

CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	The Group		The Bank	
		30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Assets					
Cash and short term funds	A6	25,960,898	31,060,035	18,192,936	19,259,843
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah		12,224,057	8,109,090	11,251,211	7,062,834
Deposits and placements with banks and other financial institutions	A6	2,895,152	2,697,899	4,200,987	5,564,193
Investment account placement		-	-	3,325,210	3,424,851
Financial investments at fair value through profit or loss	A7	44,505,315	43,114,258	30,143,080	31,005,872
Debt instruments at fair value through other comprehensive income	A8	57,641,779	58,234,610	44,541,188	42,832,902
Equity instruments at fair value through other comprehensive income	A9	279,626	279,000	274,020	272,783
Debt instruments at amortised cost	A10	73,726,391	72,718,772	57,234,612	56,032,811
Derivative financial instruments	A25	16,203,646	15,403,421	7,581,293	7,729,309
Loans, advances and financing	A11	373,082,098	368,376,352	208,662,656	209,138,003
Other assets	A12	11,246,186	8,414,152	8,169,256	6,696,297
Amounts due from holding company and ultimate holding company		15,928	17,510	15,883	17,509
Amount due from subsidiaries		-	-	6,541	15,888
Amount due from related companies		4,227,926	3,871,832	4,225,488	3,864,906
Tax recoverable		129,887	89,884	-	-
Deferred tax assets		1,269,214	1,457,581	738,523	891,209
Statutory deposits with central banks		8,027,248	7,583,591	5,309,423	4,909,259
Investment in subsidiaries		-	-	6,835,526	6,808,606
Investment in joint venture		150,915	152,311	125,000	125,000
Property, plant and equipment		882,755	903,984	605,068	618,557
Right-of-use assets		506,648	529,980	416,721	433,786
Investment properties		8,326	2,758	-	-
Goodwill		3,940,587	3,951,297	3,555,075	3,555,075
Intangible assets		1,301,039	1,256,016	1,136,019	1,084,043
		638,225,621	628,224,333	416,545,716	411,343,536
Non-current assets held for sale		-	5,584	-	5,584
Total Assets		638,225,621	628,229,917	416,545,716	411,349,120
Liabilities					
Deposits from customers	A13	398,760,211	401,899,912	247,905,276	252,464,207
Investment accounts of customers	A14	20,205,910	18,984,125	-	-
Deposits and placements of banks and other financial institutions	A15	42,227,618	39,858,928	38,097,608	35,030,874
Repurchase agreements/Collateralised Commodity Murabahah		44,673,910	43,293,105	38,552,230	34,190,027
Financial liabilities at fair value through profit or loss	A16	7,408,749	6,770,128	1,433,356	1,257,044
Derivative financial instruments	A25	15,353,835	15,927,817	6,726,150	7,911,568
Bills and acceptances payable		1,295,457	1,425,504	443,361	605,688
Other liabilities	A17	19,807,251	16,050,361	16,246,742	12,738,319
Lease liabilities		535,110	544,972	438,530	444,099
Recourse obligation on loans and financing sold to Cagamas		4,940,179	3,986,749	1,322,727	1,163,751
Amount due to subsidiaries		-	-	510,706	638,743
Amount due to related companies		18,858	34,528	12,130	32,431
Provision for taxation and zakat		363,245	304,979	300,604	284,073
Deferred tax liabilities		986	986	-	-
Bonds, Sukuk and debentures		14,186,849	12,232,122	9,403,896	10,291,731
Other borrowings		3,970,205	3,863,149	3,966,512	3,857,862
Subordinated obligations		10,122,276	10,097,469	9,609,877	9,601,035
Total Liabilities		583,870,649	575,274,834	374,969,705	370,511,452
Equity					
Capital and reserves attributable to owners of the Parent					
Ordinary share capital		24,539,214	23,039,242	24,539,214	23,039,242
Reserves		29,289,497	29,387,832	16,836,797	17,598,426
		53,828,711	52,427,074	41,376,011	40,637,668
Perpetual preference shares		200,000	200,000	200,000	200,000
Non-controlling interests		326,261	328,009	-	-
Total Equity		54,354,972	52,955,083	41,576,011	40,837,668
Total Equity and Liabilities		638,225,621	628,229,917	416,545,716	411,349,120
Commitments and contingencies	A26	1,928,184,809	1,606,591,715	1,127,476,425	815,291,050
Net assets per ordinary share attributable to owners of the Parent (RM)		8.00	8.08	6.15	6.26

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

The Group	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Interest income	A18	4,945,281	4,501,755	9,841,712	8,650,579
Interest income for financial assets at fair value through profit or loss	A19	316,563	250,000	685,121	481,135
Interest expense	A20	(3,182,538)	(2,862,504)	(6,432,426)	(5,388,290)
Net interest income (before modification loss)		2,079,306	1,889,251	4,094,407	3,743,424
Modification loss	A21	(568)	(572)	(1,328)	(266)
Net interest income (after modification loss)		2,078,738	1,888,679	4,093,079	3,743,158
Income from Islamic Banking operations	A30(b)	936,540	843,574	1,869,046	1,680,712
Fee and commission income	A22 (a)	630,680	514,944	1,228,060	1,033,032
Fee and commission expense	A22 (b)	(176,789)	(148,344)	(369,844)	(296,272)
Net fee and commission income		453,891	366,600	858,216	736,760
Other non-interest income	A22 (c)	799,246	687,876	1,612,667	1,226,748
Net income		4,268,415	3,786,729	8,433,008	7,387,378
Overheads	A23	(1,762,639)	(1,735,818)	(3,621,591)	(3,402,255)
Profit before expected credit losses		2,505,776	2,050,911	4,811,417	3,985,123
Expected credit losses on loans, advances and financing	A24(a)	(229,877)	(311,699)	(562,547)	(453,885)
Expected credit losses for commitments and contingencies written back		93,003	111,420	107,870	41,682
Other expected credit losses and impairment allowances	A24(b)	(78,482)	(36,208)	(173,563)	(81,179)
		2,290,420	1,814,424	4,183,177	3,491,741
Share of results of joint venture		(2,321)	2,276	(1,396)	(842)
Profit before taxation and zakat		2,288,099	1,816,700	4,181,781	3,490,899
Taxation and zakat		(512,479)	(420,981)	(943,364)	(844,272)
Profit for the financial period		1,775,620	1,395,719	3,238,417	2,646,627
Profit for the financial period attributable to:					
Owners of the Parent		1,770,299	1,391,637	3,229,075	2,636,818
Non-controlling interests		5,321	4,082	9,342	9,809
		1,775,620	1,395,719	3,238,417	2,646,627
Earnings per share attributable to ordinary equity holders of the Parent - basic (sen)	B3	26.31	21.47	48.71	40.67

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CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

The Group	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	1,775,620	1,395,719	3,238,417	2,646,627
Other comprehensive income/(expense):				
Items that will not be reclassified to profit or loss				
Remeasurement of post employment benefits obligations	(6)	51	(24)	141
- Actuarial loss	-	(54)	-	(54)
- Income tax effects	-	11	-	11
- Currency translation difference	(6)	94	(24)	184
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	2,481	(8,883)	49,438	15,536
- Net gain/(loss) from change in fair value	1,455	(6,017)	58,906	2,018
- Income tax effects	248	(1,664)	(11,128)	16,018
- Currency translation difference	778	(1,202)	1,660	(2,500)
Equity instruments at fair value through other comprehensive income	111	(6,580)	(1,911)	(7,256)
- Net loss from change in fair value	(278)	(871)	(377)	(599)
- Income tax effects	11	(64)	20	(44)
- Currency translation difference	378	(5,645)	(1,554)	(6,613)
Net (loss)/gain on revaluation reserve	(69)	-	5,681	-
- Net (loss)/gain on revaluation reserve	(78)	-	5,786	-
- Currency translation difference	9	-	(105)	-
	2,517	(15,412)	53,184	8,421
Items that may be reclassified subsequently to profit or loss				
Debt instruments at fair value through other comprehensive income	(85,280)	162,489	72,925	553,291
- Net gain from change in fair value	(26,444)	262,516	249,944	779,998
- Realised gain transferred to statement of income on disposal	(71,373)	(63,393)	(160,320)	(113,844)
- Changes in expected credit losses	(6,327)	4,946	(3,786)	17,338
- Income tax effects	18,424	(31,228)	(13,034)	(117,689)
- Currency translation difference	440	(10,352)	121	(12,512)
Net investment hedge	12,938	(298,007)	(117,158)	(360,898)
Cash flow hedge	4,519	995	8,023	(654)
- Net gain from change in fair value	4,162	2,401	8,273	359
- Income tax effects	357	(1,406)	(250)	(1,013)
Exchange fluctuation reserve	(154,164)	603,429	(120,024)	821,652
Deferred hedging cost	(14,190)	18,518	(47,507)	8,484
- Net (loss)/gain from change in fair value	(14,190)	18,289	(47,507)	7,431
- Income tax effects	-	229	-	1,053
	(236,177)	487,424	(203,741)	1,021,875
Other comprehensive (expense)/income for the financial period, net of tax	(233,660)	472,012	(150,557)	1,030,296
Total comprehensive income for the financial period	1,541,960	1,867,731	3,087,860	3,676,923
Total comprehensive income/(expense) for the financial period attributable to:				
Owners of the Parent	1,541,374	1,858,611	3,089,196	3,655,500
Non-controlling interests	586	9,120	(1,336)	21,423
	1,541,960	1,867,731	3,087,860	3,676,923

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CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

<u>The Bank</u>	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
		RM'000	RM'000	RM'000	RM'000
Interest income	A18	4,343,694	3,959,700	8,636,184	7,632,007
Interest income for financial assets at fair value through profit or loss	A19	247,216	222,170	545,272	428,646
Interest expense	A20	(2,855,706)	(2,625,420)	(5,764,200)	(4,944,187)
Net interest income (before modification loss)		1,735,204	1,556,450	3,417,256	3,116,466
Modification loss	A21	-	(14)	-	(14)
Net interest income (after modification loss)		1,735,204	1,556,436	3,417,256	3,116,452
Income from Islamic Banking operations	A30(b)	57,039	60,187	127,200	116,384
Fee and commission income	A22 (a)	876,383	738,210	1,703,654	1,529,577
Fee and commission expense	A22 (b)	(175,005)	(149,918)	(366,445)	(302,341)
Net fee and commission income		701,378	588,292	1,337,209	1,227,236
Other non-interest income	A22 (c)	744,579	642,174	1,474,569	1,163,787
Net income		3,238,200	2,847,089	6,356,234	5,623,859
Overheads	A23	(1,468,765)	(1,450,861)	(3,025,451)	(2,838,004)
Profit before expected credit losses		1,769,435	1,396,228	3,330,783	2,785,855
Expected credit losses on loans, advances and financing	A24(a)	(144,284)	(162,431)	(319,323)	(177,441)
Expected credit losses for commitments and contingencies written back		46,926	102,971	51,418	79,328
Other expected credit losses and impairment allowances written back/(made)	A24(b)	109	3,245	(17,290)	(9,822)
Profit before taxation		1,672,186	1,340,013	3,045,588	2,677,920
Taxation		(375,374)	(308,606)	(691,984)	(624,331)
Profit for the financial period		1,296,812	1,031,407	2,353,604	2,053,589
Earnings per share - basic (sen)	B3	19.28	15.91	35.51	31.68

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CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	Individual Quarter 2nd Quarter Ended		Cumulative Quarters Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>The Bank</u>				
Profit for the financial period	1,296,812	1,031,407	2,353,604	2,053,589
Other comprehensive income/(expense):				
<i>Items that will not be reclassified to profit or loss</i>				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk				
- Net (loss)/gain from change in fair value	(167)	(2,921)	333	(482)
Equity instruments at fair value through other comprehensive income	48	(5,281)	(2,728)	(5,841)
- Net gain/(loss) from change in fair value	9	(4)	1	(7)
- Income tax effects	(5)	(64)	(3)	(59)
- Currency translation difference	44	(5,213)	(2,726)	(5,775)
	(119)	(8,202)	(2,395)	(6,323)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(57,720)	172,069	53,381	485,428
- Net gain from change in fair value	(19,399)	267,430	178,350	654,799
- Realised gain transferred to statement of income on disposal	(44,562)	(57,819)	(113,291)	(77,469)
- Changes in expected credit losses	(5,516)	4,805	(3,989)	16,455
- Income tax effects	11,317	(31,995)	(7,810)	(95,845)
- Currency translation difference	440	(10,352)	121	(12,512)
Net investment hedge	12,594	(251,884)	(91,300)	(309,941)
Cash flow hedge	4,335	(269)	5,607	3,593
- Net gain from change in fair value	3,925	844	5,249	5,741
- Income tax effects	410	(1,113)	358	(2,148)
Exchange fluctuation reserve	(59,140)	393,043	125,849	499,984
Deferred hedging cost	(4,751)	20,503	(18,336)	9,554
- Net (loss)/gain from change in fair value	(4,751)	20,274	(18,336)	8,501
- Income tax effects	-	229	-	1,053
	(104,682)	333,462	75,201	688,618
Other comprehensive (expense)/income for the financial period, net of tax	(104,801)	325,260	72,806	682,295
Total comprehensive income for the financial period	1,192,011	1,356,667	2,426,410	2,735,884

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CMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

The Group	Attributable to owners of the Parent																			Total Equity RM'000
	Ordinary share capital RM'000	Statutory reserve RM'000	Exchange fluctuation reserve RM'000	Fair value reserve		Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Costs of hedging reserve RM'000	Regulatory reserve ^e RM'000	Own credit risk reserve RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Defined benefits reserve RM'000	Revaluation reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non- controlling interests RM'000	
				debt instruments at fair value comprehensive income RM'000	equity instruments at fair value comprehensive income RM'000															
At 1 January 2024	23,039,242	101,216	3,400,876	(517,623)	(1,072)	(1,085,928)	916,232	(1,940,291)	192,182	1,102,571	(57,415)	11,794	119,941	570	-	27,144,779	52,427,074	200,000	328,009	52,955,083
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	3,229,075	3,229,075	-	9,342	3,238,417
Other comprehensive (expense)/ income (net of tax)	-	-	(105,860)	72,774	(1,953)	-	-	(109,522)	(47,507)	-	47,051	(57)	(463)	(23)	5,681	-	(139,879)	-	(10,678)	(150,557)
- debt instruments at fair value through other comprehensive income	-	-	-	72,774	-	-	-	-	-	-	-	-	-	-	-	-	72,774	-	151	72,925
- equity instruments at fair value through other comprehensive income	-	-	-	-	(1,953)	-	-	-	-	-	-	-	-	-	-	-	(1,953)	-	42	(1,911)
- net investment hedge	-	-	-	-	-	-	-	(117,158)	-	-	-	-	-	-	-	-	(117,158)	-	-	(117,158)
- cash flow hedge	-	-	-	-	-	-	-	7,636	-	-	-	-	-	-	-	-	7,636	-	387	8,023
- currency translation difference	-	-	(105,860)	-	-	-	-	-	-	-	-	(57)	(463)	-	-	-	(106,380)	-	(13,644)	(120,024)
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	(23)	-	-	(23)	-	(1)	(24)
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	47,051	-	-	-	-	-	-	47,051	-	2,387	49,438
- deferred hedging cost	-	-	-	-	-	-	-	-	(47,507)	-	-	-	-	-	-	-	(47,507)	-	-	(47,507)
Net gain on revaluation reserve	-	-	-	-	-	-	-	-	-	-	-	-	-	5,681	-	5,681	-	-	-	5,681
Total comprehensive income/ (expenses) for the financial period	-	-	(105,860)	72,774	(1,953)	-	-	(109,522)	(47,507)	-	47,051	(57)	(463)	(23)	5,681	3,229,075	3,089,196	-	(1,336)	3,087,860
Second interim dividend for the financial year ended 31 December 2023	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,693,307)	(1,693,307)	-	-	(1,693,307)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(400)	(400)
Distribution of special dividend via issuance of new shares	1,499,972	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,499,972)	-	-	-	-
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	7,092	6,876	-	-	-	13,968	-	-	13,968
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	-	(8,220)	-	-	-	-	(8,220)	-	(12)	(8,232)
Total transactions with owners recognised directly in equity	1,499,972	-	-	-	-	-	-	-	-	-	-	(1,128)	6,876	-	-	(3,193,279)	(1,687,559)	-	(412)	(1,687,971)
Transfer to statutory reserve	-	5,294	-	-	-	-	-	-	-	-	-	-	-	-	-	(5,294)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	605,432	-	-	-	-	-	-	(605,432)	-	-	-	-
Transfer to capital reserve	-	-	-	-	-	-	108,713	-	-	-	-	-	-	-	-	(108,713)	-	-	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	86,398	-	-	-	-	-	-	-	-	-	-	(86,398)	-	-	-	-
At 30 June 2024	24,539,214	106,510	3,295,016	(444,849)	83,373	(1,085,928)	1,024,945	(2,049,813)	144,675	1,708,003	(10,364)	10,609	126,354	547	5,681	26,374,738	53,828,711	200,000	326,261	54,354,972

^eThe regulatory reserve is maintained by the Bank and the banking subsidiaries in Malaysia to meet the local regulatory requirement.

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

The Group	Attributable to owners of the Parent																			
	Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Statutory reserve RM'000	Exchange fluctuation reserve RM'000	Fair value reserve		Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Costs of hedging reserve RM'000	Regulatory reserve* RM'000	Own credit risk reserve RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Defined benefits reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total Equity RM'000
					debt instruments at fair value through other comprehensive income RM'000	equity instruments at fair value through other comprehensive income RM'000														
At 1 January 2023	22,979,762	29,740	87,141	2,536,858	(1,256,086)	2,268	(1,085,928)	840,979	(1,608,029)	185,980	417,996	(76,689)	10,421	73,192	5,393	25,270,127	48,413,125	200,000	302,005	48,915,130
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2,636,818	2,636,818	-	9,809	2,646,627
Other comprehensive income/ (expenses) (net of tax)	-	-	-	810,577	553,555	(7,183)	-	-	(362,660)	8,484	-	14,669	76	1,030	134	-	1,018,682	-	11,614	1,030,296
- debt instruments at fair value through other comprehensive income	-	-	-	-	553,555	-	-	-	-	-	-	-	-	-	-	-	553,555	-	(264)	553,291
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	(7,183)	-	-	-	-	-	-	-	-	-	-	(7,183)	-	(73)	(7,256)
- net investment hedge	-	-	-	-	-	-	-	(360,898)	-	-	-	-	-	-	-	-	(360,898)	-	-	(360,898)
- cash flow hedge	-	-	-	-	-	-	-	-	(1,762)	-	-	-	-	-	-	-	(1,762)	-	1,108	(654)
- currency translation difference	-	-	-	810,577	-	-	-	-	-	-	-	-	76	1,030	-	-	811,683	-	9,969	821,652
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	-	134	-	134	-	7	141
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	-	-	14,669	-	-	-	-	14,669	-	867	15,536
- deferred hedging cost	-	-	-	-	-	-	-	-	-	8,484	-	-	-	-	-	-	8,484	-	-	8,484
Total comprehensive income/ (expenses) for the financial period	-	-	-	810,577	553,555	(7,183)	-	-	(362,660)	8,484	-	14,669	76	1,030	134	2,636,818	3,655,500	-	21,423	3,676,923
Second interim dividend for the financial year ended 31 December 2022	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(980,868)	(980,868)	-	-	(980,868)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(2,736)	(2,736)
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	-	5,804	24,058	-	-	29,862	-	-	29,862
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	-	-	(7,172)	-	-	-	(7,172)	-	(9)	(7,181)
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	(1,368)	24,058	-	(980,868)	(958,178)	-	(2,745)	(960,923)
Transfer to statutory reserve	-	-	5,214	-	-	-	-	-	-	-	-	-	-	-	-	(5,214)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	492,596	-	-	-	-	-	(492,596)	-	-	-	-
Transfer to capital reserve	-	-	-	-	-	-	-	73,565	-	-	-	-	-	-	-	(73,565)	-	-	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	309	-	-	-	-	-	-	-	-	-	(309)	-	-	-	-
At 30 June 2023	22,979,762	29,740	92,355	3,347,435	(702,531)	(4,606)	(1,085,928)	914,544	(1,970,689)	194,464	910,592	(62,020)	9,129	98,280	5,527	26,354,393	51,110,447	200,000	320,683	51,631,130

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

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	Non-distributable										Distributable				
	Fair value reserve				Merger deficit	Capital reserve	Hedging reserve	Costs of hedging reserve	Regulatory reserve*	Own credit risk reserve	Share-based payment reserve	Capital contribution by ultimate holding company	Retained earnings	Perpetual preference shares	Total Equity
	Ordinary share capital	Exchange fluctuation reserve	debt instruments at fair value through other comprehensive income	equity instruments at fair value through other comprehensive income											
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	23,039,242	1,739,678	(400,630)	25,855	(1,047,872)	746,852	(1,392,089)	193,664	891,938	(122)	10,340	97,523	16,733,289	200,000	40,837,668
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	2,353,604	-	2,353,604
Other comprehensive income/ (expenses) (net of tax)	-	125,856	53,381	(2,728)	-	-	(85,693)	(18,336)	-	333	2	(9)	-	-	72,806
- debt instruments at fair value through other comprehensive income	-	-	53,381	-	-	-	-	-	-	-	-	-	-	-	53,381
- equity instruments at fair value through other comprehensive income	-	-	-	(2,728)	-	-	-	-	-	-	-	-	-	-	(2,728)
- net investment hedge	-	-	-	-	-	-	(91,300)	-	-	-	-	-	-	-	(91,300)
- cash flow hedge	-	-	-	-	-	-	5,607	-	-	-	-	-	-	-	5,607
- currency translation difference	-	125,856	-	-	-	-	-	-	-	-	2	(9)	-	-	125,849
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	333	-	-	-	-	333
- deferred hedging cost	-	-	-	-	-	-	-	(18,336)	-	-	-	-	-	-	(18,336)
Total comprehensive income/ (expenses) for the financial period	-	125,856	53,381	(2,728)	-	-	(85,693)	(18,336)	-	333	2	(9)	2,353,604	-	2,426,410
Second interim dividend for the financial year ended 31 December 2023	-	-	-	-	-	-	-	-	-	-	-	-	(1,693,307)	-	(1,693,307)
Distribution of special dividend via issuance of new shares	1,499,972	-	-	-	-	-	-	-	-	-	-	-	(1,499,972)	-	-
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	6,316	6,214	-	-	12,530
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	(7,290)	-	-	-	(7,290)
Total transactions with owners recognised directly in equity	1,499,972	-	-	-	-	-	-	-	-	-	(974)	6,214	(3,193,279)	-	(1,688,067)
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	362,770	-	-	-	(362,770)	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	86,398	-	-	-	-	-	-	-	-	(86,398)	-	-
At 30 June 2024	24,539,214	1,865,534	(347,249)	109,525	(1,047,872)	746,852	(1,477,782)	175,328	1,254,708	211	9,368	103,728	15,444,446	200,000	41,576,011

*The regulatory reserve is maintained by the Bank to meet the local regulatory requirement.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	← Non-distributable →										Distributable					
	Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Exchange fluctuation reserve 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	Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Costs of hedging reserve RM'000	Regulatory reserve* RM'000	Own credit risk reserve RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained earnings RM'000	Perpetual preference shares RM'000	Total Equity RM'000
At 1 January 2023	22,979,762	29,740	1,259,253	(1,065,726)	26,621	(1,047,872)	746,852	(1,100,949)	178,251	233,281	327	9,301	59,925	15,873,685	200,000	38,382,451
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	2,053,589	-	-	2,053,589
Other comprehensive income/ (expenses) (net of tax)	-	-	499,389	485,428	(5,841)	-	-	(306,348)	9,554	-	(482)	40	555	-	-	682,295
- debt instruments at fair value through other comprehensive income	-	-	-	485,428	-	-	-	-	-	-	-	-	-	-	-	485,428
- equity instruments at fair value through other comprehensive income	-	-	-	-	(5,841)	-	-	-	-	-	-	-	-	-	-	(5,841)
- net investment hedge	-	-	-	-	-	-	(309,941)	-	-	-	-	-	-	-	-	(309,941)
- cash flow hedge	-	-	-	-	-	-	3,593	-	-	-	-	-	-	-	-	3,593
- currency translation difference	-	-	499,389	-	-	-	-	-	-	-	-	40	555	-	-	499,984
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	(482)	-	-	-	-	-	(482)
- deferred hedging cost	-	-	-	-	-	-	-	9,554	-	-	-	-	-	-	-	9,554
Total comprehensive income/ (expenses) for the financial period	-	-	499,389	485,428	(5,841)	-	-	(306,348)	9,554	-	(482)	40	555	2,053,589	-	2,735,884
Second interim dividend for the financial year ended 31 December 2022	-	-	-	-	-	-	-	-	-	-	-	-	(980,868)	-	-	(980,868)
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	5,192	19,942	-	-	-	25,134
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	(6,329)	-	-	-	-	(6,329)
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	(1,137)	19,942	(980,868)	-	-	(962,063)
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	423,238	-	-	-	(423,238)	-	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	309	-	-	-	-	-	-	-	(309)	-	-	-
At 30 June 2023	22,979,762	29,740	1,758,642	(580,298)	21,089	(1,047,872)	746,852	(1,407,297)	187,805	656,519	(155)	8,204	80,422	16,522,859	200,000	40,156,272

*The regulatory reserve is maintained by the Bank to meet the local regulatory requirement.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

CIMB BANK BERHAD
Registration No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	The Group		The Bank	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Profit before taxation and zakat	4,181,781	3,490,899	3,045,588	2,677,920
Adjustments for non-operating and non-cash items	(2,083,274)	(1,478,345)	(2,216,341)	(1,854,868)
Operating profit before changes in working capital	2,098,507	2,012,554	829,247	823,052
Net changes in operating assets	(18,741,065)	(21,179,829)	(5,611,211)	(10,889,310)
Net changes in operating liabilities	7,543,180	30,736,027	7,862,838	18,965,427
	(11,197,885)	9,556,198	2,251,627	8,076,117
Cash flows (used in)/generated from operations	(9,099,378)	11,568,752	3,080,874	8,899,169
Taxation paid	(782,645)	(864,765)	(524,160)	(531,630)
Net cash flows (used in)/generated from operating activities	(9,882,023)	10,703,987	2,556,714	8,367,539
Cash flows from investing activities				
Dividend income	40,123	36,658	39,772	165,198
Investment in subsidiary	-	-	(17,135)	-
Interest income received from financial investments	2,346,806	1,922,953	1,852,092	1,503,665
Net purchase of financial investments	(6,487)	(14,272,985)	(2,534,738)	(10,922,344)
Net purchase of property, plant and equipment	(70,393)	(95,079)	(48,273)	(80,260)
Net purchase from disposal of intangible assets	(249,219)	(230,338)	(219,167)	(193,973)
Other investing activities	(13,043)	(61,965)	(12,000)	(62,102)
Net cash flows generated from/(used in) investing activities	2,047,787	(12,700,756)	(939,449)	(9,589,816)
Cash flows from financing activities				
Dividend paid	(1,693,707)	(983,604)	(1,693,307)	(980,868)
Interest expense paid on bonds and debentures	(318,118)	(216,729)	(286,836)	(215,869)
Interest expense paid on other borrowings	(123,755)	(97,565)	(123,823)	(94,401)
Interest expense paid on subordinated obligations	(214,798)	(224,427)	(210,315)	(222,824)
Proceeds from issuance of bonds and debentures	5,119,194	2,227,736	1,038,780	-
Proceeds from issuance of subordinated obligations	-	815,000	-	400,000
Proceeds from issuance of recourse obligation on loans and financing sold to Cagamas	1,470,012	512,000	670,001	512,000
Repayment of bonds and debentures	(3,389,109)	(2,055,418)	(2,129,717)	-
Repayment of other borrowings	(1,743)	(15,121)	-	-
Repayment of subordinated obligations	-	(1,090,000)	-	(700,000)
Repayment of recourse obligation on loans and financing sold to Cagamas	(512,000)	-	(512,000)	-
Other financing activities	(170,054)	(49,504)	(99,438)	(34,021)
Net cash flows generated from/(used in) financing activities	165,922	(1,177,632)	(3,346,655)	(1,335,983)
Net decrease in cash and cash equivalents	(7,668,314)	(3,174,401)	(1,729,390)	(2,558,260)
Effects of exchange rate changes	189,272	877,845	163,909	822,927
Cash and cash equivalents at the beginning of financial period	30,619,606	36,939,857	23,311,721	29,361,500
Cash and cash equivalents at end of financial period	23,140,564	34,643,301	21,746,240	27,626,167
Cash and cash equivalents comprise:				
Cash and short-term funds	25,960,898	35,202,540	18,192,936	22,472,772
Deposits and placements with banks and other financial institutions	2,895,152	4,107,184	4,200,987	6,305,474
Investment account placement	-	-	3,325,210	3,500,944
	28,856,050	39,309,724	25,719,133	32,279,190
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(5,112,655)	(4,666,423)	(3,370,062)	(4,653,023)
Restricted cash	(602,831)	-	(602,831)	-
Cash and cash equivalents at end of financial period	23,140,564	34,643,301	21,746,240	27,626,167

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The unaudited condensed interim financial statements for the financial period ended 30 June 2024 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, debt instruments at fair value through other comprehensive income, equity instruments at fair value through other comprehensive income, derivative financial instruments and non-current assets/disposal groups held for sale and financial liabilities designated at fair value through profit or loss, that have been measured at fair value.

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

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Bank's audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2023.

The material accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2023, and modified for the adoption of the following accounting standards and amendments to published standards applicable for financial periods beginning on or after 1 January 2024:

- Amendments to MFRS 101 "Classification of liabilities as current or non-current"
- Amendments to MFRS 101 "Non-current Liabilities with Covenants"
- Amendments to MFRS 16 "Lease Liability in a Sale and Leaseback"

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

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

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

A2. CHANGES IN ESTIMATES

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

PART A - EXPLANATORY NOTES (CONTINUED)

A3 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

a) During the financial period, CIMB Thai Bank issued various unsecured structured debentures amounting to THB4.4 billion with tenures ranging between 2 month to 5 years from respective issuance dates. The Bank will pay interest according to the conditions of agreements.

During the financial period, CIMB Thai Bank has redeemed structured debentures amounting to THB4.7 billion.

b) During the financial period, CIMB Thai Bank has redeemed unsecured short term debentures amounting to THB2.0 billion.

c) On 23 February 2024, the Bank issued USD50.0 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 Secured Overnight Financing Rate (“SOFR”) plus 0.95% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 23 February 2029.

d) On 27 February 2024, the Bank issued USD120.0 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 SOFR plus 0.95% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 27 February 2029.

e) On 27 March 2024, CIMB Islamic Bank issued RM250.0 million senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears profit rate of 3.75% per annum payable semi-annually, will mature on 26 March 2027.

f) On 27 March 2024, CIMB Islamic Bank issued RM300.0 million senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears profit rate of 3.86% per annum payable semi-annually, will mature on 27 March 2029.

g) On 27 March 2024, CIMB Islamic Bank issued RM1,450.0 million senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears profit rate of 4.03% per annum payable semi-annually, will mature on 27 March 2031.

h) On 27 March 2024, CIMB Islamic Bank issued RM1,500.0 million senior sukuk under its RM10.0 billion Sukuk Wakalah Programme. The senior sukuk, which bears profit rate of 4.13% per annum payable semi-annually, will mature on 27 March 2034.

i) On 28 March 2024, Merdeka Kapital Berhad (“MKB”), a special purpose vehicle consolidated by the Bank, undertook a final redemption of its Medium Term Note amounting to RM384.0 million.

j) On 8 April 2024, the Bank issued USD10.0 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 SOFR plus 0.90% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 8 April 2029.

k) On 15 April 2024, the Bank redeemed its USD30.0 million 5-year floating rate notes issued under its USD5.0 billion Euro Medium Term Note Programme.

l) On 26 April 2024, the Bank issued USD37.0 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 SOFR plus 0.89% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 26 April 2029.

m) On 5 May 2024, the Bank redeemed its HKD610.0 million 3-year fixed rate notes issued under its USD5.0 billion Euro Medium Term Note Programme.

n) On 17 May 2024, the Bank redeemed its RM1.2 billion 7-year senior medium term notes issued under its RM20.0 billion Senior Medium Term Note Programme.

o) On 9 July 2024, CIMB Thai redeemed its existing RM550.0 million Tier 2 Subordinated Debt on the first call date.

p) On 10 July 2024, the Bank redeemed its RM14.0 million of senior medium term notes issued under its RM20.0 billion Senior Medium Term Note Programme.

q) On 12 July 2024, the Bank redeemed its HKD200.0 million 5-year fixed rate notes issued under its USD5.0 billion Euro Medium Term Note Programme.

r) On 18 July 2024, the Bank redeemed its RM19.0 million of senior medium term notes issued under its RM20.0 billion Senior Medium Term Note Programme.

A4. DIVIDENDS PAID

a) A single-tier second interim dividend in respect to the financial year ended 31 December 2023 amounting to RM1,693 million or approximately 26.10 sen per share on 6,487,767,612 ordinary shares, was paid on 15 March 2024. The single-tier second interim dividend was approved by the Board of Directors on 30 January 2024.

b) On 15 March 2024, the Bank distributed RM1,500 million in special dividends, settled via the issuance of 239,612,121 new shares at RM6.26 per share. The issuance resulted in a RM1,500 million increase in ordinary share capital.

c) The Board of Directors have proposed a single-tier first interim dividend of 27.90 sen per ordinary share, on 6,727,379,733 ordinary shares amounting to RM1,877 million in respect of the financial year ending 31 December 2024.

A5. EVENTS DURING THE REPORTING PERIOD/SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There are no significant events that had occurred between 30 June 2024 and the date of this announcement other than those disclosed under issuance and repayment of debts and equity securities.

PART A - EXPLANATORY NOTES (CONTINUED)

A6. CASH AND SHORT-TERM FUNDS AND DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

As at 30 June 2024, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM459,000 and RM254,000 (2023: RM729,000 and RM2,125,000) for the Group respectively and RMNil and RM53,000 (2023: RMNil and RM56,000) for the Bank respectively. The 12-month expected credit losses written back in the income statements of the Group and the Bank during the financial period amounting to RM2,163,000 and RM1,000 respectively (30 June 2023: RM168,000 and RM524,000 respectively).

A7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Fair Value				
Money market instruments				
Unquoted:				
Malaysian Government Securities	3,829,655	3,047,851	3,829,655	3,047,851
Cagamas bonds	1,269,003	1,044,976	914,926	716,440
Malaysian Government treasury bills	1,148,872	983,420	624,610	345,440
Bank Negara Malaysia Monetary Notes	3,306,723	3,331,862	1,428,101	3,179,371
Negotiable instruments of deposit	2,555,793	2,398,255	463,269	1,008,810
Other Government securities	10,582,089	9,287,751	3,049,454	2,084,556
Government Investment Issues	2,181,950	1,937,431	1,520,237	1,394,939
Other Government treasury bills	7,614,406	8,927,008	7,614,406	8,927,008
Promissory Notes	317,657	308,890	317,657	308,890
Commercial papers	819,113	992,375	410,294	463,900
	<u>33,625,261</u>	<u>32,259,819</u>	<u>20,172,609</u>	<u>21,477,205</u>
Quoted securities:				
<u>In Malaysia</u>				
Shares	2,030,426	1,387,604	2,030,426	1,387,604
<u>Outside Malaysia</u>				
Shares	421,234	493,527	421,234	493,527
	<u>2,451,660</u>	<u>1,881,131</u>	<u>2,451,660</u>	<u>1,881,131</u>
Unquoted securities:				
<u>In Malaysia</u>				
Shares	1,037,006	1,037,006	1,023,021	1,023,021
Corporate bond and Sukuk	3,190,918	5,102,516	3,149,538	4,927,460
	<u>4,227,924</u>	<u>6,139,522</u>	<u>4,172,559</u>	<u>5,950,481</u>
<u>Outside Malaysia</u>				
Corporate bond	4,114,580	2,746,376	3,260,362	1,609,645
Private equity funds	85,890	87,410	85,890	87,410
	<u>4,200,470</u>	<u>2,833,786</u>	<u>3,346,252</u>	<u>1,697,055</u>
	<u>44,505,315</u>	<u>43,114,258</u>	<u>30,143,080</u>	<u>31,005,872</u>

A8. DEBTS INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Fair Value				
Money market instruments				
Unquoted:				
Malaysian Government Securities	6,323,224	6,099,862	6,323,224	6,099,862
Cagamas bonds	473,085	305,441	422,369	254,746
Other government treasury bills	18,937	58,434	18,937	58,434
Other government securities	6,103,283	7,756,926	2,913,473	1,425,844
Negotiable instruments of deposit	784,313	656,664	784,313	656,664
Government investment issues	8,662,953	8,118,221	6,384,466	6,424,169
Commercial papers	34,927	-	34,927	-
	<u>22,400,722</u>	<u>22,995,548</u>	<u>16,881,709</u>	<u>14,919,719</u>
Unquoted securities:				
<u>In Malaysia</u>				
Corporate bond and Sukuk	22,665,701	22,791,055	18,251,498	19,169,507
<u>Outside Malaysia</u>				
Corporate bond and Sukuk	12,575,356	12,448,007	9,407,981	8,743,676
	<u>35,241,057</u>	<u>35,239,062</u>	<u>27,659,479</u>	<u>27,913,183</u>
	<u>57,641,779</u>	<u>58,234,610</u>	<u>44,541,188</u>	<u>42,832,902</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A8. DEBTS INSTRUMENT 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 2024	59,876	748	-	60,624
Changes in expected credit losses due to transferred within stages:	471	(471)	-	-
Transferred to Stage 1	471	(471)	-	-
Total charge to Statement of Income:	(6,404)	2,618	-	(3,786)
New financial assets purchased	67,434	-	-	67,434
Financial assets that have been derecognised	(22,361)	(19)	-	(22,380)
Change in credit risk	(51,477)	2,637	-	(48,840)
Exchange fluctuation	100	(6)	-	94
At 30 June 2024	54,043	2,889	-	56,932

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 2023	39,831	1,229	-	41,060
Changes in expected credit losses due to transferred within stages:	(32)	32	-	-
Transferred to Stage 2	(32)	32	-	-
Total charge to Statement of Income:	17,687	(514)	-	17,173
New financial assets purchased	73,420	-	-	73,420
Financial assets that have been derecognised	(15,581)	(33)	-	(15,614)
Change in credit risk	(40,152)	(481)	-	(40,633)
Exchange fluctuation	2,390	1	-	2,391
At 31 December 2023	59,876	748	-	60,624

PART A - EXPLANATORY NOTES (CONTINUED)

A8. DEBTS INSTRUMENT 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 Bank	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 2024	57,409	686	-	58,095
Changes in expected credit losses due to transferred within stages:	471	(471)	-	-
Transferred to Stage 1	471	(471)	-	-
Total charge to Statement of Income:	(6,630)	2,641	-	(3,989)
New financial assets purchased	60,824	-	-	60,824
Financial assets that have been derecognised	(21,871)	-	-	(21,871)
Change in credit risk	(45,583)	2,641	-	(42,942)
Exchange fluctuation	131	(4)	-	127
At 30 June 2024	51,381	2,852	-	54,233

The Bank	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 2023	38,370	1,226	-	39,596
Changes in expected credit losses due to transferred within stages:	(32)	32	-	-
Transferred to Stage 2	(32)	32	-	-
Total charge to Statement of Income:	16,714	(572)	-	16,142
New financial assets purchased	67,435	-	-	67,435
Financial assets that have been derecognised	(15,084)	(33)	-	(15,117)
Change in credit risk	(35,637)	(539)	-	(36,176)
Exchange fluctuation	2,357	-	-	2,357
At 31 December 2023	57,409	686	-	58,095

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

The Group and The Bank	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2024/30 June 2024	-	-

The Group and The Bank	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2023/31 December 2023	-	-

PART A - EXPLANATORY NOTES (CONTINUED)

A9. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Quoted securities:				
<u>Outside Malaysia</u>				
Shares	1,550	1,718	67	54
Unquoted securities:				
<u>In Malaysia</u>				
Shares	269,240	269,240	268,909	268,909
<u>Outside Malaysia</u>				
Shares	8,836	8,042	5,044	3,820
	279,626	279,000	274,020	272,783

A10. DEBT INSTRUMENTS AT AMORTISED COST

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Money market instruments				
Unquoted:				
Malaysian Government securities	11,549,329	11,040,607	11,549,329	11,040,607
Cagamas bonds	594,935	524,581	574,789	489,380
Other Government treasury bills	9,734,016	8,019,307	9,734,016	8,019,307
Other Government's securities	4,778,506	5,193,723	1,554,603	1,632,295
Malaysian Government Investment Issue	18,365,433	19,045,969	11,990,273	12,884,218
Khazanah bonds	112,980	112,980	112,980	112,980
Commercial papers	136,863	137,081	136,863	137,081
	45,272,062	44,074,248	35,652,853	34,315,868
Unquoted securities:				
<u>In Malaysia</u>				
Corporate bond and Sukuk	24,367,596	24,926,620	17,574,683	18,225,471
Loan stock	20,900	20,900	20,900	20,900
	24,388,496	24,947,520	17,595,583	18,246,371
<u>Outside Malaysia</u>				
Corporate bond and Sukuk	4,759,337	4,384,784	4,682,397	4,158,674
Amortisation of premium net of accretion of discount	(65,369)	(69,824)	(56,376)	(62,977)
Less : Expected credit losses	(628,135)	(617,956)	(639,845)	(625,125)
	73,726,391	72,718,772	57,234,612	56,032,811

PART A - EXPLANATORY NOTES (CONTINUED)

A10. DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

Expected credit losses movement for debt instruments at amortised cost:

The Group	12-month	Lifetime expected	Lifetime expected	Total
	expected credit losses (Stage 1)	credit losses - Not credit impaired (Stage 2)	credit losses - Credit impaired (Stage 3)	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	11,650	-	606,306	617,956
Changes in expected credit losses due to transfer within stages:	(296)	296	-	-
Transferred to Stage 1	(389)	389	-	-
Transferred to Stage 2	93	(93)	-	-
Total charge to Statement of Income:	(3,277)	1,696	-	(1,581)
New financial assets purchased	23,855	-	-	23,855
Financial assets that have been derecognised	(4,301)	-	-	(4,301)
Change in credit risk	(22,831)	1,696	-	(21,135)
Write-offs	-	-	(7,020)	(7,020)
Exchange fluctuation	56	(3)	(7)	46
Other movements	-	-	18,734	18,734
At 30 June 2024	8,133	1,989	618,013	628,135

The Group	12-month	Lifetime expected	Lifetime expected	Total
	expected credit losses (Stage 1)	credit losses - Not credit impaired (Stage 2)	credit losses - Credit impaired (Stage 3)	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	5,416	3,847	571,157	580,420
Changes in expected credit losses due to transferred within stages:	3,535	(3,535)	-	-
Transferred to Stage 1	3,675	(3,675)	-	-
Transferred to Stage 2	(140)	140	-	-
Total charge to Statement of Income:	2,434	(312)	(779)	1,343
New financial assets purchased	40,811	-	-	40,811
Financial assets that have been derecognised	(20,175)	-	-	(20,175)
Change in credit risk	(18,202)	(312)	(779)	(19,293)
Exchange fluctuation	265	-	8	273
Other movements	-	-	35,920	35,920
At 31 December 2023	11,650	-	606,306	617,956

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

The Group	Lifetime expected	Total
	credit losses - Credit impaired (Stage 3)	
	RM'000	RM'000
At 1 January 2024	1,457,754	1,457,754
Other changes in debts instruments	58,893	58,893
Write-offs	(7,020)	(7,020)
Exchange fluctuation	14,200	14,200
At 30 June 2024	1,523,827	1,523,827

The Group	Lifetime expected	Total
	credit losses - Credit impaired (Stage 3)	
	RM'000	RM'000
At 1 January 2023	1,314,639	1,314,639
Other changes in debts instruments	122,157	122,157
Exchange fluctuation	20,958	20,958
At 31 December 2023	1,457,754	1,457,754

PART A - EXPLANATORY NOTES (CONTINUED)

A10. DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

Expected credit losses movement for debt instruments at amortised cost:

The Bank	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 2024	26,000	-	599,125	625,125
Changes in expected credit losses due to transfer within stages:	(296)	296	-	-
Transferred to Stage 1	(389)	389	-	-
Transferred to Stage 2	93	(93)	-	-
Total charge to Statement of Income:	(5,762)	1,696	-	(4,066)
New financial assets purchased	23,855	-	-	23,855
Financial assets that have been derecognised	(4,301)	-	-	(4,301)
Change in credit risk	(25,316)	1,696	-	(23,620)
Exchange fluctuation	55	(3)	-	52
Other movements	-	-	18,734	18,734
At 30 June 2024	19,997	1,989	617,859	639,845

The Bank	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 2023	21,408	3,846	563,984	589,238
Changes in expected credit losses due to transfer within stages:	3,535	(3,535)	-	-
Transferred to Stage 1	3,675	(3,675)	-	-
Transferred to Stage 2	(140)	140	-	-
Total charge to Statement of Income:	792	(311)	(779)	(298)
New financial assets purchased	38,371	-	-	38,371
Financial assets that have been derecognised	(20,175)	-	-	(20,175)
Change in credit risk	(17,404)	(311)	(779)	(18,494)
Exchange fluctuation	265	-	-	265
Other movements	-	-	35,920	35,920
At 31 December 2023	26,000	-	599,125	625,125

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

The Bank	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2024	855,895	855,895
Other changes in debts instruments	26,763	26,763
At 30 June 2024	882,658	882,658

The Bank	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2023	805,694	805,694
Other changes in debts instruments	50,201	50,201
At 31 December 2023	855,895	855,895

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
(i) By type of financing				
<i>At amortised cost</i>				
Overdrafts	5,249,366	5,114,091	2,472,702	2,477,961
Term loans/financing				
- Housing loan/financing	134,828,778	131,891,471	67,171,486	67,934,276
- Syndicated term loan	23,483,634	23,669,701	21,491,614	21,619,151
- Other term loans/financing	132,890,509	129,569,117	75,292,724	72,575,548
- Factoring receivables	52	2,831	-	-
- Lease receivables	1,797	115	-	-
- Hire purchase receivables	25,394,397	24,930,492	1,360,504	1,723,996
Bills receivable	6,543,949	6,682,262	3,982,471	4,193,638
Trust receipts	1,706,649	1,960,115	531,257	894,242
Claim on customers under acceptance credit	3,429,642	3,605,014	2,020,640	2,358,452
Staff loans *	1,518,263	1,505,229	1,042,371	1,043,940
Credit card receivables	7,706,804	7,744,078	7,282,903	7,409,466
Revolving credit	37,157,160	38,337,190	30,030,437	30,888,271
Share margin financing	18,409	19,687	18,409	19,687
Gross loans, advances and financing, at amortised cost	379,929,409	375,031,393	212,697,518	213,138,628
Fair value changes arising from fair value hedges	(57,141)	(59,698)	(56,508)	(58,765)
	379,872,268	374,971,695	212,641,010	213,079,863
Less: Expected credit losses	(6,891,690)	(6,869,476)	(4,013,746)	(3,941,860)
Net loans, advances and financing at amortised cost	372,980,578	368,102,219	208,627,264	209,138,003
<i>At fair value through profit or loss</i>				
Term loans/financing				
- Syndicated term loan	101,520	274,133	35,392	-
	101,520	274,133	35,392	-
Total net loans, advances and financing	373,082,098	368,376,352	208,662,656	209,138,003
Total gross loans, advances and financing				
- At amortised cost	379,929,409	375,031,393	212,697,518	213,138,628
- At fair value through profit or loss	101,520	274,133	35,392	-
	380,030,929	375,305,526	212,732,910	213,138,628

* Loans to Directors of the Group and the Bank (including Directors of subsidiary) amounting to RM6,200,613 (2023: RM5,745,030) and RM3,984,638 (2023: RM3,508,771) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

(a) Included in the Group's and the Bank's loans, advances and financing balances are RM16,644,000 (2023: RM17,810,000) 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 and the Bank have undertaken fair value hedge and cash flow hedge on the interest rate risk and foreign currency risk of loans, advances and financing of RM1,909,703,000 (2023: RM1,989,145,000) and RM1,706,464,000 (2023: RM1,723,889,000) respectively, using interest rate swaps.

(c) As part of an arrangement with CIMB Islamic in relation to the Restricted Profit Sharing Investment Accounts ("RPSIA"), the Bank records as Investment account placement, its exposure in the arrangement, whereas CIMB Islamic records its exposure as loans, advances and financing. The RPSIA arrangement exposes the Bank to the risks and rewards on the financing and accordingly, the Bank accounts for expected credit losses for financing arising thereon.

As at 30 June 2024, the gross exposure and expected credit losses relating to RPSIA financing are RM3,326,027,000 (2023: RM3,502,178,000) and RM384,000 (2023: RM515,000) respectively.

(d) Included in the loans, advances and financing of the Group and the Bank are financing which are disclosed as "Restricted Agency Investment Account" in the financial statements of CIMB Islamic. These details are as follows:

	The Group		The Bank	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Syndicated term loan	1,531,823	1,531,910	1,531,823	1,531,910
Other term loan	9,947,352	10,147,962	9,947,352	10,147,962
Revolving credit	700,218	1,202,943	700,218	1,202,943
	<u>12,179,393</u>	<u>12,882,815</u>	<u>12,179,393</u>	<u>12,882,815</u>

Restricted Agency Investment Account ("RAIA") arrangement is with the Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where the 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 the Bank.

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
(ii) By type of customers				
Domestic banking institutions	206,964	208,444	-	8
Domestic non-bank financial institutions				
- stockbroking companies	56,219	281,240	10,041	253,759
- others	6,082,691	5,971,297	3,107,357	3,041,331
Domestic business enterprises				
- small medium enterprises	43,590,187	41,870,083	20,197,188	20,186,651
- others	44,911,182	47,392,393	23,151,785	25,133,004
Government and statutory bodies	11,772,861	11,788,572	9,918,502	10,009,687
Individuals	219,617,275	216,157,603	106,251,795	106,547,147
Other domestic entities	2,476,762	2,382,476	34,185	42,897
Foreign entities	51,316,788	49,253,418	50,062,057	47,924,144
Gross loans, advances and financing	380,030,929	375,305,526	212,732,910	213,138,628
(iii) By interest rate sensitivity				
Fixed rate				
- Housing loans/ financing	3,919,946	3,284,913	515,495	727,962
- Hire purchase receivables	22,394,856	21,750,632	1,073,121	1,277,050
- Other fixed rate loans	40,078,271	39,513,278	29,094,049	28,738,350
Variable rate				
- BLR plus/BFR plus	69,341,712	74,385,122	41,790,921	46,671,489
- Cost-plus	61,899,449	61,354,041	43,479,396	43,046,370
- Other variable rates	182,396,695	175,017,540	96,779,928	92,677,407
Gross loans, advances and financing	380,030,929	375,305,526	212,732,910	213,138,628
(iv) By economic purpose				
Personal use	23,099,526	21,812,098	18,733,490	17,572,740
Credit cards	7,706,804	7,744,078	7,282,903	7,409,466
Purchase of consumer durables	720,353	649,888	30,645	33,971
Construction	8,700,263	9,712,989	5,036,062	6,003,072
Residential property (housing)	136,206,094	133,196,794	66,797,334	67,559,330
Non-residential property	41,611,451	38,547,466	26,553,152	25,174,339
Purchase of fixed assets other than land and buildings	4,155,956	3,907,658	2,852,973	2,470,344
Mergers and acquisitions	2,050,470	2,228,564	1,840,616	2,001,039
Purchase of securities	17,202,713	18,961,132	6,729,105	6,988,628
Purchase of transport vehicles	25,490,221	25,072,945	1,364,656	1,735,901
Working capital	81,907,713	81,457,661	55,156,551	55,445,009
Other purposes	31,179,365	32,014,253	20,355,423	20,744,789
Gross loans, advances and financing	380,030,929	375,305,526	212,732,910	213,138,628

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
(v) By geographical distribution				
Malaysia	269,344,939	266,999,874	140,644,218	143,537,590
Indonesia	1,930,086	2,142,215	1,930,086	2,142,215
Thailand	35,076,339	35,802,475	2,109,401	2,435,068
Singapore	45,671,548	44,078,875	45,671,548	44,078,875
United Kingdom	7,190,198	6,956,802	7,190,198	6,956,802
Hong Kong	1,922,206	1,617,333	1,922,206	1,617,333
China	4,731,991	4,405,798	4,731,991	4,405,798
Other countries	14,163,622	13,302,154	8,533,262	7,964,947
Gross loans, advances and financing	380,030,929	375,305,526	212,732,910	213,138,628
(vi) By economic sector				
Primary agriculture	9,030,713	8,685,575	4,535,037	4,544,887
Mining and quarrying	4,046,586	4,057,931	3,161,725	2,978,992
Manufacturing	18,758,574	19,398,308	10,547,174	11,589,747
Electricity, gas and water supply	4,674,090	7,126,566	2,251,365	3,587,933
Construction	11,414,349	12,156,798	6,896,916	8,047,966
Transport, storage and communications	9,131,707	9,602,507	5,099,357	5,296,757
Education, health and others	19,093,504	19,136,752	15,573,696	15,540,017
Wholesale and retail trade, and restaurants and hotels	29,160,561	27,882,360	16,351,390	16,381,009
Finance, insurance/takaful, real estate and business activities	55,319,895	50,815,440	40,465,349	36,577,932
Household	215,008,606	211,995,522	103,549,268	104,230,077
Others	4,392,344	4,447,767	4,301,633	4,363,311
	380,030,929	375,305,526	212,732,910	213,138,628
(vii) By residual contractual maturity				
Within one year	70,925,366	72,274,064	51,506,689	53,582,019
One year to less than three years	27,268,212	28,356,602	20,065,422	20,479,763
Three years to less than five years	38,726,692	35,753,335	25,590,849	23,376,606
Five years and more	243,110,659	238,921,525	115,569,950	115,700,240
Gross loans, advances and financing	380,030,929	375,305,526	212,732,910	213,138,628

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
(viii) Credit impaired loans, advances and financing by economic purpose				
Personal use	319,434	311,576	201,285	197,102
Credit cards	152,294	144,668	144,320	139,912
Purchase of consumer durables	734	832	214	46
Construction	255,452	272,218	83,674	89,811
Residential property (housing)	2,808,626	3,035,763	1,043,739	1,212,534
Non-residential property	454,743	523,214	269,680	340,187
Purchase of fixed assets other than land and buildings	22,859	25,536	-	476
Purchase of securities	1,252	29,775	508	28,401
Purchase of transport vehicles	303,562	310,642	40,476	53,350
Working capital	1,815,802	1,733,434	1,556,013	1,484,444
Merger and acquisition	44,344	40,583	44,344	40,583
Other purposes	765,020	839,615	557,341	499,000
Gross credit impaired loans, advances and financing	<u>6,944,122</u>	<u>7,267,856</u>	<u>3,941,594</u>	<u>4,085,846</u>
(ix) Credit impaired loans, advances and financing by geographical distribution				
Malaysia	5,068,472	5,326,355	3,292,302	3,531,391
Indonesia	29,509	27,625	29,509	27,625
Thailand	1,151,124	1,308,420	280	-
Singapore	201,893	157,209	201,893	157,209
United Kingdom	48,210	44,801	48,210	44,801
Hong Kong	163,874	160,808	163,874	160,808
China	3,776	5,351	3,776	5,351
Other countries	277,264	237,287	201,750	158,661
Gross credit impaired loans, advances and financing	<u>6,944,122</u>	<u>7,267,856</u>	<u>3,941,594</u>	<u>4,085,846</u>
(x) Credit impaired loans, advances and financing by economic sector				
Primary agriculture	25,424	68,828	13,202	14,491
Mining and quarrying	1,116,060	1,060,401	1,106,493	1,060,400
Manufacturing	216,192	260,440	173,652	176,642
Electricity, gas and water supply	394	496	393	496
Construction	301,165	184,571	168,620	65,275
Transport, storage and communications	68,665	262,471	60,556	253,052
Education, health and others	113,481	106,086	33,748	29,421
Wholesale and retail trade, and restaurants and hotels	608,423	705,968	337,149	367,297
Finance, insurance/takaful, real estate and business activities	637,340	480,496	412,527	252,022
Household	3,753,614	3,992,429	1,532,971	1,722,017
Others	103,364	145,670	102,283	144,733
Gross credit impaired loans, advances and financing	<u>6,944,122</u>	<u>7,267,856</u>	<u>3,941,594</u>	<u>4,085,846</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

The Group	12-month expected	Lifetime expected credit	Lifetime expected	Purchased credit	Total
	credit losses	losses - Not credit	credit losses		
	(Stage 1)	impaired	- Credit impaired	impaired	
	RM'000	RM'000	RM'000	RM'000	RM'000
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:	247,811	(244,952)	(2,859)	-	-
Transferred to Stage 1	510,510	(475,798)	(34,712)	-	-
Transferred to Stage 2	(257,567)	698,869	(441,302)	-	-
Transferred to Stage 3	(5,132)	(468,023)	473,155	-	-
Total charge to Statement of Income:	(607,865)	178,164	1,301,208	(592)	870,915
New financial assets originated	481,146	79,896	27,587	-	588,629
Financial assets that have been derecognised	(300,707)	(152,800)	-	-	(453,507)
Writeback in respect of full recoveries	-	-	(105,848)	(592)	(106,440)
Change in credit risk	(788,304)	251,068	1,379,469	-	842,233
Write-offs	(128)	(448)	(859,274)	(927)	(860,777)
Disposal of loans, advances and financing	-	-	(76,155)	-	(76,155)
Reclassification from loans at FVTPL	-	-	13,876	-	13,876
Exchange fluctuation	(12,591)	(12,757)	(34,960)	(66)	(60,374)
Other movements	34	229	134,744	(278)	134,729
At 30 June 2024	2,082,964	1,255,047	3,553,679	-	6,891,690

The Group	12-month expected	Lifetime expected credit	Lifetime expected	Purchased credit	Total
	credit losses	losses - Not credit	credit losses		
	(Stage 1)	impaired	- Credit impaired	impaired	
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	1,112,032	2,940,456	3,665,331	1,771	7,719,590
Changes in expected credit losses due to transferred within stages:	1,874,579	(1,763,634)	(110,945)	-	-
Transferred to Stage 1	2,409,154	(2,278,733)	(130,421)	-	-
Transferred to Stage 2	(516,860)	1,572,531	(1,055,671)	-	-
Transferred to Stage 3	(17,715)	(1,057,432)	1,075,147	-	-
Total charge to Statement of Income:	(542,314)	139,707	1,948,805	-	1,546,198
New financial assets originated	918,088	212,278	64,386	-	1,194,752
Financial assets that have been derecognised	(503,819)	(343,062)	-	-	(846,881)
Writeback in respect of full recoveries	-	-	(238,840)	-	(238,840)
Change in credit risk	(956,583)	270,491	2,123,259	-	1,437,167
Write-offs	(95)	(598)	(2,681,691)	-	(2,682,384)
Exchange fluctuation	32,680	23,344	134,168	92	190,284
Other movements	(21,179)	(4,464)	121,431	-	95,788
At 31 December 2023	2,455,703	1,334,811	3,077,099	1,863	6,869,476

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

The Bank	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - Not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2024	1,387,514	650,622	1,903,724	3,941,860
Changes in expected credit losses due to transferred within stages:	169,934	(161,544)	(8,390)	-
Transferred to Stage 1	287,543	(269,113)	(18,430)	-
Transferred to Stage 2	(113,035)	345,385	(232,350)	-
Transferred to Stage 3	(4,574)	(237,816)	242,390	-
Total charge to Statement of Income:	(319,784)	36,731	798,707	515,654
New financial assets originated	383,967	71,535	9,367	464,869
Financial assets that have been derecognised	(250,483)	(96,729)	-	(347,212)
Writeback in respect of full recoveries	-	-	(18,409)	(18,409)
Change in credit risk	(453,268)	61,925	807,749	416,406
Write-offs	(127)	(171)	(567,562)	(567,860)
Reclassification from loans at FVTPL	-	-	13,876	13,876
Exchange fluctuation	(1,271)	751	(8,457)	(8,977)
Other movements	6	30	119,157	119,193
At 30 June 2024	1,236,272	526,419	2,251,055	4,013,746

The Bank	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - Not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2023	746,781	1,774,325	2,733,149	5,254,255
Changes in expected credit losses due to transferred within stages:	1,200,657	(1,071,204)	(129,453)	-
Transferred to Stage 1	1,468,561	(1,374,985)	(93,576)	-
Transferred to Stage 2	(258,340)	859,482	(601,142)	-
Transferred to Stage 3	(9,564)	(555,701)	565,265	-
Total charge to Statement of Income:	(559,499)	(54,319)	1,284,063	670,245
New financial assets originated	737,966	194,037	36,946	968,949
Financial assets that have been derecognised	(417,811)	(226,078)	-	(643,889)
Writeback in respect of full recoveries	-	-	(107,806)	(107,806)
Change in credit risk	(879,654)	(22,278)	1,354,923	452,991
Write-offs	(76)	(210)	(2,159,127)	(2,159,413)
Exchange fluctuation	20,807	6,372	105,036	132,215
Other movements	(21,156)	(4,342)	70,056	44,558
At 31 December 2023	1,387,514	650,622	1,903,724	3,941,860

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

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

	The Group		
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	At 1 January 2024	7,261,739	6,117
Transfer within stages	773,827	-	773,827
New financial assets originated	158,556	-	158,556
Write-offs	(859,274)	(927)	(860,201)
Amount fully recovered	(333,707)	-	(333,707)
Other changes in loans, advances and financing	100,303	(4,938)	95,365
Disposal of loans, advances and financing	(157,937)	-	(157,937)
Exchange fluctuation	615	(252)	363
At 30 June 2024	6,944,122	-	6,944,122

	The Group		
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	At 1 January 2023	8,147,023	5,948
Transfer within stages	2,030,513	-	2,030,513
New financial assets originated	222,608	-	222,608
Write-offs	(2,681,691)	-	(2,681,691)
Amount fully recovered	(759,670)	-	(759,670)
Other changes in loans, advances and financing	148,543	(141)	148,402
Exchange fluctuation	154,413	310	154,723
At 31 December 2023	7,261,739	6,117	7,267,856

	The Group	
	30 June 2024	31 December 2023
Ratio of credit impaired loans to total loans, advances and financing	1.83%	1.94%

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

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

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2024	4,085,846	4,085,846
Transfer within stages	290,508	290,508
New financial assets originated	156,207	156,207
Write-offs	(567,562)	(567,562)
Amount fully recovered	(193,639)	(193,639)
Other changes in loans, advances and financing	118,029	118,029
Exchange fluctuation	52,205	52,205
At 30 June 2024	3,941,594	3,941,594

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2023	5,546,280	5,546,280
Transfer within stages	735,729	735,729
New financial assets originated	186,313	186,313
Write-offs	(2,159,127)	(2,159,127)
Amount fully recovered	(426,209)	(426,209)
Other changes in loans, advances and financing	109,025	109,025
Exchange fluctuation	93,835	93,835
At 31 December 2023	4,085,846	4,085,846

	The Bank	
	30 June 2024	31 December 2023
Ratio of credit impaired loans to total loans, advances and financing	1.85%	1.92%

PART A - EXPLANATORY NOTES (CONTINUED)**A12. OTHER ASSETS**

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Foreclosed assets net of allowance for impairment losses of RM61,842,000 (2023: RM63,024,000)	167,247	172,329	-	-
Due from brokers	8,275	45,045	8,275	45,045
Structured financing	642,972	504,996	642,972	504,996
Collateral pledged for derivative transactions	3,704,401	3,561,451	1,603,674	2,117,750
Treasury related receivables	3,466,576	1,233,083	3,204,174	1,185,680
Settlement accounts	1,338,758	1,323,115	1,191,364	1,284,742
Other debtors net of expected credit losses *, deposits and prepayments	1,917,957	1,574,133	1,518,797	1,558,084
	11,246,186	8,414,152	8,169,256	6,696,297

* net of expected credit losses of RM617,587,000 (2023: RM558,238,000) for the Group and RM561,467,000 (2023: RM537,221,000) for the Bank. Included in other debtors net of expected credit losses, deposits and prepayments are amounts related to receivables of settlement debit card balances.

A13. DEPOSITS FROM CUSTOMERS

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
(i) By type of deposit				
Demand deposits	93,533,688	100,455,572	72,435,799	76,708,268
Saving deposits	62,308,296	58,697,744	33,773,774	33,243,258
Fixed deposits	158,779,457	156,439,796	108,960,538	106,035,031
Negotiable instruments of deposit	1,578,138	532,709	-	-
Short term money market deposits	81,627,515	85,017,458	32,082,082	35,927,425
Others	933,117	756,633	653,083	550,225
	398,760,211	401,899,912	247,905,276	252,464,207

(ii) By type of customer

Government and statutory bodies	15,416,524	14,681,556	7,860,815	7,206,020
Business enterprises	145,143,207	152,196,017	86,902,492	92,900,159
Individuals	169,123,210	165,511,170	112,041,686	111,208,434
Others	69,077,270	69,511,169	41,100,283	41,149,594
	398,760,211	401,899,912	247,905,276	252,464,207

(iii) Maturity structure of fixed deposits and negotiable instruments of deposit

Due within six months	126,421,011	122,979,572	90,257,856	87,074,726
Six months to less than one year	32,228,084	31,001,071	18,369,164	18,691,322
One year to less than three years	809,044	2,090,260	323,399	255,664
Three years to less than five years	899,456	901,602	10,119	13,319
	160,357,595	156,972,505	108,960,538	106,035,031

A14. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Unrestricted investment accounts	20,205,910	18,984,125	-	-

PART A - EXPLANATORY NOTES (CONTINUED)

A15. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Licensed banks	30,131,559	29,271,065	28,932,299	28,429,543
Licensed finance companies	1,916,179	2,399,926	695,829	554,870
Licensed investment banks	926,987	660,443	403,819	14,595
Bank Negara Malaysia	1,292,976	1,338,864	1,287,976	1,333,864
Other financial institutions	7,959,917	6,188,630	6,777,685	4,698,002
	42,227,618	39,858,928	38,097,608	35,030,874

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

	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Due within six months	39,582,575	36,476,495	35,964,820	31,986,238
Six months to less than one year	1,044,786	1,153,670	844,409	1,141,571
One year to less than three years	280,538	1,491,837	8,852	1,208,053
Three years to less than five years	683,569	41,915	643,377	-
Five years and more	636,150	695,011	636,150	695,012
	42,227,618	39,858,928	38,097,608	35,030,874

A16. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Designated at fair value through profit or loss (Note a)				
Deposits from customers - structured investments	5,059,698	4,078,828	1,433,356	1,257,044
Debentures	713,283	748,117	-	-
Bills payable	1,630,946	1,943,183	-	-
	7,403,927	6,770,128	1,433,356	1,257,044
Held for trading				
Bonds	4,822	-	-	-
	7,408,749	6,770,128	1,433,356	1,257,044

a) The Group and the Bank have issued structured investments, bills payable and debentures, and have designated them at fair value in accordance with MFRS9. The Group and the Bank have the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group and the Bank on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of financial liabilities designated at fair value of the Group and the Bank at 30 June 2024 were RM80,188,000 (2023: RM60,697,000) lower and RM18,285,000 (2023: RM14,563,000) higher respectively than the contractual amount at maturity for the structured investments, RM1,175,000 (2023: RM1,478,000) higher than the contractual amount at maturity for the debentures and RM74,284,000 (2023: RM207,511,000) higher than the contractual amount at maturity for bills payable.

A17. OTHER LIABILITIES

Note	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Due to brokers and clients	24,167	20,358	24,167	20,358
Post employment benefit obligations	237,667	263,496	46,535	51,826
Sundry creditors	940,085	873,767	709,173	759,776
Expenditure payable	1,579,895	2,007,027	1,293,568	1,704,985
Expected credit losses for loan commitments and financial guarantee contracts	A17(a) 422,433	533,212	298,415	349,507
Provision for legal claims	50,612	50,251	35,042	35,004
Credit card expenditure payable	113,879	123,235	111,880	121,896
Collateral received for derivative transactions	4,159,024	4,045,657	2,225,567	2,394,321
Structured deposits	5,383,863	4,826,934	5,360,422	4,800,819
Treasury related payables	4,462,902	1,219,611	4,046,960	1,163,342
Settlement accounts	1,263,457	1,054,717	1,247,410	706,495
Others	1,169,267	1,032,096	847,603	629,990
	19,807,251	16,050,361	16,246,742	12,738,319

PART A - EXPLANATORY NOTES (CONTINUED)

A17. OTHER LIABILITIES (CONTINUED)

(a) Expected credit losses movement of 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 2024	300,347	61,943	170,922	533,212
Changes in expected credit losses due to transferred within stages:	44,314	(46,414)	2,100	-
Transferred to Stage 1	58,666	(57,597)	(1,069)	-
Transferred to Stage 2	(14,300)	30,275	(15,975)	-
Transferred to Stage 3	(52)	(19,092)	19,144	-
Total charge to Statement of Income:	(128,886)	33,038	(12,022)	(107,870)
New exposures	93,168	1,703	27	94,898
Exposures derecognised or matured	(111,656)	(14,648)	(5,807)	(132,111)
Change in credit risk	(110,398)	45,983	(6,242)	(70,657)
Exchange fluctuation	(622)	(69)	(2,292)	(2,983)
Other movements	550	119	(595)	74
At 30 June 2024	215,703	48,617	158,113	422,433

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 2023	202,871	123,687	296,744	623,302
Changes in expected credit losses due to transferred within stages:	125,114	(112,634)	(12,480)	-
Transferred to Stage 1	154,370	(144,394)	(9,976)	-
Transferred to Stage 2	(28,931)	69,725	(40,794)	-
Transferred to Stage 3	(325)	(37,965)	38,290	-
Total charge to Statement of Income:	(31,981)	49,331	(123,174)	(105,824)
New exposures	196,176	4,960	18	201,154
Exposures derecognised or matured	(173,399)	(16,054)	(82,956)	(272,409)
Change in credit risk	(54,758)	60,425	(40,236)	(34,569)
Exchange fluctuation	5,124	430	3,545	9,099
Other movements	(781)	1,129	6,287	6,635
At 31 December 2023	300,347	61,943	170,922	533,212

PART A - EXPLANATORY NOTES (CONTINUED)

A17. OTHER LIABILITIES (CONTINUED)

(a) Expected credit losses movement of loan commitments and financial guarantee contracts are as follows: (Continued)

The Bank	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 2024	202,436	47,887	99,184	349,507
Changes in expected credit losses due to transferred within stages:	41,572	(39,877)	(1,695)	-
Transferred to Stage 1	51,976	(50,966)	(1,010)	-
Transferred to Stage 2	(10,354)	22,875	(12,521)	-
Transferred to Stage 3	(50)	(11,786)	11,836	-
Total charge to Statement of Income:	(77,693)	28,920	(2,645)	(51,418)
New exposures	64,776	1,372	-	66,148
Exposures derecognised or matured	(89,625)	(11,191)	(3,905)	(104,721)
Change in credit risk	(52,844)	38,739	1,260	(12,845)
Exchange fluctuation	190	62	-	252
Other movements	476	178	(580)	74
At 30 June 2024	166,981	37,170	94,264	298,415

The Bank	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 2023	159,550	108,111	215,440	483,101
Changes in expected credit losses due to transferred within stages:	112,485	(100,984)	(11,501)	-
Transferred to Stage 1	134,455	(129,411)	(5,044)	-
Transferred to Stage 2	(21,687)	56,699	(35,012)	-
Transferred to Stage 3	(283)	(28,272)	28,555	-
Total charge to Statement of Income:	(72,930)	39,437	(111,036)	(144,529)
New exposures	149,338	4,530	4	153,872
Exposures derecognised or matured	(136,201)	(11,547)	(63,182)	(210,930)
Change in credit risk	(86,067)	46,454	(47,858)	(87,471)
Exchange fluctuation	4,075	225	-	4,300
Other movements	(744)	1,098	6,281	6,635
At 31 December 2023	202,436	47,887	99,184	349,507

As at 30 June 2024, the gross carrying amount of loan commitments and financial guarantee contracts that are credit impaired for the Group and the Bank is RM346,223,000 (2023: RM317,487,000) and RM234,225,000 (2023: RM242,520,000) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A18. INTEREST INCOME

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Loans and advances				
- interest income	3,457,174	3,232,056	6,915,894	6,180,427
- unwinding income [^]	24,970	35,865	53,253	67,873
Money at call and deposits with financial institutions	228,914	234,591	435,050	460,040
Reverse repurchase agreements	121,888	58,653	204,321	145,622
Debt instruments at fair value through other comprehensive income	516,144	444,674	1,048,710	850,475
Debt instruments at amortised cost	468,283	426,447	944,117	832,109
Others	37,699	27,270	73,497	52,485
	<u>4,855,072</u>	<u>4,459,556</u>	<u>9,674,842</u>	<u>8,589,031</u>
Net accretion of discount less amortisation of premium	90,209	42,199	166,870	61,548
	<u>4,945,281</u>	<u>4,501,755</u>	<u>9,841,712</u>	<u>8,650,579</u>
The Bank				
Loans and advances				
- interest income	2,885,891	2,700,175	5,778,500	5,166,215
- unwinding income [^]	22,159	30,522	46,882	58,483
Money at call and deposits with financial institutions	257,024	267,965	499,108	541,208
Reverse repurchase agreements	117,006	53,352	197,280	135,122
Debt instruments at fair value through other comprehensive income	468,851	412,677	939,445	788,123
Debt instruments at amortised cost	462,831	423,489	932,369	827,607
Others	37,699	27,270	73,496	52,484
	<u>4,251,461</u>	<u>3,915,450</u>	<u>8,467,080</u>	<u>7,569,242</u>
Net accretion of discount less amortisation of premium	92,233	44,250	169,104	62,765
	<u>4,343,694</u>	<u>3,959,700</u>	<u>8,636,184</u>	<u>7,632,007</u>

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

A19. INTEREST INCOME FOR FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Loans and advances at fair value through profit or loss	848	1,236	1,449	2,539
Financial investments at fair value through profit or loss	212,131	143,743	450,823	283,120
	<u>212,979</u>	<u>144,979</u>	<u>452,272</u>	<u>285,659</u>
Net accretion of discount less amortisation of premium	103,584	105,021	232,849	195,476
	<u>316,563</u>	<u>250,000</u>	<u>685,121</u>	<u>481,135</u>
The Bank				
Loans and advances at fair value through profit or loss	848	1,236	1,449	2,539
Financial investments at fair value through profit or loss	140,275	113,974	305,555	226,627
	<u>141,123</u>	<u>115,210</u>	<u>307,004</u>	<u>229,166</u>
Net accretion of discount less amortisation of premium	106,093	106,960	238,268	199,480
	<u>247,216</u>	<u>222,170</u>	<u>545,272</u>	<u>428,646</u>

PART A - EXPLANATORY NOTES (CONTINUED)**A20. INTEREST EXPENSE**

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Deposits and placements of banks and other financial institutions	346,277	318,526	753,099	613,662
Deposits from other customers	2,004,361	1,778,018	4,016,245	3,361,351
Repurchase agreements	405,693	364,205	804,408	633,766
Financial liabilities designated at fair value through profit or loss	30,286	23,345	60,343	44,770
Negotiable certificates of deposits	18,825	30,316	37,908	55,748
Recourse obligation on loan and financing sold to Cagamas	14,706	7,485	26,070	13,912
Bonds, Sukuk and debentures	143,169	132,046	298,611	250,300
Subordinated obligations	107,092	109,615	215,863	223,117
Other borrowings	61,512	50,194	123,143	96,882
Structured deposits	39,797	40,024	75,461	78,465
Lease liabilities	4,801	4,394	9,383	8,339
Others	6,019	4,336	11,892	7,978
	3,182,538	2,862,504	6,432,426	5,388,290
The Bank				
Deposits and placements of banks and other financial institutions	322,553	289,759	709,749	556,997
Deposits from other customers	1,762,400	1,609,179	3,521,981	3,044,850
Repurchase agreements	372,904	351,446	729,748	614,152
Financial liabilities designated at fair value through profit or loss	13,311	9,496	25,156	19,503
Negotiable certificates of deposits	18,695	30,181	37,644	55,474
Recourse obligation on loan and financing sold to Cagamas	14,706	7,485	26,070	13,912
Bonds and debentures	141,317	123,296	290,357	232,399
Subordinated obligations	104,500	107,679	210,160	219,282
Other borrowings	61,480	52,719	129,824	102,002
Structured deposits	39,797	40,024	75,461	78,465
Lease liabilities	4,018	4,127	8,002	7,094
Others	25	29	48	57
	2,855,706	2,625,420	5,764,200	4,944,187

A21. MODIFICATION LOSS

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Loss on modification of cash flows	568	572	1,328	266
The Bank				
Loss on modification of cash flows	-	14	-	14

PART A - EXPLANATORY NOTES (CONTINUED)

A22. NET NON-INTEREST INCOME

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
(a) Fee and commission income				
Commissions	219,597	165,386	434,726	327,508
Fee on loans and advances	168,142	131,450	317,636	240,174
Service charges and fees	153,573	155,980	309,022	329,965
Guarantee fees	7,269	14,445	25,972	36,633
Other fee income	82,099	47,683	140,704	98,752
Fee and commission income	630,680	514,944	1,228,060	1,033,032
(b) Fee and commission expense	(176,789)	(148,344)	(369,844)	(296,272)
Net fee and commission income	453,891	366,600	858,216	736,760
(c) Other non-interest income				
Gross dividend income from:				
Financial investments at fair value through profit or loss	27,807	28,158	36,640	34,083
Equity instruments at fair value through other comprehensive income	3,484	1,576	3,484	2,576
	31,291	29,734	40,124	36,659
Net (loss)/gain arising from financial investments at fair value through profit or loss				
- realised	(68,616)	(138,462)	43,592	(171,105)
- unrealised	(82,927)	(105,544)	132,944	64,464
	(151,543)	(244,006)	176,536	(106,641)
Net gain arising from derivative financial instrument				
- realised	969,472	1,485,200	1,430,190	941,360
- unrealised	(50,836)	811,899	1,310,532	1,538,732
	918,636	2,297,099	2,740,722	2,480,092
Net gain arising from loans, advances and financing at fair value through profit or loss				
- realised	10,495	-	12,419	-
- unrealised	225	28	(328)	10
	10,720	28	12,091	10
Net gain/(loss) arising from financial liabilities at fair value through profit or loss				
- realised	(70,061)	(72,095)	(70,197)	(80,451)
- unrealised	103,508	105,156	69,569	69,788
	33,447	33,061	(628)	(10,663)
Net gain/(loss) arising from hedging activities	4,123	16,340	18,112	(13,676)
Net gain from sale of investment in debt instruments at fair value through other comprehensive income	67,251	62,018	152,282	112,323
Net gain from redemption of debt instruments at amortised cost	-	591	33	564
Other income				
Foreign exchange loss	(167,934)	(1,533,567)	(1,597,884)	(1,352,166)
Rental income	1,404	1,991	3,486	4,177
Gain on disposal of property, plant and equipment/ assets held for sale	590	5,454	769	8,824
Loss on disposal of foreclosed assets	(79)	(648)	(5,596)	(421)
Gain on disposal of loans, advances and financing	31,678	8,188	44,733	43,380
Loss on liquidation of a subsidiary	(34)	-	(34)	-
Others	19,696	11,593	27,921	24,286
	(114,679)	(1,506,989)	(1,526,605)	(1,271,920)
Total other non interest income	799,246	687,876	1,612,667	1,226,748
Net non-interest income	1,253,137	1,054,476	2,470,883	1,963,508

PART A - EXPLANATORY NOTES (CONTINUED)**A22. NET NON-INTEREST INCOME (CONTINUED)**

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Bank				
(a) Fee and commission income				
Commissions	165,701	108,035	324,553	220,496
Fee on loans and advances	164,543	127,898	306,927	232,685
Service charges and fees	462,236	445,322	917,536	949,261
Guarantee fees	5,261	12,219	21,944	32,184
Other fee income	78,642	44,736	132,694	94,951
Fee and commission income	876,383	738,210	1,703,654	1,529,577
(b) Fee and commission expense	(175,005)	(149,918)	(366,445)	(302,341)
Net fee and commission income	701,378	588,292	1,337,209	1,227,236
(c) Other non-interest income				
Gross dividend income from:				
Financial investments at fair value through profit or loss	27,739	28,090	36,572	34,015
Equity instruments at fair value through other comprehensive income	1,600	-	1,600	1,000
Subsidiary	1,600	50,183	1,600	130,183
	30,939	78,273	39,772	165,198
Net gain/(loss) arising from financial investments at fair value through profit or loss				
- realised	(2,387)	(142,739)	(15,115)	(263,855)
- unrealised	47,626	(47,518)	119,855	(29,821)
	45,239	(190,257)	104,740	(293,676)
Net gain arising from derivative financial instrument				
- realised	917,450	833,619	1,532,111	683,346
- unrealised	(227,778)	1,352,428	1,055,869	1,944,112
	689,672	2,186,047	2,587,980	2,627,458
Net gain arising from loans, advances and financing at fair value through profit or loss				
- realised	10,495	-	12,419	-
- unrealised	225	28	(328)	10
	10,720	28	12,091	10
Net gain/(loss) arising from financial liabilities at fair value through profit or loss				
- realised	604	1,810	(550)	1,358
- unrealised	4,927	6,245	(4,055)	(30,470)
	5,531	8,055	(4,605)	(29,112)
Net gain arising from hedging activities	16,439	13,135	31,328	21,532
Net gain from sale of investment in debt instruments at fair value through other comprehensive income	44,562	57,819	113,291	77,469
Net gain/(loss) from redemption of debt instruments at amortised cost	-	-	33	(27)
Other income				
Foreign exchange loss	(148,779)	(1,519,892)	(1,467,918)	(1,428,774)
Rental income	1,086	1,703	2,830	3,500
Gain on disposal of property, plant and equipment/ assets held for sale	131	315	277	3,491
Gain on disposal of loans, advances and financing	32,960	-	32,960	-
Gain on liquidation of a subsidiary	17	-	17	-
Others	16,062	6,948	21,773	16,718
	(98,523)	(1,510,926)	(1,410,061)	(1,405,065)
Total other non-interest income	744,579	642,174	1,474,569	1,163,787
Net non-interest income	1,445,957	1,230,466	2,811,778	2,391,023

PART A - EXPLANATORY NOTES (CONTINUED)**A23. OVERHEADS**

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Personnel costs				
- Salaries, allowances and bonuses	819,418	869,227	1,719,576	1,688,669
- Pension cost	75,013	79,077	181,079	174,070
- Share-based expense ¹	(4,818)	12,278	6,876	24,058
- Overtime	4,912	7,506	10,431	12,427
- Staff incentives and other staff payments	49,778	22,613	89,196	40,621
- Medical expenses	24,360	16,490	48,719	38,956
- Others	31,572	31,499	61,957	50,188
	1,000,235	1,038,690	2,117,834	2,028,989
Establishment costs				
- Depreciation of property, plant and equipment	46,393	44,262	90,345	87,757
- Depreciation of right-of-use assets	59,870	47,759	109,036	88,161
- Rental	31,727	25,101	58,562	53,666
- Amortisation of intangible assets	106,117	85,639	197,853	172,673
- Repair and maintenance	162,762	178,961	342,148	332,686
- Outsourced services	17,500	18,355	34,975	29,651
- Security expenses	14,520	20,764	33,441	39,705
- Intangible assets written off	-	5	-	262
- Others	39,260	36,810	73,990	79,302
	478,149	457,656	940,350	883,863
Marketing expenses				
- Advertisement	27,251	19,690	52,861	40,096
- Others	32,060	35,109	64,390	59,287
	59,311	54,799	117,251	99,383
Administration and general expenses				
- Communication	13,836	14,877	35,203	34,904
- Consultancy and professional fees	17,901	24,039	53,336	54,514
- Legal expenses	13,169	6,512	12,864	9,592
- Stationery	4,211	4,308	8,800	9,108
- Postages	5,978	7,092	12,226	13,991
- Administrative travelling and vehicle expenses	6,796	5,599	12,775	10,122
- Incidental expenses on banking operations	13,677	11,968	25,909	23,218
- Insurance	3,168	3,121	6,757	8,279
- Others	146,208	107,157	278,286	226,292
	224,944	184,673	446,156	390,020
	1,762,639	1,735,818	3,621,591	3,402,255

PART A - EXPLANATORY NOTES (CONTINUED)

A23. OVERHEADS (CONTINUED)

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Bank				
Personnel costs				
- Salaries, allowances and bonuses	651,986	700,950	1,381,883	1,357,045
- Pension cost	75,124	65,615	166,882	146,340
- Share-based expense ¹	(3,864)	10,089	6,214	19,942
- Overtime	3,238	5,606	7,087	8,883
- Staff incentives and other staff payments	43,562	47,772	75,013	71,601
- Medical expenses	22,592	14,961	44,895	35,409
- Others	25,527	24,355	49,677	36,767
	818,165	869,348	1,731,651	1,675,987
Establishment costs				
- Depreciation of property, plant and equipment	34,830	31,148	68,114	64,300
- Depreciation of right-of-use assets	51,390	40,540	92,130	73,679
- Rental	16,610	13,685	32,151	30,916
- Amortisation of intangible assets	90,436	69,915	165,981	142,019
- Repair and maintenance	148,699	166,104	316,396	306,941
- Outsourced services	11,961	12,585	22,869	21,748
- Security expenses	13,206	19,572	30,786	37,414
- Others	34,023	30,334	63,204	67,638
	401,155	383,883	791,631	744,655
Marketing expenses				
- Advertisement	18,949	14,454	39,708	31,199
- Others	30,088	33,377	61,468	55,537
	49,037	47,831	101,176	86,736
Administration and general expenses				
- Communication	12,360	13,370	32,231	31,940
- Consultancy and professional fees	15,810	19,694	45,888	46,350
- Legal expenses	8,602	(388)	4,544	293
- Stationery	2,856	2,339	6,088	5,656
- Postages	4,233	5,186	8,607	10,354
- Administrative travelling and vehicle expenses	4,720	3,682	8,641	6,283
- Incidental expenses on banking operations	7,758	7,122	14,332	12,814
- Insurance	2,288	2,346	4,526	6,329
- Others	141,781	96,448	276,136	210,607
	200,408	149,799	400,993	330,626
	1,468,765	1,450,861	3,025,451	2,838,004

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

PART A - EXPLANATORY NOTES (CONTINUED)

A24(a). EXPECTED CREDIT LOSSES ON LOANS, ADVANCES AND FINANCING

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Expected credit losses on loans, advances and financing at amortised cost:				
- Expected credit losses on loans, advances and financing	384,191	445,390	870,915	658,690
Credit impaired:				
- recovered	(158,100)	(139,497)	(316,703)	(263,362)
- written off	3,786	5,806	8,335	58,557
	<u>229,877</u>	<u>311,699</u>	<u>562,547</u>	<u>453,885</u>
The Bank				
Expected credit losses on loans, advances and financing at amortised cost:				
- Expected credit losses on loans, advances and financing	244,132	249,930	515,654	285,028
Credit impaired:				
- recovered	(102,399)	(92,562)	(202,165)	(164,509)
- written off	2,551	5,063	5,834	56,922
	<u>144,284</u>	<u>162,431</u>	<u>319,323</u>	<u>177,441</u>

A24(b). OTHER EXPECTED CREDIT LOSSES AND IMPAIRMENT ALLOWANCES

	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
The Group				
Expected credit losses and impairment allowances made/(written back):				
- Debt instrument at fair value through other comprehensive income	(6,327)	4,946	(3,786)	17,338
- Debt instrument at amortised cost	(2,006)	(1,729)	(1,581)	(538)
- Money at call and deposits and placements with banks and other financial institutions	(96)	22	(2,163)	(168)
- Other assets	86,911	32,969	181,093	64,547
	<u>78,482</u>	<u>36,208</u>	<u>173,563</u>	<u>81,179</u>
The Bank				
Expected credit losses and impairment allowances made/(written back):				
- Debt instrument at fair value through other comprehensive income	(5,516)	4,805	(3,989)	16,455
- Debt instrument at amortised cost	(5,126)	(3,657)	(4,066)	(2,457)
- Money at call and deposits and placements with banks and other financial institutions	(29)	(46)	(1)	(524)
- Other assets	10,562	(4,347)	25,346	(3,652)
	<u>(109)</u>	<u>(3,245)</u>	<u>17,290</u>	<u>9,822</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS

The following tables summarise the contractual 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 end of the reporting period, and do not represent amounts at risk.

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

	The Group			The Bank		
	Principal	Fair values		Principal	Fair values	
At 30 June 2024	RM'000	Assets RM'000	Liabilities RM'000	RM'000	Assets RM'000	Liabilities RM'000
<u>Trading derivatives</u>						
<u>Foreign exchange derivatives</u>						
Currency forward	50,166,908	302,213	(304,713)	35,954,633	179,799	(164,801)
- less than one year	48,361,600	285,159	(213,844)	35,229,210	164,132	(115,132)
- one year to three years	1,494,586	13,716	(53,640)	464,103	12,329	(11,300)
- more than three years	310,722	3,338	(37,229)	261,320	3,338	(38,369)
Currency swaps	701,180,467	5,813,442	(6,069,871)	501,064,396	3,194,109	(2,629,369)
- less than one year	694,987,950	5,694,041	(6,033,802)	499,619,011	3,171,175	(2,599,311)
- one year to three years	3,843,834	50,411	(20,293)	1,031,134	16,962	(15,287)
- more than three years	2,348,683	68,990	(15,776)	414,251	5,972	(14,771)
Currency spots	7,447,257	5,331	(3,659)	6,409,111	4,676	(3,027)
- less than one year	7,447,257	5,331	(3,659)	6,409,111	4,676	(3,027)
Currency options	11,999,958	96,821	(105,307)	11,978,319	96,717	(105,297)
- less than one year	10,811,034	92,808	(99,456)	10,789,395	92,704	(99,446)
- one year to three years	876,510	4,013	(2,209)	876,510	4,013	(2,209)
- more than three years	312,414	-	(3,642)	312,414	-	(3,642)
Cross currency interest rate swaps	118,300,675	4,467,872	(4,380,919)	33,075,873	1,406,212	(1,309,576)
- less than one year	48,582,341	1,830,673	(1,300,021)	11,270,586	519,509	(479,089)
- one year to three years	35,900,529	1,209,929	(1,379,281)	12,815,004	490,204	(598,224)
- more than three years	33,817,805	1,427,270	(1,701,617)	8,990,283	396,499	(232,263)
	889,095,265	10,685,679	(10,864,469)	588,482,332	4,881,513	(4,212,070)
<u>Interest rate derivatives</u>						
Interest rate swaps	785,776,344	4,061,449	(3,434,026)	344,598,534	1,870,967	(1,616,791)
- less than one year	357,772,892	418,423	(426,844)	102,949,183	145,361	(132,275)
- one year to three years	202,562,966	1,054,539	(991,333)	102,858,628	586,794	(539,798)
- more than three years	225,440,486	2,588,487	(2,015,849)	138,790,723	1,138,812	(944,718)
Interest rate futures	2,512,206	5,341	(18,063)	2,512,206	5,341	(18,063)
- less than one year	2,323,436	5,327	(18,063)	2,323,436	5,327	(18,063)
- one year to three years	188,770	14	-	188,770	14	-
Interest rate options	733,857	4,147	(1,408)	567,017	871	(1,408)
- less than one year	545,087	3,710	(1,096)	378,247	434	(1,096)
- one year to three years	188,770	437	(312)	188,770	437	(312)
	789,022,407	4,070,937	(3,453,497)	347,677,757	1,877,179	(1,636,262)
<u>Equity related derivatives</u>						
Equity swaps	724,795	24,526	(54,565)	724,795	24,526	(54,565)
- less than one year	372,305	7,639	(32,142)	372,305	7,639	(32,142)
- one year to three years	352,490	16,887	(22,423)	352,490	16,887	(22,423)
Equity options	4,815,382	98,167	(359,585)	4,668,171	97,205	(359,822)
- less than one year	4,308,035	87,561	(357,838)	4,264,161	87,461	(358,937)
- one year to three years	407,539	9,787	(928)	404,010	9,744	(885)
- more than three years	99,808	819	(819)	-	-	-
Equity futures	21,688	95	(12)	21,688	95	(12)
- less than one year	21,688	95	(12)	21,688	95	(12)
	5,561,865	122,788	(414,162)	5,414,654	121,826	(414,399)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

At 30 June 2024	The Group			The Bank		
	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000
<u>Commodity related derivatives</u>						
Commodity swaps	1,467,322	28,850	(32,545)	1,467,321	28,849	(32,545)
- less than one year	1,455,714	28,806	(32,412)	1,455,713	28,805	(32,412)
- one year to three years	11,608	44	(133)	11,608	44	(133)
Commodity futures	228,936	4,691	(600)	228,936	4,691	(600)
- less than one year	204,415	4,635	(450)	204,415	4,635	(450)
- one year to three years	24,521	56	(150)	24,521	56	(150)
Commodity options	6,533,997	17,479	(18,876)	6,533,997	17,479	(18,876)
- less than one year	6,516,148	16,675	(18,240)	6,516,148	16,675	(18,240)
- one year to three years	17,849	804	(636)	17,849	804	(636)
	8,230,255	51,020	(52,021)	8,230,254	51,019	(52,021)
<u>Credit related derivatives</u>						
Credit default swaps	2,809,808	18,378	(11,054)	2,807,596	18,361	(11,050)
- less than one year	613,128	3,114	(110)	612,530	3,114	(113)
- one year to three years	1,295,600	7,987	(8,245)	1,294,544	7,982	(8,160)
- more than three years	901,080	7,277	(2,699)	900,522	7,265	(2,777)
Total return swaps	19,900	-	(537)	19,900	-	(537)
- one year to three years	19,900	-	(537)	19,900	-	(537)
	2,829,708	18,378	(11,591)	2,827,496	18,361	(11,587)
<u>Bond contract</u>						
Bond forward	6,778,462	190,811	(108,319)	-	-	-
- less than one year	1,830,744	78,276	(40,434)	-	-	-
- one year to three years	3,220,389	82,688	(55,080)	-	-	-
- more than three years	1,727,329	29,847	(12,805)	-	-	-
<u>Hedging derivatives</u>						
Currency swaps	6,824,729	48,655	(26,518)	6,199,428	46,911	(23,939)
- less than one year	6,824,729	48,655	(26,518)	6,199,428	46,911	(23,939)
Cross currency interest rate swaps	5,057,524	413,213	(58,481)	2,538,241	56,596	(34,960)
- less than one year	1,642,172	152,037	(10,382)	777,483	20,561	-
- one year to three years	2,244,763	167,328	(48,099)	1,167,113	7,250	(34,960)
- more than three years	1,170,589	93,848	-	593,645	28,785	-
Interest rate swaps	40,620,784	602,165	(364,777)	30,842,113	527,888	(340,912)
- less than one year	3,543,791	23,755	(8,581)	3,190,861	23,154	(8,331)
- one year to three years	11,849,022	166,770	(55,941)	10,579,003	157,766	(55,375)
- more than three years	25,227,971	411,640	(300,255)	17,072,249	346,968	(277,206)
	52,503,037	1,064,033	(449,776)	39,579,782	631,395	(399,811)
Total derivatives assets/(liabilities)	1,754,020,999	16,203,646	(15,353,835)	992,212,275	7,581,293	(6,726,150)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

At 31 December 2023	The Group			The Bank		
	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000
<u>Trading derivatives</u>						
<u>Foreign exchange derivatives</u>						
Currency forward	45,023,424	332,027	(671,337)	32,586,042	198,075	(476,689)
- less than one year	42,116,517	273,621	(580,250)	30,644,880	164,559	(397,573)
- one year to three years	2,583,685	56,390	(55,088)	1,679,650	31,564	(42,273)
- more than three years	323,222	2,016	(35,999)	261,512	1,952	(36,843)
Currency swaps	542,988,920	6,327,099	(6,719,089)	352,433,412	3,334,258	(3,714,040)
- less than one year	536,655,223	6,288,406	(6,543,166)	350,390,634	3,320,580	(3,691,109)
- one year to three years	3,735,849	17,494	(110,432)	1,335,480	9,100	(10,816)
- more than three years	2,597,848	21,199	(65,491)	707,298	4,578	(12,115)
Currency spots	5,400,190	7,169	(9,685)	4,536,446	5,776	(8,054)
- less than one year	5,400,190	7,169	(9,685)	4,536,446	5,776	(8,054)
Currency options	9,972,358	110,496	(98,871)	9,922,079	110,454	(98,718)
- less than one year	8,690,484	95,383	(75,283)	8,640,205	95,341	(75,130)
- one year to three years	1,281,874	15,113	(23,135)	1,281,874	15,113	(23,135)
- more than three years	-	-	(453)	-	-	(453)
Cross currency interest rate swaps	120,247,944	2,983,224	(3,753,918)	32,989,370	1,264,804	(1,119,941)
- less than one year	51,788,873	1,018,024	(1,517,485)	11,952,045	490,076	(377,957)
- one year to three years	36,070,277	1,006,859	(1,192,812)	12,737,744	459,740	(558,067)
- more than three years	32,388,794	958,341	(1,043,621)	8,299,581	314,988	(183,917)
	723,632,836	9,760,015	(11,252,900)	432,467,349	4,913,367	(5,417,442)
<u>Interest rate derivatives</u>						
Interest rate swaps	666,263,870	4,198,453	(3,583,236)	222,129,319	1,874,705	(1,583,615)
- less than one year	322,418,876	477,661	(490,229)	64,840,220	152,189	(134,748)
- one year to three years	159,466,213	1,059,325	(934,887)	67,551,954	547,897	(505,906)
- more than three years	184,378,781	2,661,467	(2,158,120)	89,737,145	1,174,619	(942,961)
Interest rate futures	3,495,266	1,395	(31,604)	3,495,266	1,395	(31,604)
- less than one year	3,495,266	1,395	(31,604)	3,495,266	1,395	(31,604)
Interest rate options	452,248	4,521	(725)	278,248	725	(725)
- less than one year	385,325	4,009	(725)	278,248	725	(725)
- one year to three years	66,923	512	-	-	-	-
	670,211,384	4,204,369	(3,615,565)	225,902,833	1,876,825	(1,615,944)
<u>Equity related derivatives</u>						
Equity swaps	505,755	26,771	(9,465)	505,755	26,771	(9,465)
- less than one year	242,648	10,661	(6,127)	242,648	10,661	(6,127)
- one year to three years	263,107	16,110	(3,338)	263,107	16,110	(3,338)
Equity options	3,486,724	128,016	(244,574)	3,284,684	127,184	(244,691)
- less than one year	3,021,339	115,971	(237,772)	2,958,119	115,944	(238,694)
- one year to three years	368,712	11,377	(6,134)	326,565	11,240	(5,997)
- more than three years	96,673	668	(668)	-	-	-
Equity futures	57,527	-	(229)	57,527	-	(229)
- less than one year	57,527	-	(229)	57,527	-	(229)
	4,050,006	154,787	(254,268)	3,847,966	153,955	(254,385)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

At 31 December 2023	The Group			The Bank		
	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000
<u>Commodity related derivatives</u>						
Commodity swaps	937,459	23,563	(23,846)	937,454	23,558	(23,846)
- less than one year	924,448	22,734	(23,302)	924,443	22,729	(23,302)
- one year to three years	13,011	829	(544)	13,011	829	(544)
Commodity futures	152,835	1,319	(3,859)	152,835	1,319	(3,859)
- less than one year	139,897	1,289	(3,602)	139,897	1,289	(3,602)
- one year to three years	12,938	30	(257)	12,938	30	(257)
Commodity options	2,115,795	21,979	(20,367)	2,115,795	21,979	(20,367)
- less than one year	2,115,795	21,979	(20,367)	2,115,795	21,979	(20,367)
	3,206,089	46,861	(48,072)	3,206,084	46,856	(48,072)
<u>Credit related derivatives</u>						
Credit default swaps	2,756,315	18,738	(15,765)	2,758,130	18,738	(15,821)
- less than one year	137,912	453	(217)	137,912	453	(217)
- one year to three years	1,701,844	12,922	(10,442)	1,701,844	12,998	(10,518)
- more than three years	916,559	5,363	(5,106)	918,374	5,287	(5,086)
Total return swaps	19,900	-	(610)	19,900	-	(610)
- one year to three years	19,900	-	(610)	19,900	-	(610)
	2,776,215	18,738	(16,375)	2,778,030	18,738	(16,431)
<u>Bond Forward</u>						
	6,475,266	265,156	(104,143)	30,000	-	(668)
- Up to 1 year	2,510,294	119,109	(43,704)	-	-	-
- More than 1 year to 3 years	2,463,716	109,358	(33,236)	-	-	-
- More than 3 years	1,501,256	36,689	(27,203)	30,000	-	(668)
<u>Hedging derivatives</u>						
Currency swaps	8,891,777	133,606	(128,129)	8,520,117	123,711	(128,129)
- less than one year	8,891,777	133,606	(128,129)	8,520,117	123,711	(128,129)
Cross currency interest rate swaps	5,363,739	196,265	(79,709)	2,880,348	10,670	(64,859)
- less than one year	1,737,768	78,277	(26,526)	1,132,499	-	(23,457)
- one year to three years	2,477,494	91,731	(51,666)	1,154,204	370	(41,402)
- more than three years	1,148,477	26,257	(1,517)	593,645	10,300	-
Interest rate swaps	40,689,757	623,624	(428,656)	32,438,798	585,187	(365,638)
- less than one year	6,689,162	50,427	(13,670)	6,266,084	49,044	(13,238)
- one year to three years	11,979,159	160,175	(74,449)	10,603,070	150,956	(71,773)
- more than three years	22,021,436	413,022	(340,537)	15,569,644	385,187	(280,627)
	54,945,273	953,495	(636,494)	43,839,263	719,568	(558,626)
Total derivatives assets/(liabilities)	1,465,297,069	15,403,421	(15,927,817)	712,071,525	7,729,309	(7,911,568)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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

Market Risk

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

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfill their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 30 June 2024, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM16,203,646,000 and RM7,581,293,000 respectively (2023: RM15,403,421,000 and RM7,729,309,000 respectively). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

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

Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 30 June 2024, the Group and the Bank has posted cash collateral of RM3,704,401,000 and RM1,603,674,000 respectively (2023: RM3,561,451,000 and RM2,117,750,000 respectively) on their derivative contracts.

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

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

The above information, policies and procedures in respect of derivative financial instruments of the Group and the Bank are disclosed in the audited financial statements for the financial year ended 31 December 2023.

PART A - EXPLANATORY NOTES (CONTINUED)

A26. COMMITMENTS AND CONTINGENCIES

The Group	30 June 2024	31 December 2023
<u>Credit-related</u>	Principal RM'000	Principal RM'000
Direct credit substitutes	3,881,104	3,778,634
Transaction-related contingent items	6,189,274	5,940,397
Short-term self-liquidating trade-related contingencies	4,233,162	5,285,710
Obligations under underwriting agreement	138,231	-
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	120,528,053	89,956,097
- maturity exceeding one year	35,267,701	35,916,513
Miscellaneous commitments and contingencies	3,926,285	417,295
Total credit-related commitments and contingencies	174,163,810	141,294,646
<u>Treasury-related</u>		
Foreign exchange related contracts :		
- less than one year	818,657,083	655,280,832
- one year to five years	68,181,393	67,829,942
- more than five years	14,139,042	14,777,578
	900,977,518	737,888,352
Interest rate related contracts :		
- less than one year	364,185,206	332,988,629
- one year to five years	381,677,388	311,375,980
- more than five years	83,780,597	66,536,532
	829,643,191	710,901,141
Equity related contracts:		
- less than one year	4,702,028	3,321,514
- one year to five years	760,029	631,819
- more than five years	99,808	96,673
	5,561,865	4,050,006
Credit related contracts:		
- less than one year	613,128	137,912
- one year to five years	2,076,752	2,496,364
- more than five years	139,828	141,939
	2,829,708	2,776,215
Commodity related contracts:		
- less than one year	8,176,277	3,180,140
- one year to five years	53,978	25,949
	8,230,255	3,206,089
Bond contracts:		
- less than one year	1,830,744	2,510,294
- one year to five years	3,220,389	3,934,972
- more than five years	1,727,329	30,000
	6,778,462	6,475,266
Total treasury-related commitments and contingencies	1,754,020,999	1,465,297,069
	1,928,184,809	1,606,591,715

PART A - EXPLANATORY NOTES (CONTINUED)

A26. COMMITMENTS AND CONTINGENCIES (CONTINUED)

	30 June 2024 Principal RM'000	31 December 2023 Principal RM'000
The Bank		
<u>Credit-related</u>		
Direct credit substitutes	3,371,036	3,237,344
Transaction-related contingent items	4,013,494	3,856,859
Short-term self-liquidating trade-related contingencies	2,406,872	3,799,246
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	99,406,674	70,362,369
- maturity exceeding one year	22,181,014	21,594,362
Miscellaneous commitments and contingencies	3,885,060	369,345
Total credit-related commitments and contingencies	<u>135,264,150</u>	<u>103,219,525</u>
<u>Treasury-related</u>		
Foreign exchange related contracts :		
- less than one year	570,294,224	415,816,826
- one year to five years	24,360,768	24,920,268
- more than five years	2,565,009	3,130,720
	597,220,001	443,867,814
Interest rate related contracts :		
- less than one year	108,841,727	74,879,818
- one year to five years	225,785,094	157,118,918
- more than five years	43,893,049	26,342,895
	378,519,870	258,341,631
Equity related contracts:		
- less than one year	4,658,154	3,258,294
- one year to five years	756,500	589,672
	5,414,654	3,847,966
Credit related contracts:		
- less than one year	612,530	137,912
- one year to five years	2,075,636	2,497,763
- more than five years	139,330	142,355
	2,827,496	2,778,030
Commodity related contracts:		
- less than one year	8,176,276	3,180,135
- one year to five years	53,978	25,949
	8,230,254	3,206,084
Bond contracts:		
- more than five years	-	30,000
	-	30,000
Total treasury-related commitments and contingencies	<u>992,212,275</u>	<u>712,071,525</u>
	<u>1,127,476,425</u>	<u>815,291,050</u>

Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account (refer to Note A11(d) for more details) as follows:

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Irrevocable commitments to extend credit :				
- maturity not exceeding one year	3,000,000	2,500,000	3,000,000	2,500,000
- maturity exceeding one year	-	100,000	-	100,000
	<u>3,000,000</u>	<u>2,600,000</u>	<u>3,000,000</u>	<u>2,600,000</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY

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 up the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

The risk-weighted assets of the Group and the Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk-Weighted Assets), of which the latest revision was issued on 18 December 2023.

The IRB Approach adopted by CIMB Bank and CIMB Islamic Bank is applied for the major credit exposures with retail exposures on Advanced IRB approach and non-retail exposures on Foundation IRB approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on the Basic Indicator Approach.

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

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

30 June 2024 - Basel III

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

	The Group	The Bank*
Before deducting proposed dividend		
Common equity tier 1 ratio	15.713%	15.823%
Tier 1 ratio	16.119%	16.262%
Total capital ratio	<u>19.743%</u>	<u>20.122%</u>
After deducting proposed dividend		
Common equity tier 1 ratio	15.069%	14.792%
Tier 1 ratio	15.475%	15.231%
Total capital ratio	<u>19.099%</u>	<u>19.091%</u>

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

	The Group	The Bank*
	RM’000	RM’000
Credit risk ⁽¹⁾	242,382,969	146,851,631
Market risk	20,117,669	13,458,109
Large exposure risk requirements	1,243,822	1,243,822
Operational risk	27,581,290	20,497,119
Total risk-weighted assets	<u>291,325,750</u>	<u>182,050,681</u>

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

	The Group	The Bank*
	RM’000	RM’000
Under Restricted Agency Investment Account arrangement	627,520	627,520
	<u>627,520</u>	<u>627,520</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY (CONTINUED)

30 June 2024 - Basel III (Continued)

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

	The Group RM'000	The Bank* RM'000
Common Equity Tier 1 capital		
Ordinary share capital	24,539,214	24,539,214
Other reserves	29,279,864	16,990,339
Qualifying non-controlling interests	170,361	-
Less: Proposed dividends	(1,876,939)	(1,876,939)
Common Equity Tier 1 capital before regulatory adjustments	52,112,500	39,652,614
<u>Less: Regulatory adjustments</u>		
Goodwill	(3,940,587)	(3,555,075)
Intangible assets	(1,253,769)	(1,094,841)
Deferred tax assets	(1,315,498)	(779,701)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(6,033,106)
Regulatory reserve	(1,708,003)	(1,254,708)
Others	4,124	(6,450)
Common Equity Tier 1 capital after regulatory adjustments	43,898,767	26,928,733
Additional Tier 1 capital		
Perpetual subordinated capital securities	1,150,000	1,150,000
Qualifying capital instruments held by third parties	33,775	-
	1,183,775	1,150,000
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(350,000)
Additional Tier I capital after regulatory adjustments	1,183,775	800,000
Total Tier 1 capital	45,082,542	27,728,733
Tier 2 capital		
Subordinated obligations	8,400,000	8,400,000
Qualifying capital instruments held by third parties	278,450	-
Surplus eligible provisions over expected loss	1,063,005	703,442
General provisions ^	815,194	370,141
Tier 2 capital before regulatory adjustments	10,556,649	9,473,583
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(2,446,805)
Total Tier 2 capital	10,556,649	7,026,778
Total capital	55,639,191	34,755,511

The capital adequacy of the banking subsidiary companies of the Bank are as follows:

	CIMB Islamic Bank	CIMB Thai Bank	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
Common equity tier 1 ratio	13.912%	14.611%	N/A	N/A
Tier 1 ratio	14.448%	14.611%	N/A	N/A
Total capital ratio	16.540%	19.940%	20.760%	44.007%

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY (CONTINUED)

31 December 2023 - Basel III

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

	The Group	The Bank*
Before deducting proposed dividend		
Common equity tier 1 ratio	15.375%	15.628%
Tier 1 ratio	15.781%	16.069%
Total capital ratio	<u>19.399%</u>	<u>19.949%</u>
After deducting proposed dividend		
Common equity tier 1 ratio	14.795%	14.695%
Tier I ratio	15.201%	15.136%
Total capital ratio	<u>18.819%</u>	<u>19.015%</u>

The Directors have proposed a single tier special dividend of RM1,500 million in respect of the financial year ended 31 December 2023. The proposed single tier special dividend was approved by the Board of Directors on 30 January 2024.

On 30 January 2024, the Directors have approved the proposed new issuance of 239,612,121 ordinary shares by CIMB Bank at an issue price of RM6.26 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.

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

	The Group	The Bank*
	RM'000	RM'000
Credit risk ⁽¹⁾	246,710,002	149,695,988
Market risk	17,336,146	10,803,073
Large exposure risk requirements	1,235,055	1,235,055
Operational risk	26,613,172	19,625,465
Total risk-weighted assets	<u>291,894,375</u>	<u>181,359,581</u>

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

	The Group	The Bank*
	RM'000	RM'000
Under Restricted Agency Investment Account arrangement	830,893	830,893
	<u>830,893</u>	<u>830,893</u>

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

	The Group	The Bank*
	RM'000	RM'000
Common Equity Tier 1 capital		
Ordinary share capital	23,039,242	23,039,242
Other reserves	29,387,832	17,737,806
Qualifying non-controlling interests	166,906	-
Less: Proposed dividends	(1,693,307)	(1,693,307)
Common Equity Tier 1 capital before regulatory adjustments	<u>50,900,673</u>	<u>39,083,741</u>
<u>Less: Regulatory adjustments</u>		
Goodwill	(3,951,297)	(3,555,075)
Intangible assets	(1,211,154)	(1,043,055)
Deferred tax assets	(1,501,457)	(932,197)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(6,006,160)
Regulatory reserve	(1,102,571)	(891,938)
Others	52,119	(5,173)
Common Equity Tier 1 capital after regulatory adjustments	<u>43,186,313</u>	<u>26,650,143</u>
Additional Tier 1 capital		
Perpetual subordinated capital securities	1,150,000	1,150,000
Qualifying capital instruments held by third parties	33,572	-
Additional Tier 1 capital before and after regulatory adjustments	<u>1,183,572</u>	<u>1,150,000</u>
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(350,000)
Additional Tier 1 capital after regulatory adjustments	<u>1,183,572</u>	<u>800,000</u>
Total Tier 1 capital	<u>44,369,885</u>	<u>27,450,143</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY (CONTINUED)

31 December 2023 - Basel III (Continued)

	The Group	The Bank*
	RM'000	RM'000
Tier 2 capital		
Subordinated obligations	8,400,000	8,400,000
Qualifying capital instruments held by third parties	273,950	-
Surplus eligible provisions over expected loss	1,103,709	733,313
General provisions ^	784,481	343,464
Tier 2 capital before regulatory adjustments	<u>10,562,140</u>	<u>9,476,777</u>
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(2,440,683)
Total Tier 2 capital	<u>10,562,140</u>	<u>7,036,094</u>
Total capital	<u>54,932,025</u>	<u>34,486,237</u>

The capital adequacy of the banking subsidiary companies of the Bank are as follows:

	CIMB Islamic Bank	CIMB Thai Bank	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
Common equity tier 1 ratio	12.996%	15.255%	N/A	N/A
Tier 1 ratio	13.522%	15.255%	N/A	N/A
Total capital ratio	<u>15.545%</u>	<u>20.876%</u>	<u>20.407%</u>	<u>60.916%</u>

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

^ Total capital of the Group and the Bank has excluded general provisions/portfolio impairment allowance from Tier 2 capital of RM547 million (2023: RM541 million) and RM205 million (2023: RM192 million) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT

Definition of segments

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.

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

Business segment reporting

Definition of segments:

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

Consumer Banking

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

Commercial Banking

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

Wholesale Banking

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

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

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

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

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

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

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

CIMB Digital Assets & Group Funding

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

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT (CONTINUED)

The Group
30 June 2024

	Consumer Banking	Commercial Banking	Wholesale Banking	CIMB Digital Assets & Group Funding	Total
	RM'000	RM'000	RM'000	RM'000	RM'000
Net interest income/(expense) - after modification loss					
- external income	1,763,896	240,060	897,594	1,191,529	4,093,079
- inter-segment	137,683	600,272	(354,483)	(383,472)	-
	<u>1,901,579</u>	<u>840,332</u>	<u>543,111</u>	<u>808,057</u>	<u>4,093,079</u>
Income from Islamic Banking operations	806,527	519,913	419,719	122,887	1,869,046
Net non-interest income	<u>669,304</u>	<u>254,576</u>	<u>1,307,076</u>	<u>239,927</u>	<u>2,470,883</u>
Net income	3,377,410	1,614,821	2,269,906	1,170,871	8,433,008
Overheads	(1,869,956)	(682,568)	(884,904)	(184,163)	(3,621,591)
of which:					
Depreciation of property, plant and equipment	(31,243)	(1,261)	(3,583)	(54,258)	(90,345)
Amortisation of intangible assets	(61,350)	(6,044)	(30,224)	(100,235)	(197,853)
Profit before expected credit losses	<u>1,507,454</u>	<u>932,253</u>	<u>1,385,002</u>	<u>986,708</u>	<u>4,811,417</u>
Expected credit losses on loans, advances and financing (made)/written back	(425,759)	(3,773)	62,467	(195,482)	(562,547)
Expected credit losses for commitments and contingencies written back/(made)	69,204	11,832	26,834	-	107,870
Other expected credit losses and impairment allowances (made)/written back	(118,972)	(755)	10,749	(64,585)	(173,563)
Segment results	<u>1,031,927</u>	<u>939,557</u>	<u>1,485,052</u>	<u>726,641</u>	<u>4,183,177</u>
Share of results of joint venture	(1,396)	-	-	-	(1,396)
Taxation					(943,364)
Profit for the financial period					<u><u>3,238,417</u></u>

PART A - EXPLANATORY NOTES (CONTINUED)**A28. SEGMENTAL REPORT (CONTINUED)**

The Group
30 June 2023

	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/(expense) - after modification loss					
- external income	1,881,447	345,701	734,498	781,512	3,743,158
- inter-segment	(152,046)	489,622	(91,418)	(246,158)	-
	<u>1,729,401</u>	<u>835,323</u>	<u>643,080</u>	<u>535,354</u>	<u>3,743,158</u>
Income from Islamic Banking operations	773,333	459,169	423,959	24,251	1,680,712
Net non-interest income	603,547	233,582	897,038	229,341	1,963,508
Net income	<u>3,106,281</u>	<u>1,528,074</u>	<u>1,964,077</u>	<u>788,946</u>	<u>7,387,378</u>
Overheads	(1,723,654)	(595,525)	(841,941)	(241,135)	(3,402,255)
of which:					
Depreciation of property, plant and equipment	(30,972)	(1,538)	(5,184)	(50,063)	(87,757)
Amortisation of intangible assets	(44,011)	(6,167)	(28,893)	(93,602)	(172,673)
Profit before expected credit losses	<u>1,382,627</u>	<u>932,549</u>	<u>1,122,136</u>	<u>547,811</u>	<u>3,985,123</u>
Expected credit losses on loans, advances and financing (made)/written back	(168,191)	43,452	(228,507)	(100,639)	(453,885)
Expected credit losses for commitments and contingencies (made)/written back	(41,354)	1,450	81,586	-	41,682
Other expected credit losses and impairment allowances (made)/written back	(68,091)	(232)	(7,848)	(5,008)	(81,179)
Segment results	<u>1,104,991</u>	<u>977,219</u>	<u>967,367</u>	<u>442,164</u>	<u>3,491,741</u>
Share of results of joint venture	(842)	-	-	-	(842)
Taxation					(844,272)
Profit for the financial period					<u><u>2,646,627</u></u>

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT (CONTINUED)

The Group
30 June 2024

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
Segment assets	209,211,227	55,684,160	254,566,024	99,967,268	619,428,679
Unallocated assets					18,796,942
Total assets					638,225,621
Segment liabilities	166,948,627	73,456,075	272,398,806	50,704,936	563,508,444
Unallocated liabilities					20,362,205
Total liabilities					583,870,649
Other segment items					
Capital expenditure	108,912	8,642	40,969	168,524	327,047
Investment in joint venture	150,915	-	-	-	150,915

The Group
31 December 2023

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
Segment assets	206,407,830	53,405,872	255,844,730	96,949,908	612,608,340
Unallocated assets					15,621,577
Total assets					628,229,917
Segment liabilities	163,306,264	74,110,720	274,124,488	47,102,516	558,643,988
Unallocated liabilities					16,630,846
Total liabilities					575,274,834
Other segment items					
Capital expenditure	192,696	20,205	91,339	377,042	681,282
Investment in joint venture	152,311	-	-	-	152,311

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION

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

Determination of fair value and fair value hierarchy

The fair value hierarchy has the following levels:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

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

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

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

Valuation Model Review and Approval

- Fair valuation of financial instruments is determined either through Mark-to-Market or Mark-to-Model methodology, as appropriate;
- Market Risk Management is mandated to perform mark-to-market, mark-to-model and rate reasonableness verification. Market price and/or rate sources for Mark-to-Market are validated by Market Risk Management as part and parcel of market data reasonableness verification;
- Valuation methodologies for the purpose of determining Mark-to-Model prices will be verified by Group Risk Management Quantitative analysts before submitting to the Group Market and Conduct Risks Committee ("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.

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

(i) The following table represents assets and liabilities measured at fair value and classified by level with the following fair value hierarchy:

The Group	Fair Value			Total
	Level 1	Level 2	Level 3	
30 June 2024				
	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss				
-Money market instruments	-	33,307,604	317,657	33,625,261
-Quoted securities	2,451,660	-	-	2,451,660
-Unquoted securities	-	7,305,498	1,122,896	8,428,394
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	22,400,722	-	22,400,722
-Unquoted securities	-	35,241,057	-	35,241,057
Equity instruments at fair value through other comprehensive income				
-Quoted securities	1,550	-	-	1,550
-Unquoted securities	-	-	278,076	278,076
Derivative financial instruments				
-Trading derivatives	18,008	15,023,119	98,486	15,139,613
-Hedging derivatives	-	1,064,033	-	1,064,033
Loans, advances and financing at fair value through profit or loss	-	101,520	-	101,520
Total	2,471,218	114,443,553	1,817,115	118,731,886
Recurring fair value measurements				
Financial liabilities				
Derivative financial instruments				
- Trading derivatives	318,256	14,436,686	149,117	14,904,059
- Hedging derivatives	-	449,776	-	449,776
Financial liabilities at fair values through profit or loss	-	7,408,749	-	7,408,749
Total	318,256	22,295,211	149,117	22,762,584
31 December 2023				
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss				
-Money market instruments	-	31,950,929	308,890	32,259,819
-Quoted securities	1,881,131	-	-	1,881,131
-Unquoted securities	-	7,848,892	1,124,416	8,973,308
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	22,995,548	-	22,995,548
-Unquoted securities	-	35,239,062	-	35,239,062
Equity instruments at fair value through other comprehensive income				
-Quoted securities	1,718	-	-	1,718
-Unquoted securities	-	-	277,282	277,282
Derivative financial instruments				
-Trading derivatives	3,178	14,318,646	128,102	14,449,926
-Hedging derivatives	-	953,495	-	953,495
Loans, advances and financing at fair value through profit or loss	-	274,133	-	274,133
Total	1,886,027	113,580,705	1,838,690	117,305,422
Recurring fair value measurements				
Financial liabilities				
Derivative financial instruments				
- Trading derivatives	135,489	15,009,598	146,236	15,291,323
- Hedging derivatives	-	636,494	-	636,494
Financial liabilities at fair values through profit or loss	-	6,770,128	-	6,770,128
Total	135,489	22,416,220	146,236	22,697,945

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

(i) The following table represents assets and liabilities measured at fair value and classified by level with the following fair value hierarchy (Continued):

The Bank	The Bank Fair Value 30 June 2024			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss				
-Money market instruments	-	19,854,952	317,657	20,172,609
-Quoted securities	2,451,660	-	-	2,451,660
-Unquoted securities	-	6,409,900	1,108,911	7,518,811
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	16,881,709	-	16,881,709
-Unquoted securities	-	27,659,479	-	27,659,479
Equity instruments at fair value through other comprehensive income				
-Quoted securities	67	-	-	67
-Unquoted securities	-	-	273,953	273,953
Derivative financial instruments				
-Trading derivatives	18,008	6,834,182	97,708	6,949,898
-Hedging derivatives	-	631,395	-	631,395
Loans, advances and financing at fair value through profit or loss	-	35,392	-	35,392
Total	2,469,735	78,307,009	1,798,229	82,574,973
Recurring fair value measurements				
Financial liabilities				
Derivative financial instruments				
-Trading derivatives	318,256	5,855,585	152,498	6,326,339
-Hedging derivatives	-	399,811	-	399,811
Financial liabilities at fair values through profit or loss	-	1,433,356	-	1,433,356
Total	318,256	7,688,752	152,498	8,159,506

The Bank	Fair Value 31 December 2023			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Recurring fair value measurements				
Financial assets				
Financial assets at fair value through profit or loss				
-Money market instruments	-	21,168,315	308,890	21,477,205
-Quoted securities	1,881,131	-	-	1,881,131
-Unquoted securities	-	6,537,105	1,110,431	7,647,536
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	14,919,719	-	14,919,719
-Unquoted securities	-	27,913,183	-	27,913,183
Equity instruments at fair value through other comprehensive income				
-Quoted securities	54	-	-	54
-Unquoted securities	-	-	272,729	272,729
Derivative financial instruments				
-Trading derivatives	3,178	6,878,852	127,711	7,009,741
-Hedging derivatives	-	719,568	-	719,568
Total	1,884,363	78,136,742	1,819,761	81,840,866
Recurring fair value measurements				
Financial liabilities				
Derivative financial instruments				
-Trading derivatives	135,489	7,066,116	151,337	7,352,942
-Hedging derivatives	-	558,626	-	558,626
Financial liabilities at fair values through profit or loss	-	1,257,044	-	1,257,044
Total	135,489	8,881,786	151,337	9,168,612

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

The following represents the changes in Level 3 instruments for the financial period/year ended 30 June 2024 and 31 December 2023 for the Group and the Bank:

	Financial Assets			Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Equity instruments at fair value through other comprehensive income	Derivative financial instruments		Derivative financial instruments	Total
	Money market instruments and unquoted securities	Unquoted securities	Trading derivatives		Trading derivatives	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Group						
2024						
At 1 January	1,433,306	277,282	128,102	1,838,690	(146,236)	(146,236)
Total losses recognised in statement of income	(433)	-	(29,962)	(30,395)	(7,372)	(7,372)
Total gains recognised in other comprehensive income	-	963	-	963	-	-
Purchases	67	-	6,712	6,779	(156,050)	(156,050)
Sales and redemptions	(3,641)	-	-	(3,641)	-	-
Settlements	-	-	(6,483)	(6,483)	160,668	160,668
Exchange fluctuation	11,254	(169)	117	11,202	(127)	(127)
At 30 June	1,440,553	278,076	98,486	1,817,115	(149,117)	(149,117)
Total losses recognised in statement of income for financial period ended 30 June 2024 under: - net non-interest income	(433)	-	(29,962)	(30,395)	(7,372)	(7,372)
Total gains recognised in other comprehensive income for financial period ended 30 June 2024 under "revaluation reserves"	-	963	-	963	-	-
Change in unrealised (losses)/gains recognised in statement of income relating to assets held on 30 June 2024 under "net non-interest income"	(634)	-	76,734	76,100	(39,611)	(39,611)

	Financial Assets			Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Equity instruments at fair value through other comprehensive income	Derivative financial instruments		Derivative financial instruments	Total
	Money market instruments and unquoted securities	Unquoted securities	Trading derivatives		Trading derivatives	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Bank						
2024						
At 1 January	1,419,321	272,729	127,711	1,819,761	(151,337)	(151,337)
Total losses recognised in statement of income	(433)	-	(29,951)	(30,384)	(5,703)	(5,703)
Total gains recognised in other comprehensive income	-	1,224	-	1,224	-	-
Purchases	67	-	6,291	6,358	(155,987)	(155,987)
Sales and redemptions	(3,641)	-	-	(3,641)	-	-
Settlements	-	-	(6,460)	(6,460)	160,654	160,654
Exchange fluctuation	11,254	-	117	11,371	(125)	(125)
At 30 June	1,426,568	273,953	97,708	1,798,229	(152,498)	(152,498)
Total losses recognised in statement of income for financial period ended 30 June 2024 under: - net non-interest income	(433)	-	(29,951)	(30,384)	(5,703)	(5,703)
Total gains recognised in other comprehensive income for financial period ended 30 June 2024 under "revaluation reserves"	-	1,224	-	1,224	-	-
Change in unrealised (losses)/gains recognised in statement of income relating to assets held on 30 June 2024 under "net non-interest income"	(634)	-	76,544	75,910	(37,919)	(37,919)

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING

A30a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Note	The Group		The Bank	
		30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Assets					
Cash and short-term funds		10,088,423	11,715,313	2,042,918	2,073,320
Reverse Collateralised Commodity Murabahah		733,155	700,067	-	-
Deposits and placements with banks and other financial institutions		480,853	974,677	1,235,083	917,349
Financial assets at fair value through profit or loss		5,961,396	3,754,474	-	-
Debt instruments at fair value through other comprehensive income		7,007,314	5,628,427	267,437	265,663
Debt instruments at amortised cost		14,334,333	14,036,365	42,512	41,280
Islamic derivative financial instruments		277,532	419,424	15,900	62,263
Financing, advances and other financing/loans	A30c	130,316,892	124,911,601	3,668,939	3,435,114
Other assets		1,036,003	894,450	537,032	544,459
Deferred taxation		232,652	282,971	-	-
Tax recoverable		125,515	86,760	-	-
Amount due from conventional operations		1,780,671	1,913,449	-	-
Amount due from related companies		16,100,962	14,807,394	16,100,922	14,807,354
Statutory deposits with Bank Negara Malaysia		1,881,750	1,870,210	-	-
Goodwill		136,000	136,000	-	-
Intangible assets		2,711	3,587	21	37
Property, plant and equipment		696	788	284	284
Right-of-use assets		449	770	165	201
Total assets		190,497,307	182,136,727	23,911,213	22,147,324
Liabilities					
Deposits from customers	A30d	115,466,729	115,142,801	4,262,006	4,311,057
Investment accounts of customers	A30e	20,205,910	18,984,125	-	-
Deposits and placements of banks and other financial institutions		3,600,699	4,599,947	38,315	22,994
Collateralised Commodity Murabahah		2,975,926	2,229,121	-	-
Investment accounts due to designated financial institutions	A30f	3,325,210	3,424,851	-	-
Financial liabilities at fair value through profit or loss	A30g	3,626,342	2,821,784	-	-
Islamic derivative financial instruments		314,468	482,305	941	48,865
Amount due to conventional operations		-	163,356	-	163,356
Amount due to related company		400,277	419,945	284,368	310,807
Other liabilities		18,799,874	17,075,501	18,248,888	16,254,495
Lease liabilities		627	1,150	324	364
Recourse obligation on loans and financing sold to Cagamas		3,617,452	2,822,998	-	-
Sukuk		4,547,023	1,009,474	-	-
Subordinated Sukuk		1,109,424	1,109,424	-	-
Total liabilities		177,989,961	170,286,782	22,834,842	21,111,938
Equity					
Ordinary share capital		1,000,000	1,000,000	-	-
Perpetual preference shares		350,000	350,000	-	-
Reserves		11,157,346	10,499,945	1,076,371	1,035,386
Total equity		12,507,346	11,849,945	1,076,371	1,035,386
Total equity and liabilities		190,497,307	182,136,727	23,911,213	22,147,324
Restricted Agency Investment Account(*)		15,179,393	15,482,815	-	-
Total Islamic Banking Assets		205,676,700	197,619,542	23,911,213	22,147,324

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

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30(b) UNAUDITED CONSOLIDATED STATEMENT OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	The Group			
	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Income derived from investment of depositors' funds and others	1,534,904	1,172,743	2,955,010	2,461,485
Income derived from investment of investment accounts	315,030	276,255	623,616	513,644
Net income derived from investment of shareholders' funds	247,157	434,793	585,578	688,827
Modification loss	-	(66)	(1)	(73)
Expected credit losses made on financing, advances and other financing/loans	(109,135)	(133,954)	(222,004)	(167,078)
Expected credit losses for commitments and contingencies written back/(made)	27,505	7,863	36,482	(36,849)
Other expected credit losses and impairment allowances (made)/written back	(15,088)	1,435	(36,594)	595
Total distributable income	2,000,373	1,759,069	3,942,087	3,460,551
Income attributable to depositors and others	(1,018,522)	(917,675)	(2,009,426)	(1,782,434)
Profit distributed to investment account holder	(213,286)	(188,512)	(427,952)	(344,069)
Total net income	768,565	652,882	1,504,709	1,334,048
Other operating expenses	(343,195)	(317,060)	(674,927)	(677,653)
Profit before taxation and zakat	425,370	335,822	829,782	656,395
Taxation and zakat	(111,071)	(70,040)	(197,137)	(142,912)
Profit for the financial period	314,299	265,782	632,645	513,483

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	The Group			
	2nd Quarter Ended		Six Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Profit for the financial period	314,299	265,782	632,645	513,483
Other comprehensive income/(expense):				
Items that will not be reclassified to profit or loss				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	2,861	31	2,932	31
	2,861	31	2,932	31
Items that may be reclassified to profit or loss				
Debt instruments at fair value through other comprehensive income	(2,012)	24,078	17,250	77,401
- Net gain from change in fair value	2,133	33,014	29,947	101,352
- Realised gain transferred to statement of income on disposal	(4,123)	(1,755)	(8,039)	(1,901)
- Changes in expected credit losses	(486)	(50)	452	742
- Income tax effects	464	(7,131)	(5,110)	(22,792)
Cash flow hedge	1,060	-	2,163	-
- Net gain from change in fair value	1,060	-	2,163	-
Exchange fluctuation reserve	(4,934)	32,104	2,336	44,375
	(5,886)	56,182	21,749	121,776
Other comprehensive (expense)/income for the financial period, net of	(3,025)	56,213	24,681	121,807
Total comprehensive income for the period	311,274	321,995	657,326	635,290
Total net income	768,565	652,882	1,504,709	1,334,048
Add:				
Expected credit losses made on financing, advances and other financing/loans	109,135	133,954	222,004	167,078
Expected credit losses for commitments and contingencies (written back)/made	(27,505)	(7,863)	(36,482)	36,849
Other expected credit losses and impairment allowances made/(written back)	15,088	(1,435)	36,594	(595)
	865,283	777,538	1,726,825	1,537,380
Elimination for transactions with conventional operations	71,257	66,036	142,221	143,332
Income from Islamic operations (per page 2)	936,540	843,574	1,869,046	1,680,712

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

**A30(b) UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	The Bank			
	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	59,812	64,365	128,733	127,780
Net income derived from investment of shareholders' funds	17,818	13,537	38,613	20,750
Expected credit losses made on financing, advances and other financing/loans	(87,210)	(7,178)	(94,050)	(8,877)
Expected credit losses for commitments and contingencies written back/(made)	929	18	1,585	(98)
Other expected credit losses and impairment allowances written back	51	44	18	299
Total distributable income	(8,600)	70,786	74,899	139,854
Income attributable to depositors and others	(20,591)	(17,715)	(40,146)	(32,146)
Total net income	(29,191)	53,071	34,753	107,708
Other operating expenses	(2,263)	(425)	(1,957)	(2,353)
Profit for the financial period	(31,454)	52,646	32,796	105,355

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	The Bank			
	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	(31,454)	52,646	32,796	105,355
Other comprehensive (expense)/income:				
<i>Items that may be reclassified to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(53)	1,490	620	4,434
- Net (loss)/gain from change in fair value	(52)	1,928	618	4,865
- Realised gain transferred to statement of income on disposal	-	(380)	-	(380)
- Changes in expected credit losses	(1)	(58)	2	(51)
Cash flow hedge	1,060	-	2,163	-
- Net gain from change in fair value	1,060	-	2,163	-
Exchange fluctuation reserve	(4,976)	37,913	5,406	50,797
Other comprehensive (expense)/income for the financial period, net of tax	(3,969)	39,403	8,189	55,231
Total comprehensive (expense)/income for the period	(35,423)	92,049	40,985	160,586
Total net (expense)/income	(29,191)	53,071	34,753	107,708
Add:				
Expected credit losses made on financing, advances and other financing/loans	87,210	7,178	94,050	8,877
Expected credit losses for commitments and contingencies (written back)/made	(929)	(18)	(1,585)	98
Other expected credit losses and impairment allowances written back	(51)	(44)	(18)	(299)
Income from Islamic operations (per page 4)	57,039	60,187	127,200	116,384

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS

i) By type and Shariah contract

**The Group
At 30 June 2024**

	Sale-based contracts				Lease-based contracts			Loan contract	Other	Total RM'000
	Murabahah RM'000	Bai' Bithaman Ajil RM'000	Bai' al-'inah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Muntahiah Bi al- Tamluk * RM'000	Al-Ijarah Thumma al-Bai # RM'000	Qard RM'000	Ujarah RM'000	
At amortised cost										
Cash line^	-	-	249	-	1,700,643	-	-	8,479	-	1,709,371
Term financing										
- House financing	-	3,454,920	-	-	47,664,460	959,846	-	-	-	52,079,226
- Syndicated financing	-	-	-	-	1,992,020	-	-	-	-	1,992,020
- Hire purchase receivables	-	-	-	-	-	-	19,037,506	-	-	19,037,506
- Other term financing	92,728	691,502	929,502	-	45,234,097	29,743	-	-	-	46,977,572
Bills receivable	1,083,853	-	-	208,561	48	-	-	-	-	1,292,462
Islamic trust receipts	17,906	-	-	-	-	-	-	-	-	17,906
Claims on customers under acceptance credits	1,366,058	-	-	21,979	-	-	-	-	-	1,388,037
Staff financing	-	-	-	-	326,480	-	-	-	-	326,480
Revolving credits	-	-	-	-	6,904,324	-	-	-	-	6,904,324
Credit card receivables	-	-	-	-	-	-	-	-	391,786	391,786
Gross financing, advances and other financing/loans, at amortised cost	2,560,545	4,146,422	929,751	230,540	103,822,072	989,589	19,037,506	8,479	391,786	132,116,690
Fair value changes arising from fair value hedge										(632)
										132,116,058
Less: Expected credit losses										(1,865,293)
Net financing, advances and other financing/loans, at amortised cost										130,250,765
At fair value through profit or loss										
Term financing										
- Syndicated financing	-	-	-	-	66,127	-	-	-	-	66,127
Net financing, advances and other financing/loans, at fair value through profit or loss	-	-	-	-	66,127	-	-	-	-	66,127
Net financing, advances and other financing/loans										130,316,892

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

i) By type and Shariah contract (Continued)

The Group
At 31 December 2023

	Sale-based contracts				Lease-based contracts			Loan contract	Other	Total RM'000
	Murabahah RM'000	Bai' Bithaman Ajil RM'000	Bai' al-'inah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Ijarah Muntahiah Bi al- Tamlik * RM'000	Al-Ijarah Thumma al-Bai # RM'000	Qard RM'000	Ujrah RM'000	
At amortised cost										
Cash line [^]	-	100	157	-	1,600,559	-	-	11,639	-	1,612,455
Term financing										
- House financing	-	3,646,653	-	-	43,691,549	995,640	-	-	-	48,333,842
- Syndicated financing	-	-	-	-	2,050,549	-	-	-	-	2,050,549
- Hire purchase receivables	-	-	-	-	-	-	17,998,019	-	-	17,998,019
- Other term financing	87,492	757,895	1,058,383	-	43,777,685	32,457	-	-	-	45,713,912
Bills receivable	1,069,061	-	-	231,498	-	-	-	-	-	1,300,559
Islamic trust receipts	21,065	-	-	-	-	-	-	-	-	21,065
Claims on customers under acceptance credits	1,101,828	-	-	124,175	-	-	-	-	-	1,226,003
Staff financing	-	-	-	-	310,822	-	-	-	-	310,822
Revolving credits	-	-	-	-	7,503,537	-	-	-	-	7,503,537
Credit card receivables	-	-	-	-	-	-	-	-	302,377	302,377
Gross financing, advances and other financing/loans, at amortised cost	2,279,446	4,404,648	1,058,540	355,673	98,934,701	1,028,097	17,998,019	11,639	302,377	126,373,140
Fair value changes arising from fair value hedge										(934)
Less: Expected credit losses										126,372,206
Net financing, advances and other financing/loans, at amortised cost										(1,734,738)
At fair value through profit or loss										
Term financing										
- Syndicated financing	-	-	-	-	274,133	-	-	-	-	274,133
Net financing, advances and other financing/loans, at fair value through profit or loss	-	-	-	-	274,133	-	-	-	-	274,133
Net financing, advances and other financing/loans										124,911,601

[^] Includes current account in excess

* CIMB Islamic is the beneficial owner of the asset. 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.

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

i) By type and Shariah contract (Continued)

The Bank
At 30 June 2024

At amortised cost	Sale-based contracts			Equity-based contracts	Total RM'000
	Murabahah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Mudharabah RM'000	
Cash line [^]	-	-	119	-	119
Term financing					
- Other term financing	92,728	-	3,370,247	-	3,462,975
Bills receivable	-	177,140	48	-	177,188
Revolving credits	-	-	163,749	-	163,749
Gross financing, advances and other financing/loans, at amortised cost	92,728	177,140	3,534,163	-	3,804,031
Fair value changes arising from fair value hedges					-
					3,804,031
Less: Expected credit losses					(135,092)
Net financing, advances and other financing/loans					3,668,939

[^] Includes current account in excess

The Bank
At 31 December 2023

At amortised cost	Sale-based contracts			Equity-based contracts	Total RM'000
	Murabahah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Mudharabah RM'000	
Cash line [^]	-	-	407	-	407
Term financing					
- Other term financing	87,492	-	2,864,862	-	2,952,354
Bills receivable	-	210,481	-	-	210,481
Revolving credits	-	-	316,752	-	316,752
Gross financing, advances and other financing/loans, at amortised cost	87,492	210,481	3,182,021	-	3,479,994
Fair value changes arising from fair value hedge					-
					3,479,994
Less: Expected credit losses					(44,880)
Net financing, advances and other financing/loans					3,435,114

[^] Includes current account in excess

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Gross financing, advances and other financing/loans				
- At amortised cost	132,116,690	126,373,140	3,804,031	3,479,994
- At fair value through profit or loss	66,127	274,133	-	-
	132,182,817	126,647,273	3,804,031	3,479,994

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

a) During the financial period, the Group has undertaken fair value hedges on the profit rate risk of RM28,021,000 (2023: RM36,682,000) 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 Berhad and CIMB Bank Berhad. CIMB Bank Berhad is exposed to risks and rewards on RPSIA financing and will account for expected credit losses for financing arising thereon.

As at 30 June 2024, the gross exposure and expected credit losses relating to RPSIA financing are RM3,326,027,000 (2023: RM3,502,178,000) and RM384,000 (2023: RM515,000) respectively.

c) Movement of Qard financing

	The Group	
	30 June 2024	31 December 2023
	RM'000	RM'000
As at 1 January	11,639	12,917
New disbursement	3,183	6,252
Repayment	(6,343)	(7,530)
As at 30 June/31 December	8,479	11,639
Sources of Qard fund:		
Depositors' fund	7,865	10,825
Shareholders' fund	614	814
	8,479	11,639
Uses of Qard fund:		
Personal use	254	5,410
Business purpose	8,225	6,229
	8,479	11,639

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

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

Expected credit losses movement of financing, advances and other financing/loans 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 2024	781,017	380,501	573,220	1,734,738
Changes in expected credit losses due to transferred within stages:	87,402	(58,886)	(28,516)	-
Transferred to Stage 1	182,222	(169,843)	(12,379)	-
Transferred to Stage 2	(94,625)	287,760	(193,135)	-
Transferred to Stage 3	(195)	(176,803)	176,998	-
Total charge to Statement of Income:	(303,309)	98,390	475,351	270,432
New financial assets originated	53,914	1,628	862	56,404
Financial assets that have been derecognised	(36,270)	(18,390)	-	(54,660)
Writeback in respect of full recoveries	-	-	(13,358)	(13,358)
Change in credit risk	(320,953)	115,152	487,847	282,046
Write-offs	-	(23)	(153,833)	(153,856)
Exchange fluctuation	23	290	(701)	(388)
Other movements	29	199	14,139	14,367
At 30 June 2024	565,162	420,471	879,660	1,865,293

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 2023	166,945	893,360	442,228	1,502,533
Changes in expected credit losses due to transferred within stages:	665,186	(586,530)	(78,656)	-
Transferred to Stage 1	830,582	(804,974)	(25,608)	-
Transferred to Stage 2	(158,404)	572,408	(414,004)	-
Transferred to Stage 3	(6,992)	(353,964)	360,956	-
Total charge to Statement of Income:	(51,490)	73,653	478,403	500,566
New financial assets originated	94,042	2,995	22,062	119,099
Financial assets that have been derecognised	(53,357)	(31,812)	-	(85,169)
Writeback in respect of full recoveries	-	-	(39,614)	(39,614)
Change in credit risk	(92,175)	102,470	495,955	506,250
Write-offs	-	-	(292,713)	(292,713)
Exchange fluctuation	398	140	(832)	(294)
Other movements	(22)	(122)	24,790	24,646
At 31 December 2023	781,017	380,501	573,220	1,734,738

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

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

Expected credit losses movement of financing, advances and other financing/loans at amortised cost:

The Bank	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 2024	8,908	12,338	23,634	44,880
Changes in expected credit losses due to transferred within stages:	-	(11,109)	11,109	-
Transferred to Stage 3	-	(11,109)	11,109	-
Total charge to Statement of Income:	979	1,411	91,719	94,109
Change in credit risk	979	1,411	91,719	94,109
Write-offs	-	-	(3,936)	(3,936)
Exchange fluctuation	(9)	287	(700)	(422)
Other movements	-	-	461	461
At 30 June 2024	9,878	2,927	122,287	135,092

The Bank	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 2023	3,698	562	10,619	14,879
Changes in expected credit losses due to transferred within stages:	(170)	170	-	-
Transferred to Stage 2	(170)	170	-	-
Total charge to Statement of Income:	5,029	11,480	25,576	42,085
Change in credit risk	5,029	11,480	25,576	42,085
Write-offs	-	-	(11,730)	(11,730)
Exchange fluctuation	351	126	(831)	(354)
At 31 December 2023	8,908	12,338	23,634	44,880

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

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

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000
At 1 January 2024	1,801,259	1,801,259
Transfer within stages	284,099	284,099
New financial assets originated	2,217	2,217
Write-offs	(153,833)	(153,833)
Amount fully recovered	(49,911)	(49,911)
Other changes in financing, advances and other financing/loans	2,781	2,781
At 30 June 2024	1,886,612	1,886,612

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000
At 1 January 2023	1,428,581	1,428,581
Transfer within stages	721,313	721,313
New financial assets originated	34,616	34,616
Write-offs	(292,713)	(292,713)
Amount fully recovered	(112,071)	(112,071)
Other changes in financing, advances and other financing/loans	20,368	20,368
Exchange fluctuation	1,165	1,165
At 31 December 2023	1,801,259	1,801,259

	The Group	
	30 June 2024	31 December 2023
Ratio of credit impaired financing, advances and other financing/loans to total financing, advances and other financing/loans	1.43%	1.42%

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

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

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2024	25,384	25,384
Transfer within stages	98,003	98,003
Write-offs	(3,936)	(3,936)
Amount recovered	(165)	(165)
Other changes in financing, advances and other financing/loans	7,777	7,777
At 30 June 2024	127,063	127,063

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2023	19,244	19,244
Transfer within stages	4,234	4,234
Write-offs	(11,730)	(11,730)
Other changes in financing, advances and other financing/loans	12,471	12,471
Exchange fluctuation	1,165	1,165
At 31 December 2023	25,384	25,384

	The Bank	
	30 June 2024	31 December 2023
Ratio of credit impaired financing, advances and other financing/loans to total financing, advances and other financing/loans	3.34%	0.73%

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)

ii) By geographical distribution

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Malaysia	128,379,587	123,168,209	801	930
Indonesia	311	362	311	362
Singapore	3,519,853	3,166,887	3,519,853	3,166,887
China	54,224	136,403	54,224	136,403
Other countries	228,842	175,412	228,842	175,412
	132,182,817	126,647,273	3,804,031	3,479,994

iii) By economic sector

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Primary agriculture	4,305,452	4,210,205	1,569	136,249
Mining and quarrying	415,188	663,193	47,315	46,709
Manufacturing	5,296,850	4,843,135	402,454	248,234
Electricity, gas and water supply	497,779	1,528,568	2,561	1,294
Construction	4,331,680	3,972,075	330,436	263,339
Transport, storage and communications	3,471,962	3,704,396	93,564	45,653
Education, health and others	2,854,993	2,719,435	-	-
Wholesale and retail trade, and restaurants and hotels	9,256,337	8,021,243	679,622	622,965
Finance, insurance/takaful, real estate and business activities	12,829,044	11,941,816	1,634,535	1,484,089
Household	88,676,346	84,849,628	374,205	448,332
Others	247,186	193,579	237,770	183,130
	132,182,817	126,647,273	3,804,031	3,479,994

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

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Malaysia	1,759,636	1,775,877	87	-
Singapore	34,178	25,382	34,178	25,384
Other countries	92,798	-	92,798	-
	1,886,612	1,801,259	127,063	25,384

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

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Primary agriculture	12,173	12,600	-	-
Mining and quarrying	1	1	-	-
Manufacturing	30,436	20,734	390	662
Electricity, gas and water supply	1	1	-	-
Construction	169,181	59,876	92,727	-
Transport, storage and communications	8,595	8,849	1,573	458
Education, health and others	22,012	17,941	-	-
Wholesale and retail trade, and restaurants and hotels	193,523	177,244	2,478	1,655
Finance, insurance/takaful, real estate and business activities	86,196	77,873	1,593	1,459
Household	1,363,328	1,426,064	27,509	21,150
Others	1,166	76	793	-
	1,886,612	1,801,259	127,063	25,384

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30d DEPOSITS FROM CUSTOMERS

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
(i) By type of deposits				
Savings deposit				
Commodity Murabahah (via Tawarruq arrangement)*	10,285,344	9,794,398	910,269	850,090
Demand deposit				
Qard	17,572,209	19,649,152	4,326	11,565
Commodity Murabahah (via Tawarruq arrangement)*	4,286,428	4,467,245	2,367,851	2,481,103
Term deposit				
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	50,091,832	50,768,984	453,472	602,107
Fixed Deposits-i (via Tawarruq arrangement)*	31,408,509	29,761,063	526,088	366,192
Negotiable Islamic Debt Certificate (NIDC)				
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	1,542,492	495,669	-	-
Specific investment account				
Mudharabah	25,020	25,160	-	-
Others - Qard	254,895	181,130	-	-
	115,466,729	115,142,801	4,262,006	4,311,057

*Included Qard contract of the Group and of the Bank of RM4,581,876,000 and RM3,523,324,000 (2023: RM4,424,360,000 and RM3,534,236,000) respectively.

(ii) By maturity structures of term deposits and investment account

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Due within six months	70,054,814	64,627,200	822,786	867,557
Six months to less than one year	11,895,874	15,372,827	154,275	100,742
One year to less than three years	237,806	173,634	2,499	-
Three years to less than five years	869,006	866,737	-	-
Five years and more	10,353	10,478	-	-
	83,067,853	81,050,876	979,560	968,299

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30d DEPOSITS FROM CUSTOMERS (CONTINUED)

(iii) By type of customer

	The Group		The Bank	
	30 June 2024 RM'000	31 December 2023 RM'000	30 June 2024 RM'000	31 December 2023 RM'000
Government and statutory bodies	7,549,182	7,469,648	307	126
Business enterprises	45,982,888	46,499,861	2,572,960	2,842,053
Individuals	35,140,201	33,367,907	1,510,719	1,293,350
Others	26,794,458	27,805,385	178,020	175,528
	115,466,729	115,142,801	4,262,006	4,311,057

A30e INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	30 June 2024 RM'000	31 December 2023 RM'000
Unrestricted investment accounts (Mudharabah)		
-without maturity		
Special Mudharabah Investment Account	1,832,183	1,665,728
Saving Mudharabah	64,972	17,698
-with maturity		
Term Investment Account-i	17,587,875	16,659,812
Unrestricted investment accounts (Wakalah)		
-without maturity		
Daily Investment Account-i	82,568	48,300
Restricted investment accounts (Mudharabah)		
-with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	638,312	592,587
	20,205,910	18,984,125

The underlying assets for the investments are hire purchase, house financing, other term financing and marketable securities.

A30f INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS

	The Group	
	30 June 2024 RM'000	31 December 2023 RM'000
Restricted investment accounts		
Mudharabah	3,325,210	3,424,851
By type of counterparty		
Licensed banks	3,325,210	3,424,851

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

A30g FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	30 June 2024 RM'000	31 December 2023 RM'000
Deposits from customers - structured investments	3,626,342	2,821,784

The Group has issued structured investments, and has 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 30 June 2024 is RM98,472,000 (2023: RM75,260,000) lower than the contractual amount at maturity. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

PART A - EXPLANATORY NOTES (CONTINUED)

A31. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES

	The Group		The Bank	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
Outstanding credit exposures with connected parties	14,149,546	11,929,643	11,890,209	9,917,805
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	2.4%	2.1%	2.8%	2.4%
Percentage of outstanding credit exposures with connected parties which is impaired or in default	0.0%	0.0%	0.0%	0.0%

PART B

B1. GROUP PERFORMANCE REVIEW

The Group registered a pre-tax profit of RM4,181.8 million for the six months period ended 30 June 2024, an increase of 19.8% as compared to the pre-tax profit of RM3,490.9 million reported in the previous corresponding period. The Group's net profit (attributable to the owners of the Parent) increased by 22.5% to RM3,229.1 million, equivalent to net earnings per share (sen) of 48.71.

The Group's year-on-year increase in earnings was mainly contributed by the increase in net interest income, net non-interest income and net income from Islamic Banking Operations by RM349.9 million, RM507.4 million and RM188.3 million respectively. The increase is also attributed by higher expected credit losses on commitment and contingencies written back by RM66.2 million.

This is however offset by the increase in overhead, expected credit losses on loans, advances and financing and other expected credit losses by RM219.3 million, RM108.7 million and RM92.4 million respectively .

The Group's gross loans, advances and financing grew by 1.3% to RM380.0 billion while deposits from customers decrease by 0.8% to RM398.8 billion, as compared to 31 December 2023.

The Group's Common Equity Tier 1 ratio as at 30 June 2024 stood at 15.069% as compared to 14.795% as at 31 December 2023.

B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

Amidst an environment of global political changes, sustained geopolitical tensions, anticipation of interest rate pivots and competitive landscape within the domestic and regional banking sector, the Bank remains cautious on the macro outlook for the second half of the year. Notwithstanding, the Bank is focused on the successful execution of the tail-end of the Forward23+ Strategic Plan, driven by efforts to further strengthen the deposit and CASA franchise, focus on Non-Interest Income (NOII) growth, optimise Net Interest Margin (NIM), expand Preferred and wealth management and to achieve greater progress on digital and operational resilience. Cost and asset quality management remain core areas of focus as the Bank continues to advance on the sustainability front. On the back of this, the Bank is confident of an improved financial performance in 2024 compared to last year.

B3. COMPUTATION OF EARNINGS PER SHARE (EPS)

a) Basic EPS

The Group and Bank basic EPS is calculated by dividing the net profit for the financial period after non-controlling interests by the weighted average number of ordinary shares in issue during the financial period.

	The Group			
	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Net profit for the financial period after non-controlling interests (RM'000)	1,770,299	1,391,637	3,229,075	2,636,818
Weighted average number of ordinary shares in issue ('000)	6,727,380	6,482,932	6,628,638	6,482,932
Basic earnings per share (expressed in sen per share)	26.31	21.47	48.71	40.67

	The Bank			
	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Net profit for the financial period (RM'000)	1,296,812	1,031,407	2,353,604	2,053,589
Weighted average number of ordinary shares in issue ('000)	6,727,380	6,482,932	6,628,638	6,482,932
Basic earnings per share (expressed in sen per share)	19.28	15.91	35.51	31.68

b) Diluted EPS

There were no dilutive potential ordinary shares outstanding as at 30 June 2024 and 30 June 2023.