benchmark Rate Risk			**608,387**	**608,387**	**48,671**
Foreign Currency Risk			**75,080**	**75,080**	**6,006**
Equity Risk			**–**	**–**	**–**
Commodity Risk			**–**	**–**	**–**
Options Risk			**–**	**–**	**–**
Total Market Risk			**683,467**	**683,467**	**54,677**
Operational Risk			**5,917,744**	**5,917,744**	**473,420**
Total RWA and Capital Requirement			**91,573,703**	**71,776,561**	**5,742,125**

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(B): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBISLG (CONTINUED)

2024	CIMBISLG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	23,592,171	23,592,171	–	–	–
Public Sector Entities	3,158,886	3,158,886	84,336	84,336	6,747
Banks, DFIs & MDBs	88	88	18	18	1
Takaful Operators, Securities Firms & Fund Managers	944	944	944	944	76
Corporate	5,087,165	4,946,472	2,843,746	2,588,677	207,094
Regulatory Retail	8,531,911	8,460,776	4,448,960	3,934,803	314,784
RRE Financing	512,664	512,664	252,740	242,236	19,379
Higher Risk Assets	–	–	–	–	–
Other Assets	175,620	175,620	174,723	174,723	13,978
Securitisation	10,274	10,274	2,055	2,055	164
Total for SA	41,069,724	40,857,896	7,807,522	7,027,791	562,223
Exposures under the IRB Approach					
Sovereign/Central Banks	–	–	–	–	–
Public Sector Entities	–	–	–	–	–
Banks, DFIs & MDBs	4,724,813	4,724,813	696,962	696,962	55,757
Takaful Operators, Securities Firms & Fund Managers	–	–	–	–	–
Corporate	36,443,541	36,443,541	25,073,059	22,840,669	1,827,254
RRE Financing	50,967,923	50,967,923	14,513,090	13,490,990	1,079,279
Qualifying Revolving Retail	1,125,566	1,125,566	709,301	709,301	56,744
Hire Purchase	19,825,730	19,825,730	16,283,701	6,908,279	552,662
Other Retail	28,060,597	28,060,597	5,854,288	5,837,568	467,005
Securitisation	–	–	–	–	–
Total for IRB Approach	141,148,170	141,148,170	63,130,400	50,483,768	4,038,701
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	182,217,893	182,006,065	74,725,746	60,540,585	4,843,247
Large Exposure Risk Requirement	–	–	–	–	–
Market Risk (SA)					
Benchmark Rate Risk			706,084	706,084	56,487
Foreign Currency Risk			30,390	30,390	2,431
Equity Risk			–	–	–
Commodity Risk			–	–	–
Options Risk			–	–	–
Total Market Risk			736,474	736,474	58,918
Operational Risk (BIA)			5,742,135	5,742,135	459,371
Total RWA and Capital Requirement			81,204,355	67,019,194	5,361,536

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(C): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBIBG

2025	CIMBIBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)	Net Exposure after CRM (SA)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk (SA)					
Sovereign/Central Banks	**378,616**	**378,616**	**–**	**–**	**–**
Public Sector Entities	**–**	**–**	**–**	**–**	**–**
Banks, DFIs & MDBs	**232,535**	**232,535**	**81,810**	**81,810**	**6,545**
Insurance Cos, Securities Firms & Fund Managers	**–**	**–**	**–**	**–**	**–**
Corporate	**16,847**	**16,847**	**16,847**	**16,847**	**1,348**
Regulatory Retail	**–**	**–**	**–**	**–**	**–**
Residential Mortgages	**–**	**–**	**–**	**–**	**–**
Higher Risk Assets	**–**	**–**	**–**	**–**	**–**
Other Assets	**65,188**	**65,188**	**63,724**	**63,724**	**5,098**
Securitisation	**–**	**–**	**–**	**–**	**–**
Total Credit Risk	**693,186**	**693,186**	**162,381**	**162,381**	**12,990**
Large Exposure Risk Requirement	**–**	**–**	**–**	**–**	**–**
Market Risk (SA)					
Interest Rate Risk			**–**	**–**	**–**
Foreign Currency Risk			**16,345**	**16,345**	**1,308**
Equity Risk			**–**	**–**	**–**
Commodity Risk			**–**	**–**	**–**
Options Risk			**–**	**–**	**–**
Total Market Risk			**16,345**	**16,345**	**1,308**
Operational Risk			**551,671**	**551,671**	**44,134**
Total RWA and Capital Requirement			**730,397**	**730,397**	**58,432**

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(C)(I): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBIBG'S ISLAMIC BANKING WINDOW

2025	CIMBIBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)	Net Exposure after CRM (SA)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk (SA)					
Sovereign/Central Banks	**10,017**	**10,017**	**–**	**–**	**–**
Public Sector Entities	**–**	**–**	**–**	**–**	**–**
Banks, DFIs & MDBs	**95,073**	**95,073**	**19,015**	**19,015**	**1,521**
Insurance Cos, Securities Firms & Fund Managers	**–**	**–**	**–**	**–**	**–**
Corporate	**97**	**97**	**97**	**97**	**8**
Regulatory Retail	**–**	**–**	**–**	**–**	**–**
Residential Mortgages	**–**	**–**	**–**	**–**	**–**
Higher Risk Assets	**–**	**–**	**–**	**–**	**–**
Other Assets	**4,600**	**4,600**	**4,600**	**4,600**	**368**
Securitisation	**–**	**–**	**–**	**–**	**–**
Total Credit Risk	**109,787**	**109,787**	**23,711**	**23,711**	**1,897**
Large Exposure Risk Requirement	**–**	**–**	**–**	**–**	**–**
Market Risk (SA)					
Interest Rate Risk			**–**	**–**	**–**
Foreign Currency Risk			**–**	**–**	**–**
Equity Risk			**–**	**–**	**–**
Commodity Risk			**–**	**–**	**–**
Options Risk			**–**	**–**	**–**
Total Market Risk			**–**	**–**	**–**
Operational Risk			**–**	**–**	**–**
Total RWA and Capital Requirement			**23,711**	**23,711**	**1,897**

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(C): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBIBG (CONTINUED)

2024	CIMBIBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)	Net Exposure after CRM (SA)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk (SA)					
Sovereign/Central Banks	413,217	413,217	–	–	–
Public Sector Entities	–	–	–	–	–
Banks, DFIs & MDBs	209,126	209,126	74,455	74,455	5,956
Insurance Cos, Securities Firms & Fund Managers	–	–	–	–	–
Corporate	15,859	15,859	15,859	15,859	1,269
Regulatory Retail	–	–	–	–	–
Residential Mortgages	–	–	–	–	–
Higher Risk Assets	–	–	–	–	–
Other Assets	49,378	49,378	49,372	49,372	3,950
Securitisation	–	–	–	–	–
Total Credit Risk	687,580	687,580	139,686	139,686	11,175
Large Exposure Risk Requirement	–	–	–	–	–
Market Risk (SA)					
Interest Rate Risk			–	–	–
Foreign Currency Risk			13,765	13,765	1,101
Equity Risk			–	–	–
Commodity Risk			–	–	–
Options Risk			–	–	–
Total Market Risk			13,765	13,765	1,101
Operational Risk (BIA)			518,078	518,078	41,446
Total RWA and Capital Requirement			671,529	671,529	53,722

Capital Management

CAPITAL STRUCTURE AND ADEQUACY (CONTINUED)

TABLE 2(C)(I): DISCLOSURE ON TOTAL RWA AND MINIMUM CAPITAL REQUIREMENT FOR CIMBIBG'S ISLAMIC BANKING WINDOW

2024	CIMBIBG				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)	Net Exposure after CRM (SA)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk (SA)					
Sovereign/Central Banks	10,014	10,014	–	–	–
Public Sector Entities	–	–	–	–	–
Banks, DFIs & MDBs	79,536	79,536	15,934	15,934	1,275
Insurance Cos, Securities Firms & Fund Managers	–	–	–	–	–
Corporate	62	62	62	62	5
Regulatory Retail	–	–	–	–	–
Residential Mortgages	–	–	–	–	–
Higher Risk Assets	–	–	–	–	–
Other Assets	3,550	3,550	3,550	3,550	284
Securitisation	–	–	–	–	–
Total Credit Risk	93,163	93,163	19,547	19,547	1,564
Large Exposure Risk Requirement	–	–	–	–	–
Market Risk (SA)					
Interest Rate Risk			–	–	–
Foreign Currency Risk			–	–	–
Equity Risk			–	–	–
Commodity Risk			–	–	–
Options Risk			–	–	–
Total Market Risk			–	–	–
Operational Risk (BIA)			79,415	79,415	6,353
Total RWA and Capital Requirement			98,962	98,962	7,917

INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS (ICAAP)

The Group has in place an EWRM framework that aligns ICAAP requirements into the Group's risk management and control activities. The coverage of ICAAP includes the following:

a) Assessing the risk profile of the bank.

b) Assessing the capital adequacy and capital management strategies.

c) Monitoring compliance with regulatory requirement on capital adequacy.

d) Reporting to management and regulator on ICAAP.

e) Governance and independent review.

The full ICAAP cycle, from initial planning to regulatory submission and independent review, involves close coordination among the risk, capital and finance functions together with business and support units. In line with BNM's guidelines on RWCAF (Basel II) – ICAAP (Pillar 2) and CAFIB – ICAAP (Pillar 2), the Group submits its ICAAP report to the BRCC for approval and the Board for notification.

Credit Risk

Credit risk is defined as the possibility of losses due to an obligor, market counterparty or an issuer of securities or other instruments held, failing to perform its contractual obligations to the Group.

Credit risk is inherent in banking activities and arises from traditional financing activities through conventional loans, financing facilities, trade finance, as well as commitments to support clients' obligations to third parties, e.g. guarantees or kafalah contracts. In derivatives, sales and trading activities, credit risk arises from the possibility that the Group's counterparties will be unable or unwilling to fulfil their obligation on transactions on or before settlement dates.

CREDIT RISK MANAGEMENT

Without effective credit risk management, the impact of the potential losses can be overwhelming. The purpose of credit risk management is to keep credit risk exposure to an acceptable level vis-à-vis the capital, and to ensure the returns commensurate with the risks.

Consistent with the Three Lines-of-Defence model on risk management where risks are managed initially from the onset of risk-taking activities, the Group implemented the risk-based delegated authority framework. This promotes clarity of risk accountability whereby the business unit, being the first line-of-defence, manages risk in a proactive manner with Group Risk being independent from the business units, functions as the second line-of-defence. This enhances the collaboration between Group Risk and the business units.

The risk-based delegated authority framework encompasses joint delegated authority, enhanced credit approval process and a clear set of policies and procedures that defines the limits and types of authority designated to specific individuals.

The Group adopts a multi-tiered credit approving authority spanning from the delegated authorities at business level, joint delegated authorities between business units and Group Risk, to the various credit committees. The credit approving committees are set up to enhance the efficiency and effectiveness of the credit oversight as well as the credit approval process for all credit applications originating from the business units. For corporate, commercial and private banking loans/financing, credit applications are independently evaluated by the Credit Risk (Non-Retail) CoE team prior to submission to the joint delegated authority or the relevant committees for approval; certain business units' officers are delegated with credit approving authority to approve low value credit facilities. In addition, for loan/financing to sectors and clients that are exposed to high environmental and social risks, the Sustainability CoE conducts due diligence from an environmental and social point of view. For retail loans/financing, all credit applications are evaluated and approved by Consumer Credit Operations according to the designated delegated authority with higher limits submitted to joint delegated authority or relevant committees for approval.

The GRCC, with the support of Group Credit Committee, Group Asset Quality Committee, other relevant credit committees as well as Group Risk, is responsible for ensuring adherence to the Board's approved risk appetite and risk posture. This, amongst others, includes reviewing and analysing portfolio trends, asset quality, watch-list reporting and policy reviews. It is also responsible for articulating key credit risks and mitigating controls.

Adherence to and compliance with country sector limit, single customer and global counterparty limits, are approaches adopted to address concentration risk relating to any large sector or industry, or to a particular counterparty group or individual and country. To align with tightening climate-related regulatory expectations and support the Group's 2050 Net Zero commitment by 2050, a Sustainability Overlay – currently based on sector sensitivities to transition risks using the Transition Risk Heatmap developed by the United Nations Environment Programme Finance Initiative (UNEP-FI) was incorporated into Group Risk's Country Sector Limit Methodology since 2022. The Sustainability Overlay is reviewed and refreshed annually by Group Sustainability and/or the climate risk unit, integrating emerging insights, including those from climate risk stress testing exercises. In order to ensure sustainability considerations are accounted for in the early stages of business planning, an Overall Sustainability Rating has been applied alongside other risk factors as part of the Risk Posture setting since 2022, and annually updated, to set the risk direction for the Group and its entities before the formal budget process starts.

Adherence to the above established credit limits is monitored daily by Group Risk Division, which aggregates all exposures for each counterparty or group, including off balance sheet items and potential exposures. For retail products, portfolio limits are monitored monthly by Group Risk Division.

Credit Risk

CREDIT RISK MANAGEMENT (CONTINUED)

It is the Group policy that all exposures must be rated or scored based on the appropriate internal rating models, where available. Retail exposures are managed on a portfolio basis and the risk rating models are designed to assess the credit worthiness and the likelihood of the obligors to repay their debts, performed by way of statistical analysis from credit bureau and demographic information of the obligors. The risk rating models for non-retail exposures are designed to assess the credit worthiness of the corporations or entities in paying their obligations, derived from both quantitative and qualitative risk factors such as financial history and demographics or company profile. These rating models are developed and implemented to standardise and enhance the credit underwriting and decision-making process for the Group's retail and non-retail exposures.

Credit reviews and rating are conducted on the non-retail credit exposures at minimum on an annual basis, and more frequently when material information on the obligor or other external factors is made available.

The exposures are actively monitored, reviewed on a regular basis and reported regularly to the GRCC and BRCC. Asset quality is closely monitored so that deteriorating exposures are identified, analysed and discussed with the relevant business units for appropriate remedial actions, including recovery actions, if required.

The Group recognises that our financing activities may have an impact on the environment and society and such impact may in turn result in potential financial and reputational risks to the Group. Our sustainable financing approach integrates environmental, social and economic/ethical considerations, into our credit risk assessment process for our financing practices and capital raising transactions, whereby clients and transactions identified to have high sustainability risk or potential concern are subject to a structured due diligence and escalation process. Refer to the section on Sustainability Risk for further details.

The Group quantifies credit concentration risk by leveraging on the credit VaR engine, CreditMetrics. Using the CreditMetrics approach, the portfolio's Value at Risk is estimated after taking into account the effects of portfolio diversification across obligors and sectors. Hence, the risk computed covers both default/credit migration risk as well as credit concentration risk (single name and sector concentration).

Credit Risk

SUMMARY OF CREDIT EXPOSURES

I) GROSS CREDIT EXPOSURES BY GEOGRAPHIC DISTRIBUTION

The geographic distribution is based on the country in which the portfolio is geographically managed.

The following tables represent the Group's credit exposures by geographic region:

TABLE 3(A): GEOGRAPHIC DISTRIBUTION OF CREDIT EXPOSURES FOR CIMBBG

	CIMBBG				
(RM'000) Exposure Class	**Malaysia**	**Singapore**	**Thailand**	**Other Countries**	**Total**
2025					
Sovereign	**78,681,952**	**18,945,374**	**13,159,031**	**3,234,897**	**114,021,254**
PSE	**12,415,796**	**–**	**–**	**–**	**12,415,796**
Bank	**31,062,602**	**6,111,837**	**11,197,850**	**7,463,355**	**55,835,645**
Corporate	**132,095,676**	**44,470,045**	**17,109,859**	**15,113,428**	**208,789,008**
Mortgage/RRE Financing	**119,518,034**	**8,528,346**	**14,850,274**	**–**	**142,896,654**
HPE	**27,229,469**	**–**	**–**	**–**	**27,229,469**
QRRE	**13,312,720**	**2,964,486**	**–**	**–**	**16,277,207**
Other Retail	**67,862,748**	**10,083,025**	**5,542,357**	**1,530,452**	**85,018,582**
Other Exposures	**4,882,113**	**1,155,107**	**2,894,893**	**2,993,051**	**11,925,164**
Total Gross Credit Exposure	**487,061,111**	**92,258,219**	**64,754,264**	**30,335,183**	**674,408,778**
2024					
Sovereign	80,592,500	17,678,767	11,100,160	1,672,082	111,043,510
PSE	12,744,726	–	–	–	12,744,726
Bank	31,221,129	3,360,143	8,748,364	5,809,307	49,138,944
Corporate	129,809,219	46,551,071	18,731,793	10,980,400	206,072,483
Mortgage/RRE Financing	115,530,642	8,109,667	15,062,684	–	138,702,992
HPE	25,403,252	–	–	–	25,403,252
QRRE	12,349,532	2,775,217	–	–	15,124,749
Other Retail	67,969,974	8,899,131	6,338,714	1,748,760	84,956,578
Other Exposures	6,010,130	944,350	10,578,061	3,557,650	21,090,191
Total Gross Credit Exposure	481,631,104	88,318,346	70,559,776	23,768,200	664,277,426

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

I) GROSS CREDIT EXPOSURES BY GEOGRAPHIC DISTRIBUTION (CONTINUED)

TABLE 3(B): GEOGRAPHIC DISTRIBUTION OF CREDIT EXPOSURES FOR CIMBISLG

	CIMBISLG				
(RM'000) **Exposure Class**	**Malaysia**	**Singapore**	**Thailand**	**Other Countries**	**Total**
2025					
Sovereign	**23,613,803**	**–**	**–**	**–**	**23,613,803**
PSE	**2,830,642**	**–**	**–**	**–**	**2,830,642**
Bank	**8,605,227**	**–**	**–**	**–**	**8,605,227**
Corporate	**48,928,504**	**–**	**–**	**–**	**48,928,504**
RRE Financing	**56,126,653**	**–**	**–**	**–**	**56,126,653**
HPE	**21,565,803**	**–**	**–**	**–**	**21,565,803**
QRRE	**1,658,803**	**–**	**–**	**–**	**1,658,803**
Other Retail	**34,975,943**	**–**	**–**	**–**	**34,975,943**
Other Exposures	**174,668**	**–**	**–**	**–**	**174,668**
Total Gross Credit Exposure	**198,480,045**	**–**	**–**	**–**	**198,480,045**
2024					
Sovereign	23,592,171	–	–	–	23,592,171
PSE	3,158,886	–	–	–	3,158,886
Bank	4,724,901	–	–	–	4,724,901
Corporate	41,531,650	–	–	–	41,531,650
RRE Financing	51,480,588	–	–	–	51,480,588
HPE	19,825,730	–	–	–	19,825,730
QRRE	1,125,566	–	–	–	1,125,566
Other Retail	36,592,508	–	–	–	36,592,508
Other Exposures	185,894	–	–	–	185,894
Total Gross Credit Exposure	182,217,893	–	–	–	182,217,893

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

I) GROSS CREDIT EXPOSURES BY GEOGRAPHIC DISTRIBUTION (CONTINUED)

TABLE 3(C): GEOGRAPHIC DISTRIBUTION OF CREDIT EXPOSURES FOR CIMBIBG

	CIMBIBG				
(RM'000) **Exposure Class**	**Malaysia**	**Singapore**	**Thailand**	**Other Countries**	**Total**
2025					
Sovereign	**378,616**	**–**	**–**	**–**	**378,616**
Bank	**232,535**	**–**	**–**	**–**	**232,535**
Corporate	**16,847**	**–**	**–**	**–**	**16,847**
Mortgage	**–**	**–**	**–**	**–**	**–**
HPE	**–**	**–**	**–**	**–**	**–**
QRRE	**–**	**–**	**–**	**–**	**–**
Other Retail	**–**	**–**	**–**	**–**	**–**
Other Exposures	**65,188**	**–**	**–**	**–**	**65,188**
Total Gross Credit Exposure	**693,186**	**–**	**–**	**–**	**693,186**
2024					
Sovereign	413,217	–	–	–	413,217
Bank	–	–	–	–	–
Corporate	209,126	–	–	–	209,126
Mortgage	15,859	–	–	–	15,859
HPE	–	–	–	–	–
QRRE	–	–	–	–	–
Other Retail	–	–	–	–	–
Other Exposures	49,378	–	–	–	49,378
Total Gross Credit Exposure	687,580	–	–	–	687,580

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

II) GROSS CREDIT EXPOSURES BY SECTOR

The following tables represent the Group's credit exposures analysed by sector:

TABLE 4(A): DISTRIBUTION OF CREDIT EXPOSURES BY SECTOR FOR CIMBBG

	CIMBBG											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance/ Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
2025												
Sovereign	-	-	-	837,078	8,648,974	-	5,731,781	7,842,549	86,966,795	-	3,994,076	114,021,254
PSE	23,407	-	-	-	-	-	-	133,950	12,258,341	-	97	12,415,796
Bank	-	-	-	-	-			55,206,691	628,954	-	-	55,835,645
Corporate	6,141,534	4,055,866	17,504,055	18,245,716	18,454,911	24,105,757	17,811,433	75,755,383	11,424,169	8,194,563	7,095,622	208,789,008
Mortgage/RRE Financing	-	-	-	-	-	-	-	-	-	142,896,654	-	142,896,654
HPE	-	-	-	-	-	-	-	-	-	27,229,469	-	27,229,469
QRRE	-	-	-	-	-	-	-	-	-	16,277,207	-	16,277,207
Other Retail	175,726	40,661	2,113,600	43,271	1,094,088	5,420,209	518,443	4,785,847	697,115	70,129,622	-	85,018,582
Other Exposures	0	164,973	874	123,863	-	12	143,476	604,138	909,199	-	9,978,628	11,925,164
Total Gross Credit Exposure	**6,340,667**	**4,261,500**	**19,618,528**	**19,249,928**	**28,197,972**	**29,525,979**	**24,205,134**	**144,328,558**	**112,884,574**	**264,727,514**	**21,068,424**	**674,408,778**
2024												
Sovereign	-	-	-	872,127	8,797,199	-	6,578,564	11,619,398	79,375,601	-	3,800,621	111,043,510
PSE	4,000	-	-	-	-	-	-	113,924	12,626,713	-	89	12,744,726
Bank	-	-	-	-	-	-	-	48,428,244	710,699	-	-	49,138,944
Corporate	6,610,389	7,180,204	18,431,466	15,535,725	17,551,175	28,048,038	16,580,547	68,664,570	13,192,264	7,829,917	6,448,187	206,072,483
Mortgage/RRE Financing	-	-	-	-	-	-	-	-	-	138,702,992	-	138,702,992
HPE	-	-	-	-	-	-	-	-	-	25,403,252	-	25,403,252
QRRE	-	-	-	-	-	-	-	-	-	15,124,749	-	15,124,749
Other Retail	181,665	39,123	2,035,851	45,285	1,022,153	5,455,402	543,899	4,622,983	781,206	70,229,011	-	84,956,578
Other Exposures	0	-	1,274	240,104	-	18	110,935	434,377	922,919	-	19,380,564	21,090,191
Total Gross Credit Exposure	6,796,054	7,219,327	20,468,591	16,693,240	27,370,527	33,503,459	23,813,945	133,883,497	107,609,402	257,289,921	29,629,462	664,277,426

* *Others are exposures which are not elsewhere classified.*

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

II) GROSS CREDIT EXPOSURES BY SECTOR (CONTINUED)

TABLE 4(B): DISTRIBUTION OF CREDIT EXPOSURES BY SECTOR FOR CIMBISLG

	CIMBISLG											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Islamic Finance, Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
2025												
Sovereign	-	-	-	524,695	2,995,591	-	1,839,289	5,350,870	11,855,377	-	1,047,981	23,613,803
PSE	22,662	-	-	-	-	-	-	133,497	2,674,482	-	-	2,830,642
Bank	-	-	-	-	-	-	-	8,605,227	-	-	-	8,605,227
Corporate	2,311,282	676,375	4,663,550	3,790,759	6,658,735	7,052,277	5,843,123	16,261,003	1,602,017	12,886	56,498	48,928,504
RRE Financing	-	-	-	-	-	-	-	-	-	56,126,653	-	56,126,653
HPE	-	-	-	-	-	-	-	-	-	21,565,803	-	21,565,803
QRRE	-	-	-	-	-	-	-	-	-	1,658,803	-	1,658,803
Other Retail	82,408	18,558	1,225,584	19,379	501,577	3,498,298	317,303	1,826,431	392,114	27,093,535	756	34,975,943
Other Exposures	-	-	-	-	-	-	-	-	-	-	174,668	174,668
Total Gross Credit Exposure	**2,416,352**	**694,933**	**5,889,134**	**4,334,833**	**10,155,903**	**10,550,575**	**7,999,715**	**32,177,028**	**16,523,989**	**106,457,681**	**1,279,903**	**198,480,045**
2024												
Sovereign	-	-	-	578,889	2,863,960	-	2,132,417	8,076,647	8,799,830	-	1,140,428	23,592,171
PSE	3,241	-	-	-	-	-	-	113,498	3,042,148	-	-	3,158,886
Bank	-	-	-	-	-	-	-	4,724,901	-	-	-	4,724,901
Corporate	2,641,930	1,196,163	4,155,304	1,713,986	6,317,929	6,565,246	4,799,017	12,100,565	2,015,116	10,321	16,072	41,531,650
RRE Financing	-	-	-	-	-	-	-	-	-	51,480,588	-	51,480,588
HPE	-	-	-	-	-	-	-	-	-	19,825,730	-	19,825,730
QRRE	-	-	-	-	-	-	-	-	-	1,125,566	-	1,125,566
Other Retail	81,058	19,892	1,157,175	22,206	492,803	3,461,390	325,719	1,731,022	386,811	28,909,154	5,278	36,592,508
Other Exposures	-	-	-	-	-	-	-	-	-	-	185,894	185,894
Total Gross Credit Exposure	2,726,230	1,216,055	5,312,479	2,315,081	9,674,693	10,026,636	7,257,152	26,746,633	14,243,905	101,351,358	1,347,672	182,217,893

Note: *All sectors above are Shariah compliant.*
* *Others are exposures which are not elsewhere classified.*

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

II) GROSS CREDIT EXPOSURES BY SECTOR (CONTINUED)

TABLE 4(C): DISTRIBUTION OF CREDIT EXPOSURES BY SECTOR FOR CIMBIBG

	CIMBIBG											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Finance, Insurance/ Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
2025												
Sovereign	-	-	-	**30,112**	**40,935**	-	**73,330**	**156,986**	**77,253**	-	-	**378,616**
Bank	-	-	-	-	-	-	-	**232,535**	-	-	-	**232,535**
Corporate	-	-	-	-	-	-	-	**15,265**	-	-	**1,583**	**16,847**
Mortgage	-	-	-	-	-	-	-	-	-	-	-	-
HPE	-	-	-	-	-	-	-	-	-	-	-	-
QRRE	-	-	-	-	-	-	-	-	-	-	-	-
Other Retail	-	-	-	-	-	-	-	-	-	-	-	-
Other Exposures	-	-	-	-	-	-	-	-	-	-	**65,188**	**65,188**
Total Gross Credit Exposure	-	-	-	**30,112**	**40,935**	-	**73,330**	**404,785**	**77,253**	-	**66,770**	**693,186**
2024												
Sovereign	-	-	-	60,160	42,700	-	113,022	110,033	45,659	-	41,643	413,217
Bank	-	-	-	-	-	-	-	209,126	-	-	-	209,126
Corporate	-	-	-	-	-	-	-	12,267	-	-	3,592	15,859
Mortgage	-	-	-	-	-	-	-	-	-	-	-	-
HPE	-	-	-	-	-	-	-	-	-	-	-	-
QRRE	-	-	-	-	-	-	-	-	-	-	-	-
Other Retail	-	-	-	-	-	-	-	-	-	-	-	-
Other Exposures	-	-	-	-	-	-	-	-	-	-	49,378	49,378
Total Gross Credit Exposure	-	-	-	60,160	42,700	-	113,022	331,425	45,659	-	94,613	687,580

** Others are exposures which are not elsewhere classified.*

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

III) GROSS CREDIT EXPOSURES BY RESIDUAL CONTRACTUAL MATURITY

The following tables represent the Group's credit exposures analysed by residual contractual maturity:

TABLE 5(A): DISTRIBUTION OF CREDIT EXPOSURES BY RESIDUAL CONTRACTUAL MATURITY FOR CIMBBG

	CIMBBG			
(RM'000) **Exposure Class**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
2025				
Sovereign	**22,877,782**	**39,457,042**	**51,686,430**	**114,021,254**
PSE	**237,980**	**1,884,264**	**10,293,552**	**12,415,796**
Bank	**26,777,832**	**23,889,696**	**5,168,118**	**55,835,645**
Corporate	**64,663,193**	**80,579,665**	**63,546,150**	**208,789,008**
Mortgage/RRE Financing	**104,907**	**977,271**	**141,814,476**	**142,896,654**
HPE	**178,977**	**7,399,283**	**19,651,209**	**27,229,469**
QRRE	**16,277,207**	**–**	**–**	**16,277,207**
Other Retail	**7,687,258**	**10,876,081**	**66,455,243**	**85,018,582**
Other Exposures	**1,718,666**	**264,501**	**9,941,997**	**11,925,164**
Total Gross Credit Exposure	**140,523,801**	**165,327,801**	**368,557,175**	**674,408,778**
2024				
Sovereign	25,498,818	26,614,597	58,930,095	111,043,510
PSE	448,681	998,366	11,297,679	12,744,726
Bank	23,460,469	20,412,532	5,265,943	49,138,944
Corporate	67,378,573	77,024,379	61,669,530	206,072,483
Mortgage/RRE Financing	154,054	884,266	137,664,673	138,702,992
HPE	165,239	6,761,767	18,476,246	25,403,252
QRRE	15,124,749	–	–	15,124,749
Other Retail	7,077,731	10,235,992	67,642,855	84,956,578
Other Exposures	10,407,547	220,661	10,461,983	21,090,191
Total Gross Credit Exposure	149,715,861	143,152,561	371,409,004	664,277,426

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

III) GROSS CREDIT EXPOSURES BY RESIDUAL CONTRACTUAL MATURITY (CONTINUED)

TABLE 5(B): DISTRIBUTION OF CREDIT EXPOSURES BY RESIDUAL CONTRACTUAL MATURITY FOR CIMBISLG

	CIMBISLG			
(RM'000) **Exposure Class**	**Less than 1 year**	**1 to 5 years**	**More than 5 years**	**Total**
2025				
Sovereign	**5,329,218**	**6,284,934**	**11,999,651**	**23,613,803**
PSE	**237,198**	**874,465**	**1,718,978**	**2,830,642**
Bank	**5,737,786**	**2,620,730**	**246,711**	**8,605,227**
Corporate	**12,879,837**	**15,662,235**	**20,386,432**	**48,928,504**
RRE Financing	**2,383**	**144,974**	**55,979,295**	**56,126,653**
HPE	**112,852**	**6,044,255**	**15,408,696**	**21,565,803**
QRRE	**1,658,803**	**–**	**–**	**1,658,803**
Other Retail	**142,615**	**1,682,622**	**33,150,705**	**34,975,943**
Other Exposures	**5,113**	**5,190**	**164,365**	**174,668**
Total Gross Credit Exposure	**26,105,806**	**33,319,406**	**139,054,833**	**198,480,045**
2024				
Sovereign	7,738,145	4,410,615	11,443,411	23,592,171
PSE	447,786	992,126	1,718,974	3,158,886
Bank	3,146,384	1,407,276	171,241	4,724,901
Corporate	11,747,719	11,627,481	18,156,450	41,531,650
RRE Financing	3,727	112,443	51,364,417	51,480,588
HPE	67,116	5,290,674	14,467,940	19,825,730
QRRE	1,125,566	–	–	1,125,566
Other Retail	125,023	1,628,205	34,839,280	36,592,508
Other Exposures	–	10,274	175,620	185,894
Total Gross Credit Exposure	24,401,466	25,479,092	132,337,335	182,217,893

Credit Risk

SUMMARY OF CREDIT EXPOSURES (CONTINUED)

III) GROSS CREDIT EXPOSURES BY RESIDUAL CONTRACTUAL MATURITY (CONTINUED)

TABLE 5(C): DISTRIBUTION OF CREDIT EXPOSURES BY RESIDUAL CONTRACTUAL MATURITY FOR CIMBIBG

	CIMBIBG			
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
2025				
Sovereign	**81,006**	**132,236**	**165,373**	**378,616**
Bank	**114,858**	**–**	**117,677**	**232,535**
Corporate	**–**	**–**	**16,847**	**16,847**
Mortgage	**–**	**–**	**–**	**–**
HPE	**–**	**–**	**–**	**–**
QRRE	**–**	**–**	**–**	**–**
Other Retail	**–**	**–**	**–**	**–**
Other Exposures	**–**	**–**	**65,188**	**65,188**
Total Gross Credit Exposure	**195,864**	**132,236**	**365,086**	**693,186**
2024				
Sovereign	110,009	25,337	277,871	413,217
Bank	100,132	–	108,994	209,126
Corporate	–	–	15,859	15,859
Mortgage	–	–	–	–
HPE	–	–	–	–
QRRE	–	–	–	–
Other Retail	–	–	–	–
Other Exposures	–	–	49,378	49,378
Total Gross Credit Exposure	210,141	25,337	452,102	687,580

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING

I) PAST DUE BUT NOT IMPAIRED

A loan/financing is considered past due when any payment due under strict contractual terms is received late or missed. Late processing and other administrative delays on the side of the borrower/customer can lead to a financial asset being past due but not impaired. Therefore, loans/financing and advances less than 90 days past due are not usually considered impaired, unless other information is available to indicate the contrary. For the purposes of this analysis, an asset is considered past due and included below when any payment due under strict contractual terms is received late or missed. The amount included is the entire financial asset, not just the payment, of principal or interest/profit or both, overdue.

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

I) PAST DUE BUT NOT IMPAIRED (CONTINUED)

The following tables provide an analysis of the outstanding balances as at 31 December 2025 and 31 December 2024 which were past due but not impaired by sector and geographical respectively:

TABLE 6(A): PAST DUE BUT NOT IMPAIRED LOANS, ADVANCES AND FINANCING BY SECTOR FOR CIMBBG

	CIMBBG	
(RM'000)	**2025**	**2024**
Primary Agriculture	**37,511**	39,896
Mining and Quarrying	**1,390**	2,707
Manufacturing	**158,380**	189,242
Electricity, Gas and Water Supply	**4,852**	3,236
Construction	**125,118**	125,208
Wholesale and Retail Trade, and Restaurants and Hotels	**361,251**	325,149
Transport, Storage and Communication	**44,237**	30,987
Finance, Insurance/Takaful, Real Estate and Business Activities	**461,809**	460,422
Education, Health and Others	**36,721**	57,743
Household	**17,527,505**	17,814,209
Others*	**521,814**	105,095
Total	**19,280,588**	19,153,894

** Others are exposures which are not elsewhere classified.*

TABLE 6(B): PAST DUE BUT NOT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING BY SECTOR FOR CIMBISLG

	CIMBISLG	
(RM'000)	**2025**	**2024**
Primary Agriculture	**10,094**	14,123
Mining and Quarrying	**41**	236
Manufacturing	**46,144**	69,100
Electricity, Gas and Water Supply	**2,985**	2,978
Construction	**33,214**	28,255
Wholesale and Retail Trade, and Restaurants and Hotels	**124,314**	115,381
Transport, Storage and Communication	**18,058**	9,034
Finance, Takaful, Real Estate and Business Activities	**185,037**	111,364
Education, Health and Others	**15,520**	25,996
Household	**9,239,780**	8,709,195
Others*	**–**	370
Total	**9,675,187**	9,086,032

Note: *All sectors above are Shariah compliant.*
** Others are exposures which are not elsewhere classified*

TABLE 6(C): PAST DUE BUT NOT IMPAIRED LOANS, ADVANCES AND FINANCING BY SECTOR FOR CIMBIBG

There are no loans, advances and financing exposures in CIMBIBG as at 31 December 2025 and 31 December 2024.

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

I) PAST DUE BUT NOT IMPAIRED (CONTINUED)

TABLE 7(A): PAST DUE BUT NOT IMPAIRED LOANS, ADVANCES AND FINANCING BY GEOGRAPHIC DISTRIBUTION FOR CIMBBG

	CIMBBG	
(RM'000)	**2025**	**2024**
Malaysia	**17,082,322**	16,657,436
Singapore	**392,157**	499,521
Thailand	**1,518,030**	1,777,749
Other Countries	**288,079**	219,188
Total	**19,280,588**	19,153,894

TABLE 7(B): PAST DUE BUT NOT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING BY GEOGRAPHIC DISTRIBUTION FOR CIMBISLG

	CIMBISLG	
(RM'000)	**2025**	**2024**
Malaysia	**9,675,187**	9,086,032
Singapore	**–**	–
Thailand	**–**	–
Other Countries	**–**	–
Total	**9,675,187**	9,086,032

TABLE 7(C): PAST DUE BUT NOT IMPAIRED LOANS, ADVANCES AND FINANCING BY GEOGRAPHIC DISTRIBUTION FOR CIMBIBG

There are no loans, advances and financing exposures in CIMBIBG as at 31 December 2025 and 31 December 2024.

II) CREDIT IMPAIRED LOANS/FINANCING

The Group classifies a loan, advances and financing as credit impaired when it meets one or more of the following criteria:

(a) Where the principal or interest/profit or both of the credit facility is past due for more than 90 days or 3 months;

(b) In the case of revolving credit facilities (e.g. overdraft facilities), where the outstanding amount has remained in excess of the approved limit for a period of more than 90 days or 3 months;

(c) Where the amount is past due or the outstanding amount has been in excess of the approved limit for 90 days or 3 months or less, and the credit facility exhibits weaknesses in accordance with the Group's internal credit risk rating framework; or

(d) As soon as a default occurs where the principal and/or interest/profit repayments/payments are scheduled on intervals of 3 months or longer. For the purpose of ascertaining the period in arrears:

- Repayment/payment on each of the instalment amount must be made in full. A partial repayment/payment made on an instalment amount shall be deemed to be still in arrears; and
- Where a moratorium on credit facilities is granted in relation to the rescheduling and restructuring exercise due to specific and exceptional circumstances as set in the Group's internal policy, the determination of period in arrears shall exclude the moratorium period granted.

(e) Force Impaired Credit Facilities

The credit facility is force impaired due to various reasons which may include the following: PN17 classification by Bursa, bankruptcy/winding up orders, appointment of Independent Financial Advisor/Liquidator/Receivers & Managers, ceased operations and/or suspended with no likelihood of resuming in the next 12 months, business viability is affected with repayment/payment capability in doubt resulting in going concern issue in the near term, etc. In the event where a credit facility is not in default or past due but force impaired, the credit facility shall be classified as impaired upon approval by GAQC.

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

II) CREDIT IMPAIRED LOANS/FINANCING (CONTINUED)

(f) Cross Default

When an obligor/counterparty has multiple credit facilities with the Group and cross default obligation applies, an assessment of provision is required under which default of one debt/financing obligation triggers default on another debt/financing obligation (cross default). Where there is no right to set off clause is available, assessment of provision needs to be performed on individual credit facility level instead of consolidated obligor/counterparty level.

The Group assesses on a forward-looking basis the expected credit losses (ECL) associated with its loans, advances and financing. The ECL is measured on either a 12-month or lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired. The 12-month or lifetime ECL reflects multiple forward-looking scenarios and is weighted based on the probability of occurrence for each scenario. The ECL can be assessed and measured either on collective or individual basis.

For collective assessment, the ECL is determined by projecting the PD, LGD and EAD for each future month and for each individual exposure or collective segment. The three components are multiplied together to calculate an ECL for each future month, which is then discounted back to the reporting date and summed. The discount rate used in the ECL calculation is the original effective interest/profit rate or an approximation thereof.

For individual assessment, the ECL allowance is determined by comparing the outstanding exposure with the present value of cash flow which is expected to be received from the borrower.

The following tables provide an analysis of the outstanding balances as at 31 December 2025 and 31 December 2024 which were credit impaired by sector and geographical respectively:

TABLE 8(A): CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY SECTOR FOR CIMBBG

	CIMBBG	
(RM'000)	**2025**	**2024**
Primary Agriculture	**13,154**	6,975
Mining and Quarrying	**188,527**	936,147
Manufacturing	**184,497**	218,112
Electricity, Gas and Water Supply	**5,112**	1,597
Construction	**222,599**	363,310
Wholesale and Retail Trade, and Restaurants and Hotels	**430,497**	480,165
Transport, Storage and Communications	**59,484**	55,245
Finance, Takaful, Real Estate and Business Activities	**771,147**	543,983
Education, Health and Others	**34,270**	109,374
Household	**3,028,821**	3,330,259
Others*	**162,939**	126,097
Total	**5,101,047**	6,171,264

** Others are exposures which are not elsewhere classified.*

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

II) CREDIT IMPAIRED LOANS/FINANCING (CONTINUED)

TABLE 8(B): CREDIT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING BY SECTOR FOR CIMBISLG

	CIMBISLG	
(RM'000)	**2025**	**2024**
Primary Agriculture	**12,842**	4
Mining and Quarrying	**30,496**	644
Manufacturing	**43,401**	106,196
Electricity, Gas and Water Supply	**33**	1
Construction	**49,039**	122,591
Wholesale and Retail Trade, and Restaurants and Hotels	**124,474**	113,507
Transport, Storage and Communications	**9,051**	6,544
Finance, Takaful, Real Estate and Business Activities	**126,152**	72,531
Education, Health and Others	**20,650**	16,913
Household	**1,209,063**	1,172,922
Others*	**–**	377
Total	**1,625,201**	1,612,230

Note: *All sectors above are Shariah compliant.*
** Others are exposures which are not elsewhere classified.*

TABLE 8(C): CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY SECTOR FOR CIMBIBG

There are no loans, advances and financing exposures in CIMBIBG as at 31 December 2025 and 31 December 2024.

TABLE 9(A): CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY GEOGRAPHIC DISTRIBUTION FOR CIMBBG

	CIMBBG	
(RM'000)	**2025**	**2024**
Malaysia	**3,626,837**	4,522,668
Singapore	**353,847**	380,773
Thailand	**802,671**	1,036,860
Other Countries	**317,692**	230,963
Total	**5,101,047**	6,171,264

TABLE 9(B): CREDIT IMPAIRED FINANCING, ADVANCES AND OTHER FINANCING BY GEOGRAPHIC DISTRIBUTION FOR CIMBISLG

	CIMBISLG	
(RM'000)	**2025**	**2024**
Malaysia	**1,625,201**	1,612,230
Singapore	**–**	–
Thailand	**–**	–
Other Countries	**–**	–
Total	**1,625,201**	1,612,230

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

II) CREDIT IMPAIRED LOANS/FINANCING (CONTINUED)

TABLE 9(C): CREDIT IMPAIRED LOANS, ADVANCES AND FINANCING BY GEOGRAPHIC DISTRIBUTION FOR CIMBIBG

There are no loans, advances and financing exposures in CIMBIBG as at 31 December 2025 and 31 December 2024.

III) EXPECTED CREDIT LOSSES

TABLE 10(A): EXPECTED CREDIT LOSSES (STAGE 1, 2 AND 3, AND PURCHASED CREDIT IMPAIRED) BY SECTOR FOR CIMBBG

	CIMBBG				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
2025					
Primary Agriculture	**11,119**	**413**	**2,651**	**–**	**14,183**
Mining and Quarrying	**3,339**	**385**	**116,017**	**–**	**119,741**
Manufacturing	**73,418**	**67,840**	**102,141**	**–**	**243,399**
Electricity, Gas and Water Supply	**19,166**	**471**	**42**	**–**	**19,679**
Construction	**19,413**	**110,078**	**187,072**	**–**	**316,563**
Wholesale and Retail Trade, and Restaurants and Hotels	**131,703**	**114,354**	**254,470**	**–**	**500,527**
Transport, Storage and Communications	**16,756**	**13,120**	**54,423**	**–**	**84,299**
Finance, Insurance/Takaful, Real Estate and Business Activities	**175,338**	**12,941**	**375,137**	**–**	**563,416**
Education, Health and Others	**13,287**	**3,293**	**22,278**	**–**	**38,858**
Household	**994,240**	**1,071,811**	**1,264,768**	**–**	**3,330,819**
Others*	**64,727**	**63,014**	**160,617**	**–**	**288,358**
Total	**1,522,506**	**1,457,720**	**2,539,616**	**–**	**5,519,842**
2024					
Primary Agriculture	47,608	595	6,000	–	54,203
Mining and Quarrying	16,260	213	724,750	–	741,223
Manufacturing	67,816	52,419	168,665	–	288,900
Electricity, Gas and Water Supply	41,051	89	840	–	41,980
Construction	11,056	36,518	254,422	–	301,996
Wholesale and Retail Trade, and Restaurants and Hotels	97,841	146,211	182,399	–	426,451
Transport, Storage and Communications	14,215	11,060	51,797	–	77,072
Finance, Insurance/Takaful, Real Estate and Business Activities	210,674	21,862	244,602	–	477,138
Education, Health and Others	13,989	4,763	75,804	–	94,556
Household	1,475,780	1,023,647	1,412,416	–	3,911,843
Others*	68,975	15,630	114,340	–	198,945
Total	2,065,265	1,313,007	3,236,035	–	6,614,307

* *Others are exposures which are not elsewhere classified.*

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 10(B): EXPECTED CREDIT LOSSES (STAGE 1, 2 AND 3, AND PURCHASED CREDIT IMPAIRED) BY SECTOR FOR CIMBISLG

	CIMBISLG				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
2025					
Primary Agriculture	**1,244**	**300**	**2,509**	**–**	**4,053**
Mining and Quarrying	**188**	**18**	**27,965**	**–**	**28,171**
Manufacturing	**31,187**	**11,517**	**23,129**	**–**	**65,833**
Electricity, Gas and Water Supply	**1,224**	**337**	**13**	**–**	**1,574**
Construction	**10,354**	**4,707**	**34,359**	**–**	**49,420**
Wholesale and Retail Trade, and Restaurants and Hotels	**64,468**	**44,825**	**76,961**	**–**	**186,254**
Transport, Storage and Communications	**7,587**	**11,026**	**6,316**	**–**	**24,929**
Finance, Takaful, Real Estate and Business Activities	**26,975**	**6,300**	**28,536**	**–**	**61,811**
Education, Health and Others	**6,326**	**1,843**	**11,608**	**–**	**19,777**
Household	**344,213**	**384,710**	**500,749**	**–**	**1,229,672**
Others*	**3**	**–**	**–**	**–**	**3**
Total	**493,769**	**465,583**	**712,145**	**–**	**1,671,497**
2024					
Primary Agriculture	723	569	375	–	1,667
Mining and Quarrying	206	63	281	–	550
Manufacturing	6,199	5,209	86,766	–	98,174
Electricity, Gas and Water Supply	546	55	209	–	810
Construction	3,816	4,715	44,214	–	52,745
Wholesale and Retail Trade, and Restaurants and Hotels	16,785	63,751	72,680	–	153,216
Transport, Storage and Communications	3,845	5,854	4,890	–	14,589
Finance, Takaful, Real Estate and Business Activities	8,718	5,298	12,328	–	26,344
Education, Health and Others	1,448	1,581	7,927	–	10,956
Household	554,730	403,791	453,344	–	1,411,865
Others*	8	–	376	–	384
Total	597,024	490,886	683,390	–	1,771,300

Note: *All sectors above are Shariah compliant.*
* *Others are exposures which are not elsewhere classified.*

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 10(C): EXPECTED CREDIT LOSSES (STAGE 1, 2 AND 3, AND PURCHASED CREDIT IMPAIRED) BY SECTOR FOR CIMBIBG

There are no expected credit losses for CIMBIBG as at 31 December 2025 and 31 December 2024.

TABLE 11(A): EXPECTED CREDIT LOSSES (STAGE 1, 2 AND 3, AND PURCHASED CREDIT IMPAIRED) BY GEOGRAPHIC DISTRIBUTION FOR CIMBBG

	CIMBBG				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
2025					
Malaysia	**932,659**	**1,084,197**	**1,754,790**	**–**	**3,771,646**
Singapore	**184,506**	**25,936**	**260,074**	**–**	**470,516**
Thailand	**303,630**	**293,455**	**331,760**	**–**	**928,845**
Other Countries	**101,711**	**54,132**	**192,992**	**–**	**348,835**
Total	**1,522,506**	**1,457,720**	**2,539,616**	**–**	**5,519,842**
2024					
Malaysia	1,311,947	1,015,110	2,366,613	–	4,693,670
Singapore	339,018	61,937	236,115	–	637,070
Thailand	342,163	228,767	500,841	–	1,071,771
Other Countries	72,137	7,193	132,466	–	211,796
Total	2,065,265	1,313,007	3,236,035	–	6,614,307

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 11(B): EXPECTED CREDIT LOSSES (STAGE 1, 2 AND 3, AND PURCHASED CREDIT IMPAIRED) BY GEOGRAPHIC DISTRIBUTION FOR CIMBISLG

	CIMBISLG				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
2025					
Malaysia	**493,769**	**465,583**	**712,145**	**–**	**1,671,497**
Singapore	**–**	**–**	**–**	**–**	**–**
Thailand	**–**	**–**	**–**	**–**	**–**
Other Countries	**–**	**–**	**–**	**–**	**–**
Total	**493,769**	**465,583**	**712,145**	**–**	**1,671,497**
2024					
Malaysia	597,024	490,886	683,390	–	1,771,300
Singapore	–	–	–	–	–
Thailand	–	–	–	–	–
Other Countries	–	–	–	–	–
Total	597,024	490,886	683,390	–	1,771,300

TABLE 11(C): EXPECTED CREDIT LOSSES (STAGE 1, 2 AND 3, AND PURCHASED CREDIT IMPAIRED) BY GEOGRAPHIC DISTRIBUTION FOR CIMBIBG

There are no expected credit losses for CIMBIBG as at 31 December 2025 and 31 December 2024.

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 12(A): EXPECTED CREDIT LOSSES CHARGES/(WRITEBACK) AND WRITE-OFF FOR STAGE 3 AND PURCHASED CREDIT IMPAIRED FOR CIMBBG

	CIMBBG			
	Charges/(writeback)		Write-off	
(RM'000)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired
2025				
Primary Agriculture	**3,092**	**–**	**7,333**	**–**
Mining and Quarrying	**(418,100)**	**–**	**60,520**	**–**
Manufacturing	**7,106**	**–**	**11,090**	**–**
Electricity, Gas and Water Supply	**867**	**–**	**5,793**	**–**
Construction	**21,046**	**–**	**60,021**	**–**
Wholesale and Retail Trade, and Restaurants and Hotels	**134,244**	**–**	**73,490**	**–**
Transport, Storage and Communications	**83,477**	**–**	**4,521**	**–**
Finance, Insurance/Takaful, Real Estate and Business Activities	**383,970**	**–**	**56,456**	**–**
Education, Health and Others	**6,735**	**–**	**14,798**	**–**
Household	**1,653,132**	**–**	**1,637,720**	**–**
Others*	**433,890**	**–**	**424,409**	**–**
Total	**2,309,459**	**–**	**2,356,151**	**–**
2024				
Primary Agriculture	(1,803)	–	12,074	–
Mining and Quarrying	102,186	–	224,519	–
Manufacturing	31,739	–	87,908	–
Electricity, Gas and Water Supply	235	–	25	–
Construction	142,418	–	13,701	–
Wholesale and Retail Trade, and Restaurants and Hotels	21,797	–	51,988	–
Transport, Storage and Communications	24,960	–	8,785	–
Finance, Insurance/Takaful, Real Estate and Business Activities	43,603	–	60,357	–
Education, Health and Others	23,795	–	5,212	–
Household	1,609,312	(587)	1,205,682	945
Others*	321,237	–	383,986	–
Total	2,319,479	(587)	2,054,237	945

** Others are exposures which are not elsewhere classified.*

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 12(B): EXPECTED CREDIT LOSSES CHARGES/(WRITEBACK) AND WRITE-OFF FOR STAGE 3 AND PURCHASED CREDIT IMPAIRED FOR CIMBISLG

	CIMBISLG			
	Charges/(writeback)		Write-off	
(RM'000)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired
2025				
Primary Agriculture	**1,753**	**–**	**16**	**–**
Mining and Quarrying	**(396)**	**–**	**26,373**	**–**
Manufacturing	**2,351**	**–**	**6,415**	**–**
Electricity, Gas and Water Supply	**317**	**–**	**5,793**	**–**
Construction	**12,016**	**–**	**15,398**	**–**
Wholesale and Retail Trade, and Restaurants and Hotels	**29,318**	**–**	**29,383**	**–**
Transport, Storage and Communications	**1,912**	**–**	**1,798**	**–**
Finance, Takaful, Real Estate and Business Activities	**21,060**	**–**	**22,367**	**–**
Education, Health and Others	**5,350**	**–**	**2,241**	**–**
Household	**610,529**	**–**	**486,770**	**–**
Others*	**35**	**–**	**379**	**–**
Total	**684,245**	**–**	**596,933**	**–**
2024				
Primary Agriculture	(1,189)	–	11,597	–
Mining and Quarrying	108	–	–	–
Manufacturing	6,993	–	6,120	–
Electricity, Gas and Water Supply	(45)	–	–	–
Construction	37,623	–	4,395	–
Wholesale and Retail Trade, and Restaurants and Hotels	(2,813)	–	10,038	–
Transport, Storage and Communications	2,862	–	818	–
Finance, Takaful, Real Estate and Business Activities	5,530	–	10,959	–
Education, Health and Others	1,056	–	3,482	–
Household	533,204	–	303,308	–
Others*	256	–	–	–
Total	583,585	–	350,717	–

Note: *All sectors above are Shariah compliant.*
** Others are exposures which are not elsewhere classified.*

TABLE 12(C): EXPECTED CREDIT LOSSES CHARGES/(WRITEBACK) AND WRITE-OFF FOR STAGE 3 AND PURCHASED CREDIT IMPAIRED FOR CIMBIBG

There are no expected credit losses charges/(writeback) and write-off for Stage 3 and purchased credit impaired for CIMBIBG as at 31 December 2025 and 31 December 2024.

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 13(A): ANALYSIS OF MOVEMENT IN THE EXPECTED CREDIT LOSSES FOR LOANS, ADVANCES AND FINANCING FOR CIMBBG

	CIMBBG				
	2025				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
At 1 January 2025	**2,065,265**	**1,313,007**	**3,236,035**	**–**	**6,614,307**
Changes in expected credit losses due to transferred within stages	**459,633**	**(553,985)**	**94,352**	**–**	**–**
Transferred to Stage 1	**1,082,458**	**(1,028,335)**	**(54,123)**	**–**	**–**
Transferred to Stage 2	**(561,129)**	**1,481,137**	**(920,008)**	**–**	**–**
Transferred to Stage 3	**(61,696)**	**(1,006,787)**	**1,068,483**	**–**	**–**
Total charge to Income Statement	**(971,398)**	**710,263**	**2,309,459**	**–**	**2,048,324**
New financial assets originated	**905,547**	**214,519**	**99,064**	**–**	**1,219,130**
Financial assets that have been derecognised	**(667,435)**	**(376,351)**	**(90,283)**	**–**	**(1,134,069)**
Writeback in respect of full recoveries	**–**	**–**	**(298,366)**	**–**	**(298,366)**
Change in credit risk	**(1,209,510)**	**872,095**	**2,599,044**	**–**	**2,261,629**
Write-offs	**(893)**	**(1,724)**	**(2,356,151)**	**–**	**(2,358,768)**
Disposal of loans, advances and financing	**–**	**–**	**(105,510)**	**–**	**(105,510)**
Exchange fluctuation	**(29,922)**	**(9,979)**	**(88,923)**	**–**	**(128,824)**
Other movements	**(179)**	**138**	**(549,646)**	**–**	**(549,687)**
Total	**1,522,506**	**1,457,720**	**2,539,616**	**–**	**5,519,842**

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 13(A): ANALYSIS OF MOVEMENT IN THE EXPECTED CREDIT LOSSES FOR LOANS, ADVANCES AND FINANCING FOR CIMBBG (CONTINUED)

	CIMBBG				
	2024				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
At 1 January 2024	2,455,703	1,334,811	3,077,099	1,863	6,869,476
Changes in expected credit losses due to transferred within stages	477,634	(445,886)	(31,748)	–	–
Transferred to Stage 1	1,050,982	(979,350)	(71,632)	–	–
Transferred to Stage 2	(503,562)	1,451,172	(947,610)	–	–
Transferred to Stage 3	(69,786)	(917,708)	987,494	–	–
Total charge to Income Statement	(833,887)	437,201	2,319,479	(587)	1,922,206
New financial assets originated	1,060,319	143,908	81,098	–	1,285,325
Financial assets that have been derecognised	(933,686)	(291,533)	–	–	(1,225,219)
Writeback in respect of full recoveries	–	–	(424,831)	(587)	(425,418)
Change in credit risk	(960,520)	584,826	2,663,212	–	2,287,518
Write-offs	(411)	(827)	(2,054,237)	(945)	(2,056,420)
Disposal of loans, advances and financing	–	–	(231,612)	–	(231,612)
Exchange fluctuation	(32,677)	(12,269)	(51,338)	(48)	(96,332)
Other movements	(1,097)	(23)	208,392	(283)	206,989
Total	2,065,265	1,313,007	3,236,035	–	6,614,307

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 13(B): ANALYSIS OF MOVEMENT IN THE EXPECTED CREDIT LOSSES FOR FINANCING, ADVANCES AND OTHER FINANCING FOR CIMBISLG

	CIMBISLG				
	2025				
(RM'000)	12-month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
At 1 January 2025	**597,024**	**490,886**	**683,390**	**–**	**1,771,300**
Changes in expected credit losses due to transferred within stages	**219,487**	**(129,878)**	**(89,609)**	**–**	**–**
Transferred to Stage 1	**412,886**	**(395,417)**	**(17,469)**	**–**	**–**
Transferred to Stage 2	**(193,014)**	**621,442**	**(428,428)**	**–**	**–**
Transferred to Stage 3	**(385)**	**(355,903)**	**356,288**	**–**	**–**
Total charge to Income Statement	**(322,736)**	**105,507**	**684,245**	**–**	**467,016**
New financial assets originated	**110,129**	**75,649**	**2,238**	**–**	**188,016**
Financial assets that have been derecognised	**(72,406)**	**(145,385)**	**–**	**–**	**(217,791)**
Writeback in respect of full recoveries	**–**	**–**	**(26,293)**	**–**	**(26,293)**
Change in credit risk	**(360,459)**	**175,243**	**708,300**	**–**	**523,084**
Write-offs	**–**	**(930)**	**(596,933)**	**–**	**(597,863)**
Other movements	**(6)**	**(2)**	**31,052**	**–**	**31,044**
Total	**493,769**	**465,583**	**712,145**	**–**	**1,671,497**

Credit Risk

CREDIT QUALITY OF LOANS, ADVANCES & FINANCING (CONTINUED)

III) EXPECTED CREDIT LOSSES (CONTINUED)

TABLE 13(B): ANALYSIS OF MOVEMENT IN THE EXPECTED CREDIT LOSSES FOR FINANCING, ADVANCES AND OTHER FINANCING FOR CIMBISLG (CONTINUED)

	CIMBISLG				
	2024				
(RM'000)	12–month expected credit losses (Stage 1)	Lifetime expected credit losses – not credit impaired (Stage 2)	Lifetime expected credit losses – credit impaired (Stage 3)	Purchased credit impaired	Total
At 1 January 2024	772,112	368,166	549,580	–	1,689,858
Changes in expected credit losses due to transferred within stages	206,221	(77,025)	(129,196)	–	–
Transferred to Stage 1	384,972	(359,846)	(25,126)	–	–
Transferred to Stage 2	(178,369)	613,879	(435,510)	–	–
Transferred to Stage 3	(382)	(331,058)	331,440	–	–
Total charge to Income Statement	(381,205)	199,836	583,585	–	402,216
New financial assets originated	108,718	2,474	1,255	–	112,447
Financial assets that have been derecognised	(81,014)	(35,679)	–	–	(116,693)
Writeback in respect of full recoveries	–	–	(50,625)	–	(50,625)
Change in credit risk	(408,909)	233,041	632,955	–	457,087
Write-offs	–	(164)	(350,717)	–	(350,881)
Other movements	(104)	73	30,138	–	30,107
Total	597,024	490,886	683,390	–	1,771,300

TABLE 13(C): ANALYSIS OF MOVEMENT IN THE EXPECTED CREDIT LOSSES FOR LOANS, ADVANCES AND FINANCING FOR CIMBIBG

There are no expected credit losses for loans, advances and financing for CIMBIBG as at 31 December 2025 and 31 December 2024.

Credit Risk

CAPITAL TREATMENT FOR CREDIT RISK

Details on RWA and capital requirements related to Credit Risk are disclosed separately for CIMBBG, CIMBISLG and CIMBIBG in Tables 2 (a), (b) and (c). Details on the disclosure for portfolios under the SA and the IRB Approach are in the sections that follow.

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA

Credit exposures under SA are mainly exposures where the IRB Approach is not applicable or exposures that will eventually adopt the IRB Approach. Under SA, the regulator prescribes the risk weights for all asset types.

Exposures which are rated externally relate to sovereign and central banks while the unrated exposures relate to personal financing and other exposures. The Group applies external ratings for credit exposures under SA from S&P, Moody's, Fitch, RAM, MARC and R&I. CIMB Group follows the process prescribed under BNM's guidelines on CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets) to map the ratings to the relevant risk weights for computation of regulatory capital.

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

The following tables present the credit exposures by risk weights and after credit risk mitigation:

TABLE 14(A): DISCLOSURE BY RISK WEIGHT UNDER SA FOR CIMBBG

	CIMBBG												
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	Residential Mortgages/ RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Equity	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk-Weighted Assets
2025													
0%	**110,991,678**	**12,103,881**	**1,054,620**	**-**	**1,539,533**	**244,527**	**-**	**-**	**4,730,587**	**-**	**-**	**130,664,826**	**-**
6%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
20%	**1,250,856**	**227,685**	**102,297**	**119,038**	**656,049**	**4,176,425**	**-**	**-**	**413**	**331,905**	**-**	**6,864,667**	**1,372,933**
35%	**-**	**-**	**-**	**-**	**-**	**-**	**10,896,531**	**-**	**-**	**-**	**-**	**10,896,531**	**3,813,786**
50%	**1,778,719**	**84,189**	**2,438,459**	**689,572**	**6,098,871**	**8,198,953**	**3,754,688**	**-**	**-**	**-**	**-**	**23,043,453**	**11,521,726**
75%	**-**	**-**	**-**	**-**	**851**	**14,410,187**	**79**	**-**	**1,958,327**	**-**	**-**	**16,369,444**	**12,277,083**
100%	**-**	**-**	**-**	**2,109,765**	**22,244,630**	**2,086,592**	**3,093,405**	**-**	**2,813,156**	**-**	**198,908**	**32,546,456**	**32,546,456**
125%	**-**	**-**	**-**	**-**	**-**	**301,343**	**-**	**-**	**-**	**-**	**-**	**301,343**	**376,679**
150%	**-**	**-**	**-**	**-**	**263,606**	**200,827**	**-**	**1,891,867**	**-**	**-**	**-**	**2,356,300**	**3,534,450**
150%< RW < 1250%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1250%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**114,021,254**	**12,415,755**	**3,595,375**	**2,918,375**	**30,803,540**	**29,618,854**	**17,744,703**	**1,891,867**	**9,502,483**	**331,905**	**198,908**	**223,043,020**	**65,443,114**
Average Risk Weight	**1%**	**1%**	**34%**	**85%**	**84%**	**62%**	**50%**	**150%**	**45%**	**20%**	**100%**	**29%**	
Deduction from Capital Base													
2024													
0%	108,096,809	12,410,286	298,514	-	2,198,527	479,852	-	-	13,318,552	-	-	136,802,539	-
6%	-	-	-	-	-	-	-	-	-	-	-	-	-
20%	1,055,868	219,000	124,056	204,012	687,694	4,554,190	-	-	153,419	318,362	-	7,316,602	1,463,320
35%	-	-	-	-	-	-	10,870,833	-	-	-	-	10,870,833	3,804,792
50%	1,797,693	115,387	2,557,967	1,985,960	5,430,569	7,490,218	3,790,696	-	-	-	-	23,168,489	11,584,245
75%	-	-	-	-	693	13,579,527	11	-	1,984,415	-	-	15,564,646	11,673,484
100%	0	-	0	2,298,515	23,119,504	1,921,024	3,160,045	-	3,439,459	-	54	33,938,601	33,938,601
125%	-	-	-	-	-	230,058	-	-	-	-	-	230,058	287,572
150%	-	-	-	-	204,412	171,877	-	1,875,930	-	-	-	2,252,220	3,378,330
150%< RW < 1250%	-	-	-	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	-	-	-	-	-	-	-	-	-
Total	110,950,370	12,744,673	2,980,536	4,488,486	31,641,399	28,426,745	17,821,586	1,875,930	18,895,845	318,362	54	230,143,987	66,130,344
Average Risk Weight	1%	1%	44%	74%	83%	61%	50%	150%	26%	20%	100%	29%	
Deduction from Capital Base													

** The total includes the portion which is deducted from Capital Base, if any.*

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

TABLE 14(B): DISCLOSURE BY RISK WEIGHT UNDER SA FOR CIMBISLG

	CIMBISLG											
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk-Weighted Assets
2025												
0%	**23,613,803**	**2,573,740**	**-**	**-**	**163**	**11**	**-**	**-**	**4,916**	**-**	**26,192,633**	**-**
20%	**-**	**172,713**	**226**	**5,067**	**159,230**	**1,226,645**	**-**	**-**	**-**	**10,303**	**1,574,185**	**314,837**
35%	**-**	**-**	**-**	**-**	**-**	**-**	**63,713**	**-**	**-**	**-**	**63,713**	**22,300**
50%	**-**	**84,189**	**-**	**-**	**4,109,777**	**4,955,635**	**443,747**	**-**	**-**	**-**	**9,593,349**	**4,796,674**
75%	**-**	**-**	**-**	**-**	**-**	**1,625,043**	**-**	**-**	**-**	**-**	**1,625,043**	**1,218,782**
100%	**-**	**-**	**-**	**453**	**1,048,573**	**636,859**	**4,392**	**-**	**159,449**	**-**	**1,849,726**	**1,849,726**
100%< RW < 1250%	**-**	**-**	**-**	**-**	**7,450**	**31,946**	**-**	**-**	**-**	**-**	**39,396**	**59,095**
1250%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**23,613,803**	**2,830,642**	**226**	**5,520**	**5,325,195**	**8,476,140**	**511,853**	**-**	**164,365**	**10,303**	**40,938,046**	**8,261,414**
Average Risk Weight	**-**	**3%**	**20%**	**27%**	**59%**	**55%**	**49%**	**-**	**97%**	**20%**	**20%**	
Deduction from Capital Base	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**0**	**-**	
2024												
0%	23,592,171	2,910,286	-	-	190	-	-	-	897	-	26,503,545	-
20%	-	133,213	88	-	220,846	1,589,346	-	-	-	10,274	1,953,767	390,753
35%	-	-	-	-	-	-	45,172	-	-	-	45,172	15,810
50%	-	115,387	-	-	3,854,379	4,934,044	461,124	-	-	-	9,364,933	4,682,467
75%	-	-	-	-	-	1,124,930	-	-	-	-	1,124,930	843,698
100%	-	-	-	944	868,397	796,625	6,368	-	174,723	-	1,847,057	1,847,057
100%< RW < 1250%	-	-	-	-	2,661	15,831	-	-	-	-	18,492	27,738
1250%	-	-	-	-	-	-	-	-	-	-	-	-
Total	23,592,171	3,158,886	88	944	4,946,472	8,460,776	512,664	-	175,620	10,274	40,857,896	7,807,522
Average Risk Weight	-	3%	20%	100%	57%	53%	49%	-	99%	20%	19%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	0	-	

** The total includes the portion which is deducted from Capital Base, if any.*

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

TABLE 14(C): DISCLOSURE BY RISK WEIGHT UNDER SA FOR CIMBIBG

	CIMBIBG											
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Insurance Cos, Securities Firms & Fund Managers	Corporate	Regulatory Retail	Residential Mortgages	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk-Weighted Assets
2025												
0%	**378,616**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**1,464**	**-**	**380,080**	**-**
20%	**-**	**-**	**114,858**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**114,858**	**22,972**
35%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
50%	**-**	**-**	**117,677**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**117,677**	**58,838**
75%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
100%	**-**	**-**	**-**	**-**	**16,847**	**-**	**-**	**-**	**63,724**	**-**	**80,571**	**80,571**
100%<RW < 1250%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1250%	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Total	**378,616**	**-**	**232,535**	**-**	**16,847**	**-**	**-**	**-**	**65,188**	**-**	**693,186**	**162,381**
Average Risk Weight	**-**	**-**	**35%**	**-**	**100%**	**-**	**-**	**-**	**98%**	**-**	**23%**	
Deduction from Capital Base	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	
2024												
0%	413,217	-	-	-	-	-	-	-	6	-	413,223	-
20%	-	-	100,360	-	-	-	-	-	-	-	100,360	20,072
35%	-	-	-	-	-	-	-	-	-	-	-	-
50%	-	-	108,766	-	-	-	-	-	-	-	108,766	54,383
75%	-	-	-	-	-	-	-	-	-	-	-	-
100%	-	-	-	-	15,859	-	-	-	49,372	-	65,231	65,231
100%<RW < 1250%	-	-	-	-	-	-	-	-	-	-	-	-
1250%	-	-	-	-	-	-	-	-	-	-	-	-
Total	413,217	-	209,126	-	15,859	-	-	-	49,378	-	687,580	139,686
Average Risk Weight	-	-	36%	-	100%	-	-	-	100%	-	20%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

** The total includes the portion which is deducted from Capital Base, if any.*

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

The following tables present the non-retail credit exposures before the effect of credit risk mitigation, according to ratings by ECAIs:

TABLE 15(A): DISCLOSURES OF RATED AND UNRATED NON-RETAIL EXPOSURES UNDER SA ACCORDING TO RATINGS BY ECAIS FOR CIMBBG

	CIMBBG			
(RM'000) **Exposure Class**	**Investment Grade**	**Non-Investment Grade**	**No Rating**	**Total**
2025				
On and Off-Balance-Sheet Exposures				
Public Sector Entities	**–**	**–**	**12,415,796**	**12,415,796**
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	**3,128,982**	**–**	**2,048,832**	**5,177,814**
Corporate	**484,483**	**465,079**	**35,362,626**	**36,312,189**
Sovereign/Central Banks	**95,235,807**	**–**	**18,785,447**	**114,021,254**
Banks, MDBs and DFIs	**2,491,562**	**–**	**1,103,814**	**3,595,375**
Total	**101,340,834**	**465,079**	**69,716,515**	**171,522,428**
2024				
On and Off-Balance-Sheet Exposures				
Public Sector Entities	–	–	12,744,726	12,744,726
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	2,787,687	–	2,469,507	5,257,195
Corporate	459,738	115,884	36,292,229	36,867,850
Sovereign/Central Banks	92,100,447	–	18,943,063	111,043,510
Banks, MDBs and DFIs	1,634,834	–	1,345,702	2,980,536
Total	96,982,706	115,884	71,795,228	168,893,818

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

TABLE 15(B): DISCLOSURES OF RATED AND UNRATED NON-RETAIL EXPOSURES UNDER SA ACCORDING TO RATINGS BY ECAIS FOR CIMBISLG

	CIMBISLG			
(RM'000) **Exposure Class**	**Investment Grade**	**Non-Investment Grade**	**No Rating**	**Total**
2025				
On and Off-Balance-Sheet Exposures				
Public Sector Entities	**–**	**–**	**2,830,642**	**2,830,642**
Takaful Operators, Securities Firms & Fund Managers	**5,067**	**–**	**453**	**5,520**
Corporate	**–**	**–**	**5,388,338**	**5,388,338**
Sovereign/Central Banks	**22,172,669**	**–**	**1,441,133**	**23,613,803**
Banks, MDBs and DFIs	**226**	**–**	**–**	**226**
Total	**22,177,962**	**–**	**9,660,566**	**31,838,528**
2024				
On and Off-Balance-Sheet Exposures				
Public Sector Entities	–	–	3,158,886	3,158,886
Takaful Operators, Securities Firms & Fund Managers	–	–	944	944
Corporate	10	5,153	5,082,001	5,087,165
Sovereign/Central Banks	21,360,412	–	2,231,759	23,592,171
Banks, MDBs and DFIs	88	–	–	88
Total	21,360,511	5,153	10,473,590	31,839,255

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

TABLE 15(C): DISCLOSURES OF RATED AND UNRATED NON-RETAIL EXPOSURES UNDER SA ACCORDING TO RATINGS BY ECAIS FOR CIMBIBG

	CIMBIBG			
(RM'000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
2025				
On and Off-Balance-Sheet Exposures				
Public Sector Entities	**–**	**–**	**–**	**–**
Insurance Cos, Securities Firms & Fund Managers	**–**	**–**	**–**	**–**
Corporate	**–**	**–**	**16,847**	**16,847**
Sovereign/Central Banks	**357,963**	**–**	**20,653**	**378,616**
Banks, MDBs and DFIs	**134,066**	**–**	**98,469**	**232,535**
Total	**492,029**	**–**	**135,969**	**627,998**
2024				
On and Off-Balance-Sheet Exposures				
Public Sector Entities	–	–	–	–
Insurance Cos, Securities Firms & Fund Managers	–	–	–	–
Corporate	–	–	15,859	15,859
Sovereign/Central Banks	392,564	–	20,653	413,217
Banks, MDBs and DFIs	123,461	–	85,665	209,126
Total	516,025	–	122,178	638,202

TABLE 16(A): DISCLOSURES OF SECURITISATION UNDER SA ACCORDING TO RATINGS BY ECAIS FOR CIMBBG

	CIMBBG			
(RM'000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
2025				
On and Off-Balance-Sheet Exposures				
Securitisation	**331,905**	**–**	**–**	**331,905**
2024				
On and Off-Balance-Sheet Exposures				
Securitisation	318,362	–	–	318,362

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE SA (CONTINUED)

TABLE 16(B): DISCLOSURES OF SECURITISATION UNDER SA ACCORDING TO RATINGS BY ECAIS FOR CIMBISLG

	CIMBISLG			
(RM'000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
2025				
On and Off-Balance-Sheet Exposures				
Securitisation	**10,303**	**–**	**–**	**10,303**
2024				
On and Off-Balance-Sheet Exposures				
Securitisation	10,274	–	–	10,274

As at 31 December 2025 and 31 December 2024, there is no Securitisation under SA according to Ratings by ECAIs for CIMBIBG.

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH

CIMBBG and CIMBISLG adopt the A-IRB Approach for its retail exposures and F-IRB Approach for its non-retail exposures. The IRB Approach allows CIMBBG and CIMBISLG to adopt various rating systems to measure its credit risk for both retail and non-retail exposures. The internal risk rating systems are used not only for regulatory capital purposes, but also for credit approval and risk management reporting.

For retail exposures, application scorecards are integral to the credit approval process. Credit officers use scorecard outputs in the determination of approval of a credit application. Behavioural scorecards are used to determine the future conduct of the account for collection and portfolio management purposes.

For non-retail exposures, internal ratings are used to assist approving committees in making informed decisions for credit applications.

Models used in internal rating systems are subject to strict governance and controls. Models are developed and maintained by Group Risk with input from business units and Credit Risk CoE to ensure that relevant material risks are captured. Models are also subject to Model Risk Management Working Group deliberation followed by internal model governance prior to implementation. Post-implementation, models are subject to regular performance monitoring to ensure that they continue to perform as expected and associated risk parameters remain appropriate.

New models are assessed by the Validation Team, which is independent from the development team, to ensure robustness of the model development process, completeness of the documentation, and accuracy of the risk estimates. The validation exercise also ensures that the models meet regulatory standards. Existing models are assessed on an annual basis by the validation team to ensure that the models continue to be appropriate and the risk estimates continue to be accurate.

RETAIL EXPOSURES

Retail exposures is a portfolio large in numbers and are similarly managed due to its homogeneous characteristics. This applies to both exposures to individuals as well as exposures to small businesses which are managed on a pooled basis. The exposure of a single retail facility is typically low and usually referred to as program lending/financing.

Retail exposures covered under the A-IRB Approach include Credit Cards, Auto Financing, Xpress Cash Financing-i, Residential Mortgages, Business Premises Loans/Financing and ASB Financing. The PDs of these exposures are typically estimated from the outputs of application scorecards for new customers and behavioural scorecards for existing customers. The models deployed for retail portfolios include application, behavioural, PD, LGD and EAD segmentation models.

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

RETAIL EXPOSURES (CONTINUED)

A) PD, LGD AND EAD SEGMENTATION MODELS FOR RETAIL EXPOSURES

The risk estimates are generally developed based on internal historical data and complies with BNM guidelines on CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets). However, in instances of insufficient historical data, the respective model risk estimate is developed based on expert judgment or available industry data with margin of conservatism.

PD Calibration

- PD is defined as the probability of a borrower/customer defaulting within a one-year time horizon.
- PD estimated for each pool must be representative of the long-term average. In the event the internal historical data is not sufficient to cover an economic cycle, appropriate adjustment (via Cycle Scaling Factor) will be incorporated based on proxy data which are relevant and of longer history to derive the long-term average PD, which is normally referred to as "Central Tendency".

EAD Estimation

- EAD represents the expected level of usage of the facility when default occurs.
- The EAD for retail exposures is generally based on the respective portfolio's summed outstanding exposure including any undrawn balances, and for revolving exposures such as credit cards the EAD estimation includes the estimated net additional drawings over the next 12 months.

LGD Estimation

- LGD is the estimated amount of loss expected if a loan/financing defaults, calculated as a percentage of EAD. The value depends on the collateral (if any) and other factors such as internal, external, direct and indirect costs associated with recoveries.
- LGD for retail exposures is estimated based on historical internal data and the following sources of recoveries are incorporated into the estimation:
  - (i) Regularisation of defaulted accounts.
  - (ii) Sale proceeds from collaterals.
  - (iii) Cash receipts from borrowers/customers.

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

RETAIL EXPOSURES (CONTINUED)

The following tables summarise the retail credit exposures measured under A-IRB Approach as at 31 December 2024 and 31 December 2023:

TABLE 17(A): RETAIL CREDIT EXPOSURES BY PD BAND FOR CIMBBG

	CIMBBG			
(RM'000) **PD Range of Retail Exposures**	**0% ≤ PD < 2%**	**2% ≤ PD < 100%**	**100% or Default**	**Total**
2025				
Total Retail Exposure	**159,890,025**	**59,070,256**	**3,948,052**	**222,908,333**
Residential Mortgage/RRE Financing	**108,749,437**	**13,514,448**	**2,840,411**	**125,104,296**
QRRE	**11,365,897**	**4,600,916**	**310,394**	**16,277,207**
Hire Purchase	**7,946,851**	**18,921,294**	**361,324**	**27,229,469**
Other Retail	**31,827,840**	**22,033,599**	**435,923**	**54,297,362**
Exposure Weighted Average LGD				
Residential Mortgage/RRE Financing	**19%**	**23%**	**33%**	
QRRE	**89%**	**89%**	**90%**	
Hire Purchase	**44%**	**57%**	**55%**	
Other Retail	**20%**	**23%**	**41%**	
Exposure Weighted Average Risk Weight				
Residential Mortgage/RRE Financing	**10%**	**88%**	**318%**	
QRRE	**25%**	**143%**	**711%**	
Hire Purchase	**52%**	**89%**	**285%**	
Other Retail	**19%**	**38%**	**192%**	
2024				
Total Retail Exposure	156,897,245	55,998,518	3,949,045	216,844,809
Residential Mortgage/RRE Financing	104,996,389	13,095,651	2,778,101	120,870,141
QRRE	10,501,822	4,449,639	173,288	15,124,749
Hire Purchase	7,769,272	17,317,795	316,185	25,403,252
Other Retail	33,629,762	21,135,433	681,472	55,446,666
Exposure Weighted Average LGD				
Residential Mortgage/RRE Financing	20%	24%	34%	
QRRE	89%	89%	89%	
Hire Purchase	44%	57%	55%	
Other Retail	22%	21%	40%	
Exposure Weighted Average Risk Weight				
Residential Mortgage/RRE Financing	11%	87%	207%	
QRRE	19%	119%	471%	
Hire Purchase	52%	89%	321%	
Other Retail	17%	35%	150%	

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

RETAIL EXPOSURES (CONTINUED)

TABLE 17(B): RETAIL CREDIT EXPOSURES BY PD BAND FOR CIMBISLG

	CIMBISLG			
(RM'000) **PD Range of Retail Exposures**	**0% ≤ PD < 2%**	**2% ≤ PD < 100%**	**100% or Default**	**Total**
2025				
Total Retail Exposure	**66,185,450**	**37,130,203**	**1,952,108**	**105,267,761**
RRE Financing	**46,959,405**	**7,163,094**	**1,492,291**	**55,614,790**
QRRE	**1,076,926**	**548,239**	**33,638**	**1,658,803**
Hire Purchase	**5,281,119**	**16,002,810**	**281,874**	**21,565,803**
Other Retail	**12,868,000**	**13,416,060**	**144,305**	**26,428,365**
Exposure Weighted Average LGD				
RRE Financing	**22%**	**25%**	**36%**	
QRRE	**90%**	**90%**	**90%**	
Hire Purchase	**44%**	**59%**	**56%**	
Other Retail	**21%**	**13%**	**41%**	
Exposure Weighted Average Risk Weight				
RRE Financing	**11%**	**94%**	**313%**	
QRRE	**29%**	**137%**	**776%**	
Hire Purchase	**52%**	**89%**	**294%**	
Other Retail	**20%**	**20%**	**190%**	
2024				
Total Retail Exposure	62,819,997	35,327,899	1,831,919	99,979,816
RRE Financing	42,881,473	6,712,854	1,373,597	50,967,923
QRRE	665,660	448,817	11,089	1,125,566
Hire Purchase	5,280,818	14,307,709	237,203	19,825,730
Other Retail	13,992,047	13,858,519	210,031	28,060,597
Exposure Weighted Average LGD				
RRE Financing	22%	25%	36%	
QRRE	90%	90%	90%	
Hire Purchase	44%	58%	56%	
Other Retail	24%	12%	40%	
Exposure Weighted Average Risk Weight				
RRE Financing	12%	93%	226%	
QRRE	21%	113%	528%	
Hire Purchase	52%	89%	338%	
Other Retail	21%	18%	207%	

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

RETAIL EXPOSURES (CONTINUED)

TABLE 18(A): RETAIL EXPOSURES UNDER THE IRB APPROACH BY EXPECTED LOSS RANGE FOR CIMBBG

	CIMBBG			
(RM'000) **EL Range of Retail Exposures**	**EL ≤ 1%**	**1% < EL < 100%**	**EL = 100%**	**Total**
2025				
Total Retail Exposure	**181,262,269**	**41,550,124**	**95,940**	**222,908,333**
Residential Mortgage/RRE Financing	**116,875,722**	**8,205,581**	**22,993**	**125,104,296**
QRRE	**9,197,567**	**7,076,586**	**3,054**	**16,277,207**
Hire Purchase	**10,745,357**	**16,449,946**	**34,165**	**27,229,469**
Other Retail	**44,443,623**	**9,818,010**	**35,728**	**54,297,362**
Exposure Weighted Average LGD				
Residential Mortgage/RRE Financing	**20%**	**28%**	**38%**	
QRRE	**89%**	**89%**	**90%**	
Hire Purchase	**42%**	**61%**	**55%**	
Other Retail	**18%**	**37%**	**69%**	
2024				
Total Retail Exposure	180,639,753	36,087,605	117,451	216,844,809
Residential Mortgage/RRE Financing	112,961,735	7,883,694	24,712	120,870,141
QRRE	10,338,790	4,783,073	2,886	15,124,749
Hire Purchase	10,593,591	14,786,742	22,919	25,403,252
Other Retail	46,745,637	8,634,096	66,933	55,446,666
Exposure Weighted Average LGD				
Residential Mortgage/RRE Financing	20%	29%	40%	
QRRE	89%	89%	90%	
Hire Purchase	42%	61%	55%	
Other Retail	19%	40%	65%	

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

RETAIL EXPOSURES (CONTINUED)

TABLE 18(B): RETAIL EXPOSURES UNDER THE IRB APPROACH BY EXPECTED LOSS RANGE FOR CIMBISLG

	CIMBISLG			
(RM'000) EL Range of Retail Exposures	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
2025				
Total Retail Exposure	**82,315,593**	**22,904,191**	**47,978**	**105,267,761**
RRE Financing	**51,216,191**	**4,390,573**	**8,026**	**55,614,790**
QRRE	**756,824**	**901,979**	**–**	**1,658,803**
Hire Purchase	**7,381,619**	**14,159,569**	**24,615**	**21,565,803**
Other Retail	**22,960,959**	**3,452,069**	**15,336**	**26,428,365**
Exposure Weighted Average LGD				
RRE Financing	**22%**	**30%**	**46%**	
QRRE	**90%**	**90%**	**–**	
Hire Purchase	**42%**	**62%**	**56%**	
Other Retail	**16%**	**24%**	**52%**	
2024				
Total Retail Exposure	79,616,164	20,323,619	40,033	99,979,816
RRE Financing	46,931,501	4,029,462	6,960	50,967,923
QRRE	589,371	536,180	14	1,125,566
Hire Purchase	7,348,136	12,462,328	15,266	19,825,730
Other Retail	24,747,156	3,295,648	17,792	28,060,597
Exposure Weighted Average LGD				
RRE Financing	22%	31%	41%	
QRRE	90%	90%	90%	
Hire Purchase	42%	62%	57%	
Other Retail	17%	25%	67%	

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

NON-RETAIL EXPOSURES

Non-retail exposures covered under the F-IRB Approach include corporates (Specialised Lending/Financing uses supervisory slotting criteria), SMEs and banks. The PDs of these exposures are estimated from internal ratings assigned across a spectrum of risk levels on a master scale. Each internal rating has a corresponding 1-year average PD and a likely corresponding regulatory loan/financing classification. The LGDs of these exposures are assigned as per the CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets); that is an unsecured LGD of 45% for senior exposures and 75% for subordinated exposures, which can be adjusted if there are Basel eligible collateral.

The process by which an internal rating is assigned to an obligor is governed by the Group Credit Risk Rating Methodology. Firstly, a risk model uses a weighted combination of quantitative and qualitative risk factors to generate an initial rating. The quantitative risk factors and weights are derived through statistical techniques and the qualitative risk factors and weights are derived through deliberation with credit experts. The initial rating may subsequently be upgraded or downgraded based on a predefined set of criteria, such as quality of financial statements and support from a parent entity. Finally, an approving authority deliberates before deciding on a final rating. If a facility is guaranteed by one or more corporate guarantors, then the framework recognises the credit risk mitigation by substituting the obligor rating with the corporate guarantor's rating.

The following tables summarise the Group's non-retail credit exposures measured under F-IRB Approach as at 31 December 2025 and 31 December 2024:

TABLE 19(A): CREDIT EXPOSURES SUBJECT TO SUPERVISORY RISK WEIGHT UNDER IRB APPROACH FOR CIMBBG

(RM'000)	CIMBBG					
Supervisory Categories	**Strong**	**Good**	**Satisfactory**	**Weak**	**Default**	**Total**
2025						
Project Finance	**438,124**	**8,473,850**	**24,559**	**155**	**–**	**8,936,689**
Object Finance	**–**	**–**	**–**	**–**	**–**	**–**
Commodities Finance	**–**	**–**	**–**	**–**	**–**	**–**
Income Producing Real Estate	**4,112,044**	**9,973,649**	**301,029**	**635,067**	**83,694**	**15,105,484**
RWA	**2,568,033**	**13,767,102**	**346,268**	**1,588,055**	**–**	**18,269,458**
2024						
Project Finance	816,036	6,248,080	96,140	176	–	7,160,433
Object Finance	–	–	–	–	–	–
Commodities Finance	–	–	–	–	–	–
Income Producing Real Estate	3,167,898	10,825,543	669,016	824,229	98,022	15,584,709
RWA	2,152,267	12,412,090	789,667	2,061,012	–	17,415,037

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

NON-RETAIL EXPOSURES (CONTINUED)

TABLE 19(B): CREDIT EXPOSURES SUBJECT TO SUPERVISORY RISK WEIGHT UNDER IRB APPROACH FOR CIMBISLG

(RM'000)	CIMBISLG					
Supervisory Categories	**Strong**	**Good**	**Satisfactory**	**Weak**	**Default**	**Total**
2025						
Project Finance	**162,125**	**1,573,349**	**24,559**	**154**	**–**	**1,760,188**
Object Finance	**–**	**–**	**–**	**–**	**–**	**–**
Commodities Finance	**–**	**–**	**–**	**–**	**–**	**–**
Income Producing Real Estate	**639,311**	**1,490,370**	**28,950**	**162,239**	**14,867**	**2,335,737**
RWA	**321,331**	**2,484,775**	**33,377**	**405,983**	**–**	**3,245,466**
2024						
Project Finance	210,043	370,882	78,489	176	–	659,591
Object Finance	–	–	–	–	–	–
Commodities Finance	–	–	–	–	–	–
Income Producing Real Estate	588,543	2,141,870	102,719	188,487	0	3,021,619
RWA	401,803	1,991,156	118,126	471,659	–	2,982,744

CIMBBG and CIMBISLG have no exposure to High Volatility Commercial Real Estate and Equities under the Supervisory Slotting Criteria.

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

NON-RETAIL EXPOSURES (CONTINUED)

TABLE 20(A): NON-RETAIL EXPOSURES UNDER IRB APPROACH BY RISK GRADES FOR CIMBBG

	CIMBBG				
(RM'000) **Internal Risk Grading**	**1 – 7**	**8 – 15**	**16 – 25**	**Default**	**Total**
2025					
Total Non-Retail Exposure	**67,216,157**	**96,732,663**	**27,435,160**	**2,239,001**	**193,622,981**
Sovereign/Central Banks	**–**	**–**	**–**	**–**	**–**
Bank	**33,642,359**	**16,688,244**	**40,903**	**0**	**50,371,507**
Corporate (excluding Specialised Lending/Financing)	**33,573,798**	**80,044,419**	**27,394,257**	**2,239,001**	**143,251,474**
Exposure Weighted Average LGD					
Sovereign/Central Banks	**–**	**–**	**–**	**–**	
Bank	**41%**	**42%**	**44%**	**45%**	
Corporate (excluding Specialised Lending/Financing)	**44%**	**42%**	**35%**	**42%**	
Exposure Weighted Average Risk Weight					
Sovereign/Central Banks	**–**	**–**	**–**	**–**	
Bank	**15%**	**33%**	**143%**	**–**	
Corporate (excluding Specialised Lending/Financing)	**18%**	**63%**	**105%**	**0%**	
2024					
Total Non-Retail Exposure	63,891,745	92,434,124	26,987,031	4,047,804	187,360,704
Sovereign/Central Banks	–	–	–	–	–
Bank	32,141,162	13,549,627	467,443	175	46,158,407
Corporate (excluding Specialised Lending/Financing)	31,750,582	78,884,497	26,519,588	4,047,629	141,202,296
Exposure Weighted Average LGD					
Sovereign/Central Banks	–	–	–	–	
Bank	43%	44%	45%	45%	
Corporate (excluding Specialised Lending/Financing)	44%	40%	36%	43%	
Exposure Weighted Average Risk Weight					
Sovereign/Central Banks	–	–	–	–	
Bank	15%	34%	134%	–	
Corporate (excluding Specialised Lending/Financing)	20%	60%	106%	–	

Credit Risk

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

NON-RETAIL EXPOSURES (CONTINUED)

TABLE 20(B): NON-RETAIL EXPOSURES UNDER IRB APPROACH BY RISK GRADES FOR CIMBISLG

	CIMBISLG				
(RM'000) Internal Risk Grading	1 – 7	8 – 15	16 – 25	Default	Total
2025					
Total Non-Retail Exposure	**15,570,186**	**20,834,479**	**11,297,394**	**336,305**	**48,038,364**
Bank	**6,136,588**	**2,468,355**	**57**	**–**	**8,605,000**
Corporate (excluding Specialised Financing)	**9,433,598**	**18,366,124**	**11,297,337**	**336,305**	**39,433,364**
Exposure Weighted Average LGD					
Bank	**36%**	**45%**	**45%**	**0%**	
Corporate (excluding Specialised Financing)	**44%**	**41%**	**38%**	**39%**	
Exposure Weighted Average Risk Weight					
Bank	**11%**	**19%**	**215%**	**0%**	
Corporate (excluding Specialised Financing)	**14%**	**66%**	**116%**	**0%**	
2024					
Total Non-Retail Exposure	9,411,074	17,151,773	9,924,605	999,693	37,487,144
Bank	3,702,733	1,022,058	–	23	4,724,813
Corporate (excluding Specialised Financing)	5,708,341	16,129,715	9,924,605	999,670	32,762,331
Exposure Weighted Average LGD					
Bank	41%	45%	–	45%	
Corporate (excluding Specialised Financing)	44%	41%	38%	43%	
Exposure Weighted Average Risk Weight					
Bank	16%	20%	207%	0%	
Corporate (excluding Specialised Financing)	10%	68%	111%	0%	

CREDIT RISK – DISCLOSURE FOR PORTFOLIOS UNDER THE IRB APPROACH (CONTINUED)

EXPECTED LOSSES VERSUS ACTUAL LOSSES BY PORTFOLIO TYPES

The following table summarises the expected losses versus actual losses by portfolio type:

TABLE 21(A): ANALYSIS OF EXPECTED LOSS VERSUS ACTUAL LOSSES BY PORTFOLIO TYPES FOR CIMBBG

	CIMBBG			
	2025		2024	
(RM'000) Exposure Class	Regulatory Expected Losses as at 31 December 2024	Actual Losses for the year ended 31 December 2025	Regulatory Expected Losses as at 31 December 2023	Actual Losses for the year ended 31 December 2024
Sovereign	**–**	**–**	–	–
Bank	**33,385**	**0**	20,039	0
Corporate	**920,213**	**(41,936)**	903,640	101,436
Mortgage/RRE Financing	**516,720**	**697,583**	468,198	623,479
HPE	**851,013**	**237,237**	851,119	198,893
QRRE	**373,770**	**111,143**	365,644	92,943
Other Retail	**267,094**	**57,476**	310,466	98,763
Total	**2,962,194**	**1,061,503**	2,919,107	1,115,513

TABLE 21(B): ANALYSIS OF EXPECTED LOSS VERSUS ACTUAL LOSSES BY PORTFOLIO TYPES FOR CIMBISLG

	CIMBISLG			
	2025		2024	
(RM'000) Exposure Class	Regulatory Expected Losses as at 31 December 2024	Actual Losses for the year ended 31 December 2025	Regulatory Expected Losses as at 31 December 2023	Actual Losses for the year ended 31 December 2024
Sovereign	**–**	**–**	–	–
Bank	**1,760**	**–**	1,240	–
Corporate	**247,585**	**27,040**	215,169	19,923
RRE Financing	**258,549**	**369,933**	217,770	319,964
HPE	**455,948**	**183,151**	483,252	148,365
QRRE	**32,114**	**16,605**	17,078	7,911
Other Retail	**167,193**	**33,939**	198,863	48,012
Total	**1,163,148**	**630,668**	1,133,371	544,175

Actual loss refers to impairment provisions and direct write-offs, if any during the year.

On the other hand, EL measures the loss expected from non-defaulted exposures at the start of the year. It is computed based on the risk parameters of the adopted IRB Approach. While a comparison of actual losses and EL provides some insight of the predictive power of the IRB Approach models used by the Group, the two metrics are not directly comparable due to the differences in methodology.

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND COUNTERPARTY CREDIT RISK (CCR)

Off-Balance Sheet exposures are exposures such as derivatives, trade facilities and undrawn commitments. The Group adopts the Current Exposure Method to compute the capital requirement for CCR under BNM's guidelines on CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets).

I) CREDIT RISK MITIGATION

For credit derivatives and swaps transactions, the Group enters into master agreement with counterparties, whenever possible. Further, the Group may also enter into CSA with counterparties. The net credit exposure with each counterparty is monitored based on the threshold agreed in the master agreement and the Group may request for additional margin for any exposures above the agreed threshold, in accordance with the terms specified in the relevant CSA or the master agreement. The eligibility of collaterals and frequency calls are negotiated with the counterparty and endorsed by GCC or the relevant credit approving authority.

II) TREATMENT OF RATING DOWNGRADE

In the event of a one-notch downgrade of rating, based on the terms of the existing Credit Support Annexes, International Swaps and Derivatives Association Agreement and exposure as at 31 December 2025 and 31 December 2024 there was no requirement for additional collateral to be posted.

On the other hand, counterparty rating is being monitored and in the event of a rating downgrade, remedial actions such as revision of the counterparty credit limit, suspension of the limit or the request for additional collateral may be taken.

The following tables disclose the Off-Balance Sheet exposures and CCR as at 31 December 2025 and 31 December 2024:

TABLE 22(A): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBBG

2025	CIMBBG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	**4,580,516**		**4,580,516**	**2,509,421**
Transaction Related Contingent Items	**6,702,213**		**3,351,106**	**1,919,975**
Short Term Self Liquidating Trade Related Contingencies	**2,322,585**		**464,517**	**162,451**
Assets Sold With Recourse	**–**			**–**
Forward Asset Purchases	**–**			**–**
Obligations under an On-going Underwriting Agreement	**–**		**–**	**–**
Lending/Financing of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/reverse repurchase and securities lending/borrowing transactions)/Commitments to buy back Islamic securities under Sales and Buy Back Agreement	**3,122,541**		**3,122,606**	**184,721**
Foreign Exchange Related Contracts				
One year or less	**39,425,008**	**272,980**	**781,812**	**427,617**
Over one year to five years	**1,029,624**	**11,513**	**66,484**	**60,611**
Over five years	**–**	**–**	**–**	**–**
Interest/Profit Rate Related Contracts				
One year or less	**6,386,180**	**52,517**	**74,167**	**43,482**
Over one year to five years	**17,662,396**	**280,303**	**709,857**	**503,555**
Over five years	**715,862**	**7,292**	**73,706**	**65,336**

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

TABLE 22(A): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBBG (CONTINUED)

2025	CIMBBG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Equity Related Contracts				
One year or less	**391,485**	**814**	**24,303**	**21,619**
Over one year to five years	**511,141**	**19,418**	**60,310**	**41,772**
Over five years	**–**	**–**	**–**	**–**
Commodity Contracts				
One year or less	**–**	**–**	**–**	**–**
Over one year to five years	**–**	**–**	**–**	**–**
Over five years	**–**	**–**	**–**	**–**
Credit Derivative Contracts				
One year or less	**–**	**–**	**–**	**–**
Over one year to five years	**–**	**–**	**–**	**–**
Over five years	**–**	**–**	**–**	**–**
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	**1,121,932,407**	**4,773,398**	**20,768,487**	**6,055,297**
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	**45,189,536**		**38,225,839**	**15,522,849**
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	**466,845**		**182,259**	**99,368**
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's/customer's creditworthiness	**123,848,484**		**–**	**–**
Unutilised credit card lines	**28,361,002**		**8,204,906**	**2,502,494**
Off-balance sheet items for securitisation exposures	**–**		**–**	**–**
Off-balance sheet exposures due to early amortisation provisions	**–**		**–**	**–**
Total	**1,402,647,823**	**5,418,235**	**80,690,873**	**30,120,567**

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

TABLE 22(A): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBBG (CONTINUED)

2024	CIMBBG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	4,083,395		4,083,395	2,064,559
Transaction Related Contingent Items	6,299,494		3,149,747	1,977,328
Short Term Self Liquidating Trade Related Contingencies	3,614,188		722,838	230,697
Assets Sold With Recourse	–		–	–
Forward Asset Purchases	–		–	–
Obligations under an On-going Underwriting Agreement	–		–	–
Lending/Financing of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/ reverse repurchase and securities lending/borrowing transactions)/Commitments to buy back Islamic securities under Sales and Buy Back Agreement	4,069,540		4,069,569	242,993
Foreign Exchange Related Contracts				
One year or less	38,122,687	324,268	771,769	376,804
Over one year to five years	387,258	2,896	28,185	31,743
Over five years	–	–	–	–
Interest/Profit Rate Related Contracts				
One year or less	4,231,532	3,845	18,131	12,737
Over one year to five years	12,370,141	51,476	405,140	226,806
Over five years	949,973	7,798	81,650	59,195
Equity Related Contracts				
One year or less	122,052	799	8,122	7,287
Over one year to five years	673,479	1,354	55,233	58,185
Over five years	–	–	–	–
Commodity Contracts				
One year or less	2,272	369	596	579
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
Credit Derivative Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	1,661,367,011	4,229,257	22,039,329	6,499,070
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	42,292,309		36,246,711	13,248,282
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	330,282		66,056	52,569
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's/customer's creditworthiness	125,914,780		–	–
Unutilised credit card lines	26,789,202		7,599,262	2,052,962
Off-balance sheet items for securitisation exposures	–		–	–
Off-balance sheet exposures due to early amortisation provisions	–		–	–
Total	1,931,619,597	4,622,063	79,345,734	27,141,795

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

TABLE 22(B): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBISLG

2025	CIMBISLG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	**731,698**		**731,698**	**481,388**
Transaction Related Contingent Items	**1,381,959**		**690,979**	**380,666**
Short Term Self Liquidating Trade Related Contingencies	**55,520**		**11,104**	**6,366**
Assets Sold With Recourse	**–**		**–**	**–**
Forward Asset Purchases	**–**		**–**	**–**
Obligations under an On-going Underwriting Agreement	**–**		**–**	**–**
Commitments to buy back Islamic securities under Sales and Buy Back agreement	**227,499**		**227,499**	**35,877**
Foreign Exchange Related Contracts				
One year or less	**5,369,851**	**15,685**	**102,878**	**46,085**
Over one year to five years	**27,422**	**81**	**1,452**	**363**
Over five years	**–**	**–**	**–**	**–**
Profit Rate Related Contracts				
One year or less	**17,201**	**223**	**323**	**273**
Over one year to five years	**635,026**	**3,795**	**62,814**	**86,668**
Over five years	**91,594**	**930**	**16,501**	**26,434**
Commodity contracts				
One year or less	**–**	**–**	**–**	**–**
Over one year to five years	**–**	**–**	**–**	**–**
Over five years	**–**	**–**	**–**	**–**
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	**72,187,791**	**1,148,630**	**2,710,909**	**400,762**
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	**12,905,110**		**11,241,002**	**4,720,340**
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	**1,000**		**750**	**1,053**
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	**14,814,204**		**–**	**–**
Unutilised credit card lines	**1,744,042**		**837,219**	**314,107**
Off-balance sheet items for securitisation exposures	**–**		**–**	**–**
Total	**110,189,915**	**1,169,343**	**16,635,127**	**6,500,383**

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

TABLE 22(B): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBISLG (CONTINUED)

2024	CIMBISLG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	650,649		650,649	418,722
Transaction Related Contingent Items	1,252,135		626,067	334,314
Short Term Self Liquidating Trade Related Contingencies	148,950		29,790	17,205
Assets Sold With Recourse	–		–	–
Forward Asset Purchases	–		–	–
Obligations under an On-going Underwriting Agreement	–		–	–
Commitments to buy back Islamic securities under Sales and Buy Back agreement	174,957		174,957	28,173
Foreign Exchange Related Contracts				
One year or less	2,562,038	57,397	91,324	60,222
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
Profit Rate Related Contracts				
One year or less	1,344	2	23	33
Over one year to five years	1,517,618	2,882	33,145	16,401
Over five years	111,894	1,493	7,088	4,490
Commodity contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	59,363,346	176,150	1,143,731	282,875
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	15,018,742		12,967,234	4,582,757
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	–		–	–
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	15,719,257		–	–
Unutilised credit card lines	1,178,219		570,892	230,706
Off-balance sheet items for securitisation exposures	–		–	–
Total	97,699,149	237,924	16,294,901	5,975,899

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

TABLE 22(C): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBIBG

2025	CIMBIBG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	–		–	–
Transaction Related Contingent Items	–		–	–
Short Term Self Liquidating Trade Related Contingencies	–		–	–
Assets Sold With Recourse	–		–	–
Forward Asset Purchases	–		–	–
Obligations under an On-going Underwriting Agreement	–		–	–
Lending/Financing of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/ reverse repurchase and securities lending/borrowing transactions)	–		–	–
Foreign Exchange Related Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
Commodity Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
Credit Derivative Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	–	–	–	–
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	–		–	–
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	–		–	–
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	–		–	–
Unutilised credit card lines	–		–	–
Off-balance sheet items for securitisation exposures	–		–	–
Off-balance sheet exposures due to early amortisation provisions	–		–	–
Total	–	–	–	–

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

TABLE 22(C): DISCLOSURE ON OFF-BALANCE SHEET EXPOSURES AND CCR FOR CIMBIBG (CONTINUED)

2024	CIMBIBG			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	–		–	–
Transaction Related Contingent Items	–		–	–
Short Term Self Liquidating Trade Related Contingencies	–		–	–
Assets Sold With Recourse	–		–	–
Forward Asset Purchases	–		–	–
Obligations under an On-going Underwriting Agreement	–		–	–
Lending/Financing of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions (i.e. repurchase/ reverse repurchase and securities lending/borrowing transactions)	–		–	–
Foreign Exchange Related Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
Commodity Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
Credit Derivative Contracts				
One year or less	–	–	–	–
Over one year to five years	–	–	–	–
Over five years	–	–	–	–
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	–	–	–	–
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	–		–	–
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	–		–	–
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	–		–	–
Unutilised credit card lines	–		–	–
Off-balance sheet items for securitisation exposures	–		–	–
Off-balance sheet exposures due to early amortisation provisions	–		–	–
Total	–	–	–	–

Credit Risk

OFF-BALANCE SHEET EXPOSURES AND CCR (CONTINUED)

The tables below show the credit derivative transactions that create exposures to CCR (notional value) segregated between own use and client intermediation activities:

TABLE 23(A): DISCLOSURE ON CREDIT DERIVATIVE TRANSACTIONS FOR CIMBBG

	CIMBBG			
	2025		2024	
	Notional of Credit Derivatives			
(RM'000)	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	**326,528**	**951,676**	118,888	1,381,187
Client Intermediation Activities	**–**	**–**	–	–
Total	**326,528**	**951,676**	118,888	1,381,187
Credit Default Swaps	**326,528**	**951,676**	118,888	1,381,187
Total Return Swaps	–	–	–	–
Total	**326,528**	**951,676**	118,888	1,381,187

TABLE 23(B): DISCLOSURE ON CREDIT DERIVATIVE TRANSACTIONS FOR CIMBISLG

	CIMBISLG			
	2025		2024	
	Notional of Credit Derivatives			
(RM'000)	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	**–**	**–**	–	–
Client Intermediation Activities	**–**	**19,900**	–	19,900
Total	**–**	**19,900**	–	19,900
Credit Default Swaps	**–**	**–**	–	–
Total Return Swaps	**–**	**19,900**	–	19,900
Total	**–**	**19,900**	–	19,900

TABLE 23(C): DISCLOSURE ON CREDIT DERIVATIVE TRANSACTIONS FOR CIMBIBG

	CIMBIBG			
	2025		2024	
	Notional of Credit Derivatives			
(RM'000)	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	**–**	**–**	–	–
Client Intermediation Activities	**–**	**–**	–	–
Total	**–**	**–**	–	–
Credit Default Swaps	**–**	**–**	–	–
Total Return Swaps	**–**	**–**	–	–
Total	**–**	**–**	–	–

Credit Risk

CREDIT RISK MITIGATION

The employment of various credit risk mitigation techniques such as appropriate credit structuring, and posting of collateral and/or third party support, form an integral part of the credit risk management process. Credit risk mitigants are taken, where possible, and are considered secondary recourse to the obligor for the credit risk underwritten.

I) COLLATERALS/SECURITIES

All extension of secured credit facilities deemed prudent, must be appropriately and adequately collateralised. A credit proposal is considered secured only when the entire proposal is fully covered by approved collateral/securities within their approved margins as set out in the relevant credit policy/standard. GCC or the relevant credit approving authority is empowered to approve any inclusion of new acceptable collaterals/securities.

Recognised collaterals include both financial and physical assets. Financial collaterals consist of mainly cash deposits, quoted shares, unit trusts and debt securities, while physical collateral includes land, buildings and vehicles. Guarantors accepted are in line with BNM's CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets) guidelines. Eligible credit protection is also used to mitigate credit losses in the event that the obligor/counterparty defaults.

II) COLLATERAL VALUATION AND MANAGEMENT

The Group has in place policies which govern the determination of eligibility of various collaterals including credit protection, to be considered for credit risk mitigation which includes the minimum operational requirements that are required for the specific collaterals to be considered as effective risk mitigants.

The collateral is valued periodically ranging from daily to annually, depending on the type of collateral. Specifically for real estate properties, a procedure for valuation of real estate properties is established to ensure adequate policies and procedures are in place for efficient and proper conduct of valuation of real estate properties and other related activities in relation to the interpretation, monitoring and management of valuation of real estate properties.

III) NETTING

In mitigating the counterparty credit risks in foreign exchange and derivative transactions, the Group enters into master agreements that provide for closeout netting with counterparties, whenever possible. A master agreement that governs all transactions between two parties, creates greater legal certainty that the netting of outstanding obligations can be enforced upon termination of outstanding transactions if an event of default occurs.

IV) PORTFOLIO DIVERSIFICATION FOR BETTER CLARITY

The Group avoids unwanted credit or market risk concentrations by diversifying our portfolios through a number of measures. Amongst others, there are guidelines in place relating to maximum exposure to any products, counterparty, sectors and country.

Credit Risk

CREDIT RISK MITIGATION (CONTINUED)

The following tables summarise the extent of which exposures are covered by eligible credit risk mitigants as at 31 December 2025 and 31 December 2024:

TABLE 24(A): DISCLOSURE ON CREDIT RISK MITIGATION FOR CIMBBG

2025	CIMBBG			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	**114,021,254**	**–**	**–**	**–**
Public Sector Entities	**12,415,796**	**12,103,881**	**41**	**–**
Banks, DFIs & MDBs	**53,966,882**	**267,550**	**4,369,086**	**–**
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	**3,127,271**	**–**	**208,895**	**–**
Corporate	**200,903,938**	**9,675,119**	**12,031,659**	**26,158,479**
Residential Mortgages/RRE Financing	**139,611,280**	**–**	**47,654**	**–**
Qualifying Revolving Retail	**15,966,813**	**–**	**–**	**–**
Hire Purchase	**26,868,145**	**–**	**–**	**–**
Other Retail	**84,227,973**	**6,503,832**	**1,101,160**	**–**
Securitisation	**331,905**	**–**	**–**	**–**
Equity	**198,908**	**–**	**–**	**–**
Higher Risk Assets	**1,891,867**	**–**	**–**	**–**
Other Assets	**9,502,483**	**–**	**–**	**–**
Defaulted Exposures	**4,910,339**	**46,731**	**42,548**	**588,961**
Total Exposures	**667,944,854**	**28,597,115**	**17,801,043**	**26,747,441**

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.

Credit Risk

CREDIT RISK MITIGATION (CONTINUED)

TABLE 24(A): DISCLOSURE ON CREDIT RISK MITIGATION FOR CIMBBG (CONTINUED)

2024	CIMBBG			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	111,043,510	–	93,139	–
Public Sector Entities	12,744,726	12,410,286	53	–
Banks, DFIs & MDBs	49,138,768	463,682	2,189,320	–
Insurance Cos/Takaful Operators, Securities Firms & Fund Managers	5,257,195	–	768,709	–
Corporate	196,351,951	7,594,007	14,089,371	23,874,200
Residential Mortgages/RRE Financing	135,452,611	–	11,266	–
Qualifying Revolving Retail	14,951,461	–	–	–
Hire Purchase	25,087,067	–	–	–
Other Retail	83,986,221	6,586,712	1,081,692	–
Securitisation	318,362	–	–	–
Equity	54	–	–	–
Higher Risk Assets	1,875,930	–	–	–
Other Assets	18,895,845	–	–	–
Defaulted Exposures	5,886,665	35,954	42,066	599,732
Total Exposures	660,990,368	27,090,641	18,275,615	24,473,933

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.

Credit Risk

CREDIT RISK MITIGATION (CONTINUED)

TABLE 24(B): DISCLOSURE ON CREDIT RISK MITIGATION FOR CIMBISLG

2025	CIMBISLG			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	**23,613,803**	**–**	**–**	**–**
Public Sector Entities	**2,830,642**	**2,573,740**	**–**	**–**
Banks, DFIs & MDBs	**8,605,227**	**–**	**1,316,049**	**–**
Takaful Operators, Securities Firms & Fund Managers	**5,520**	**–**	**–**	**–**
Corporate	**48,513,163**	**2,986,364**	**1,431,236**	**10,593,779**
RRE Financing	**54,626,361**	**–**	**10**	**–**
Qualifying Revolving Retail	**1,625,165**	**–**	**–**	**–**
Hire Purchase	**21,283,929**	**–**	**–**	**–**
Other Retail	**34,735,751**	**1,226,657**	**71,046**	**–**
Securitisation	**10,303**	**–**	**–**	**–**
Higher Risk Assets	**–**	**–**	**–**	**–**
Other Assets	**164,365**	**–**	**–**	**–**
Defaulted Exposures	**1,823,481**	**1,297**	**6,616**	**157,706**
Total Exposures	**197,837,709**	**6,788,057**	**2,824,957**	**10,751,485**

2024	CIMBISLG			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	23,592,171	–	–	–
Public Sector Entities	3,158,886	2,910,286	–	–
Banks, DFIs & MDBs	4,724,878	–	359,230	–
Takaful Operators, Securities Firms & Fund Managers	944	–	–	–
Corporate	40,488,335	1,284,556	1,094,803	9,838,405
RRE Financing	50,095,887	–	–	–
Qualifying Revolving Retail	1,114,477	–	–	–
Hire Purchase	19,588,527	–	–	–
Other Retail	36,312,115	1,589,346	70,495	–
Securitisation	10,274	–	–	–
Higher Risk Assets	–	–	–	–
Other Assets	175,620	–	–	–
Defaulted Exposures	2,349,236	2,722	4,947	154,341
Total Exposures	181,611,350	5,786,911	1,529,475	9,992,746

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.

Credit Risk

CREDIT RISK MITIGATION (CONTINUED)

TABLE 24(C): DISCLOSURE ON CREDIT RISK MITIGATION FOR CIMBIBG

2025	CIMBIBG			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	**378,616**	–	–	–
Public Sector Entities	–	–	–	–
Banks, DFIs & MDBs	**232,535**	–	–	–
Insurance Cos, Securities Firms & Fund Managers	–	–	–	–
Corporate	**16,847**	–	–	–
Residential Mortgages	–	–	–	–
Qualifying Revolving Retail	–	–	–	–
Hire Purchase	–	–	–	–
Other Retail	–	–	–	–
Securitisation	–	–	–	–
Higher Risk Assets	–	–	–	–
Other Assets	**65,188**	–	–	–
Defaulted Exposures	–	–	–	–
Total Exposures	**693,186**	–	–	–

2024	CIMBIBG			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	413,217	–	–	–
Public Sector Entities	–	–	–	–
Banks, DFIs & MDBs	209,126	–	–	–
Insurance Cos, Securities Firms & Fund Managers	–	–	–	–
Corporate	15,859	–	–	–
Residential Mortgages	–	–	–	–
Qualifying Revolving Retail	–	–	–	–
Hire Purchase	–	–	–	–
Other Retail	–	–	–	–
Securitisation	–	–	–	–
Higher Risk Assets	–	–	–	–
Other Assets	49,378	–	–	–
Defaulted Exposures	–	–	–	–
Total Exposures	687,580	–	–	–

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.

Securitisation

THE ROLE CIMB PLAYS IN THE SECURITISATION PROCESS

In the course of its business, CIMB Group has undertaken securitisations of its own originated assets as a means of diversifying funding source, as well as advised on securitisations of third party assets as part of its regional debt capital markets services for its clients.

CIMB Group securitises its own assets in order to, amongst others, manage credit risk and to manage term funding for CIMB Group's balance sheet. Typically, CIMB Group undertakes the following roles in the securitisation activities (either singularly or in combination):

- Originator and servicer of securitised assets
- Asset-backed securities marketing, syndication and trading
- Provider of liquidity facilities to self-originated and third-party transactions
- Investor of third-party securitisations (where CIMB is not originator or sponsor)

DISCLOSURE ON SECURITISATION FOR BANKING BOOK

The following tables show the disclosure on Securitisation for Banking Book for 31 December 2025 and 31 December 2024:

TABLE 25(A): DISCLOSURE ON SECURITISATION FOR BANKING BOOK FOR CIMBBG

	CIMBBG			
(RM'000) Underlying Asset	Total Exposures Securitised	Past Due	Credit Impaired	Gains/(Losses) Recognised during the year
2025				
TRADITIONAL SECURITISATION (Banking Book)				
Originated by the Banking Institution				
Hire Purchase Exposure	-	-	-	-
2024				
TRADITIONAL SECURITISATION (Banking Book)				
Originated by the Banking Institution				
Hire Purchase Exposure	–	–	–	–

TABLE 25(B): DISCLOSURE ON SECURITISATION FOR BANKING BOOK FOR CIMBISLG

	CIMBISLG			
(RM'000) Underlying Asset	Total Exposures Securitised	Past Due	Credit Impaired	Gains/(Losses) Recognised during the year
2025				
TRADITIONAL SECURITISATION (Banking Book)				
Originated by the Banking Institution				
Hire Purchase Exposure	-	-	-	-
2024				
TRADITIONAL SECURITISATION (Banking Book)				
Originated by the Banking Institution				
Hire Purchase Exposure	–	–	–	–

There were no outstanding exposures securitised by CIMBIBG as at 31 December 2025 and 31 December 2024.

Securitisation

DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK

The tables below represent the disclosure on Securitisation under the SA for Banking Book:

TABLE 26(A): DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK EXPOSURES FOR CIMBBG

2025	CIMBBG											
	Distribution of Exposures after CRM according to Applicable Risk Weights											
			Rated Securitisation Exposures							Unrated (Look Through)		
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	Risk-Weighted Assets
Traditional Securitisation (Banking Book)												
Non-originating Banking Institution												
On-Balance Sheet												
Most senior	**331,905**	-	-	-	**331,905**	-	-	-	-			**66,381**
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Originating Banking Institution												
On-Balance Sheet												
Most senior	-	-	-	-	-	-	-	-	-			-
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Total Exposures	**331,905**	-	-	-	**331,905**	-	-	-	-	-	-	**66,381**

Securitisation

DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK (CONTINUED)

TABLE 26(A): DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK EXPOSURES FOR CIMBBG (CONTINUED)

2024	CIMBBG											
	Distribution of Exposures after CRM according to Applicable Risk Weights											
			Rated Securitisation Exposures							Unrated (Look Through)		
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	Risk-Weighted Assets
Traditional Securitisation (Banking Book)												
Non-originating Banking Institution												
On-Balance Sheet												
Most senior	318,362	-	-	-	318,362	-	-	-	-			63,672
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Originating Banking Institution												
On-Balance Sheet												
Most senior	-	-	-	-	-	-	-	-	-			-
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Total Exposures	318,362	-	-	-	318,362	-	-	-	-	-	-	63,672

Securitisation

DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK (CONTINUED)

TABLE 26(B): DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK EXPOSURES FOR CIMBISLG

2025	CIMBISLG											
	Distribution of Exposures after CRM according to Applicable Risk Weights											
			Rated Securitisation Exposures							Unrated (Look Through)		
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	Risk-Weighted Assets
Traditional Securitisation (Banking Book)												
Non-originating Banking Institution												
On-Balance Sheet												
Most senior	**10,303**	-	-	-	**10,303**	-	-	-	-			**2,061**
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Originating Banking Institution												
On-Balance Sheet												
Most senior	-	-	-	-	-	-	-	-	-			-
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Total Exposures	**10,303**	-	-	-	**10,303**	-	-	-	-			**2,061**

Securitisation

DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK (CONTINUED)

TABLE 26(B): DISCLOSURE ON SECURITISATION UNDER THE SA FOR BANKING BOOK EXPOSURES FOR CIMBISLG (CONTINUED)

2024	CIMBISLG											
	Distribution of Exposures after CRM according to Applicable Risk Weights											
			Rated Securitisation Exposures							Unrated (Look Through)		
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	Risk-Weighted Assets
Traditional Securitisation (Banking Book)												
Non-originating Banking Institution												
On-Balance Sheet												
Most senior	10,274	-	-	-	10,274	-	-	-	-			2,055
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Originating Banking Institution												
On-Balance Sheet												
Most senior	-	-	-	-	-	-	-	-	-			-
Mezzanine	-	-	-	-	-	-	-	-	-			-
First loss	-	-	-	-	-	-	-	-	-			-
Off-Balance Sheet												
Rated eligible liquidity facilities	-	-			-	-	-	-	-			-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-			-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-			-	-	-	-	-			-
Eligible servicer cash advance facilities	-	-			-	-	-	-	-			-
Eligible underwriting facilities	-	-			-	-	-	-	-			-
Guarantees and credit derivatives	-	-			-	-	-	-	-			-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-			-	-	-	-	-			-
Total Exposures	10,274	-	-	-	10,274	-	-	-	-	-	-	2,055

As at 31 December 2025 and 31 December 2024, CIMBIBG has no Securitisation under the SA for Banking Book Exposures.

Securitisation

SECURITISATION UNDER THE SA FOR TRADING BOOK EXPOSURES SUBJECT TO MARKET RISK CAPITAL CHARGE

The tables below present the Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge:

TABLE 27(A): DISCLOSURE ON SECURITISATION UNDER THE SA FOR TRADING BOOK EXPOSURES SUBJECT TO MARKET RISK CAPITAL CHARGE FOR CIMBBG

2025	CIMBBG				
(RM'000) Securitisation Exposures	Total Exposure Value of Positions Purchased or Retained	Exposures subject to deduction	General Risk Charge	Specific Risk Charge	Risk-Weighted Assets
TRADITIONAL SECURITISATION					
Originated by Third Party					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Sub-total	–	–	–	–	–
Originated by Banking Institution					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Sub-total	–	–	–	–	–
Securitisation subject to Early Amortisation					
Seller's interest					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Investor's interest					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Sub-total	–	–	–	–	–
TOTAL (TRADITIONAL SECURITISATION)	–	–	–	–	–

Securitisation

SECURITISATION UNDER THE SA FOR TRADING BOOK EXPOSURES SUBJECT TO MARKET RISK CAPITAL CHARGE (CONTINUED)

TABLE 27(A): DISCLOSURE ON SECURITISATION UNDER THE SA FOR TRADING BOOK EXPOSURES SUBJECT TO MARKET RISK CAPITAL CHARGE FOR CIMBBG (CONTINUED)

2024	CIMBBG				
(RM'000) Securitisation Exposures	Total Exposure Value of Positions Purchased or Retained	Exposures subject to deduction	General Risk Charge	Specific Risk Charge	Risk-Weighted Assets
TRADITIONAL SECURITISATION					
Originated by Third Party					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Sub-total	–	–	–	–	–
Originated by Banking Institution					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Sub-total	–	–	–	–	–
Securitisation subject to Early Amortisation					
Seller's interest					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Investor's interest					
On-Balance Sheet	–	–	–	–	–
Off-Balance Sheet	–	–	–	–	–
Sub-total	–	–	–	–	–
TOTAL (TRADITIONAL SECURITISATION)	–	–	–	–	–

As at 31 December 2025 and 31 December 2024, CIMBISLG and CIMBIBG have no Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge.

Market Risk

Market risk is defined as fluctuations in the value of financial instruments due to changes in market risk factors such as interest rates/ profit rates, currency exchange rates, credit spreads, equity prices, commodities prices and their associated volatility.

MARKET RISK MANAGEMENT

The Group hedges the exposures to market risk by employing various strategies, including the use of derivative instruments.

The Group adopts various measures as part of the risk management process. The GRCC with the assistance of GMCRC and its delegated committees ensure that the risk exposures undertaken by the Group is within the risk appetite approved by the Board.

Market Risk CoE is responsible for measuring and controlling the Group's market risk through robust measurement and market risk limit monitoring while facilitating business growth within a controlled and transparent risk management framework. Market Risk CoE evaluates the market exposures using the applicable market price and pricing model. The valuation process is carried out with the independent price verification requirements to ensure that financial assets/liabilities are recorded at fair value. The valuation methods and models used are validated by Market Risk Management quantitative analysts to assess their applicability relative to market conditions.

The Group adopts the VaR methodology as an approach in the measurement of market risk. VaR is a statistical measure of the potential losses that could occur as a result of movements in market rates and prices over a specified time horizon within a given confidence level.

Stress testing is conducted to capture the potential market risk exposures from an unexpected market movement. In formulating stress scenarios, consideration is given to various aspects of the market; for example, identification of areas where unexpected losses can occur and areas where historical correlation may no longer hold true.

In addition to the above, Market Risk CoE undertakes the monitoring and oversight process at Treasury & Markets' trading floors, which include reviewing and analysing treasury trading activities in relation to changes in the financial markets, monitoring limit usage, assessing limit adequacy and verifying transaction prices.

CAPITAL TREATMENT FOR MARKET RISK

At present, the Group adopts the Standardised Approach to compute market risk capital requirement under BNM's guidelines on CAF (Basel II – Risk-Weighted Assets) and CAFIB (Risk-Weighted Assets).

Details on RWA and capital requirements related to Market Risk are disclosed separately for CIMBBG, CIMBISLG and CIMBIBG for the following in Tables 2(a), (b) and (c):

- Interest Rate Risk/Profit Rate Risk;
- Foreign Currency Risk;
- Equity Risk;
- Commodity Risk; and
- Options Risk.

Operational Risk

Operational risk is the risk of loss resulting from inadequate or failed processes, people and systems, or from external events. It includes legal risk but excludes strategic and Shariah non-compliance risks.

Operational Risk encompasses, among others, Fraud, Third Party, and Business Continuity Risks, as outlined below:

- **Fraud Risk** is the risk of loss resulting from a deliberate act or course of deception or omission with the intention to conceal, omit, distort, misrepresent, falsify in order to: (i) obtain unlawful, illegal or unfair personal advantages, (ii) induce another person or persons to surrender willingly or unwillingly a legal right or possession or (iii) cause harm to damage another person or persons, resulting in a loss.
- **Third Party Risk** is the risk emanating from third parties that may result in a disruption to business operations, financial loss or reputational damage if the Group fails to appropriately manage the risks arising from its third-party arrangements or fails to comply with applicable third party or outsourcing regulations.
- **Business Continuity Risk** is the risk of business disruption and failure to establish, maintain, or appropriate business continuity management measures (including inadequate business continuity plans) as well as to comply with applicable regulatory requirements, including the ability to recover business services or operations within the Bank's maximum tolerable downtime.

OPERATIONAL RISK MANAGEMENT OVERSIGHT

The NFRM CoE, within GRD, provides the methodology, tools and processes for the identification, assessment, reporting, and management of operational risks by the respective risk owners across our Group. Identified risks are rated using a defined risk rating methodology applied across our Group's Three Lines-of-Defence. The NFRM CoE also independently oversees the identification and monitoring of operational risk and controls that reside within the first line-of-defence.

Monitoring of the identified risks is primarily done through the Operational Risk Committee or relevant risk management committees operating in each material geography. These committees report to the relevant functional or country level committees.

GORRC is a Group-level committee tasked with overseeing the operational risk framework and policies to ensure they are appropriate for the size and complexity of the current and future operations of CIMB Group, and to make recommendations to our GRCC for approval. GORRC oversees and monitors the overall operational risk control environment of CIMB Group and reports to our GRCC on material operational and reputational risks.

In addition to the GORRC, CIMB Group has established specific oversight committee to look into specialised areas of Fraud, Third Party and Business Continuity Risks.

OPERATIONAL RISK MANAGEMENT APPROACH

CIMB Group recognises that the key determinant for a well-managed banking operation is to cultivate an organisation-wide risk management discipline and culture. The Group manages operational risks through the following key measures:

i) Sound risk management practices in accordance with Basel regulatory guidelines;
ii) Management oversight;
iii) Well-defined responsibilities for all personnel concerned;
iv) Relevant framework, policies and procedures:
v) Establishment of a risk management culture; and
vi) Deployment of Operational Risk Management (ORM) tools that include:
    - Operational Event and Loss Data Management;
    - Risk & Control Self-Assessment;
    - Control Issue Management;
    - Key Risk Indicators;
    - Product Approval Process;
    - Business Impact Analysis and Risk Assessment;
    - Third Party Materiality & Risk Assessment; and
    - Scenario Analysis.

Operational Risk

OPERATIONAL RISK MANAGEMENT APPROACH (CONTINUED)

These tools form part of the operational risk framework that allows our Group, to effectively identify, measure, mitigate and report its operational risks. Each material division of our Group self-assesses its internal risks and control environment rating, and reports key control deficiencies with remediation plans.

The NFRM CoE continues to leverage on data analytics via its established Group-wide Operational Risk Dashboards to facilitate regional standardisation and prioritisation of risk issues. Comprehensive Key Risk Indicator dashboards that significantly enhance risk sensing, particularly emerging risk trends and monitoring coverage capabilities, are also in place to facilitate oversight over key risk areas. These dashboards are continuously enhanced and calibrated to strengthen risk management by generating pre-emptive actionable insights.

Each new product and product variation, including changes to the product related process flow, is subjected to rigorous risk review, in which all critical and relevant risk areas are appropriately identified and assessed independently of the risk takers or product owners.

The promotion of a risk management culture within our Group, in which integrity and honesty are non-negotiable, remains the core theme of our operational risk awareness program. Additionally, the e-learning module on ORM has further enhanced the staff awareness of operational risk.

CAPITAL TREATMENT FOR OPERATIONAL RISK

The Group adopts the Standardised Approach to compute operational risk capital requirement under BNM's guidelines on Capital Adequacy Framework (Operational Risk).

Details on RWA and capital requirements related to Operational Risk are disclosed separately for CIMBBG, CIMBISLG and CIMBIBG in Tables 2 (a), (b) and (c).

Equity Exposures in Banking Book

The Group's banking book equity investments consist of:

i) Strategic stakes in entities held as part of growth initiatives and/or in support of business operations; and

ii) Investments held for yield and/or long-term capital gains.

The Group's and CIMB's banking book equity investments are measured at fair value in accordance with Malaysian Financial Reporting Standards.

Realised and unrealised gains or losses arising from sales and liquidations of equities for the year ended 31 December 2025 and 31 December 2024 are as follows:

TABLE 28(A): REALISED GAINS/(LOSSES) FROM SALES AND LIQUIDATIONS, AND UNREALISED GAINS OF EQUITIES FOR CIMBBG

	CIMBBG	
(RM'000)	**2025**	**2024**
Realised gains recognised		
Shares, private equity funds and unit trusts	**–**	85,368
Unrealised (losses)/gains recognised in other comprehensive income		
Shares, private equity funds and unit trusts	**(69,037)**	438
Cumulative unrealised gains as at reporting period		
Shares, private equity funds and unit trusts	**49,818**	122,984

There were no realised and unrealised gains or losses for equity holdings in banking book for CIMBISLG and CIMBIBG as at 31 December 2025 and 31 December 2024.

There were no cumulative unrealised gains for equity holdings in banking book for CIMBISLG and CIMBIBG as at 31 December 2025 and 31 December 2024.

The following table shows an analysis of equity investments by appropriate equity groupings and Risk-Weighted assets as at 31 December 2025 and 31 December 2024 for the Group:

TABLE 29(A): ANALYSIS OF EQUITY INVESTMENTS BY GROUPING AND RWA FOR CIMBBG

	CIMBBG			
	2025		**2024**	
(RM'000)	**Exposures subject to Risk-Weighting**	**RWA**	**Exposures subject to Risk-Weighting**	**RWA**
Privately held	**1,875,864**	**2,813,797**	1,860,747	2,791,121
Publicly traded	**79,518**	**79,518**	54	54
Total	**1,955,382**	**2,893,315**	1,860,801	2,791,175

Equity Exposures in Banking Book

TABLE 29(B): ANALYSIS OF EQUITY INVESTMENTS BY GROUPING AND RWA FOR CIMBISLG

	CIMBISLG			
	2025		2024	
(RM'000)	Exposures subject to Risk-Weighting	RWA	Exposures subject to Risk-Weighting	RWA
Privately held	–	–	–	–
Publicly traded	–	–	–	–
Total	–	–	–	–

TABLE 29(C): ANALYSIS OF EQUITY INVESTMENTS BY GROUPING AND RWA FOR CIMBIBG

	CIMBIBG			
	2025		2024	
(RM'000)	Exposures subject to Risk-Weighting	RWA	Exposures subject to Risk-Weighting	RWA
Privately held	–	–	–	–
Publicly traded	–	–	–	–
Total	–	–	–	–

Interest Rate Risk/Rate of Return Risk in the Banking Book

IRRBB/RORBB is defined as the current and potential risk to the Group's earnings and economic value arising from movement of interest rates/profit rates.

IRRBB/RORBB MANAGEMENT

The Group manages its banking book exposure to fluctuations in the interest rates or profit rates in accordance with Board approved policies and framework. Oversight of IRRBB/RORBB is exercised through GALCO, a board-delegated committee which reports to the GRCC. The Group's IRRBB/RORBB profile is managed within a risk appetite framework set by the Board. The risk appetite defines the acceptable level of risk to be assumed by the Group. With support from Group Risk-ALM COE, EXCO Balance Sheet Management under Group Corporate Treasury and Group Finance-Capital Management, GALCO is responsible for steering the Group's balance sheet and hedging strategies and monitoring the overall interest rate risk/rate of return risk in the banking book profile to ensure compliance within the established risk appetite. IRRBB/RORBB exposures are assessed using balance sheet forecasts and relevant risk drivers, which are projected to support business planning and hedging strategies. Treasury & Markets, together with EXCO Balance Sheet Management and Capital Management, are responsible for the day-to-day management of exposures and gapping activities including execution of hedging strategies.

IRRBB/RORBB is measured by:

- **ECONOMIC VALUE OF EQUITY SENSITIVITY:**

  Measures the long-term impact of sudden interest rate/profit rate movement across the full maturity spectrum of the Group's assets and liabilities. It defines and quantifies interest rate risk/rate of return risk as the change in the economic value of equity (e.g. present value of potential future earnings and capital) as asset portfolio values and liability portfolio values would rise and fall with changes in interest rates/profit rates. This measure helps the Group to quantify the risk and impact on capital with the focus on current banking book positions.

For the purpose of this disclosure, the impact under an instantaneous 100 bps parallel interest rate/profit rate shock is applied. The treatments and assumptions applied are based on the contractual repricing maturity and remaining maturity of the products, whichever is earlier. Items with indefinite repricing are profiled based on core balance assumptions. The actual dates may vary from the repricing profile allocated due to factors such as pre-mature withdrawals, prepayment and so forth.

The tables below illustrate the Group's IRRBB/RORBB under a 100 bps parallel upward interest rate/profit rate shock from economic value perspective:

TABLE 30(A): IRRBB – IMPACT ON ECONOMIC VALUE FOR CIMBBG

	CIMBBG	
	2025	2024
(RM'000) Currency	+100bps Increase/(Decline) in Economic Value (Value in RM Equivalent)	
Ringgit Malaysia	**(3,187,734)**	(3,312,287)
US Dollar	**(483,949)**	(357,531)
Thai Baht	**(799,301)**	(749,925)
Singapore Dollar	**(243,543)**	(190,008)
Others	**(139,090)**	(127,207)
Total	**(4,853,617)**	(4,736,958)

Interest Rate Risk/Rate of Return Risk in the Banking Book

IRRBB/RORBB MANAGEMENT (CONTINUED)

- **ECONOMIC VALUE OF EQUITY SENSITIVITY: (CONTINUED)**

TABLE 30(B): RORBB – IMPACT ON ECONOMIC VALUE FOR CIMBISLG

	CIMBISLG	
	2025	2024
(RM'000) Currency	+100bps Increase/(Decline) in Economic Value (Value in RM Equivalent)	
Ringgit Malaysia	**(1,002,227)**	(793,909)
US Dollar	**(2,540)**	(4,141)
Thai Baht	**–**	–
Singapore Dollar	**7**	3
Others	**(283)**	(254)
Total	**(1,005,043)**	(798,301)

TABLE 30(C): IRRBB – IMPACT ON ECONOMIC VALUE FOR CIMBIBG

	CIMBIBG	
	2025	2024
(RM'000) Currency	+100bps Increase/(Decline) in Economic Value (Value in RM Equivalent)	
Ringgit Malaysia	**(11,262)**	(13,299)
US Dollar	**–**	–
Thai Baht	**–**	–
Singapore Dollar	**–**	–
Others	**–**	–
Total	**(11,262)**	(13,299)

- **EARNINGS-AT-RISK:**

The potential impact of interest/profit rate changes on the Bank's accruing or reported earnings. It focuses on risk-to-earnings in the near term, typically the next one year. Fluctuations in interest rates/profit rates generally affect reported earnings through changes in the Bank's net interest/profit income, which is the difference between total interest/profit income earned from assets and total interest/profit expense incurred from liabilities. The Group's EAR is applied to the flat balance sheet position with product pricing strategies.

For the purpose of this disclosure, the impact under an instantaneous 100 bps parallel interest rate/profit rate shock is applied to the static balance sheet positions. The treatments and assumptions applied are based on the contractual repricing maturity and remaining maturity of the products, whichever is earlier. Items with indefinite repricing are profiled based on core balance assumptions. The actual dates may vary from the repricing profile allocated due to factors such as pre-mature withdrawals, prepayment and so forth.

Interest Rate Risk/Rate of Return Risk in the Banking Book

IRRBB/RORBB MANAGEMENT (CONTINUED)

- **EARNINGS-AT-RISK: (CONTINUED)**

The tables below illustrate the Group's IRRBB/RORBB under a 100 bps parallel upward interest rate/profit rate shock from the earnings perspective:

TABLE 31(A): IRRBB – IMPACT ON EARNINGS FOR CIMBBG

	CIMBBG	
	2025	2024
(RM'000) Currency	+100bps Increase/(Decline) in Earnings (Value in RM Equivalent)	
Ringgit Malaysia	**45,667**	154,623
US Dollar	**(413,896)**	(326,539)
Thai Baht	**(178,733)**	(184,478)
Singapore Dollar	**(24,457)**	(113,692)
Others	**(8,860)**	57,341
Total	**(580,279)**	(412,745)

TABLE 31(B): RORBB – IMPACT ON EARNINGS FOR CIMBISLG

	CIMBISLG	
	2025	2024
(RM'000) Currency	+100bps Increase/(Decline) in Earnings (Value in RM Equivalent)	
Ringgit Malaysia	**38,751**	96,091
US Dollar	**(19,376)**	(52,263)
Thai Baht	**9**	9
Singapore Dollar	**(96)**	(68)
Others	**(3,040)**	(2,367)
Total	**16,248**	41,402

TABLE 31(C): IRRBB – IMPACT ON EARNINGS FOR CIMBIBG

	CIMBIBG	
	2025	2024
(RM'000) Currency	+100bps Increase/(Decline) in Earnings (Value in RM Equivalent)	
Ringgit Malaysia	**2,767**	2,703
US Dollar	**–**	–
Thai Baht	**–**	–
Singapore Dollar	**–**	–
Others	**–**	–
Total	**2,767**	2,703

Sustainability Risk

Sustainability risk is defined as the risk of financial and non-financial impact arising from environmental, social and ethical issues stemming from transactions and/or activities associated with a business relation and its operations, and/or the Group's own internal operations and employee.

The Sustainability Governance Framework defines the roles and responsibilities of Board, management and the rest of the organisation in fulfilling our aspiration to become a high performing purpose-driven organisation to help advance customers and society. The framework also aims to ensure that sustainability-related risks are effectively identified, assessed and managed in a timely manner, while improving transparency through disclosures and reporting to promote overall accountability. The Sustainability Governance Framework, including the sustainability operating model, sustainability risk management framework, as well as policies and procedures, are regularly reviewed and strengthened to ensure continued relevance in view of emerging risks and evolving stakeholder priorities.

Three main policies ensure proper governance and management of sustainability risks across the Group. These are:

- The Group Sustainability Policy (GSP) outlines our overarching principles and approach to sustainability, covering sustainability and climate-related risk management, strategy in achieving net zero within the Group's operations, sustainable procurement, governance and reporting of Green, Social, Sustainable Impact Products and Services (GSSIPS), effective sustainability communication and reporting. The Policy sets out how sustainability is embedded across the Group's strategy, operations and decision-making processes, including oversight by relevant Management and Board committees.
- Group Sustainable Financing Policy (GSFP) guides the integration of environmental and social (E&S) considerations into financing and capital-raising activities. The Policy provides a structured framework for assessing clients and transactions, supporting the identification and management of E&S risks and advancing sustainable finance solutions aligned with regional and international best practices.
- Group Human Rights Policy (GHR) articulates CIMB's commitment to upholding human rights across its value chain. The Policy outlines how key human rights risks are identified and managed, and strengthens due diligence, grievance and remediation processes. It also enables stakeholders, including employees, clients, suppliers and communities, to raise concerns and seek appropriate redress.

Profit Sharing Investment Account ("IA") Disclosure

Following the introduction of the Islamic Financial Services Act 2013 ("IFSA"), a clear regulatory distinction was made between Islamic deposits and Investment Accounts. Investment Accounts are structured using Shariah-compliant contracts designed specifically for investment purposes.

The Bank adopts comprehensive risk management policies to guide asset allocation, ensuring alignment with the investment objectives, risk appetite, and Shariah principles. These policies cover key areas such as portfolio composition, liquidity management, valuation methodology and regulatory compliance. In addition, the Bank retains the discretion to perform portfolio rebalancing as part of the asset allocation strategy to ensure the performance of the selected assets is aligned with the fund's strategies and objectives.

The governance and oversight framework for Investment Accounts is structured to ensure that all investment activities, mandates, parameters and strategies are carried out responsibly, with a strong emphasis on protecting the interests of Investment Account Holders (IAH) outlining clear roles and responsibilities across various levels of the Bank's governance structure to ensure sound management and compliance.

TABLE 32: ROLES AND RESPONSIBILITY

Roles and Responsibility	
Board of Directors (Board)	Responsible to establish an effective governance arrangement to facilitate effective monitoring and control of the overall management and conduct of the investment account. The adequacy of the governance arrangement shall commensurate with the nature, scale, complexity and risk profile associated with the conduct of the investment account.
Board Investment Committee (BIC)	Responsible to assist the Board in performing the oversight function and provide recommendations in respect of the investment strategies, management and performance of the investment account.
Board Shariah Committee (BSC)	Responsible to ensure activities associated with the investment account are conducted in line with Shariah, including: (a) to endorse the investment account structure, objectives, investment assets and policies and procedures; (b) to advise and provide clarification to the Board on relevant Shariah rulings, decisions or policies on Shariah matters issued by the Bank Negara Malaysia and any other issues on Shariah affecting the operations and activities of the investment account; (c) to endorse and ensure the terms and conditions stipulated in the legal documentations, information published in promotional materials, product manuals or other publications used in the investment account operations are in compliance with Shariah. (d) to assess the work carried out by Shariah review and Shariah audit on the investment account operations; and (e) to provide opinion on the Shariah compliance of the investment account and the related operations. The opinion shall be prepared in accordance with BNM requirements.
Investment Account Oversight Committee (IAOC)	Responsible to assist the BIC in performing oversight function and providing recommendations in respect of the investment operations and performance of all the Islamic investment accounts offered by CIMB Islamic Bank Berhad and the relevant entities within the CIMB Group.
Risk Committees	The Group Risk & Compliance Committee (GRCC) and the relevant risk sub-committees are responsible to provide oversight function for risk-related matters.

Profit Sharing Investment Account ("IA") Disclosure

TABLE 33 (A): PERFORMANCE OF UNRESTRICTED INVESTMENT ACCOUNT

	CIMBBG and CIMBISLG	
	2025 %	**2024 %**
Return on Assets (ROA)	**5.17%**	5.00%
Average Net Distributable Income	**5.37%**	4.27%
Average Rate of Return		
No specific tenure	**0.27%**	0.30%
Within 1 year	**3.51%**	3.75%
More than 1 year	**3.01%**	2.80%
	(RM'000)	**(RM'000)**
Gross impaired assets funded by IA	**24**	318
Total expected credit losses balances for IA	**186,072**	289,327

TABLE 33 (B): PERFORMANCE OF RESTRICTED INVESTMENT ACCOUNT

	CIMBBG and CIMBISLG	
	2025 %	**2024 %**
Return on Assets (ROA)	**10.65%**	8.72%
Average Net Distributable Income	**10.65%**	8.72%
Average Rate of Return	**4.39%**	4.51%
	(RM'000)	**(RM'000)**
Gross impaired assets funded by IA	**0**	634,852
Total expected credit losses balances for IA	**0**	0

Note: Restricted Investment Account excludes the PSIA arrangement between CIMB Islamic and the parent bank, and the external PSIA balances which have been fully settled in FY2025.

Not applicable for CIMBIBG

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