

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2022

	Note	The Group		The Bank	
		31 March 2022 RM'000	31 December 2021 RM'000	31 March 2022 RM'000	31 December 2021 RM'000
ASSETS					
Cash and short term funds	A6	11,412,123	12,294,211	11,412,077	12,294,165
Reverse Collateralised Commodity Murabahah		101,309	-	101,309	-
Deposits and placements with banks and other financial institutions	A6	300,464	179,331	300,464	179,331
Financial investments at fair value through profit or loss	A7	5,760,450	5,222,390	5,760,450	5,222,390
Debt instruments at fair value through other comprehensive income	A8	5,037,923	5,065,382	5,037,923	5,065,382
Debt instruments at amortised cost	A9	8,344,867	8,852,502	8,344,867	8,852,502
Islamic derivative financial instruments	A27(i)	205,079	241,287	205,079	241,287
Financing, advances and other financing/loans	A10	93,337,369	90,609,415	93,337,369	90,609,415
Other assets	A11	567,823	323,341	567,823	323,341
Deferred taxation		177,164	173,233	177,164	173,233
Amount due from holding company and ultimate holding company		-	283,487	-	283,487
Amount due from related companies		124	320	124	320
Investment in subsidiaries		-	-	11	11
Property, plant and equipment		946	1,010	946	1,010
Right-of-use assets		1,431	1,613	1,431	1,613
Intangible assets		10,316	19,473	10,316	19,473
Goodwill		136,000	136,000	136,000	136,000
TOTAL ASSETS		125,393,388	123,402,995	125,393,353	123,402,960
LIABILITIES AND EQUITY					
Deposits from customers	A12	93,021,057	96,001,736	93,021,057	96,001,736
Investment accounts of customers	A13	11,727,598	10,427,167	11,727,598	10,427,167
Deposits and placements of banks and other financial institutions	A14	4,701,969	2,309,269	4,701,969	2,309,269
Collateralised Commodity Murabahah		682,059	328,821	682,059	328,821
Investment accounts due to designated financial institutions	A15	3,685,771	3,919,753	3,685,771	3,919,753
Financial liabilities designated at fair value through profit or loss	A16	1,167,240	799,686	1,167,240	799,686
Islamic derivative financial instruments	A27(i)	280,656	271,954	280,656	271,954
Amount due to holding company		344,063	-	344,063	-
Amount due to related companies		634	455	634	455
Other liabilities	A17	652,647	396,506	652,647	396,506
Lease liabilities		1,616	1,775	1,616	1,775
Provision for taxation		69,109	51,387	69,109	51,387
Subordinated Sukuk	A18	1,104,207	1,108,045	1,104,207	1,108,045
TOTAL LIABILITIES		117,438,626	115,616,554	117,438,626	115,616,554
EQUITY					
Capital and reserves attributable to equity holder of the Bank					
Ordinary share capital		1,000,000	1,000,000	1,000,000	1,000,000
Reserves		6,604,762	6,366,441	6,604,727	6,366,406
		7,604,762	7,366,441	7,604,727	7,366,406
Perpetual preference shares		350,000	420,000	350,000	420,000
TOTAL EQUITY		7,954,762	7,786,441	7,954,727	7,786,406
TOTAL EQUITY AND LIABILITIES		125,393,388	123,402,995	125,393,353	123,402,960
RESTRICTED AGENCY INVESTMENT ACCOUNT (*)	A29	12,808,847	12,748,755	12,808,847	12,748,755
TOTAL ISLAMIC BANKING ASSET		138,202,235	136,151,750	138,202,200	136,151,715
COMMITMENTS AND CONTINGENCIES	A27(ii)	49,695,780	45,338,343	49,695,780	45,338,343
Net assets per ordinary share attributable to owners of the Parent (RM)		7.60	7.37	7.60	7.37

* The disclosure is in accordance with the requirements of Bank Negara Malaysia guideline on Financial Reporting for Islamic Banking Institutions.
The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2021.

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD 31 MARCH 2022

	Note	The Group			
		1st Quarter Ended		Three Months Ended	
		31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Income derived from investment of depositors' funds and others	A19	861,665	901,491	861,665	901,491
Income derived from investment of investment account	A20	170,270	67,031	170,270	67,031
Income derived from investment of shareholder's funds	A21	150,099	172,453	150,099	172,453
Modification loss		(2,707)	-	(2,707)	-
Expected credit losses on financing, advances and other financing/loans	A22(a)	(2,547)	(74,745)	(2,547)	(74,745)
Expected credit losses made for commitments and contingencies		31,139	(3,492)	31,139	(3,492)
Other expected credit losses	A22(b)	2,286	(244)	2,286	(244)
Total distributable income		1,210,205	1,062,494	1,210,205	1,062,494
Income attributable to depositors and others	A23	(395,610)	(439,685)	(395,610)	(439,685)
Profit distributed to investment account holder	A24	(82,790)	(35,038)	(82,790)	(35,038)
Total net income		731,805	587,771	731,805	587,771
Personnel expenses	A25	(9,418)	(6,347)	(9,418)	(6,347)
Other overheads and expenditures	A26	(312,102)	(262,330)	(312,102)	(262,330)
Profit before taxation and zakat		410,285	319,094	410,285	319,094
Taxation		(127,260)	(76,966)	(127,260)	(76,966)
Profit for the financial period		283,025	242,128	283,025	242,128

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872 (671380-H)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD 31 MARCH 2022

	The Group			
	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	283,025	242,128	283,025	242,128
Other comprehensive income/(expense):				
Items that will not reclassified to profit or loss				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(3)	-	(3)	-
Items that may be reclassified subsequently to profit or loss				
Debt instruments at fair value through other comprehensive income	(44,804)	(110,267)	(44,804)	(110,267)
- Net loss from change in fair value	(57,638)	(99,527)	(57,638)	(99,527)
- Realised gain transferred to statement of income on disposal	995	(27,396)	995	(27,396)
- Changes in expected credit losses	(1,755)	306	(1,755)	306
- Income tax effects	13,594	16,350	13,594	16,350
Other comprehensive income for the period, net of tax	(44,807)	(110,267)	(44,807)	(110,267)
Total comprehensive income for the financial period	238,218	131,861	238,218	131,861
Earnings per share (sen)	28.30	24.21	28.30	24.21

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

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD 31 MARCH 2022

	Note	The Bank			
		1st Quarter Ended		Three Months Ended	
		31 March	31 March	31 March	31 March
		2022	2021	2022	2021
		RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	A19	861,665	901,491	861,665	901,491
Income derived from investment of investment account	A20	170,270	67,031	170,270	67,031
Income derived from investment of shareholder's funds	A21	150,099	172,711	150,099	172,711
Modification loss		(2,707)	-	(2,707)	-
Expected credit losses on financing, advances and other financing/loans	A22(a)	(2,547)	(74,745)	(2,547)	(74,745)
Expected credit losses made for commitments and contingencies		31,139	(3,492)	31,139	(3,492)
Other expected credit losses	A22(b)	2,286	(244)	2,286	(244)
Total distributable income		1,210,205	1,062,752	1,210,205	1,062,752
Income attributable to depositors and others	A23	(395,610)	(439,360)	(395,610)	(439,360)
Profit distributed to investment account holder	A24	(82,790)	(35,038)	(82,790)	(35,038)
Total net income		731,805	588,354	731,805	588,354
Personnel costs	A25	(9,418)	(6,347)	(9,418)	(6,347)
Other overheads and expenditures	A26	(312,102)	(262,304)	(312,102)	(262,304)
Profit before taxation and zakat		410,285	319,703	410,285	319,703
Taxation		(127,260)	(76,966)	(127,260)	(76,966)
Profit for the financial period		283,025	242,737	283,025	242,737

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD 31 MARCH 2022

	The Bank			
	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	283,025	242,737	283,025	242,737
Other comprehensive income/(expense):				
Items that will not reclassified to profit or loss				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(3)	-	(3)	-
Items that may be reclassified subsequently to profit or loss				
Debt instruments at fair value through other comprehensive income	(44,804)	(110,267)	(44,804)	(110,267)
- Net loss from change in fair value	(57,638)	(99,527)	(57,638)	(99,527)
- Realised gain transferred to statement of income on disposal	995	(27,396)	995	(27,396)
- Changes in expected credit losses	(1,755)	306	(1,755)	306
- Income tax effects	13,594	16,350	13,594	16,350
Other comprehensive income for the period, net of tax	(44,807)	(110,267)	(44,807)	(110,267)
Total comprehensive income for the financial period	238,218	132,470	238,218	132,470
Earnings per share basis (sen)	B3	28.30	24.27	28.30

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

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

The Group	← Attributable to owners of the Parent →											
	Ordinary share capital RM'000	Fair value reserve- debt instruments at fair value through other comprehensive income RM'000	Merger reserve RM'000	Capital 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	Total RM'000	Perpetual preference shares RM'000	Total Equity RM'000
31 March 2022												
At 1 January 2022	1,000,000	(87,101)	(2,457)	458	-	(4)	587	944	6,454,014	7,366,441	420,000	7,786,441
Profit for the financial period	-	-	-	-	-	-	-	-	283,025	283,025	-	283,025
Other comprehensive expense (net of tax)	-	(44,804)	-	-	-	(3)	-	-	-	(44,807)	-	(44,807)
- debt instruments at fair value through other comprehensive income	-	(44,804)	-	-	-	-	-	-	-	(44,804)	-	(44,804)
- fair value changes on financial liabilities designated at fair value attributable to own credit risk	-	-	-	-	-	(3)	-	-	-	(3)	-	(3)
Total comprehensive income for the financial period	-	(44,804)	-	-	-	(3)	-	-	283,025	238,218	-	238,218
Redemption of shares	-	-	-	-	-	-	-	-	-	(70,000)	(70,000)	
Share-based payment expense	-	-	-	-	-	88	405	-	-	493	-	493
Shares released under Equity Ownership Plan	-	-	-	-	-	(390)	-	-	-	(390)	-	(390)
Total transactions with owners recognised directly in equity	-	-	-	-	-	(302)	405	-	-	103	(70,000)	(69,897)
Transfer to regulatory reserve	-	-	-	-	46,930	-	-	(46,930)	-	-	-	-
At 31 March 2022	1,000,000	(131,905)	(2,457)	458	46,930	(7)	285	1,349	6,690,109	7,604,762	350,000	7,954,762

*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 for the financial year ended 31 December 2021.

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

← Attributable to owners of the Parent →

The Group	Ordinary share capital RM'000	Fair value reserve- debt instruments at fair value through other comprehensive income RM'000	Merger reserve RM'000	Capital reserve RM'000	Regulatory reserve * RM'000	Share-based payment reserve RM'001	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Total Equity RM'000
31 March 2021										
At 1 January 2021	1,000,000	31,312	(2,457)	458	213,032	1,225	5,369,202	6,612,772	420,000	7,032,772
Profit for the financial period	-	-	-	-	-	-	242,128	242,128	-	242,128
Other comprehensive income (net of tax)	-	(110,267)	-	-	-	-	-	(110,267)	-	(110,267)
- debt instruments at fair value through other comprehensive income	-	(110,267)	-	-	-	-	-	(110,267)	-	(110,267)
Total comprehensive income for the financial period	-	(110,267)	-	-	-	-	242,128	131,861	-	131,861
Share-based payment expense	-	-	-	-	-	293	-	293	-	293
Shares released under Equity Ownership Plan	-	-	-	-	-	(856)	-	(856)	-	(856)
Total transactions with owners recognised directly in equity	-	-	-	-	-	(563)	-	(563)	-	(563)
Transfer to regulatory reserve	-	-	-	-	(103,391)	-	103,391	-	-	-
At 31 March 2021	1,000,000	(78,955)	(2,457)	458	109,641	662	5,714,721	6,744,070	420,000	7,164,070

*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 for the financial year ended 31 December 2021.

CIMB ISLAMIC BANK BERHAD
 Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	← Non-distributable →						Distributable →					
	Ordinary share capital RM'000	Fair value reserve-debt instruments at fair value through other comprehensive income RM'000	Merger reserve RM'000	Capital reserve RM'000	Regulatory reserve* RM'000	Own credit risk reserve RM'001	Share-based payment reserve RM'000	Capital contribution by Ultimate Holding Company RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Total Equity RM'000
The Bank												
31 March 2022												
At 1 January 2022	1,000,000	(87,101)	(2,457)	458	-	(4)	587	944	6,453,979	7,366,406	420,000	7,786,406
Profit for the financial period	-	-	-	-	-	-	-	-	283,025	283,025	-	283,025
Other comprehensive expense (net of tax)	-	(44,804)	-	-	-	(3)	-	-	-	(44,807)	-	(44,807)
- debt instruments at fair value through other comprehensive income	-	(44,804)	-	-	-	-	-	-	-	(44,804)	-	(44,804)
- fair value changes on financial liabilities designated at fair value attributable to own credit risk	-	-	-	-	-	(3)	-	-	-	(3)	-	(3)
Total comprehensive income for the financial period	-	(44,804)	-	-	-	(3)	-	-	283,025	238,218	-	238,218
Redemption of shares	-	-	-	-	-	-	-	-	-	-	(70,000)	(70,000)
Share-based payment expense	-	-	-	-	-	-	88	405	-	493	-	493
Shares released under Equity Ownership Plan	-	-	-	-	-	-	(390)	-	-	(390)	-	(390)
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	(302)	405	-	103	(70,000)	(69,897)
Transfer to regulatory reserve	-	-	-	-	46,930	-	-	-	(46,930)	-	-	-
At 31 March 2022	1,000,000	(131,905)	(2,457)	458	46,930	(7)	285	1,349	6,690,074	7,604,727	350,000	7,954,727

*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 for the financial year ended 31 December 2021.

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	← Non-distributable →					Distributable				
	Ordinary share capital RM'000	Fair value reserve-debt instruments at fair value through other comprehensive income RM'000	Merger reserve RM'000	Capital reserve RM'000	Regulatory reserve * RM'000	Share-based payment reserve RM'001	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Total Equity RM'000
The Bank										
31 March 2021										
At 1 January 2021	1,000,000	31,312	(2,457)	458	213,032	1,225	5,370,464	6,614,034	420,000	7,034,034
Profit for the financial period	-	-	-	-	-	-	242,737	242,737	-	242,737
Other comprehensive income (net of tax)	-	(110,267)	-	-	-	-	-	(110,267)	-	(110,267)
- debt instruments at fair value through other comprehensive income	-	(110,267)	-	-	-	-	-	(110,267)	-	(110,267)
Total comprehensive income for the period	-	(110,267)	-	-	-	-	242,737	132,470	-	132,470
Share-based payment expense	-	-	-	-	-	293	-	293	-	293
Shares released under Equity Ownership Plan	-	-	-	-	-	(856)	-	(856)	-	(856)
Total transactions with owners recognised directly in equity	-	-	-	-	-	(563)	-	(563)	-	(563)
Transfer to regulatory reserve	-	-	-	-	(103,391)	-	103,391	-	-	-
At 31 March 2021	1,000,000	(78,955)	(2,457)	458	109,641	662	5,716,592	6,745,941	420,000	7,165,941

*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 for the financial year ended 31 December 2021.

CIMB ISLAMIC BANK BERHAD
Company No: 200401032872
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2022

	The Group		The Bank	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
Profit before taxation and zakat	410,285	319,094	410,285	319,703
Adjustments for non-cash items	<u>(145,626)</u>	<u>(75,420)</u>	<u>(145,626)</u>	<u>(77,507)</u>
Operating profit before changes in working capital	264,659	243,674	264,659	242,196
Net changes in operating assets	(3,199,493)	(3,397,226)	(3,199,493)	(3,418,146)
Net changes in operating liabilities	1,904,640	5,424,382	1,904,640	5,426,678
Taxation paid	<u>(99,875)</u>	<u>(111,374)</u>	<u>(99,875)</u>	<u>(111,374)</u>
Net cash generated from operating activities	(1,130,069)	2,159,456	(1,130,069)	2,139,354
Cash flows from investing activities				
Profit income received from financial investments	143,227	131,239	143,227	131,239
Net purchase of financial investments	456,842	(455,565)	456,842	(455,565)
Net purchase of property, plant and equipment	(40)	(11)	(40)	(11)
Net purchase of intangible assets	(186)	(17)	(186)	(17)
Net cash flows generated/(used in) from investing activities	599,843	(324,354)	599,843	(324,354)
Cash flows from financing activities				
Profit expense paid on Sukuk	-	59,898	-	-
Profit expense paid on subordinated Sukuk	(14,712)	(15,104)	(14,712)	(15,104)
Redemption of preference shares	(70,000)	-	(70,000)	-
Redemption of Sukuk	-	(80,000)	-	-
Other financing activities	(62)	(149)	(62)	(149)
Net cash flows used in from financing activities	(84,774)	(35,355)	(84,774)	(15,253)
Net decrease/(increase) in cash and cash equivalents	(615,000)	1,799,747	(615,000)	1,799,747
Cash and cash equivalents at beginning of the financial period	12,327,587	12,627,512	12,327,541	12,627,466
Cash and cash equivalents at end of the financial period	11,712,587	14,427,259	11,712,541	14,427,213
Cash and cash equivalents comprise :				
Cash and short-term funds	11,412,123	14,394,040	11,412,077	14,393,994
Deposits and placements with banks and other financial institutions	300,464	33,219	300,464	33,219
Cash and cash equivalents at end of the financial period	11,712,587	14,427,259	11,712,541	14,427,213

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

PART A - EXPLANATORY NOTES

A1. Basis of preparation

- a) The unaudited condensed interim financial statements for the financial period ended 31 March 2022 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, debt instruments at fair value through other comprehensive income, derivative financial instruments, 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 2021. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 December 2021.

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

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

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

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

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

The preparation of unaudited condensed interim financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group and 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

On 14 January 2022, the Bank has redeemed RM70 million Basel II Additional Tier 1 Perpetual Preference Shares from CIMB Bank Berhad.

A4. Proposed dividend

There were no dividends paid or proposed for the financial period ended 31 March 2022.

A5. Significant events after the reporting period

There were no significant events other than those disclosed under issuance and repayment of debt equity securities that had occurred between 31 March 2022 and the date of this announcement.

A6 Cash and short-term funds and Deposits and placements with banks and other financial institutions

As at 31 March 2022, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RMNil and RM10,000 respectively (2021: both RMNil respectively). The 12-month expected credit losses made in the income statement during the financial period is amounting to RM10,000 (2021: RMNil).

A7 Financial assets at fair value through profit or loss

Money market instruments

Unquoted

In Malaysia

Malaysian Government treasury bills	707,462	62,959
Islamic negotiable instruments of deposits	1,796,851	2,444,411
Islamic commercial papers	1,306,111	1,299,801
Government Investment Issues	928,437	584,426
Islamic Cagamas bonds	195,233	104,948
	<u>4,934,094</u>	<u>4,496,545</u>

Unquoted securities

In Malaysia

Corporate Sukuk	826,356	703,546
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Outside Malaysia

Corporate Sukuk	-	22,299
	<u>5,760,450</u>	<u>5,222,390</u>

The Group and the Bank
31 March **31 December**
2022 **2021**
RM'000 **RM'000**

PART A - EXPLANATORY NOTES (CONTINUED)

A8 Debt instruments at fair value through other comprehensive income

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
Money market instruments		
Unquoted		
<u>In Malaysia</u>		
Government Investment Issues	1,234,514	1,247,287
Islamic Cagamas bonds	20,241	5,119
Islamic commercial papers	4,880	-
	<u>1,259,635</u>	<u>1,252,406</u>
Unquoted securities		
<u>In Malaysia</u>		
Corporate Sukuk	3,778,288	3,777,378
<u>Outside Malaysia</u>		
Corporate Sukuk	-	35,598
	<u>5,037,923</u>	<u>5,065,382</u>

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

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

	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
The Group and the Bank				
At 1 January 2022	3,140	-	-	3,140
Total charge to Statement of Income:	(1,755)	-	-	(1,755)
New financial assets purchased	1,022	-	-	1,022
Financial assets that have been derecognised	(43)	-	-	(43)
Change in credit risk	(2,734)	-	-	(2,734)
At 31 March 2022	<u>1,385</u>	<u>-</u>	<u>-</u>	<u>1,385</u>

	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
The Group and the Bank				
At 1 January 2021	1,914	-	-	1,914
Total charge to Statement of Income:	1,226	-	-	1,226
New financial assets purchased	16,892	-	-	16,892
Financial assets that have been derecognised	(1,137)	-	-	(1,137)
Change in credit risk	(14,529)	-	-	(14,529)
At 31 December 2021	<u>3,140</u>	<u>-</u>	<u>-</u>	<u>3,140</u>

PART A - EXPLANATORY NOTES (CONTINUED)

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
A9 Debt instruments at amortised cost		
Money market instruments		
Unquoted		
<u>In Malaysia</u>		
Government Investment Issues	3,247,435	3,323,269
Islamic Cagamas bonds	30,358	30,117
Malaysian Government Sukuk	100,247	101,341
Khazanah bonds	89,047	89,047
	3,467,087	3,543,774
Unquoted securities		
<u>In Malaysia</u>		
Corporate Sukuk	4,881,202	5,315,624
Amortisation of premium net of accretion of discount	(3,287)	(6,216)
Less: Expected credit loss	(135)	(680)
	8,344,867	8,852,502

(a) Included in debt instruments at amortised cost is exposures to Restricted Profit Sharing Investment Accounts ("RPSIA"), as part of an arrangement between CIMB Islamic Bank Berhad and third party amounting to RM468,652,000 (31 December 2021: RM 462,331,000).

Expected credit losses movement for debt instruments at amortised cost:

	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
At 1 January 2022	680	-	-	680
Total charge to Statement of Income:	(545)	-	-	(545)
New financial assets purchased	75	-	-	75
Change in credit risk	(620)	-	-	(620)
At 31 March 2022	135	-	-	135

	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
At 1 January 2021	184	-	-	184
Total charge to Statement of Income:	496	-	-	496
New financial assets purchased	1,002	-	-	1,002
Change in credit risk	(506)	-	-	(506)
At 31 December 2021	680	-	-	680

PART A - EXPLANATORY NOTES (CONTINUED)

A9 Debt instruments at amortised cost (continued)

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

	The Group and the Bank	
	Lifetime expected credit losses -Credit impaired (Stage 3)	Total
	RM'000	RM'000
At 1 January 2022	462,399	462,399
Transfer within stages	-	-
Other movements	2,567	2,567
Foreign exchange differences	3,878	3,878
At 31 March 2022	468,844	468,844

	The Group and the Bank	
	Lifetime expected credit losses -Credit impaired (Stage 3)	Total
	RM'000	RM'000
At 1 January 2021	-	-
Transfer within stages	465,530	465,530
Other movements	2,385	2,385
Foreign exchange differences	(5,516)	(5,516)
At 31 December 2021	462,399	462,399

PART A - EXPLANATORY NOTES (CONTINUED)

A10 (i) By type and Shariah contract

31 March 2022

At amortised cost	Sale-based contracts				The Group and the Bank			Loan contract	Others	Total		
	Murabahah	Bai' Bithaman		Bai' al-Dayn	Tawarruq	Lease-based contracts					Qard	Ujrah
		Ajil	Bai' al-'inah			Ijarah	Al-Ijarah					
RM'000	RM'000	RM'000	RM'000	RM'000	Muntahiah Bi-al-Tamlik *	Thumma Al-Bai' #	RM'000	RM'000	RM'000			
Cash line [^]	-	261	597	-	1,142,358	-	-	6,324	-	1,149,540		
Term financing												
House Financing	-	4,383,430	-	-	28,950,643	1,130,510	-	-	-	34,464,583		
Syndicated Financing	-	-	20,263	-	1,559,884	-	-	-	-	1,580,147		
Hire purchase receivables	-	-	-	-	-	-	13,474,088	-	-	13,474,088		
Other term financing	-	996,229	1,593,249	-	35,138,334	38,696	-	-	-	37,766,508		
Bills receivable	545,535	-	-	22,030	-	-	-	-	-	567,565		
Islamic trust receipts	45,523	-	-	-	-	-	-	-	-	45,523		
Claims on customers under acceptance credits	752,710	-	-	114,591	-	-	-	-	-	867,301		
Staff financing**	-	-	-	-	239,068	-	-	-	-	239,068		
Revolving credits	-	-	-	-	4,233,991	-	-	-	-	4,233,991		
Credit card receivables	-	-	-	-	-	-	-	-	150,337	150,337		
Gross financing, advances and other financing/loans, at amortised cost	1,343,768	5,379,920	1,614,109	136,621	71,264,278	1,169,206	13,474,088	6,324	150,337	94,538,651		
Fair value changes arising from fair value hedge										(229)		
Less: Expected credit losses										94,538,422		
Net financing, advances and other financing/loans, at amortised cost										(1,201,053)		
Total net financing, advances and other financing/loans										93,337,369		

[^] Includes current account in excess

* The Bank 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.

The Bank 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.

** Includes financing to Directors of the Group and the Bank amounting to RM2,303,837 (2021:RM2,312,571).

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans

(i) By type and Shariah contract (continued)

31 December 2021

	The Group and the Bank									
	Sale-based contracts					Lease-based contracts		Loan contract	Others	Total
	Bai' Bithaman		Bai' al-'inah	Bai' al-Dayn	Tawarruq	Ijarah	Al-Ijarah			
	Murabahah	Ajil				Muntabiah Bi al-Tamlik *	Thumma Al-Bai' #	Qard	Ujrah	
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At amortised cost										
Cash line [^]	-	295	866	-	1,119,047	-	-	8,118	-	1,128,326
Term financing										
House Financing	-	4,498,841	-	-	27,289,680	1,150,034	-	-	-	32,938,555
Syndicated Financing	-	-	20,275	-	1,568,517	-	-	-	-	1,588,792
Hire purchase receivables	-	-	-	-	-	-	12,935,554	-	-	12,935,554
Other term financing	-	1,030,219	1,654,204	-	34,282,169	39,728	-	-	-	37,006,320
Bills receivable	641,132	-	-	17,755	-	-	-	458	-	659,345
Islamic trust receipts	32,482	-	-	-	-	-	-	-	-	32,482
Claims on customers under acceptance credits	688,422	-	-	71,233	-	-	-	-	-	759,655
Staff financing**	-	-	-	-	225,183	-	-	-	-	225,183
Revolving credits	-	-	-	-	4,395,247	-	-	-	-	4,395,247
Credit card receivables	-	-	-	-	-	-	-	-	145,587	145,587
Gross financing, advances and other, at amortised cost financing/loans	1,362,036	5,529,355	1,675,345	88,988	68,879,843	1,189,762	12,935,554	8,576	145,587	91,815,046
Fair value changes arising from fair value hedges										1,565
Less: Expected credit losses										91,816,611
Total net financing, advances and other financing/loans										(1,207,196)
										90,609,415

[^] Includes current account in excess

* The Bank 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

The Bank 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.

** Includes financing to Directors of the Group and the Bank amounting to RM2,303,837 (2021:RM2,312,571).

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans (continued)

(i) By type and Shariah contract (continued)

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Total Gross financing, advances and other financing/loans		
- At amortised cost	<u>94,538,651</u>	91,815,046
	<u>94,538,651</u>	<u>91,815,046</u>

(a) The Group and the Bank have undertaken fair value hedges on the profit rate risk of financing, advances and other financing/loans of RM62,208,000 (2021: RM65,935,000) 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 all the expected credit losses for financing arising thereon.

As at 31 March 2022, the gross carrying amount to RPSIA financing is RM3,687,120,000 (31 December 2021: RM3,844,040,000) and the 12-month expected credit losses relating to this RPSIA amounting to RM1,254,000 (31 December 2021: RM1,506,000) is recognised in the Financial Statements of CIMB Bank Berhad.

(c) Movement of Qard financing

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
At 1 January 2022/2021	8,576	8,907
New disbursement	518	7,102
Repayment	(2,770)	(7,433)
As at 31 March/31 December	<u>6,324</u>	<u>8,576</u>
Sources of Qard fund:		
Depositors' fund	5,869	8,028
Shareholders' fund	455	548
	<u>6,324</u>	<u>8,576</u>
Uses of Qard fund:		
Personal use	411	620
Business purpose	5,913	7,956
	<u>6,324</u>	<u>8,576</u>

(ii) By geographical distribution:

Malaysia	<u>94,538,651</u>	91,815,046
	<u>94,538,651</u>	<u>91,815,046</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans (continued)

	The Group and the Bank	
	31 March 2022	31 December 2021
	RM'000	RM'000
(iii) By type of customer:		
Domestic non-bank financial institutions	2,380,848	2,390,409
Domestic business enterprises		
- Small medium enterprises	13,841,226	13,129,102
- Others	8,455,275	8,567,057
Government and statutory bodies	1,404,639	1,406,573
Individuals	67,759,380	65,610,553
Other domestic entities	215,801	211,648
Foreign entities	481,482	499,704
Gross financing, advances and other financing/loans	<u>94,538,651</u>	<u>91,815,046</u>
(iv) By profit rate sensitivity:		
Fixed rate		
- House financing	366,671	205,339
- Hire purchase receivables	12,549,097	11,966,416
- Others	3,784,559	3,786,694
Variable rate		
- House financing	34,097,912	32,733,216
- Others	43,740,412	43,123,381
Gross financing, advances and other financing/loans	<u>94,538,651</u>	<u>91,815,046</u>
(v) By economic purpose:		
Personal use	2,074,256	2,078,010
Credit card	150,337	145,587
Construction	1,572,730	1,588,035
Residential property	35,342,663	33,782,539
Non-residential property	9,183,817	8,621,137
Purchase of fixed assets other than land and building	368,505	361,100
Merger and acquisition	336,705	350,779
Purchase of securities	14,909,599	14,911,564
Purchase of transport vehicles	14,026,252	13,225,131
Working capital	14,235,376	14,222,897
Other purpose	2,338,411	2,528,267
Gross financing, advances and other financing/loans	<u>94,538,651</u>	<u>91,815,046</u>
(vi) By economic sector:		
Primary agriculture	2,814,172	2,825,431
Mining and quarrying	599,261	637,045
Manufacturing	3,518,415	3,356,093
Electricity, gas and water supply	363,295	366,745
Construction	1,949,400	1,691,522
Transport, storage and communications	2,050,182	2,065,701
Education, health and others	2,216,428	2,239,110
Wholesale and retail trade, and restaurants and hotels	4,152,815	3,886,791
Finance, insurance/takaful, real estate and business activities	8,694,797	8,697,579
Household	68,120,577	65,984,997
Others	59,309	64,032
Gross financing, advances and other financing/loans	<u>94,538,651</u>	<u>91,815,046</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans (continued)

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
(vii) By residual contractual maturity:		
Within one year	7,507,407	7,452,366
One year to less than three years	1,110,958	1,241,013
Three years to less than five years	4,821,885	4,894,836
Five years and more	81,098,401	78,226,831
Gross financing, advances and other financing/loans	<u>94,538,651</u>	<u>91,815,046</u>
(viii) Credit impaired financing by economic purpose:		
Personal use	16,640	13,229
Credit card	1,885	1,820
Construction	654	672
Residential property	298,930	240,304
Non-residential property	104,189	105,668
Purchase of securities	12,680	5,509
Purchase of transport vehicles	82,539	133,839
Working capital	113,545	107,735
Other purpose	30,222	30,723
Gross credit impaired financing, advances and other financing/loans	<u>661,284</u>	<u>639,499</u>
(ix) Credit impaired financing by geographical distribution:		
Malaysia	<u>661,284</u>	<u>639,499</u>
(x) Credit impaired financing by economic sector:		
Primary agriculture	19,635	20,844
Manufacturing	22,911	28,132
Construction	24,239	20,267
Transport, storage and communications	9,133	1,877
Education, health and others	5,995	6,268
Wholesale and retail trade, and restaurants and hotels	93,585	83,351
Finance, insurance/takaful, real estate and business activities	49,907	51,161
Household	435,878	427,598
Others	1	1
Gross credit impaired financing, advances and other financing/loans	<u>661,284</u>	<u>639,499</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans (continued)

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

Financing, advances and other financing/loans at amortised cost:

The Group and 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 2022	248,701	727,401	231,094	1,207,196
Changes in expected credit losses due to transferred within stages:	37,959	(20,641)	(17,318)	-
Transferred to Stage 1	56,014	(50,151)	(5,863)	-
Transferred to Stage 2	(17,082)	50,834	(33,752)	-
Transferred to Stage 3	(973)	(21,324)	22,297	-
Total charge to Statement of Income:	(58,142)	30,399	50,220	22,477
New financial assets originated	20,482	33	3,682	24,197
Financial assets that have been derecognised	(10,241)	(6,582)	-	(16,823)
Writeback in respect of full recoveries	-	-	(6,874)	(6,874)
Change in credit risk	(68,383)	36,948	53,412	21,977
Write-offs	-	(1)	(30,169)	(30,170)
Foreign exchange differences	3	10	-	13
Other movements	2	1	1,534	1,537
	228,523	737,169	235,361	1,201,053

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans (continued)

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

Financing, advances and other financing/loans at amortised cost:

The Group and 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 2021	254,404	381,846	339,153	975,403
Changes in expected credit losses due to transferred within stages:	364,538	(186,388)	(178,150)	-
Transferred to Stage 1	561,551	(528,988)	(32,563)	-
Transferred to Stage 2	(196,770)	504,511	(307,741)	-
Transferred to Stage 3	(243)	(161,911)	162,154	-
Total charge to Statement of Income:	(370,211)	531,763	205,987	367,539
New financial assets originated	71,955	1,772	44,235	117,962
Financial assets that have been derecognised	(38,129)	(27,304)	-	(65,433)
Writeback in respect of full recoveries	-	-	(70,138)	(70,138)
Change in credit risk	(404,037)	557,295	231,890	385,148
Write-offs	-	(4)	(160,014)	(160,018)
Other movements	(30)	184	24,118	24,272
	<u>248,701</u>	<u>727,401</u>	<u>231,094</u>	<u>1,207,196</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A10 Financing, advances and other financing/loans (continued)

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

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

	The Group and the Bank	
	Lifetime expected credit losses -Credit impaired (Stage 3)	Total
	RM'000	RM'000
At 1 January 2022	639,499	639,499
Transfer within stages	80,731	80,731
New financial assets originated	4,683	4,683
Write-offs	(30,169)	(30,169)
Amount fully recovered	(28,793)	(28,793)
Other movements	(4,667)	(4,667)
At 31 March 2022	661,284	661,284

	The Group and the Bank	
	Lifetime expected credit losses -Credit impaired (Stage 3)	Total
	RM'000	RM'000
At 1 January 2021	1,497,242	1,497,242
Transfer within stages	(545,048)	(545,048)
New financial assets originated	180,792	180,792
Write-offs	(160,014)	(160,014)
Amount fully recovered	(322,210)	(322,210)
Other movements	(11,263)	(11,263)
At 31 December 2021	639,499	639,499

	The Group and the Bank	
	31 March 2022	31 December 2021
Ratio of credit impaired financing to total financing, advances and other financing/loans	0.70%	0.70%

PART A - EXPLANATORY NOTES (CONTINUED)

A11 Other assets

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
Sundry debtors net of expected credit losses of RM275,000 (2021:RM271,000), deposits and prepayments	235,757	234,602
Collateral pledged for derivative transactions	95,930	49,640
Treasury related receivables	222,877	29,645
Clearing accounts	13,259	9,454
	567,823	323,341

A12 Deposits from customers

(i) By type of deposit

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
Savings deposits	6,821,796	6,872,193
Commodity Murabahah (via Tawarruq arrangement)*	6,821,796	6,872,193
Demand deposits	16,736,891	16,783,396
Qard	14,525,686	14,491,756
Commodity Murabahah (via Tawarruq arrangement)*	2,211,205	2,291,640
Term deposits	69,312,818	72,202,583
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	43,613,588	45,323,655
Fixed Return Income Account-i (via Tawarruq arrangement)*	25,549,619	26,430,641
Negotiable Islamic Debt Certificate (NIDC) Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	149,611	448,287
Specific investment account	99,975	99,600
Mudharabah	99,975	99,600
Others	49,577	43,964
Qard	49,577	43,964
	93,021,057	96,001,736

*included Qard contract of RM359,332,000 (2021:RM603,416,000)

PART A - EXPLANATORY NOTES (CONTINUED)

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
A12 Deposits from customers (continued)		
(ii) Maturity structures of term deposits and investment accounts.		
Due within six months	56,468,960	62,451,968
Six months to less than one year	12,753,872	9,677,387
One year to less than three years	159,867	143,696
Three years to less than five years	6,126	5,473
Five years and more	23,968	23,659
	<u>69,412,793</u>	<u>72,302,183</u>

(iii) By type of customer

Government and statutory bodies	5,446,890	4,880,028
Business enterprises	33,562,646	33,347,868
Individuals	28,376,906	29,214,733
Others	25,634,615	28,559,107
	<u>93,021,057</u>	<u>96,001,736</u>

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
A13 Investment accounts of customers		
Unrestricted investment accounts (Mudharabah)		
-without maturity		
Special Mudharabah Investment Account	970,562	892,710
-with maturity		
Term Investment Account-i	10,265,904	9,023,282
Unrestricted investment accounts (Wakalah)		
-without maturity		
Daily Investment Account-i	22,480	48,844
Restricted investment accounts (Mudharabah)		
-with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	468,652	462,331
	<u>11,727,598</u>	<u>10,427,167</u>

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

	The Group and the Bank	
	31 March 2022 RM'000	31 December 2021 RM'000
A14 Deposits and placements of banks and other financial institutions		
Licensed Islamic banks	100,005	-
Licensed investment banks	479,597	387,882
Licensed banks	3,837,698	1,636,410
Bank Negara Malaysia	5,000	5,000
Other financial institutions	279,669	279,977
	<u>4,701,969</u>	<u>2,309,269</u>

The maturity structure of deposits and placements from financial institutions are as follows:

Due within six months	4,332,125	2,150,982
Six months to less than one year	210,250	-
Three years to five years	159,594	158,287
	<u>4,701,969</u>	<u>2,309,269</u>

PART A - EXPLANATORY NOTES (CONTINUED)

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
A15 Collateralised Commodity Murabahah		
Obligations on securities sold under repurchase agreements	<u>682,059</u>	<u>328,821</u>
A15 Investment accounts due to designated financial institutions		
Restricted investment accounts		
Mudharabah	<u>3,685,771</u>	<u>3,919,753</u>
By type of counterparty		
Licensed banks	<u>3,685,771</u>	<u>3,919,753</u>
<p>The underlying assets for the investments are deposit placement with financial institutions, syndicated term financing, revolving credit and other term financing.</p>		

A16 Financial liabilities designated at fair value through profit or loss

Deposits from customers - structured investments	<u>1,167,240</u>	<u>799,686</u>
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The Group and the Bank have issued structured investments, 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 the Group and the Bank as at 31 March 2022 of financial liabilities designated at fair value were RM 101,356,000 lower (31 December 2021:RM39,988,000 lower) than the contractual amount at maturity. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
A17 Other liabilities		
Accruals and other payables	98,978	58,847
Clearing accounts	43,361	37,456
Expected credit losses for commitments and contingencies	74,337	105,256
Collateral received for derivative transactions	21,629	21,476
Structured deposits	30,357	28,833
Treasury related payables	357,238	116,376
Others	26,747	28,262
	<u>652,647</u>	<u>396,506</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A17 Other liabilities (continued)

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

The Group and 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
At 1 January 2022	62,268	39,180	3,808	105,256
Changes in expected credit losses due to transferred within stages:	9,452	(9,420)	(32)	-
Transferred to Stage 1	10,238	(9,918)	(320)	-
Transferred to Stage 2	(743)	1,053	(310)	-
Transferred to Stage 3	(43)	(555)	598	-
Total charge to Statement of Income:	(18,909)	(11,303)	(927)	(31,139)
New exposures	22,395	22	-	22,417
Exposures derecognised or matured	(11,544)	(1,802)	(226)	(13,572)
Change in credit risk	(29,760)	(9,523)	(701)	(39,984)
Foreign exchange differences	6	123	-	129
Other movements	(4)	94	1	91
At 31 March 2022	52,813	18,674	2,850	74,337

The Group and 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
At 1 January 2021	46,852	23,066	6,532	76,450
Changes in expected credit losses due to transferred within stages:	31,151	(27,109)	(4,042)	-
Transferred to Stage 1	36,250	(33,508)	(2,742)	-
Transferred to Stage 2	(5,054)	10,020	(4,966)	-
Transferred to Stage 3	(45)	(3,621)	3,666	-
Total charge to Statement of Income:	(15,698)	43,175	1,306	28,783
New exposures	69,269	69	-	69,338
Exposures derecognised or matured	(37,382)	(8,263)	(4,216)	(49,861)
Change in credit risk	(47,585)	51,369	5,522	9,306
Other movements	(37)	48	12	23
At 31 December 2021	62,268	39,180	3,808	105,256

As at 31 March 2022, the gross carrying amount of financing commitments and financial guarantee contracts that are credit impaired for the Group and the Bank is RM42,067,000 (2021: RM15,517,000) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A18 Subordinated sukuk

The Group and the Bank

a) On 21 September 2016, the Bank had issued RM10 million Tier 2 Junior Sukuk ("the Sukuk") at par and is due on 21 September 2026, with optional redemption on 21 September 2021 or any periodic payment date thereafter. The Sukuk bears a profit rate of 4.55% per annum.

The Sukuk is part of the Basel III Tier 2 Junior Sukuk programme which was approved by the Securities Commission on 22 September 2014. Under the programme, the Bank is allowed to raise Tier 2 capital of up to RM5.0 billion in nominal value outstanding at any one time.

The RM10 million Sukuk qualify as Tier 2 Capital for the purpose of the total capital ratio computation of the Bank.

The Bank redeemed in full, the Sukuk of RM10 million on its first optional redemption date of 21 September 2021.

b) On 28 December 2017, the Bank had issued RM300 million Tier 2 Junior Sukuk ("the Sukuk") at par and is due on 28 December 2027, with optional redemption on 28 December 2022 or any periodic payment date thereafter. The Sukuk bears a profit rate of 4.70% per annum.

The Sukuk is part of the Basel III Tier 2 Junior Sukuk programme which was approved by the Securities Commission on 22 September 2014. Under the programme, the Bank is allowed to raise Tier 2 capital of up to RM5.0 billion nominal value outstanding at any one time.

The RM300 million Sukuk qualify as Tier 2 Capital for the purpose of the total capital ratio computation of the Bank.

c) On 25 September 2019, the Bank had issued RM800 million Tier 2 Junior Sukuk ("the Sukuk") at par and is due on 25 September 2029, with optional redemption on 25 September 2024 or any periodic payment date thereafter. The Sukuk bears a profit rate of 3.75% per annum.

The Sukuk is part of the Basel III Tier 2 Junior Sukuk programme which was approved by the Securities Commission on 22 September 2014. Under the programme, the Bank is allowed to raise Tier 2 capital of up to RM5.0 billion nominal value outstanding at any one time.

The RM800 million Sukuk qualify as Tier 2 Capital for the purpose of the total capital ratio computation of the Bank.

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A19 Income derived from investment of depositors' funds and others				
The Group and the Bank				
Income derived from investment of :				
a) General investment deposits	600,064	671,950	600,064	671,950
b) Specific investment deposits	504	473	504	473
c) Other deposits	261,097	229,068	261,097	229,068
	861,665	901,491	861,665	901,491
a) Income derived from investment of general investment deposits				
Financing advances and other financing/loans				
- Profit income	472,232	530,062	472,232	530,062
- Unwinding income [^]	2,550	6,757	2,550	6,757
Debt instruments at fair value through other comprehensive income	31,556	23,177	31,556	23,177
Debt instrument at amortised cost	53,360	61,185	53,360	61,185
Money at call and deposit with financial institutions	36,589	41,797	36,589	41,797
Reverse Collateralised Commodity Murabahah	49	3	49	3
Other financing income	21	-	21	-
	596,357	662,981	596,357	662,981
Accretion of discount less amortisation of premium	(6,313)	(5,485)	(6,313)	(5,485)
	590,044	657,496	590,044	657,496
Other finance income for financial assets at fair value through profit or loss				
- Financial investments at fair value through profit or loss	12,935	10,257	12,935	10,257
- Financing, advances and other financing/loans	-	908	-	908
- Net accretion of discount less amortisation of premium	9,388	17,957	9,388	17,957
Total finance income and hibah	22,323	29,122	22,323	29,122
Other operating income				
- Net (loss)/gain arising from financial investments at fair value through profit or loss:	(1,376)	(7,766)	(1,376)	(7,766)
- realised	1,061	(588)	1,061	(588)
- unrealised	(2,437)	(7,178)	(2,437)	(7,178)
- Net (loss)/gain from sale of investment in debt instruments at fair value through comprehensive income	(644)	19,149	(644)	19,149
- Net unrealised gain arising from financing, advances and other financings at fair value through profit or loss	-	3,603	-	3,603
- Net loss from foreign exchange transactions	(13,138)	(32,213)	(13,138)	(32,213)
	(15,158)	(17,227)	(15,158)	(17,227)
Fee and commission income				
- Guarantee fee	2,855	2,559	2,855	2,559
	600,064	671,950	600,064	671,950
b) Income derived from investment of specific investment deposits				
Money at call and deposit with financial institutions	504	473	504	473

[^] Unwinding income is income earned on credit impaired financing, advances and other financing/loans

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A19 Income derived from investment of depositors funds and others (continued)				
The Group and the Bank				
c) Income derived from investment of other deposits				
Financing, advances and other financing/loans				
- Profit income	205,475	180,698	205,475	180,698
- Unwinding income [^]	1,110	2,304	1,110	2,304
Debt instruments at fair value through other comprehensive income	13,731	7,901	13,731	7,901
Debt instrument at amortised cost	23,218	20,858	23,218	20,858
Money at call and deposit with financial institutions	15,920	14,249	15,920	14,249
Reverse Collateralised Commodity Murabahah	21	-	21	-
Other financing income	9	-	9	-
	259,484	226,010	259,484	226,010
Accretion of discount less amortisation of premium	(2,747)	(1,870)	(2,747)	(1,870)
	256,737	224,140	256,737	224,140
Other finance income for financial assets at fair value through profit or loss				
- Financial investments at fair value through profit or loss	5,628	3,497	5,628	3,497
- Financing, advances and other financing/loans	-	310	-	310
- Net accretion of discount less amortisation of premium	4,085	6,121	4,085	6,121
Total finance income and hibah	9,713	9,928	9,713	9,928
Other operating income				
- Net (loss)/gain arising from financial investments at fair value through profit or loss:	(598)	(2,647)	(598)	(2,647)
- realised	462	(200)	462	(200)
- unrealised	(1,060)	(2,447)	(1,060)	(2,447)
- Net (loss)/gain from sale of investment in debt instruments at fair value through comprehensive income	(280)	6,528	(280)	6,528
- Net unrealised gain arising from financing, advances and other financings at fair value through profit or loss	-	1,228	-	1,228
- Net loss from foreign exchange transactions	(5,717)	(10,981)	(5,717)	(10,981)
	(6,595)	(5,872)	(6,595)	(5,872)
Fee and commission income				
- Guarantee fee	1,242	872	1,242	872
	261,097	229,068	261,097	229,068

[^] Unwinding income is income earned on credit impaired financing, advances and other financing/loans

A20 Income derived from investment of investment account

The Group and The Bank

Financing, advances and other financing/loans				
- Profit income	162,302	66,025	162,302	66,025
- Unwinding income [^]	40	-	40	-
Debt instrument at amortised cost	3,876	-	3,876	-
Money at call and deposit with financial institutions	98	958	98	958
	166,316	66,983	166,316	66,983
Accretion of discount less amortisation of premium	3,862	20	3,862	20
	170,178	67,003	170,178	67,003
Other operating income				
- Net gain from foreign exchange transactions	5	-	5	-
	5	-	5	-
Fees and commission income				
- Service charges and fees	87	28	87	28
	170,270	67,031	170,270	67,031

[^] Unwinding income is income earned on credit impaired financing, advances and other financing/loans

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A21 Income derived from investment of shareholder's funds				
The Group				
Financing, advances and other financing/loans				
- Profit income	52,440	47,573	52,440	47,573
- Unwinding income [^]	283	606	283	606
Debt instruments at fair value through other comprehensive income	3,504	2,080	3,504	2,080
Debt instrument at amortised cost	5,926	5,491	5,926	5,491
Money at call and deposit with financial institutions	4,063	3,751	4,063	3,751
Reverse Collateralised Commodity Murabahah	5	-	5	-
Other financing income	2	-	2	-
	66,223	59,501	66,223	59,501
Accretion of discount less amortisation of premium	(701)	(492)	(701)	(492)
	65,522	59,009	65,522	59,009
Other finance income for financial assets at fair value through profit or loss				
- Financial investments at fair value through profit or loss	1,436	921	1,436	921
- Financing, advances and other financing/loans	-	81	-	81
- Net accretion of discount less amortisation of premium	1,043	1,612	1,043	1,612
Total finance income and hibah	2,479	2,614	2,479	2,614
Other operating income				
- Net (loss)/gain arising from financial assets at fair value through profit or loss:	(153)	(697)	(153)	(697)
- realised	118	(53)	118	(53)
- unrealised	(271)	(644)	(271)	(644)
- Net (loss)/gain from sale of investment in debt instruments at fair value through comprehensive income	(71)	1,719	(71)	1,719
- Net unrealised gain arising from financing, advances and other financings at fair value through profit or loss	-	323	-	323
- Net loss from foreign exchange transactions	(1,459)	(2,891)	(1,459)	(2,891)
- Net gain/(loss) arising from hedging activities	54	(4)	54	(4)
- Net gain/(loss) arising from financial liabilities designated at fair value through profit or loss	58,750	7,651	58,750	7,651
- realised	(2,621)	(222)	(2,621)	(222)
- unrealised	61,371	7,873	61,371	7,873
- Net (loss)/gain arising from derivative financial instrument	(35,647)	54,874	(35,647)	54,874
- realised	26,005	(14,392)	26,005	(14,392)
- unrealised	(61,652)	69,266	(61,652)	69,266
	21,474	60,975	21,474	60,975
Fee and commission income				
- Guarantee fee	317	230	317	230
- Service charge and fee	26,874	14,259	26,874	21,382
- Commission fee	36,329	42,395	36,329	35,272
Total fee and commission income	63,520	56,884	63,520	56,884
Less : fee and commission expense	(3,260)	(7,142)	(3,260)	(7,142)
Net fee and commission income	60,260	49,742	60,260	49,742
Other income	364	113	364	113
	150,099	172,453	150,099	172,453

[^] Unwinding income is income earned on credit impaired financing, advances and other financing/loans

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A21 Income derived from investment of shareholder's funds (continued)				
The Bank				
Financing, advances and other financing/loans				
- Profit income	52,440	47,573	52,440	47,573
- Unwinding income [^]	283	606	283	606
Debt instruments at fair value through other comprehensive income	3,504	2,080	3,504	2,080
Debt instrument at amortised cost	5,926	5,491	5,926	5,491
Money at call and deposit with financial institutions	4,063	3,751	4,063	3,751
Reverse Collateralised Commodity Murabahah	5	-	5	-
Other financing income	2	-	2	-
	66,223	59,501	66,223	59,501
Accretion of discount less amortisation of premium	(701)	(492)	(701)	(492)
	65,522	59,009	65,522	59,009
Other finance income for financial assets at fair value through profit or loss				
- Financial investments at fair value through profit or loss	1,436	921	1,436	921
- Financing, advances and other financing/loans	-	81	-	81
- Net accretion of discount less amortisation of premium	1,043	1,612	1,043	1,612
Total finance income and hibah	2,479	2,614	2,479	2,614
Other operating income				
- Net (loss)/gain arising from financial assets at fair value through profit or loss:	(153)	(697)	(153)	(697)
- realised	118	(53)	118	(53)
- unrealised	(271)	(644)	(271)	(644)
- Net (loss)/gain from sale of investment in debt instruments at fair value through comprehensive income	(71)	1,719	(71)	1,719
- Net unrealised gain arising from financing, advances and other financings at fair value through profit or loss	-	323	-	323
- Net loss from foreign exchange transactions	(1,459)	(2,891)	(1,459)	(2,891)
- Net gain/(loss) arising from hedging activities	54	(4)	54	(4)
- Net gain/(loss) arising from financial liabilities designated at fair value through profit or loss	58,750	7,651	58,750	7,651
- realised	(2,621)	(222)	(2,621)	(222)
- unrealised	61,371	7,873	61,371	7,873
- Net (loss)/gain arising from derivative financial instrument	(35,647)	54,874	(35,647)	54,874
- realised	26,005	(14,392)	26,005	(14,392)
- unrealised	(61,652)	69,266	(61,652)	69,266
	21,474	60,975	21,474	60,975
Fee and commission income				
- Guarantee fee	317	230	317	230
- Service charge and fee	26,874	14,518	26,874	14,518
- Commission fee	36,329	42,395	36,329	42,395
Total fee and commission income	63,520	57,143	63,520	57,143
Less : fee and commission expense	(3,260)	(7,142)	(3,260)	(7,142)
Net fee and commission income	60,260	50,001	60,260	50,001
Other income				
- Sundry income	364	112	364	112
	150,099	172,711	150,099	172,711

[^] Unwinding income is income earned on credit impaired financing, advances and other financing/loans.

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A22(a) Expected credit losses on financing, advances and other financing/loans				
The Group and the Bank				
Expected credit losses on financing, advances and other financing/loans at amortised cost:				
-Expected credit losses on financing, advances and other financing/loans	22,477	91,454	22,477	91,454
Credit impaired financing, advances and other financing/loans :				
- recovered	(20,257)	(17,128)	(20,257)	(17,128)
- written off	327	419	327	419
	<u>2,547</u>	<u>74,745</u>	<u>2,547</u>	<u>74,745</u>

A22(b) Other expected credit losses made/(written back)

The Group and the Bank

Expected credit losses made/(written back) on:

- Debt instrument at fair value through other comprehensive income	(1,755)	306	(1,755)	306
- Debt instrument at amortised cost	(545)	(63)	(545)	(63)
- Money at call and deposits and placements with banks and other financial institutions	10	-	10	-
- Other receivables	4	1	4	1
	<u>(2,286)</u>	<u>244</u>	<u>(2,286)</u>	<u>244</u>

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A23 Income attributable to depositors and others				
The Group				
Deposits from customers				
- Mudharabah	504	473	504	473
- Non-Mudharabah	369,659	417,953	369,659	417,953
Deposits and placements of banks and other financial institutions				
- Non-Mudharabah	7,410	6,291	7,410	6,291
Others				
- Financial liabilities designated at fair value through profit or loss	4,863	348	4,863	348
- Sukuk	-	2,087	-	2,087
- Subordinated Sukuk	10,874	10,987	10,874	10,987
- Structured deposits	56	48	56	48
- Collateralised Commodity Murabahah	2,213	1,477	2,213	1,477
- Others	31	21	31	21
	395,610	439,685	395,610	439,685
The Bank				
Deposits from customers				
- Mudharabah	504	473	504	473
- Non-Mudharabah	369,659	417,953	369,659	417,953
Deposits and placements of banks and other financial institutions				
- Non-Mudharabah	7,410	6,291	7,410	6,291
Others				
- Financial liabilities designated at fair value through profit or loss	4,863	348	4,863	348
- Subordinated Sukuk	10,874	10,987	10,874	10,987
- Structured deposits	56	48	56	48
- Collateralised Commodity Murabahah	2,213	1,477	2,213	1,477
- Others	31	1,783	31	1,783
	395,610	439,360	395,610	439,360
A24 Profit distributed to investment account holder				
The Group and the Bank				
-Restricted	25,922	24,650	25,922	24,650
-Unrestricted	56,868	10,388	56,868	10,388
	82,790	35,038	82,790	35,038

PART A - EXPLANATORY NOTES (CONTINUED)

1st Quarter Ended		Three Months Ended	
31 March	31 March	31 March	31 March
2022	2021	2022	2021
RM'000	RM'000	RM'000	RM'000

A25 Personnel expenses

The Group and the Bank

Salaries, allowances and bonuses	7,938	5,220	7,938	5,220
Pension costs (defined contribution plan)	580	510	580	510
Staff incentives and other staff payments	313	388	313	388
Medical expenses	63	64	63	64
Share-based expense ¹	405	-	405	-
Others	119	165	119	165
	9,418	6,347	9,418	6,347

¹ The long term incentive plan ("LTIP") was implemented by CIMB Group Holdings ("CIMBGH") in June 2021. The LTIP awards ordinary shares and share options of CIMBGH 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 CIMBGH and the awarded shares and share options will be vested in stages at predetermined dates subject to continued employment and performance conditions.

A26 Other overheads and expenditures

The Group

Establishment

Depreciation of property, plant equipment	104	127	104	127
Depreciation of right-of-use assets	151	139	151	139
Rental	178	5	178	5
Amortisation of intangible assets	9,343	2,017	9,343	2,017
Repairs and maintenance	377	319	377	319
Utility expenses	4	4	4	4
Others	1,082	890	1,082	890
	11,239	3,501	11,239	3,501

Marketing

Advertisement and publicity	793	(295)	793	(295)
Others	16	59	16	59
	809	(236)	809	(236)

General expenses

Consultancy and professional fees	275	126	275	126
Legal expenses	118	3	118	3
Stationery	54	1	54	1
Postages	95	68	95	68
Donation	465	-	465	-
Incidental expenses on banking operations	978	1,228	978	1,228
Takaful	5,337	3,168	5,337	3,168
Group service expense	290,588	252,415	290,588	252,415
Others	2,144	2,056	2,144	2,056
	300,054	259,065	300,054	259,065
	312,102	262,330	312,102	262,330

PART A - EXPLANATORY NOTES (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 March 2022 RM'000	31 March 2021 RM'000	31 March 2022 RM'000	31 March 2021 RM'000
A26 Other overheads and expenditures (continued)				
The Bank				
Establishment				
Depreciation of property, plant equipment	104	127	104	127
Depreciation of right-of-use assets	151	139	151	139
Rental	178	5	178	5
Amortisation of intangible assets	9,343	2,017	9,343	2,017
Repairs and maintenance	377	319	377	319
Utility expenses	4	4	4	4
Others	1,082	890	1,082	890
	11,239	3,501	11,239	3,501
Marketing				
Advertisement and publicity	793	(295)	793	(295)
Others	16	59	16	59
	809	(236)	809	(236)
General expenses				
Consultancy and professional fees	275	126	275	126
Legal expenses	118	3	118	3
Stationery	54	1	54	1
Postages	95	68	95	68
Donation	465	-	465	-
Incidental expenses on banking operations	978	1,228	978	1,228
Takaful	5,337	3,168	5,337	3,168
Group service expense	290,588	252,415	290,588	252,415
Others	2,144	2,030	2,144	2,030
	300,054	259,039	300,054	259,039
	312,102	262,304	312,102	262,304

PART A - EXPLANATORY NOTES (CONTINUED)

A27 Islamic derivative financial instruments, commitments and contingencies

(i) Islamic derivative financial instruments

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

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

The Group and the Bank	31 March 2022			31 December 2021		
	Principal Amount RM'000	Fair values assets RM'000	Fair values liabilities RM'000	Principal amount RM'000	Fair values assets RM'000	Fair values liabilities RM'000
<u>Foreign exchange derivatives</u>						
Currency forwards	10,456,213	93,322	(76,867)	9,522,898	109,042	(112,920)
- Less than one year	10,050,109	46,227	(36,307)	9,031,157	46,071	(58,556)
- One year to three years	41,783	4,619	(3,880)	85,637	10,886	(8,885)
- More than three years	364,321	42,476	(36,680)	406,104	52,085	(45,479)
Currency swaps	9,925,767	18,926	(22,756)	7,602,865	33,087	(24,204)
- Less than one year	9,925,767	18,926	(22,756)	7,602,226	33,087	(24,082)
- One year to three years	-	-	-	639	-	(122)
Currency spots	89,402	89	(104)	60,108	65	(85)
- Less than one year	89,402	89	(104)	60,108	65	(85)
Currency options	182,463	569	(556)	235,665	1,244	(1,214)
- Less than one year	182,463	569	(556)	235,665	1,244	(1,214)
Cross currency profit rate swaps	838,165	48,484	(44,920)	891,991	50,104	(46,899)
- Less than one year	96,357	141	(116)	149,811	613	(570)
- More than three years	741,808	48,343	(44,804)	742,180	49,491	(46,329)
	21,492,010	161,390	(145,203)	18,313,527	193,542	(185,322)
<u>Islamic profit rate derivatives</u>						
Islamic profit rate swaps	4,430,544	29,712	(129,645)	4,429,348	42,531	(80,345)
- Less than one year	739,657	3,870	(3,624)	600,645	3,573	(3,456)
- One year to three years	1,255,200	6,058	(6,474)	1,767,522	19,891	(19,824)
- More than three years	2,435,687	19,784	(119,547)	2,061,181	19,067	(57,065)
<u>Equity related derivatives</u>						
Equity options	16,421	359	(351)	19,513	229	(219)
- Less than one year	16,421	359	(351)	19,513	229	(219)
<u>Credit related contracts</u>						
Total return swaps	41,000	774	(774)	41,000	1,248	(1,248)
- More than three years	41,000	774	(774)	41,000	1,248	(1,248)
<u>Commodity related derivatives</u>						
Commodity Swap	11,741	3,907	(3,803)	23,481	1,133	(978)
- Less than one year	11,741	3,907	(3,803)	23,481	1,133	(978)
Commodity options	224,339	138	(138)	46,640	65	(65)
- Less than one year	224,339	138	(138)	46,640	65	(65)
<u>Hedging derivatives</u>						
Islamic profit rate swaps	667,208	8,799	(742)	640,613	2,539	(3,777)
- Less than one year	140,000	31	-	140,000	126	-
- One year to three years	55,000	652	-	55,000	407	-
- More than three years	472,208	8,116	(742)	445,613	2,006	(3,777)
Total derivative assets/(liabilities)	26,883,263	205,079	(280,656)	23,514,122	241,287	(271,954)

PART A - EXPLANATORY NOTES (CONTINUED)

A27 Islamic derivative financial instruments, commitments and contingencies (continued)

(i) Islamic derivative financial instruments (continued)

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

Market Risk

Market risk is defined as any fluctuation in the value arising from changes in value of market risk factors such as profit 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 profit rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 March 2022, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM205,079,000 (31 December 2021: RM241,287,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

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

Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 March 2022, the Group has posted cash collateral of RM95,930,000 (31 December 2021: RM49,640,000) on their derivative contracts.

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

- a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; 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 annual financial statements for the financial year ended 31 December 2021.

PART A - EXPLANATORY NOTES (CONTINUED)

A27 Islamic derivative financial instruments, commitments and contingencies (continued)

(ii) Commitments and contingencies

	31 March 2022 Principal amount	31 December 2021 Principal amount
The Group and the Bank	RM'000	RM'000
<u>Credit-related</u>		
Direct credit substitutes	297,463	282,545
Transaction-related contingent items	764,127	730,082
Short-term self-liquidating trade-related contingencies	68,833	81,410
- maturity not exceeding one year	12,144,355	11,681,141
- maturity exceeding one year	9,513,695	9,020,531
Miscellaneous commitments and contingencies	24,044	28,512
Total credit-related commitments and contingencies	<u>22,812,517</u>	<u>21,824,221</u>
<u>Treasury-related</u>		
Foreign exchange related contracts :		
- less than one year	20,344,098	17,078,967
- one year to five years	635,755	722,031
- more than five years	512,157	512,529
Profit rate related contracts :		
- less than one year	879,657	740,645
- one year to five years	2,996,349	3,109,318
- more than five years	1,221,746	1,219,998
Equity related contracts :		
- less than one year	16,421	19,513
Credit related contracts:		
- one year to five years	41,000	41,000
Commodity related contracts :		
- less than one year	236,080	70,121
Total treasury-related commitments and contingencies	<u>26,883,263</u>	<u>23,514,122</u>
	<u>49,695,780</u>	<u>45,338,343</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A28 Capital Adequacy

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

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

The Internal Ratings Based (“IRB”) Approach adopted by CIMB 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.

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

	The Group		The Bank	
	31 March 2022	31 December 2021	31 March 2022	31 December 2021
Common equity tier 1 ratio	14.045%	15.109%	14.045%	15.109%
Tier 1 ratio	14.748%	15.875%	14.748%	15.875%
Total capital ratio	17.341%	18.853%	17.341%	18.853%

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

	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	RM’000	RM’000	RM’000	RM’000
Credit risk	44,714,731	41,619,100	44,714,846	41,619,215
Market risk	798,123	802,478	798,123	802,478
Operational risk	4,313,360	4,159,336	4,312,553	4,158,559
Total risk-weighted assets	49,826,214	46,580,914	49,825,522	46,580,252

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

	31 March 2022	31 December 2021	31 March 2022	31 December 2021
	RM’000	RM’000	RM’000	RM’000
Common Equity Tier 1 capital				
Ordinary share capital	1,000,000	1,000,000	1,000,000	1,000,000
Other reserves	6,368,667	6,366,441	6,368,632	6,366,406
Common Equity Tier 1 capital before regulatory adjustments	7,368,667	7,366,441	7,368,632	7,366,406
<u>Less: Regulatory adjustments</u>				
Goodwill	(136,000)	(136,000)	(136,000)	(136,000)
Intangible assets	(9,900)	(19,104)	(9,900)	(19,104)
Deferred tax assets	(177,580)	(173,602)	(177,580)	(173,602)
Regulatory reserve	(46,930)	-	(46,930)	-
Others	7	4	7	4
Common Equity Tier 1 capital after regulatory adjustments	6,998,264	7,037,739	6,998,229	7,037,704
Additional Tier 1 capital				
Perpetual preference shares	350,000	357,000	350,000	357,000
Total Tier 1 capital	7,348,264	7,394,739	7,348,229	7,394,704
Tier 2 capital				
Subordinated notes	1,100,000	1,100,000	1,100,000	1,100,000
Surplus eligible provisions over expected loss	117,599	215,326	117,597	215,326
General provisions ^	74,255	71,643	74,256	71,644
Total Tier 2 capital	1,291,854	1,386,969	1,291,853	1,386,970
Total capital	8,640,118	8,781,708	8,640,082	8,781,674

^ Total capital of the Group and the Bank has excluded general provisions from Tier 2 capital of RM35.6 million (2021: RM36.1 million).

PART A - EXPLANATORY NOTES (CONTINUED)

A29 Restricted Agency Investment Account -RAIA

The details of the Restricted Agency Investment Account (“RAIA”) financing are as below. The exposures and corresponding risk weighted amount are reported in investors’ financial statements.

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
<u>RAIA arrangement</u>		
Financing and advances	11,308,847	10,248,755
Commitments and contingencies	1,500,000	2,500,000
	<u>12,808,847</u>	<u>12,748,755</u>

	The Group and the Bank	
	31 March	31 December
	2022	2021
	RM'000	RM'000
Total RWA for Credit Risk	792,652	1,227,746
	<u>792,652</u>	<u>1,227,746</u>

RAIA arrangement is with the Bank’s holding company, CIMB Bank, and the contract is based on the Wakalah principle where CIMB Bank provides the funds, whilst the assets are managed by the Bank (as the Wakeel or agent). In the arrangement, the Bank has transferred substantially all the risk and rewards of ownership of the Investment (i.e. the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and allowance for impairment arising thereon, if any, are recognised and accounted for by CIMB Bank.

PART A - EXPLANATORY NOTES (CONTINUED)

A30 Segmental reporting

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 Islamic financial products and services such as residential property financing, non-residential property financing, personal financing, hire purchase financing, credit cards, wealth management, bancatakaful, 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 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 debt restructuring, initial public offerings, secondary offerings and general corporate advisory.

Corporate Banking offers a broad spectrum of 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 financings, to derivatives, structured products and debt capital market.

Treasury and Markets 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.

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.

Group Funding

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)

A30 Segmental reporting (continued)

The Group	Wholesale	Consumer	Commercial	Group	Total
31 March 2022	Banking	Banking	Banking	Funding	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000
Net financing income:					
- external	(121,568)	490,919	130,280	136,764	636,395
- inter-segment	223,181	(150,527)	10,511	(83,165)	-
	<u>101,613</u>	<u>340,392</u>	<u>140,791</u>	<u>53,599</u>	<u>636,395</u>
Other operating income	(9,220)	53,727	22,213	(2,188)	64,532
Total income	92,393	394,119	163,004	51,411	700,927
Overhead expenses	(46,935)	(162,054)	(35,917)	(76,614)	(321,520)
Consist of :					
Depreciation of property, plant and equipment	(11)	-	-	(93)	(104)
Amortisation of intangible assets	(364)	(33)	-	(8,946)	(9,343)
Profit/(loss) before allowances	45,458	232,065	127,087	(25,203)	379,407
Expected credit losses written back/(made) on financing, advances and other financing/loans	2,965	(9,230)	3,719	(1)	(2,547)
Expected credit losses written back for commitments and contingencies	19,226	10,503	1,410	-	31,139
Other expected credit losses written back	1,425	-	-	861	2,286
Segment results	<u>69,074</u>	<u>233,338</u>	<u>132,216</u>	<u>(24,343)</u>	<u>410,285</u>
Taxation					(127,260)
Net profit for the financial period					<u><u>283,025</u></u>

PART A - EXPLANATORY NOTES (CONTINUED)

A30 Segmental reporting (continued)

The Group	Wholesale	Consumer	Commercial	Group	Total
31 March 2021	Banking	Banking	Banking	Funding	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000
Net financing income:					
- external	(133,342)	440,023	121,341	147,037	575,059
- inter-segment	238,351	(147,514)	4,923	(95,760)	-
	105,009	292,509	126,264	51,277	575,059
Other operating income	(2,130)	47,455	16,997	28,871	91,193
Total income	102,879	339,964	143,261	80,148	666,252
Overhead expenses	(33,369)	(150,749)	(24,154)	(60,405)	(268,677)
Consist of :					
Depreciation of property, plant and equipment	(11)	-	-	(116)	(127)
Amortisation of intangible assets	(386)	(15)	-	(1,616)	(2,017)
Profit before allowances	69,510	189,215	119,107	19,743	397,575
Expected credit losses written back/(made) on financing, advances and other financing/loans	893	(68,518)	(7,114)	(6)	(74,745)
Expected credit losses written back/(made) for commitments and contingencies	401	(2,768)	(1,125)	-	(3,492)
Other expected credit losses written back/(made)	225	-	-	(469)	(244)
Segment results	71,029	117,929	110,868	19,268	319,094
Taxation					(76,966)
Net profit for the financial period					<u><u>242,128</u></u>

PART A - EXPLANATORY NOTES (CONTINUED)

A30 Segmental reporting (continued)

The Group 31 March 2022	Wholesale Banking RM'000	Consumer Banking RM'000	Commercial Banking RM'000	Group Funding RM'000	Total RM'000
Segment assets	30,438,732	67,048,220	16,598,584	10,550,048	124,635,584
Unallocated assets					757,804
Total assets					125,393,388
Segment liabilities	54,499,540	39,846,523	14,388,294	7,637,816	116,372,173
Unallocated liabilities					1,066,453
Total liabilities					117,438,626
Other segment items					
Capital expenditure	12	1	-	215	228
<hr/>					
The Group 31 December 2021	Wholesale Banking RM'000	Consumer Banking RM'000	Commercial Banking RM'000	Group Funding RM'000	Total RM'000
Segment assets	31,339,707	64,846,731	15,782,389	10,631,691	122,600,518
Unallocated assets					802,477
Total assets					123,402,995
Segment liabilities	55,668,496	39,566,853	14,150,821	5,782,036	115,168,206
Unallocated liabilities					448,348
Total liabilities					115,616,554
Other segment items					
Capital expenditure	41	2	-	847	890
<hr/>					

PART A - EXPLANATORY NOTES (CONTINUED)

A31 Fair Value Estimation

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

Determination of fair value and fair value hierarchy

The fair value hierarchy has the following levels:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

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

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

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

Valuation Model Review and Approval

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

PART A - EXPLANATORY NOTES (CONTINUED)

A31 Fair Value Estimation (continued)

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

The Group and the Bank	31 March 2022		31 December 2021	
	Fair Value		Fair Value	
	(Level 2)	Total	(Level 2)	Total
	RM'000	RM'000	RM'000	RM'000
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Financial assets at fair value through profit or loss				
-Money market instruments	4,934,094	4,934,094	4,496,545	4,496,545
-Unquoted securities	826,356	826,356	725,845	725,845
Debt instruments at fair value through other comprehensive income				
-Money market instruments	1,259,635	1,259,635	1,252,406	1,252,406
-Unquoted securities	3,778,288	3,778,288	3,812,976	3,812,976
Derivative financial instruments				
-Trading derivatives	196,280	196,280	238,748	238,748
-Hedging derivatives	8,799	8,799	2,539	2,539
Total	11,003,452	11,003,452	10,529,059	10,529,059
<i>Recurring fair value measurements</i>				
<u>Financial liabilities</u>				
Derivative financial instruments				
-Trading derivatives	279,914	279,914	268,177	268,177
-Hedging derivatives	742	742	3,777	3,777
Financial liabilities designated at fair value through profit or loss				
	1,167,240	1,167,240	799,686	799,686
Total	1,447,896	1,447,896	1,071,640	1,071,640

PART B

B1 Group performance review

The Group recorded a pre-tax profit of RM410.3 million for the financial period ended 31 March 2022, an increase of RM91.2 million or 28.6% compared to the previous corresponding period.

Total income increased by RM41 million or 3.6% to RM1,182.0 million from previous corresponding period, comprising of increase of income derived from investment of investment account by RM103.2 million, offset by decrease in income derived from investments of depositors funds and others, and income derived from shareholder's funds by RM39.8 million and RM22.4 million respectively.

For the three months ended 31 March 2022, the Group recorded net expected credit losses made on financing, advances and other financing/loans of RM2.5 million compared to RM74.7 million in the corresponding period last year. The decrease in net allowance charged was mainly due to lower expected credit losses made on financing by RM69 million and higher impaired financings recovered by RM3.1 million.

The income attributable to depositors decreased by RM44.1 million while profit distributed to investment account holder increased by RM47.8 million.

The Group's gross financing, advances and other financing/loans increased by 2.97% to RM94.5 billion as at 31 March 2022. As at 31 March 2022, deposits from customers and investment accounts of customers stood at RM93.0 billion and RM11.7 billion, a decrease of RM3.0 billion and an increase of RM1.3 billion respectively as compared to 31 December 2021.

The Group's Common Equity Tier 1, Tier 1 Capital Ratio and Total Capital Ratio stood at 14.045%, 14.748% and 17.341% respectively.

B2 Prospects for the current financial year

The Bank is optimistic of an improved financial performance in 2022 in view of business expansion on the back of anticipated regional economic recovery. The Bank remains cognisant of the threat of new Covid-19 mutations, upward pressure on profit rates in response to rising inflation, heightened geopolitical risks from the Russian-Ukraine conflict and risk of prolonged global supply disruptions. The Bank's direction will continue to be guided by the Forward23+ strategic plan with targeted segment financing growth, sustained focus on CASA, investment account and Risk-Adjusted Return On Capital (RAROC) optimisation, as well as wealth management and capital market activity. This is expected to be achieved with the sustainability agenda providing guideposts. Cost management remains a focus coupled with investment in technology to strengthen digital capabilities and operational resiliency. The Bank will continue to emphasise asset quality and credit risk management across segments particularly within pandemic-impacted customers and sectors.

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 by the weighted average number of ordinary shares in issue during the financial period.

	The Group			
	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period (RM '000)	283,025	242,128	283,025	242,128
Weighted average number of ordinary shares in issue ('000)	1,000,000	1,000,000	1,000,000	1,000,000
Basic earnings per share (expressed in sen per share)	28.30	24.21	28.30	24.21

	The Bank			
	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period (RM '000)	283,025	242,737	283,025	242,737
Weighted average number of ordinary shares in issue ('000)	1,000,000	1,000,000	1,000,000	1,000,000
Basic earnings per share (expressed in sen per share)	28.30	24.27	28.30	24.27

b) Diluted EPS

There were no dilutive potential ordinary shares outstanding as at 31 March 2022 and 31 March 2021.