

CIMB INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024

		The Group	
		30 June	31 December
		2024	2023
	Notes	RM'000	RM'000
Assets			
Cash and short term funds		236,517	273,247
Deposits and placements with banks and other financial institutions		4,143	10
Debt instruments at fair value through other comprehensive income	A7	181,083	182,936
Equity instruments at fair value through other comprehensive income	A8	824	824
Debt instruments at amortised cost	A9	118,524	118,624
Other assets	A10	317,087	48,255
Amounts due from ultimate holding company		3,110	137
Amounts due from related companies		11,495	33,560
Tax recoverable		11,248	12,000
Deferred taxation		6,945	11,598
Investment in associates		5,216	4,627
Property, plant and equipment		2,134	1,522
Right-of-use assets		1,554	1,982
Goodwill	A4	39,542	-
Intangible assets		28,610	30,668
Total assets		968,032	719,990
Liabilities			
Deposits from customers	A11	4,743	6,442
Other liabilities	A12	353,280	87,722
Lease liabilities		1,668	2,182
Amounts due to related companies		1,795	200
Total liabilities		361,486	96,546
Capital and reserves attributable to equity holder of the Parent			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		506,536	523,434
Total equity		606,546	623,444
Total equity and liabilities		968,032	719,990
Commitments and contingencies	A18	134,969	-
Net assets per ordinary share (RM)		6.07	6.23

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 INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2024

	Notes	The Bank	
		30 June 2024 RM'000	31 December 2023 RM'000
Assets			
Cash and short term funds		108,250	268,904
Debt instruments at fair value through other comprehensive income	A7	181,083	182,936
Debt instruments at amortised cost	A9	118,524	118,624
Other assets	A10	40,122	47,447
Amounts due from subsidiaries		33,039	-
Amounts due from ultimate holding company		3,110	137
Amounts due from related companies		11,495	33,560
Tax recoverable		8,788	11,989
Deferred taxation		6,394	11,598
Investment in subsidiaries		144,736	30
Property, plant and equipment		1,745	1,522
Right-of-use assets		1,147	1,982
Intangible assets		25,314	30,668
Total assets		683,747	709,397
Liabilities			
Deposits from customers	A11	4,743	6,442
Other liabilities	A12	83,176	87,706
Lease liabilities		1,250	2,182
Amounts due to related companies		1,778	172
Total liabilities		90,947	96,502
Capital and reserves attributable to equity holder of the Parent			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		492,790	512,885
Total equity		592,800	612,895
Total equity and liabilities		683,747	709,397
Commitments and contingencies	A18	134,969	-
Net assets per ordinary share (RM)		5.93	6.13

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 INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	Notes	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
Interest income	A13	4,552	3,338	8,982	6,672
Interest expense	A14	(90)	(47)	(346)	(96)
Net interest income		4,462	3,291	8,636	6,576
Income from Islamic Banking operations	A21b	4,544	9,366	9,780	17,517
Fee and commission income	A15(a)	62,648	54,301	127,668	91,400
Fee and commission expense	A15(b)	(2,038)	(5,657)	(3,724)	(8,201)
Net fee and commission income		60,610	48,644	123,944	83,199
Other non-interest income	A15(c)	1,962	2,168	5,337	3,899
Net income		71,578	63,469	147,697	111,191
Overheads	A16	(55,756)	(58,904)	(114,119)	(102,950)
Profit before expected credit losses		15,822	4,565	33,578	8,241
Other expected credit losses and impairment allowances written back	A17	120	2,455	329	104
		15,942	7,020	33,907	8,345
Share of results of associates		405	26	590	511
Profit before taxation		16,347	7,046	34,497	8,856
Taxation		(4,034)	(1,741)	(9,141)	(2,838)
Profit for the financial period, attributable to owner of the Parent		12,313	5,305	25,356	6,018
Basic and diluted earnings per share (sen), attributable to owner of the Parent	B3	12.31	5.31	25.36	6.02

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

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

	The Group			
	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	12,313	5,305	25,356	6,018
Other comprehensive (expense)/income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income/ (expense)	(115)	-	(1,030)	-
- Net gain from change in fair value	184	-	1,052	-
- Realised gain transferred to statement of income on disposal	(335)	-	(1,985)	-
- Income tax effect	36	-	(97)	-
Other comprehensive expense, for the financial period, net of tax	(115)	-	(1,030)	-
Total comprehensive income for the financial period, attributable to owner of the Parent	12,198	5,305	24,326	6,018

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 INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	Notes	The Bank			
		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	A13	3,853	3,312	7,777	6,623
Interest expense	A14	(76)	(47)	(136)	(96)
Net interest income		3,777	3,265	7,641	6,527
Income from Islamic Banking operations	A21b	4,544	9,366	9,780	17,517
Fee and commission income	A15(a)	51,599	54,301	108,399	91,400
Fee and commission expense	A15(b)	(2,038)	(5,657)	(3,724)	(8,201)
Net fee and commission income		49,561	48,644	104,675	83,199
Other non-interest income	A15(c)	2,200	2,168	5,729	3,899
Net income		60,082	63,443	127,825	111,142
Overheads	A16	(46,308)	(58,910)	(97,685)	(102,926)
Profit before expected credit losses		13,774	4,533	30,140	8,216
Other expected credit losses and impairment allowances written back	A17	120	2,455	329	104
Profit before taxation		13,894	6,988	30,469	8,320
Taxation		(3,537)	(1,741)	(8,310)	(2,832)
Profit for the financial period, attributable to owner of the Parent		10,357	5,247	22,159	5,488
Basic and diluted earnings per share (sen), attributable to owner of the Parent	B3	10.36	5.25	22.16	5.49

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 INVESTMENT BANK BERHAD*Registration No: 197401001266 (18417-M)***CONDENSED INTERIM FINANCIAL STATEMENTS****UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

	The Bank			
	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	10,357	5,247	22,159	5,488
Other comprehensive (expense)/income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income/ (expense)	(115)	-	(1,030)	-
- Net gain from change in fair value	184	-	1,052	-
- Realised gain transferred to statement of income on disposal	(335)	-	(1,985)	-
- Income tax effect	36	-	(97)	-
Other comprehensive expense, for the financial period, net of tax	(115)	-	(1,030)	-
Total comprehensive income for the financial period, attributable to owner of the Parent	10,242	5,247	21,129	5,488

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 INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024

	← Attributable to Owner of the Parent →							
	Ordinary share capital RM'000	Redeemable preference shares RM'000	Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained profits RM'000	Total RM'000
The Group 30 June 2024								
At 1 January 2024	100,000	10	1,336	(6,011)	226	3,978	523,905	623,444
Profit for the financial period	-	-	-	-	-	-	25,356	25,356
Other comprehensive expense, net of tax	-	-	(1,030)	-	-	-	-	(1,030)
- debt instruments at fair value through other comprehensive income	-	-	(1,030)	-	-	-	-	(1,030)
Total comprehensive (expense)/ income for the financial period	-	-	(1,030)	-	-	-	25,356	24,326
Share-based payment expense	-	-	-	-	320	(288)	-	32
Shares released under Equity Ownership Plan	-	-	-	-	(156)	-	-	(156)
Interim dividend paid in respect of financial year ended 31 December 2023	-	-	-	-	-	-	(41,100)	(41,100)
At 30 June 2024	100,000	10	306	(6,011)	390	3,690	508,161	606,546

	← Attributable to Owner of the Parent →							
	Ordinary share capital RM'000	Redeemable preference shares RM'000	Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained profits RM'000	Total RM'000
The Group 30 June 2023								
At 1 January 2023	100,000	10	-	(6,011)	126	2,282	499,345	595,752
Net profit/total comprehensive income for the financial period	-	-	-	-	-	-	6,018	6,018
Share-based payment expense	-	-	-	-	135	848	-	983
Shares released under Equity Ownership Plan	-	-	-	-	(108)	-	-	(108)
Interim dividend paid in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(17,720)	(17,720)
At 30 June 2023	100,000	10	-	(6,011)	153	3,130	487,643	584,925

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 INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS 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	Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained profits RM'000	Total RM'000	
The Bank									
30 June 2024	100,000	10	1,336	(6,331)	226	3,978	513,676	612,895	
At 1 January 2024	100,000	10	1,336	(6,331)	226	3,978	513,676	612,895	
Profit for the financial period	-	-	-	-	-	-	22,159	22,159	
Other comprehensive expense, net of tax	-	-	(1,030)	-	-	-	-	(1,030)	
- debt instruments at fair value through other comprehensive income	-	-	(1,030)	-	-	-	-	(1,030)	
Total comprehensive (expense)/ income for the financial period	-	-	(1,030)	-	-	-	22,159	21,129	
Share-based payment expense	-	-	-	-	320	(288)	-	32	
Shares released under Equity Ownership Plan	-	-	-	-	(156)	-	-	(156)	
Interim dividend paid in respect of financial year ended 31 December 2023	-	-	-	-	-	-	(41,100)	(41,100)	
At 30 June 2024	100,000	10	306	(6,331)	390	3,690	494,735	592,800	

	← Non-distributable →					← Distributable →			
	Ordinary share capital RM'000	Redeemable preference shares RM'000	Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained profits RM'000	Total RM'000	
The Bank									
30 June 2023	100,000	10	-	(6,331)	126	2,282	490,213	586,300	
At 1 January 2023	100,000	10	-	(6,331)	126	2,282	490,213	586,300	
Net profit/total comprehensive income for the financial period	-	-	-	-	-	-	5,488	5,488	
Share-based payment expense	-	-	-	-	135	848	-	983	
Share released under Equity Ownership Plan	-	-	-	-	(108)	-	-	(108)	
Interim dividend paid in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(17,720)	(17,720)	
At 30 June 2023	100,000	10	-	(6,331)	153	3,130	477,981	574,943	

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 INVESTMENT BANK BERHAD
Registration No: 197401001266 (18417-M)
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
Operating activities				
Profit before taxation	34,497	8,856	30,469	8,320
Adjustments for non-operating and non-cash items	(4,898)	4,497	(4,905)	5,008
Cash flow from operating profit before changes in working capital	29,599	13,353	25,564	13,328
Net changes in operating assets	(199,760)	41,464	(13,865)	41,480
Net changes in operating liabilities	208,375	(6,329)	(4,624)	(6,328)
Cash flows generated from operating activities	38,214	48,488	7,075	48,480
Taxation paid	(270)	(10)	-	-
Net cash flows generated from operating activities	37,944	48,478	7,075	48,480
Cash flows from investing activities				
Net purchase of property, plant and equipment	(696)	(213)	(656)	(213)
Net purchase of intangible assets	(4,760)	(3,827)	(3,500)	(3,827)
Net proceeds from sale of debt instruments at fair value through other comprehensive	2,912	-	2,912	-
Net purchase of right-of-use	(10)	-	(69)	-
Interest income on debt instruments at fair value through other comprehensive income	3,254	-	3,254	-
Interest income on debt instruments at amortised cost	2,447	-	2,447	-
Acquisition of a subsidiary (Note A4)	(35,327)	(14,794)	(129,912)	(14,794)
Net cash flows used in investing activities	(32,180)	(18,834)	(125,524)	(18,834)
Cash flows from financing activities				
Net repayment of lease liabilities	(1,346)	(1,040)	(975)	(1,040)
Interest paid on borrowings	(202)	-	-	-
Net drawdown on borrowings	3,224	-	-	-
Net repayment on borrowings	(3,224)	-	-	-
Dividends paid	(41,100)	(17,720)	(41,100)	(17,720)
Net cash flows used in financing activities	(42,648)	(18,760)	(42,075)	(18,760)
Net (decrease)/increase in cash and cash equivalents during the financial period	(36,884)	10,884	(160,524)	10,886
Cash and cash equivalents at the beginning of the financial period	273,247	308,043	268,904	303,737
Effects of exchange rate changes	154	(869)	(130)	(869)
Cash and cash equivalents at the end of the financial period	236,517	318,058	108,250	313,754
Cash and cash equivalents comprise :				
Cash and short term funds	236,517	318,058	108,250	313,754
Deposits and placements with banks and other financial institutions	4,143	10	-	-
	240,660	318,068	108,250	313,754
Less : Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(4,143)	(10)	-	-
Cash and cash equivalents at the end of the financial period	236,517	318,058	108,250	313,754

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 debt instruments at fair value through other comprehensive income and equity instruments at fair value through other comprehensive income that are measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 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 financial statements for the financial year ended 31 December 2023, except for adoption of the following amendments to Malaysian Financial Reporting Standards ("MFRS") which are effective for annual periods beginning on or after 1 January 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 financial statements of the Group and of the Bank.

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

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

A2. Changes in estimates

There were no material changes in estimates during the quarter ended 30 June 2024.

A3. Dividends paid and proposed

On 24 January 2024, the Board of Directors declared a single-tier interim dividend of 41.10 sen per share on 100,000,000 ordinary shares amounting to RM41,100,000 in respect of the financial year ended 31 December 2023. The dividend was paid on 15 March 2024.

No dividend has been proposed during the financial period ended 30 June 2024.

PART A - EXPLANATORY NOTES

A4. Status of Corporate Proposal

Acquisition of 80,000,000 ordinary shares in CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd) (“CIMB Securities”), representing 100% equity interest in CIMB Securities (“Acquisition”)

On 8 February 2024, the Bank completed the acquisition of the entire equity interest in KAF Equities Sdn Bhd ("KESB"), from KAF-Seagrott & Campbell Berhad ("KAFSC" or "Seller"), for an adjusted final purchase consideration of RM144,706,000. This Acquisition is part of the Bank's strategy to expand its in-house capabilities which complements CIMB Group's Wholesale Banking business in Malaysia.

Following the completion of the Acquisition, KESB became a wholly owned subsidiary of the Bank. On 11 March 2024, KESB changed its name to CIMB Securities.

The Group has accounted for the Acquisition in accordance with MFRS 3 'Business Combination' and the following are the accounting effects of the Acquisition:

	RM '000
Provisional fair value of identifiable net assets and liabilities acquired	105,164
Goodwill (provisional)	39,542
Purchase consideration	<u>144,706</u>
Less : cash and cash equivalents acquired	<u>(94,585)</u>
Net cash outflow on acquisition	50,121
Less : Deposit in relation to the Acquisition paid in the previous financial year (Note A10)	<u>(14,794)</u>
Net cash outflow on acquisition during the financial period	<u>35,327</u>

The fair value of net assets and goodwill as disclosed above are provisional and will be adjusted, where applicable, upon completion of the purchase price allocation as allowed under MFRS 3.

A5. Significant events during the financial period

There were no other significant events that had occurred other than disclosed under Status of Corporate Proposal.

A6. Significant events after the financial period

There were no significant events that had occurred between 30 June 2024 and the date of this announcement.

PART A - EXPLANATORY NOTES (CONTINUED)

A7. Debt instruments at fair value through other comprehensive income

	The Group and the Bank	
	30 June	31 December
	2024	2023
	RM'000	RM'000
<u>At fair value</u>		
Money market instruments:		
<i>Unquoted:</i>		
Malaysian Government Securities	99,819	61,055
Government Investment Issues	40,661	31,217
	140,480	92,272
<i>Unquoted securities:</i>		
<i>In Malaysia:</i>		
Corporate bond and sukuk	40,603	90,664
	181,083	182,936

A8. Equity instruments at fair value through other comprehensive income

	The Group	
	30 June	31 December
	2024	2023
	RM'000	RM'000
<u>At fair value</u>		
<i>Unquoted securities :</i>		
<i>Outside Malaysia</i>		
Shares	824	824
	824	824

A9. Debt instruments at amortised cost

	The Group and the Bank	
	30 June	31 December
	2024	2023
	RM'000	RM'000
<i>Unquoted securities:</i>		
<i>In Malaysia:</i>		
Corporate bond and sukuk	118,624	118,639
Amortisation of premium, net of accretion of discount	(100)	(15)
	118,524	118,624

PART A - EXPLANATORY NOTES (CONTINUED)

	The Group		The Bank	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
A10. Other assets				
Due from brokers and clients	265,609	-	-	-
Trade and other receivables, net of expected credit losses of RM8,486,000 (2023: RM9,376,000)	25,962	28,911	25,138	28,911
Deposits, prepayments and others #	25,516	19,344	14,984	18,536
	317,087	48,255	40,122	47,447

Included within deposits, prepayment and others in the previous financial year was a deposit of RM14,794,000 paid by the Bank to an escrow account in relation to the Acquisition. Following the completion of the Acquisition on 8 February 2024, the deposit in the escrow account was released to the Seller on the same day.

	The Group and the Bank	
	30 June	31 December
	2024	2023
	RM'000	RM'000
A11. Deposits from customers		
<u>(i) By type of deposits</u>		
Short term money market deposits	4,743	6,442
<u>(ii) By type of customers</u>		
Business enterprises	4,743	6,442

	The Group		The Bank	
	30 June	31 December	30 June	31 December
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
A12. Other liabilities				
Due to brokers and clients	262,444	-	-	-
Trade and sundry creditors	40,358	26,967	35,000	26,967
Expenditure payable	33,419	51,073	33,400	51,057
Others	17,059	9,682	14,776	9,682
	353,280	87,722	83,176	87,706

PART A - EXPLANATORY NOTES (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
A13. Interest income				
<u>The Group</u>				
Money at call and deposits placements with banks and other financial institutions	1,332	1,926	2,784	3,931
Reverse repurchase agreements	-	1,412	-	2,741
Debt instruments at fair value through other comprehensive income	1,602	-	3,254	-
Debt instruments at amortised cost	1,223	-	2,447	-
Others	399	-	575	-
	4,556	3,338	9,060	6,672
Amortisation of premium, net of accretion of discount	(4)	-	(78)	-
	4,552	3,338	8,982	6,672
<u>The Bank</u>				
Money at call and deposits placements with banks and other financial institutions	633	1,900	1,579	3,882
Reverse repurchase agreements	-	1,412	-	2,741
Debt instruments at fair value through other comprehensive income	1,602	-	3,254	-
Debt instruments at amortised cost	1,223	-	2,447	-
Others	399	-	575	-
	3,857	3,312	7,855	6,623
Amortisation of premium, net of accretion of discount	(4)	-	(78)	-
	3,853	3,312	7,777	6,623
A14. Interest expense				
<u>The Group</u>				
Deposits and placements of banks and other financial institutions	36	24	50	46
Deposits from customers	30	-	62	-
Borrowings	8	-	202	-
Lease liabilities	16	23	32	50
	90	47	346	96
<u>The Bank</u>				
Deposits and placements of banks and other financial institutions	36	24	50	46
Deposits from customers	30	-	62	-
Lease liabilities	10	23	24	50
	76	47	136	96

PART A - EXPLANATORY NOTES (CONTINUED)

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
A15. Net non-interest income				
<u>The Group</u>				
a) Fee and commission income				
Commissions	14,416	7,738	26,878	15,297
Service charges and fees	25,321	21,961	44,243	39,063
Advisory and arrangement fees	5,313	6,333	14,075	15,271
Placement, book running and related fees	5,888	14,887	20,817	17,768
Net brokerage income	10,797	-	18,783	-
Other fee income	913	3,382	2,872	4,001
	62,648	54,301	127,668	91,400
b) Fee and commission expense				
Less : Fee, and commission expense, and direct expenses	(2,038)	(5,657)	(3,724)	(8,201)
Net fee and commission income	60,610	48,644	123,944	83,199
c) Other non-interest income				
Net gain arising from derivative financial instrument:				
- realised gain	20	8	18	8
Net gain from sale of investment in debt instruments at fair value through other comprehensive income	335	-	1,985	-
Other income:				
Income from securities services	1,865	1,565	3,588	3,020
Foreign exchange (loss)/gain and other non-operating income	(258)	595	(254)	871
	1,607	2,160	3,334	3,891
Total other non-interest income	1,962	2,168	5,337	3,899
Total net non-interest income	62,572	50,812	129,281	87,098

PART A - EXPLANATORY NOTES (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
A15. Net non-interest income (continued)				
<u>The Bank</u>				
a) Fee and commission income				
Commissions	14,416	7,738	26,878	15,297
Service charges and fees	25,321	21,961	44,243	39,063
Advisory and arrangement fees	5,313	6,333	14,075	15,271
Placement, book running and related fees	5,888	14,887	20,817	17,768
Other fee income	661	3,382	2,386	4,001
	51,599	54,301	108,399	91,400
b) Fee and commission expense				
Less : Fee, and commission expense, and direct expenses	(2,038)	(5,657)	(3,724)	(8,201)
Net fee and commission income	49,561	48,644	104,675	83,199
c) Other non-interest income				
Net gain arising from derivative financial instrument:				
- realised gain	20	8	18	8
Net gain from sale of investment in debt instruments at fair value through other comprehensive income	335	-	1,985	-
Other income:				
Income from securities services	1,865	1,565	3,588	3,020
Foreign exchange (loss)/gain and other non-operating income	(20)	595	138	871
	1,845	2,160	3,726	3,891
Total other non-interest income	2,200	2,168	5,729	3,899
Total net non-interest income	51,761	50,812	110,404	87,098

PART A - EXPLANATORY NOTES (CONTINUED)

A16. 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
<u>The Group</u>				
Personnel costs				
- Salaries, allowances and bonus	30,897	38,751	60,930	56,983
- Pension cost (defined contribution plan)	3,583	3,700	6,819	6,492
- Share-based expenses ¹	(712)	424	(288)	848
- Others	1,664	1,318	3,562	3,517
	35,432	44,193	71,023	67,840
Establishment costs				
- Depreciation of property, plant and equipment	263	1,203	499	2,431
- Depreciation of right-of-use assets	653	465	1,224	931
- Amortisation of intangible assets	867	1,224	1,729	2,586
- Equipment and other rental	1,945	1,187	3,245	2,313
- Others	3,211	2,406	7,033	4,181
	6,939	6,485	13,730	12,442
Marketing expenses				
- Advertisement and entertainment expenses	525	530	1,222	1,228
- Others	283	194	539	352
	808	724	1,761	1,580
Administration and general expenses				
- Legal and professional fees	365	272	737	511
- Service expenses	8,372	4,780	16,490	15,678
- Others	3,840	2,450	10,378	4,899
	12,577	7,502	27,605	21,088
Total overhead expenses	55,756	58,904	114,119	102,950

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

PART A - EXPLANATORY NOTES (CONTINUED)

A16. Overheads (Continued)

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>The Bank</u>				
Personnel costs				
- Salaries, allowances and bonus	25,963	38,751	54,710	56,983
- Pension cost (defined contribution plan)	2,926	3,700	5,995	6,492
- Share-based expenses ¹	(712)	424	(288)	848
- Others	1,456	1,318	3,245	3,517
	29,633	44,193	63,662	67,840
Establishment costs				
- Depreciation of property, plant and equipment	223	1,203	433	2,431
- Depreciation of right-of-use assets	460	465	922	931
- Amortisation of intangible assets	857	1,224	1,710	2,586
- Equipment and other rental	1,438	1,187	2,475	2,313
- Others	2,029	2,406	5,199	4,181
	5,007	6,485	10,739	12,442
Marketing expenses				
- Advertisement and entertainment expenses	379	530	1,052	1,228
- Others	271	194	523	352
	650	724	1,575	1,580
Administration and general expenses				
- Legal and professional fees	305	269	659	505
- Service expenses	8,355	4,788	16,473	15,660
- Others	2,358	2,451	4,577	4,899
	11,018	7,508	21,709	21,064
Total overhead expenses	46,308	58,910	97,685	102,926

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

A17. Other expected credit losses and impairment allowances

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>The Group and the Bank</u>				
Other expected credit losses and impairment allowances written back :				
- Other assets	(120)	(2,455)	(329)	(104)

PART A - EXPLANATORY NOTES (CONTINUED)

A18. Commitment and contingencies

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

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

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

	The Group and the Bank	
	30 June	31 December
	2024	2023
	Principal	Principal
	amount	amount
	RM'000	RM'000
<u>Credit-related</u>		
Obligations under underwriting agreement	134,969	-

PART A - EXPLANATORY NOTES (CONTINUED)

A19. Capital Adequacy

The capital adequacy ratios of the Group and the Bank are calculated based on BNM's Capital Adequacy Framework (Capital Components) of which the latest revision was issued on 14 June 2024. The revised guidelines took effect on 14 June 2024. The revised guideline sets up the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

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

The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk.

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

	The Group		The Bank	
	30 June 2024	31 December 2023	30 June 2024	31 December 2023
Before deducting proposed dividend				
Common Equity Tier 1 ("CET") ratio	68.560%	106.562%	63.121%	105.998%
Tier 1 ratio	68.560%	106.562%	63.121%	105.998%
Total capital ratio	68.560%	106.562%	63.121%	105.998%
After deducting proposed dividend				
CET 1 ratio	68.560%	98.955%	63.121%	98.363%
Tier 1 ratio	68.560%	98.955%	63.121%	98.363%
Total capital ratio	68.560%	98.955%	63.121%	98.363%

(b) The breakdown of risk-weighted assets ("RWA") by each major risk category is 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
Credit risk	231,427	94,580	154,056	92,778
Market risk	47,652	12,607	32,763	12,607
Operational risk	450,273	433,078	437,727	432,947
Total RWAs	729,352	540,265	624,546	538,332

c) Components of the Group and the Bank capital 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
CET 1 capital				
Ordinary share capital	100,000	100,000	100,000	100,000
Other reserves	481,180	523,434	470,631	512,885
Less : Proposed dividends	-	(41,100)	-	(41,100)
CET 1 capital before regulatory adjustments	581,180	582,334	570,631	571,785
<u>Less: Regulatory adjustments</u>				
Goodwill	(39,542)	-	-	-
Intangible assets	(24,527)	(27,150)	(21,232)	(27,150)
Deferred tax assets	(11,027)	(15,116)	(10,476)	(15,116)
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	(6,039)	(5,449)	(144,706)	-
CET 1 capital/Total Tier 1 Capital	500,045	534,619	394,217	529,519
Total capital	500,045	534,619	394,217	529,519

PART A - EXPLANATORY NOTES (CONTINUED)

A20. 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 rate reasonableness verification;
- Valuation methodologies for the purpose of determining Mark-to-Model prices will be verified by Group Risk Management Quantitative Analysts before submitting to the Group Market 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)

A20. FAIR VALUE ESTIMATION (CONTINUED)

The following table represents the Group's and the Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 June 2024 and 31 December 2023.

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<u>The Group</u>				
30 June 2024				
<i>Recurring fair value measurement</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	140,480	-	140,480
- Unquoted securities	-	40,603	-	40,603
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	824	824
Total	-	181,083	824	181,907

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<u>The Group</u>				
31 December 2023				
<i>Recurring fair value measurement</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	92,272	-	92,272
- Unquoted securities	-	90,664	-	90,664
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	824	824
Total	-	182,936	824	183,760

PART A - EXPLANATORY NOTES (CONTINUED)

A20. FAIR VALUE ESTIMATION (CONTINUED)

The following table represents the Group's and the Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 June 2024 and 31 December 2023. (Continued)

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<u>The Bank</u>				
30 June 2024				
<i>Recurring fair value measurement</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	140,480	-	140,480
- Unquoted securities	-	40,603	-	40,603
Total	-	181,083	-	181,083

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<u>The Bank</u>				
31 December 2023				
<i>Recurring fair value measurement</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	92,272	-	92,272
- Unquoted securities	-	90,664	-	90,664
Total	-	182,936	-	182,936

PART A - EXPLANATORY NOTES (CONTINUED)

A20. 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.

	<u>Financial Investments -</u>	
	Equity instruments at	
	fair value through other	
	comprehensive income	Total
	RM'000	RM'000
The Group		
<u>30 June 2024</u>		
At 1 January 2024/30 June 2024	824	824

	<u>Financial Investments -</u>	
	Equity instruments at	
	fair value through other	
	comprehensive income	Total
	RM'000	RM'000
The Group		
<u>31 December 2023</u>		
At 1 January 2023/31 December 2023	824	824

PART A - EXPLANATORY NOTES (CONTINUED)

A21. The operations of Islamic Banking

A21a. Unaudited Statements of Financial Position as at 30 June 2024

	The Group and the Bank	
	30 June	31 December
	2024	2023
	RM'000	RM'000
Assets		
Cash and short-term funds	78,469	94,573
Other assets	1,434	6,810
Amount due from related companies	15	180
Deferred tax assets	133	229
Total assets	80,051	101,792
Liabilities and Islamic Banking capital funds		
Other liabilities	597	869
Amount due to related companies	590	1,418
Total liabilities	1,187	2,287
Islamic Banking capital funds	55,000	55,000
Reserves	23,864	44,505
Total Islamic Banking capital funds	78,864	99,505
	80,051	101,792

PART A - EXPLANATORY NOTES (CONTINUED)

A21. The operations of Islamic Banking (Continued)

A21b. Unaudited Statements of Comprehensive Income for the financial period ended 30 June 2024

	The Group and the Bank			
	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 shareholder's funds	4,544	9,366	9,780	17,517
Expected credit losses made	(15)	(388)	(3)	(325)
Total net income	4,529	8,978	9,777	17,192
Personnel expenses	-	(59)	-	(96)
Other overheads and expenditures	(3,342)	(3,088)	(3,659)	(7,814)
Profit before taxation	1,187	5,831	6,118	9,282
Taxation	(296)	(1,433)	(1,509)	(2,280)
Profit after taxation/total comprehensive income for the period	891	4,398	4,609	7,002
<u>Income from Islamic operations (per page 3 and page 5)</u>				
Total net income	4,529	8,978	9,777	17,192
Less : Expected credit losses made	15	388	3	325
	4,544	9,366	9,780	17,517

PART A - EXPLANATORY NOTES (CONTINUED)

A21c. Capital Adequacy

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

	The Group and the Bank	
	30 June	31 December
	2024	2023
Before deducting proposed dividend		
CET 1 Ratio	82.786%	110.345%
Tier 1 ratio	82.786%	110.345%
Total capital ratio	82.786%	110.345%
After deducting proposed dividend		
CET 1 Ratio	82.786%	82.279%
Tier 1 ratio	82.786%	82.279%
Total capital ratio	82.786%	82.279%

(b) The breakdown of RWAs by each major risk category is as follows:

	The Group and the Bank	
	30 June	31 December
	2024	2023
	RM'000	RM'000
Credit risk	14,992	18,301
Operational risk	74,543	71,668
Total RWAs	89,535	89,969

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

	The Group and the Bank	
	30 June	31 December
	2024	2023
	RM'000	RM'000
Tier 1 capital		
Islamic Banking capital funds	55,000	55,000
Other reserves	19,255	44,505
Less : Proposed dividends	-	(25,250)
CET 1 capital before regulatory adjustments	74,255	74,255
<u>Less: Regulatory adjustments</u>		
Deferred Tax Assets	(133)	(229)
CET 1 capital / Total Tier 1 capital	74,122	74,026
Total capital base	74,122	74,026

PART A - EXPLANATORY NOTES (CONTINUED)

A22. Credit transactions and exposures with connected parties

	The Group	
	30 June 2024	31 December 2023
	RM'000	RM'000
Outstanding credit exposures with connected parties	<u>34,447</u>	<u>9,989</u>
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	7.1%	1.7%
Percentage of outstanding credit exposures to connected parties which is impaired or in default	0.0%	0.0%

PART B - EXPLANATORY NOTES

B1. Group Performance Review

The Group reported a profit before taxation of RM34.5 million for the financial period ended 30 June 2024, an almost four-fold increase from the RM8.8 million reported in the previous corresponding period ended 30 June 2023. The increase in profit before tax was primarily due to higher net income of RM147.7 million, which grew by RM36.5 million or 32.8% from the previous corresponding period. This growth was driven by strong performance in the Group's Investment Banking due to increased activities in mergers & acquisitions ("M&A") and equity capital markets ("ECM"), higher net new monies generated from its Private Banking business and contributions from the Group's Securities business. The increase in net income was partially offset by higher overhead expenses during the current period.

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 Group remains cautious on the macro outlook for the second half of the year. Nevertheless, the Group is optimistic of an improved financial performance in 2024 via the differentiation of its "One Bank" strategy by offering innovative, tailored and complete Wholesale Banking solutions to our clients.

B3. COMPUTATION OF EARNINGS PER SHARE (EPS)

a) Basic EPS

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

	The Group			
	2nd quarter ended		Six months ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Net profit (RM '000)	<u>12,313</u>	<u>5,305</u>	<u>25,356</u>	<u>6,018</u>
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Total basic earnings per share for profit attributable to owner of the Parent (expressed in sen per share)	<u>12.31</u>	<u>5.31</u>	<u>25.36</u>	<u>6.02</u>

PART B - EXPLANATORY NOTES (CONTINUED)

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

a) Basic EPS (Continued)

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

	The Bank			
	2nd quarter ended 30 June 2024	30 June 2023	Six months ended 30 June 2024	30 June 2023
Net profit (RM '000)	10,357	5,247	22,159	5,488
Weighted average number of ordinary shares in issue ('000)	100,000	100,000	100,000	100,000
Total basic earnings per share for profit attributable to owner of the Parent (expressed in sen per share)	10.36	5.25	22.16	5.49

b) Diluted EPS

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