

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	The Group		The Company	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
ASSETS					
Cash and short-term funds	A8	45,669,511	39,563,368	93,674	344,603
Reverse repurchase agreements		5,885,498	6,832,920	-	-
Deposits and placements with banks and other financial institutions	A8	4,613,720	3,562,564	-	-
Financial investments at fair value through profit or loss	A9	40,279,244	42,713,133	-	-
Debt instruments at fair value through other comprehensive income	A10	60,119,486	47,725,782	1,778,168	3,246,974
Equity instruments at fair value through other comprehensive income	A11	323,105	308,971	-	-
Debt instruments at amortised cost	A12	56,006,340	56,128,085	6,798,814	6,701,694
Derivative financial instruments	A26	11,989,597	16,008,365	-	-
Loans, advances and financing	A13	364,684,772	353,915,966	-	-
Other assets	A14	11,256,072	14,103,938	84,101	83,516
Tax recoverable		674,935	714,620	185,354	184,023
Deferred tax assets		1,670,475	1,039,057	-	-
Statutory deposits with central banks		4,676,200	4,411,589	-	-
Amount due from a subsidiary		-	-	183	12
Investment in subsidiaries		-	-	32,873,956	32,468,575
Investment in associates and joint ventures		2,952,146	2,496,523	-	-
Property, plant and equipment		2,068,976	2,366,359	413	4,573
Right-of-use assets		679,582	669,221	430	603
Investment properties		-	41,000	345	363
Goodwill		6,444,100	7,758,423	-	-
Intangible assets		1,857,470	1,986,610	-	-
		621,851,229	602,346,494	41,815,438	43,034,936
Non-current assets held for sale		55,829	8,405	3,768	-
TOTAL ASSETS		621,907,058	602,354,899	41,819,206	43,034,936
LIABILITIES AND EQUITY					
Deposits from customers	A15	422,418,092	403,050,637	-	-
Investment accounts of customers	A16	10,427,167	2,678,870	-	-
Deposits and placements of banks and other financial institutions	A17	30,701,895	31,791,245	-	-
Repurchase agreements/Collateralised commodity murabahah		29,184,383	28,146,581	-	-
Financial liabilities designated at fair value through profit or loss	A18	6,856,782	4,016,930	-	-
Derivative financial instruments	A26	10,895,455	16,340,770	-	-
Bills and acceptances payable		2,035,009	2,209,716	-	-
Other liabilities	A19	15,830,825	18,456,349	3,158	6,647
Lease liabilities		575,805	543,224	-	-
Recourse obligation on loans and financing sold to Cagamas		998,246	2,110,668	-	-
Amount due to subsidiaries		-	-	13,389	427
Provision for taxation and zakat		214,336	120,999	-	-
Deferred tax liabilities		44,149	35,881	227	374
Bonds, Sukuk and debentures	B5(i)	13,379,042	12,463,964	-	-
Other borrowings	B5(ii)	8,108,472	10,405,959	4,707,895	4,708,893
Subordinated obligations	B5(iii)	10,128,585	12,808,510	9,609,761	10,916,708
		561,798,243	545,180,303	14,334,430	15,633,049
Non-current liabilities held for sale		67	474	-	-
TOTAL LIABILITIES		561,798,310	545,180,777	14,334,430	15,633,049
Ordinary share capital		27,099,681	25,843,808	27,099,681	25,843,808
Reserves		31,764,188	30,082,439	385,138	1,558,122
Less: Shares held under trust		(563)	(563)	-	-
Treasury shares, at cost		(43)	(43)	(43)	(43)
		58,863,263	55,925,641	27,484,776	27,401,887
Perpetual preference shares		200,000	200,000	-	-
Non-controlling interests		1,045,485	1,048,481	-	-
TOTAL EQUITY		60,108,748	57,174,122	27,484,776	27,401,887
TOTAL EQUITY AND LIABILITIES		621,907,058	602,354,899	41,819,206	43,034,936
COMMITMENTS AND CONTINGENCIES	A27 (a)	1,213,155,193	1,123,995,768	-	-
Net assets per share attributable to owners of the Parent (RM)		5.76	5.64	2.69	2.76

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020.

CIMB GROUP HOLDINGS BERHAD
 (Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	The Group			
		4th quarter ended		Twelve months ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	3,880,120	4,009,329	15,588,087	17,329,613
Interest income for financial assets at fair value through profit or loss	A20(b)	142,605	122,847	569,677	633,176
Interest expense	A21, A32	<u>(1,284,595)</u>	<u>(1,561,085)</u>	<u>(5,221,273)</u>	<u>(7,702,339)</u>
Net interest income (before modification loss)		2,738,130	2,571,091	10,936,491	10,260,450
Modification loss	A22	<u>(11,374)</u>	<u>3,069</u>	<u>(62,078)</u>	<u>(221,065)</u>
Net interest income (after modification loss)		2,726,756	2,574,160	10,874,413	10,039,385
Income from Islamic Banking operations	A31(c), A32	915,580	806,059	3,533,481	2,915,480
Net non-interest income	A23	<u>951,756</u>	<u>1,284,998</u>	<u>3,954,582</u>	<u>4,032,514</u>
(Loss)/gain on disposal and deemed disposal of subsidiaries and joint venture		4,594,092	4,665,217	18,362,476	16,987,379
	A5	<u>(7,429)</u>	<u>-</u>	<u>1,150,464</u>	<u>-</u>
		4,586,663	4,665,217	19,512,940	16,987,379
Overheads	A24, A32	<u>(2,458,844)</u>	<u>(2,278,102)</u>	<u>(9,418,949)</u>	<u>(8,775,170)</u>
Profit before expected credit losses		2,127,819	2,387,115	10,093,991	8,212,209
Expected credit losses on loans, advances and financing	A25(a)	<u>(717,118)</u>	<u>(1,384,440)</u>	<u>(2,613,587)</u>	<u>(5,342,209)</u>
Expected credit losses made for commitments and contingencies		(68,226)	(75,338)	(110,222)	(191,520)
Other expected credit losses and impairment allowances made	A25(b)	<u>(362,273)</u>	<u>(796,965)</u>	<u>(433,525)</u>	<u>(1,264,646)</u>
Impairment of goodwill	A25(c)	<u>-</u>	<u>-</u>	<u>(1,215,197)</u>	<u>-</u>
		980,202	130,372	5,721,460	1,413,834
Share of results of joint ventures		(2,783)	37,863	64,223	118,834
Share of results of associates		<u>3,830</u>	<u>(2,253)</u>	<u>3,795</u>	<u>(2,339)</u>
Profit before taxation and zakat		981,249	165,982	5,789,478	1,530,329
Taxation and zakat	B3	<u>(99,568)</u>	<u>29,820</u>	<u>(1,396,853)</u>	<u>(383,760)</u>
Profit for the financial period/year		<u>881,681</u>	<u>195,802</u>	<u>4,392,625</u>	<u>1,146,569</u>
Profit for the financial period/year attributable to :					
Owners of the Parent		854,511	214,976	4,295,334	1,194,424
Non-controlling interests		<u>27,170</u>	<u>(19,174)</u>	<u>97,291</u>	<u>(47,855)</u>
		<u>881,681</u>	<u>195,802</u>	<u>4,392,625</u>	<u>1,146,569</u>
Earnings per share (sen):					
- Basic	B7(a)	8.37	2.17	42.86	12.04
- Fully diluted	B7(b)	N/A	N/A	N/A	N/A

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CIMB GROUP HOLDINGS BERHAD
 (Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period/year	881,681	195,802	4,392,625	1,146,569
Other comprehensive expense:				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation	26,119	12,495	28,044	14,307
- Actuarial gain	28,487	5,166	27,635	4,936
- Income tax effects	(1,044)	248	(1,044)	248
- Currency translation difference	(1,324)	7,081	1,453	9,123
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(26,203)	(6,899)	(72,510)	(13,821)
- Net loss from change in fair value attributable to own credit risk	(24,846)	(6,968)	(74,787)	(13,745)
- Currency translation difference	(1,357)	69	2,277	(76)
Equity instruments at fair value through other comprehensive income	(3,474)	22,267	22,689	(18,119)
- Net (loss)/gain from change in fair value	(1,786)	37,712	29,275	(2,498)
- Income tax effects	(1,822)	(61)	(4,979)	(317)
- Currency translation difference	134	(15,384)	(1,607)	(15,304)
	(3,558)	27,863	(21,777)	(17,633)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(158,136)	291,165	(1,038,852)	319,431
- Net (loss)/gain from change in fair value	(117,401)	349,181	(739,202)	744,606
- Realised gain transferred to statement of income on disposal	(68,724)	(8,879)	(511,806)	(386,337)
- Changes in expected credit losses	(16,191)	(5,334)	(35,067)	38,122
- Income tax effects	44,313	(39,267)	241,479	(72,810)
- Currency translation difference	(133)	(4,536)	5,744	(4,150)
Net investment hedge	13,612	128,963	(180,083)	46,028
Hedging reserve - cash flow hedge	(2,223)	(2,235)	(16,162)	4,127
- Net (loss)/gain from change in fair value	(2,713)	(3,330)	(19,557)	4,331
- Income tax effects	490	1,095	3,395	(204)
Deferred hedging cost	(8,437)	4,267	59,600	9,489
- Net (loss)/gain from change in fair value	(8,795)	5,386	63,977	9,939
- Income tax effects	358	(1,119)	(4,377)	(450)
Exchange fluctuation reserve	14,490	206,466	79,232	(673,752)
Share of other comprehensive income/(expense) of associates and joint ventures	4,951	7,932	(6,720)	(10,130)
	(135,743)	636,558	(1,102,985)	(304,807)
Total other comprehensive (expense)/income for the financial period/year, net of tax	(139,301)	664,421	(1,124,762)	(322,440)
Total comprehensive income for the financial period/year	742,380	860,223	3,267,863	824,129
Total comprehensive income for the financial period/year attributable to:				
Owners of the Parent	712,516	832,907	3,190,291	874,265
Non-controlling interests	29,864	27,316	77,572	(50,136)
	742,380	860,223	3,267,863	824,129

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CIMB GROUP HOLDINGS BERHAD
 (Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	Note	The Company			
		4th quarter ended		Twelve months ended	
		31 December 2021	31 December 2020	31 December 2021	31 December 2020
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	96,125	121,561	405,633	453,683
Interest expense	A21	(140,551)	(165,996)	(583,304)	(646,904)
Net interest expense		(44,426)	(44,435)	(177,671)	(193,221)
Net non-interest (expense)/income	A23	(89)	(314)	584,188	1,760,419
Overheads	A24	(44,515)	(44,749)	406,517	1,567,198
		(10,523)	(9,066)	(36,054)	(23,282)
(Loss)/profit before expected credit losses		(55,038)	(53,815)	370,463	1,543,916
Other expected credit losses and impairment allowances written back/(made)	A25(b)	34,457	(9,307)	20,659	4,287
(Loss)/profit before taxation		(20,581)	(63,122)	391,122	1,548,203
Taxation	B3	(61)	4,414	469	(1,084)
(Loss)/profit for the financial period/year		(20,642)	(58,708)	391,591	1,547,119

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	The Company			
	4th quarter ended		Twelve months ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit for the financial period/year	(20,642)	(58,708)	391,591	1,547,119
Other comprehensive (expense)/income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	5,613	(7,323)	(75,286)	2,082
- Net gain/(loss) from change in fair value	16,379	(11,931)	(61,667)	1,404
- Changes in expected credit losses	(10,766)	4,608	(13,619)	678
Other comprehensive income/(expense)	5,613	(7,323)	(75,286)	2,082
Total comprehensive (expense)/income for the financial period/year	(15,029)	(66,031)	316,305	1,549,201

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Attributable to owners of the Parent

The Group
31 December 2021

	Ordinary share capital RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Fair value reserve		Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
							Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000								
At 1 January 2021	25,843,808	148,117	207,419	421,265	(563)	(43)	465,293	(248,084)	(1,171,120)	75,612	233,441	29,950,496	55,925,641	200,000	1,048,481	57,174,122
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	-	4,295,334	4,295,334	-	97,291	4,392,625
Other comprehensive (expense)/income (net of tax)	-	(25)	-	75,816	-	-	(1,021,824)	22,369	(181,712)	339	(6)	-	(1,105,043)	-	(19,719)	(1,124,762)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(1,021,827)	-	-	-	-	-	(1,021,827)	-	(17,025)	(1,038,852)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	22,369	-	-	-	-	22,369	-	320	22,689
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(70,240)	-	-	-	(70,240)	-	(2,270)	(72,510)
- net investment hedge	-	-	-	-	-	-	-	-	(180,083)	-	-	-	(180,083)	-	-	(180,083)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	(15,191)	-	-	-	(15,191)	-	(971)	(16,162)
- deferred hedging cost	-	-	-	-	-	-	-	-	59,600	-	-	-	59,600	-	-	59,600
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	26,554	-	-	-	26,554	-	1,490	28,044
- currency translation difference	-	-	-	81,672	-	-	-	-	(1,517)	340	-	-	80,495	-	(1,263)	79,232
- share of other comprehensive (expense)/income of associates and joint ventures	-	(25)	-	(5,856)	-	-	3	-	(835)	(1)	(6)	-	(6,720)	-	-	(6,720)
Total comprehensive (expense)/income for the financial year	-	(25)	-	75,816	-	-	(1,021,824)	22,369	(181,712)	339	(6)	4,295,334	3,190,291	-	77,572	3,267,863
Dividend for the financial year ended 31 December 2020	-	-	-	-	-	-	-	-	-	-	-	(477,295)	(477,295)	-	-	(477,295)
- single tier interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Dividend for the financial year ended 31 December 2021	-	-	-	-	-	-	-	-	-	-	-	(1,045,481)	(1,045,481)	-	-	(1,045,481)
- single tier first interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(33,609)	(33,609)
Transfer to statutory reserve	-	4,905	-	-	-	-	-	-	-	-	-	(4,905)	-	-	-	-
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	(104,152)	-	104,152	-	-	-	-
Disposal and deemed disposal of subsidiaries	-	-	-	(34)	-	-	-	-	-	(2,858)	-	-	(2,892)	-	(46,923)	(49,815)
Rights issue of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	-	2	2
Disposal of joint ventures	-	-	-	(34,147)	-	-	-	245	1,747	478	3	-	(31,674)	-	-	(31,674)
Net non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	60	60
Share-based payment expense	-	-	-	-	-	-	-	-	-	82,459	-	-	82,459	-	-	82,459
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	64,053	(69,435)	-	-	(5,382)	-	(98)	(5,480)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(28,277)	-	-	-	(28,277)	-	-	(28,277)
Issuance of shares through dividend reinvestment scheme	1,255,873	-	-	-	-	-	-	-	-	-	-	-	1,255,873	-	-	1,255,873
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	-	-	7,925	-	-	-	(7,925)	-	-	-	-
At 31 December 2021	27,099,681	152,997	207,419	462,900	(563)	(43)	(556,531)	(217,545)	(1,315,309)	86,595	129,286	32,814,376	58,863,263	200,000	1,045,485	60,108,748

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CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

Attributable to owners of the Parent

The Group
31 December 2020

	Ordinary share RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Fair value reserve		Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve * RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
							Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000								
At 1 January 2020	25,843,808	130,901	137,104	1,071,570	(563)	(43)	170,758	(231,725)	(1,230,508)	75,905	2,133,166	28,136,798	56,237,171	200,000	1,031,905	57,469,076
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	-	1,194,424	1,194,424	-	(47,855)	1,146,569
Other comprehensive (expense)/income (net of tax)	-	(543)	-	(650,305)	-	-	294,535	(17,986)	54,616	(482)	6	-	(320,159)	-	(2,281)	(322,440)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	294,537	-	-	-	-	-	294,537	-	24,894	319,431
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(17,986)	-	-	-	-	(17,986)	-	(133)	(18,119)
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(13,229)	-	-	-	(13,229)	-	(592)	(13,821)
- net investment hedge	-	-	-	-	-	-	-	-	46,028	-	-	-	46,028	-	-	46,028
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	2,473	-	-	-	2,473	-	1,654	4,127
- deferred hedging cost	-	-	-	-	-	-	-	-	9,489	-	-	-	9,489	-	-	9,489
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	16,344	-	-	-	16,344	-	(2,037)	14,307
- currency translation difference	-	(517)	-	(639,319)	-	-	-	-	(7,366)	(483)	-	-	(647,685)	-	(26,067)	(673,752)
- share of other comprehensive (expense)/ income of associate and joint venture	-	(26)	-	(10,986)	-	-	(2)	-	877	1	6	-	(10,130)	-	-	(10,130)
Total comprehensive (expense)/income for the financial period	-	(543)	-	(650,305)	-	-	294,535	(17,986)	54,616	(482)	6	1,194,424	874,265	-	(50,136)	824,129
Dividend for the financial year ended 31 December 2019	-	-	-	-	-	-	-	-	-	-	-	(1,190,756)	(1,190,756)	-	-	(1,190,756)
- single tier second interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(32,315)	(32,315)
Transfer to statutory reserve	-	17,759	-	-	-	-	-	-	-	-	-	(17,759)	-	-	-	-
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	-	(1,899,731)	1,899,731	-	-	-	-
Transfer to capital reserve	-	-	70,315	-	-	-	-	-	-	-	-	(70,315)	-	-	-	-
Contributions by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	99,960	99,960
Non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,161)	(1,161)
Share-based payment expense	-	-	-	-	-	-	-	-	-	68,648	-	-	68,648	-	-	68,648
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	63,296	(68,459)	-	-	(5,163)	-	228	(4,935)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(58,524)	-	-	-	(58,524)	-	-	(58,524)
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	-	-	1,627	-	-	-	(1,627)	-	-	-	-
At 31 December 2020	25,843,808	148,117	207,419	421,265	(563)	(43)	465,293	(248,084)	(1,171,120)	75,612	233,441	29,950,496	55,925,641	200,000	1,048,481	57,174,122

* The regulatory reserve is maintained to meet the local regulatory requirement of the foreign branch's general provision and the Malaysian subsidiary of the Group.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	← Non-distributable →				Distributable		
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	Total RM'000
The Company							
At 1 January 2021	25,843,808	55,982	(43)	103,514	-	1,398,626	27,401,887
Profit for the financial year	-	-	-	-	-	391,591	391,591
Other comprehensive expense (net of tax)	-	-	-	(75,286)	-	-	(75,286)
- Debt instruments at fair value through other comprehensive income	-	-	-	(75,286)	-	-	(75,286)
Total comprehensive expense for the financial year	-	-	-	(75,286)	-	391,591	316,305
Dividend for the financial year ended 31 December 2020							
- single tier interim dividend	-	-	-	-	-	(477,295)	(477,295)
Dividend for the financial year ended 31 December 2021							
- single tier first interim dividend	-	-	-	-	-	(1,045,481)	(1,045,481)
Issuance of shares through dividend reinvestment scheme	1,255,873	-	-	-	-	-	1,255,873
Capital contribution to subsidiaries	-	-	-	-	33,487	-	33,487
At 31 December 2021	27,099,681	55,982	(43)	28,228	33,487	267,441	27,484,776

	← Non-distributable →				Distributable	
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Retained earnings RM'000	Total RM'000
The Company						
At 1 January 2020	25,843,808	55,982	(43)	101,432	1,042,263	27,043,442
Profit for the financial year	-	-	-	-	1,547,119	1,547,119
Other comprehensive income (net of tax)	-	-	-	2,082	-	2,082
- Debt instruments at fair value through other comprehensive income	-	-	-	2,082	-	2,082
Total comprehensive income for the financial year	-	-	-	2,082	1,547,119	1,549,201
Dividend for the financial year ended 31 December 2019						
- single tier second interim dividend	-	-	-	-	(1,190,756)	(1,190,756)
At 31 December 2020	25,843,808	55,982	(43)	103,514	1,398,626	27,401,887

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020.

CIMB GROUP HOLDINGS BERHAD
(Company Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	The Group		The Company	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Profit before taxation and zakat	5,789,478	1,530,329	391,122	1,548,203
Adjustments for non-operating and non-cash items	1,288,394	4,878,480	(422,144)	(1,563,209)
Operating profit/(loss) before changes in working capital	7,077,872	6,408,809	(31,022)	(15,006)
Net changes in operating assets	(9,628,820)	5,539,025	12,190	40,637
Net changes in operating liabilities	27,468,288	33,632,888	(3,022)	(12,354)
	17,839,468	39,171,913	9,168	28,283
Cash flows generated from/(used in) operations	24,917,340	45,580,722	(21,854)	13,277
Taxation paid	(1,745,098)	(1,316,147)	(1,009)	(3,020)
Net cash flows generated from/(used in) operating activities	23,172,242	44,264,575	(22,863)	10,257
Cash flows from investing activities				
Dividend income from subsidiaries	-	-	582,565	1,760,139
Interest income received from financial investments	3,541,875	2,912,855	409,410	134,368
Net (purchase)/proceed from disposal of financial investments	(14,586,408)	(30,554,325)	1,400,000	(750,000)
Net purchase of property, plant and equipment	56,644	(413,041)	-	-
Net proceeds from disposal/(purchase) of intangible assets	(624,254)	(663,855)	-	-
Other investing activities	(379,964)	85,883	(461,892)	(513,747)
Net cash flows (used in)/generated from investing activities	(11,992,107)	(28,632,483)	1,930,083	630,760
Cash flows from financing activities				
Dividend paid to shareholders	(266,902)	(1,190,756)	(266,902)	(1,190,756)
Interest paid on bonds, Sukuk and debentures	(242,529)	(684,274)	-	-
Interest paid on subordinated obligations	(464,145)	(527,133)	(457,757)	(494,341)
Interest paid on term loan facility and other borrowings	(138,948)	(220,017)	(72,675)	(87,136)
Proceeds from issuance of bonds, Sukuk and debentures	3,511,326	430,036	100,000	-
Proceeds from issuance of subordinated obligations	350,000	3,250,000	-	3,275,993
Proceeds from term loan facility and other borrowings	598,473	2,138,625	3,000,000	-
Redemption of bonds, Sukuk and debentures	(2,577,405)	(6,111,567)	-	-
Redemption of subordinated obligations	(2,924,239)	(3,992,465)	(1,400,000)	(2,611,517)
Repayment of term loan facility and other borrowings	(6,006,900)	(2,762,359)	(3,000,000)	(200,492)
Other financing activities	1,661,859	(2,073,534)	(60,815)	641,289
Net cash flows used in financing activities	(6,499,410)	(11,743,444)	(2,158,149)	(666,960)
Net increase in cash and cash equivalents during the financial year	4,680,725	3,888,648	(250,929)	(25,943)
Effects of exchange rate changes	231,846	(459,596)	-	-
Cash and cash equivalents at beginning of the financial year	41,194,144	37,765,092	344,603	370,546
	46,106,715	41,194,144	93,674	344,603
Monies held in trust	(680,986)	(857,099)	-	-
Cash and cash equivalents at end of the financial year	45,425,729	40,337,045	93,674	344,603
Cash and cash equivalents comprise:				
Cash and short-term funds	45,669,511	39,563,368	93,674	344,603
Deposits and placements with banks and other financial institutions	4,613,720	3,562,564	-	-
	50,283,231	43,125,932	93,674	344,603
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(4,176,516)	(1,931,788)	-	-
Monies held in trust	(680,986)	(857,099)	-	-
Cash and cash equivalents at end of financial year	45,425,729	40,337,045	93,674	344,603

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2020

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

(a) The unaudited condensed interim financial statements for the financial year ended 31 December 2021 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, debt instruments at fair value through other comprehensive income, equity instruments at fair value through other comprehensive income, derivative financial instruments and non-current assets/disposal groups held for sale and financial liabilities designated at fair value through profit or loss, that have been measured at fair value.

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

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Company's audited financial statements for the financial year ended 31 December 2020. 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 Company since the financial year ended 31 December 2020.

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 2020, and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 January 2021:

- Amendments to MFRS 16 "COVID-19 Related Rent Concessions" (1 June 2020)
- Interest rate benchmark reform-Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)(1 January 2021)

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

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

(b) The financial statements have been prepared against the backdrop of the ongoing Covid-19 pandemic. The resurgence of Covid-19 cases at the start of 2021 led to several countries implementing lockdown measures and as a consequence, disrupted economic activity across the region. Through the past 12 months, financial institutions have had to activate stimulus and loan repayment programs, while central banks implemented various fiscal measures to address market disruptions. As Covid-19 cases eased in line with higher vaccination rates, regional economies have progressively opened. Nevertheless, economic headwinds have not fully abated, as emergence of Covid-19 variants will ensure that regional and global economic recovery will be patchy and uneven..

The Group has supported its customers impacted by the economic downturn over the past year and continues to provide targeted assistance programs, as well as continuously monitor the extent of the impact of the Covid-19 pandemic as the potential disruption and speed of recovery remain uncertain.

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 Company'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.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Other than detailed below, there were no other new shares issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the financial year ended 31 December 2021:-

(a) On 5 March 2021, the Company announced that it will seek its shareholders' approval at its 64th Annual General Meeting ("AGM") to be convened on a later announced date for the proposed renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up capital of the Company. Shareholders' approval was subsequently obtained at the AGM which was held on 15 April 2021.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES (Continued)

(b) The entitlement date pursuant to Single Tier Interim Dividend for financial year ended 31 December 2020 and the corresponding Dividend Reinvestment Scheme ("DRS") was fixed for 31 March 2021. The Group had, on 22 April 2021, issued and allotted 91,217,789 new ordinary shares ("New CIMB Shares"). The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Friday, 23 April 2021. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMB Group Holdings Berhad ("CIMBGH") is 10,014,189,047 shares.

The entitlement date pursuant to Single Tier First Interim Dividend for financial year ended 31 December 2021 and the corresponding DRS was fixed for 5 October 2021. The Group had, on 27 October 2021, issued and allotted 207,267,536 New CIMB Shares. The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Thursday, 28 October 2021. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMBGH is 10,221,456,583 shares

(c) During the financial period, Merdeka Kapital Berhad ("MKB"), a special purpose vehicle consolidated by CIMB Bank Berhad ("CIMB Bank"), undertook a partial redemption of the Medium Term Note amounting to RM74.4 million.

(d) On 7 April 2021 CIMB Niaga redeemed its 1-year Series A Bond amounted to IDR322,000 million.

(e) On 27 April 2021, CIMB Bank issued USD20.0 million 5-year fixed rate notes under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.60% per annum payable semi-annually, will mature on 27 April 2026 (subject to adjustment in accordance with the modified following business day convention).

(f) On 5 May 2021, CIMB Bank issued HKD610 million 3-year fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 0.88% per annum payable annually, will mature on 5 May 2024 (subject to adjustment in accordance with the modified following business day convention).

(g) On 9 May 2021, CIMB Bank has redeemed its HKD874 million 4-years senior fixed rate notes issued under its USD5 billion Euro Medium Term Note Programme established on 15 August 2014.

(h) On 25 May 2021, CIMBGH redeemed its existing RM1.0 billion Additional Tier 1 Capital securities issued from the RM10 billion AT1 Capital Securities Programme on the first optional redemption date.

(i) On 25 May 2021, CIMB Bank redeemed its existing RM1.0 billion Additional Tier 1 Capital securities issued from the RM10 billion AT1 Capital Securities Programme on the first optional redemption date.

(j) On 12 July 2021, CIMB Thai exercised its option to early redeem the RM570 million Basel III compliant Tier 2 subordinated notes on its first call date.

(k) On 12 July 2021, CIMB Thai issued RM660 million Basel III compliant Tier 2 subordinated notes. The subordinated notes carry fixed interest rate of 3.90% per annum payable every six months. The subordinated notes will mature on 11 July 2031. CIMB Thai may exercise its right to early redeem the subordinated notes 5 years after issue date, and on each coupon payment date thereafter, subject to approval by the Bank of Thailand ("BOT")

(l) On 21 July 2021, CIMB Bank Berhad issued USD20.0 million 5-year fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.35% per annum payable semi-annually, will mature on 21 July 2026 (subject to adjustment in accordance with the modified following business day convention).

(m) On 23 July 2021, Ziya Capital Bhd ("Ziya"), an Islamic special purpose vehicle consolidated by CIMB Islamic Bank, has fully redeemed its Sukuk amounting to RM186.0 million.

(n) On 27 July 2021, CIMB Bank Berhad issued HKD640.0 million fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014. The Notes, which bear a coupon rate of 1.12% per annum payable annually, will mature on 17 July 2026 (subject to adjustment in accordance with the modified following business day convention).

(o) On 4 August 2021, CIMB Bank Berhad issued HKD128.0 million fixed rate notes ("the Notes") under its USD5.0 billion Euro Medium Term Note Programme established on 15 August 2014 and the Notes were consolidated to form a single series with the existing HKD640.0 million 1.12% fixed rate notes issued on 27 July 2021. The Notes, which bear a coupon rate of 1.12% per annum payable annually, will mature on 17 July 2026 (subject to adjustment in accordance with the modified following business day convention).

(p) On 9 August 2021, CIMB Bank redeemed its existing RM1.35 billion Tier 2 Subordinated Debt issued from the RM10.0 billion Tier 2 Subordinated Debt Programme on the first call date.

(q) On 9 August 2021, CIMB Bank redeemed its existing RM150 million Tier 2 Subordinated Debt issued from the RM5.0 billion Tier 2 Subordinated Debt Programme on the first call date.

(r) On 3 September 2021, CIMB Bank PLC redeemed its existing USD7 million subordinated loan on its call date.

(s) On 3 September 2021, CIMB Bank PLC issued USD7 million subordinated loan which qualified as Tier 2 Capital for CIMB Bank PLC for the purpose of computation of minimum Solvency Requirements by the National Bank of Cambodia ("NBC"). The subordinated loan was issued at a fixed rate of 2.74% per annum, with a maturity of 10 years from the issue date with a call option starting at the end of year 5 and on each relevant coupon payment date thereafter. The redemption of the subordinated loan will be subject to NBC's approval.

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES (Continued)

- (t) On 20 September 2021, CIMB Niaga redeemed its 3-year Series B Bond amounted to IDR137,000 million.
- (u) On 21 September 2021, CIMB Islamic redeemed its existing RM10 million Tier 2 Junior Sukuk issued from the RM5.0 billion Tier 2 Junior Sukuk Programme on the first call date.
- (v) On 3 November 2021, CIMB Niaga redeemed its Series C Bond amounted to IDR182,000 million.
- (w) On 15 November 2021, CIMB Niaga redeemed its Series B Sukuk amounted to IDR559,000 million.
- (x) On 16 December 2021, CIMBGH redeemed its existing RM400 million Additional Tier 1 Capital securities issued from the RM10 billion AT1 Capital Securities Programme on the first optional redemption date.
- (y) On 16 December 2021, CIMB Bank redeemed its existing RM400 million Additional Tier 1 Capital securities issued from the RM10 billion AT1 Capital Securities Programme on the first optional redemption date.
- (z) On 28 December 2021, CIMBGH repaid its existing RM3 billion unsecured term loans.
- (aa) On 28 December 2021, CIMBGH issued RM1 billion 3-year Unrated Medium Term Notes ("MTN") which will mature on 27 December 2024. The MTN was issued out of its existing Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value.
- (ab) On 28 December 2021, CIMBGH issued RM1 billion 4-year Unrated Medium Term Notes ("MTN") which will mature on 26 December 2025. The MTN was issued out of its existing Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value.
- (ac) On 28 December 2021, CIMBGH issued RM1 billion 5-year Unrated Medium Term Notes ("MTN") which will mature on 28 December 2026. The MTN was issued out of its existing Medium Term Notes Programme, which has a combined limit of RM6.0 billion in nominal value.
- (ad) On 29 December 2021, CIMBGH issued RM100.0 million 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 3.80% p.a., payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM100.0 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on 29 December 2021, based on similar terms.
- (ae) On 29 December 2021, CIMB Bank issued RM100.0 million 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 3.80% p.a., payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme.
- (af) On 20 January 2022, CIMB Bank issued USD500.0 million 5-year fixed rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of 2.125% per annum payable semi-annually, will mature on 20 July 2027.

A4. DIVIDENDS PAID AND PROPOSED

A single-tier interim dividend of 4.81 sen per ordinary share, on 9,922,966,350 ordinary shares amounting to RM477,294,681 in respect of the financial year ended 31 December 2020 was approved by the Board of Directors on 24 February 2021. The dividend consists of an electible portion of 4.81 sen which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Scheme ("DRS"). Following the completion of DRS, a total cash dividend of RM110,599,172 was paid on 22 April 2021.

A single-tier first interim dividend of 10.44 sen per ordinary share, on 10,014,184,139 ordinary shares amounting to RM1,045,480,824 in respect of the financial year ending 31 December 2021 was approved by the Board of Directors on 24 August 2021. The dividend consists of an electible portion of 10.44 sen which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Scheme ("DRS"). Following the completion of DRS, a total cash dividend of RM156,303,092 was paid on 27 October 2021.

The Directors have proposed a single-tier second interim dividend of 12.55 sen per ordinary share, on 10,221,451,675 ordinary shares amounting to RM1,283 million in respect of the financial year ended 31 December 2021.

A5. STATUS OF CORPORATE PROPOSAL

(a) On 27 January 2021, Bow Wave Capital Management ("Bow Wave"), a New York-based investment firm had completed the subscription of new ordinary shares in TNGD, a subsidiary of TnG. Following the investment by Bow Wave, TNG's shareholding in TNGD will dilute from 51.0% to approximately 47.0%. Consequently, TnGD will cease to become a subsidiary of TnG and cease to become an indirect subsidiary of the Group.

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

On 1 November 2021, AIA had completed the subscription of additional new ordinary shares in TNGD ("Tranche 2"). Following the further Tranche 2 shares subscription by AIA, TnG's shareholding in TNGD has further diluted from 46.1% to 45.2%.

(b) On 4 February 2021, CIMB Group Sdn Bhd ("CIMBG"), a direct subsidiary of CIMBGH, has completed its disposal of 100% equity interest in CIMB Southeast Asia Research Sdn Bhd ("CARI").

A5. STATUS OF CORPORATE PROPOSAL (Continued)

(c) On 7 December 2021, CIMBG completed the sale of 24.99% and 25% of its shareholding in CGS-CIMB Securities International Pte Ltd (“CSI”) and CGS-CIMB Holdings Sdn Bhd (“CCH”) respectively to China Galaxy International Financial Holdings Limited (“CGI”), upon receiving relevant regulatory approvals. CSI and CCH are the holding companies of the Group’s stockbroking joint venture (“JV”) with China Galaxy Securities, known as CGS-CIMB Securities. CIMB Group’s interest in CSI and CCH reduced from 50% to 25.01% and 50% to 25% for CSI and CCH respectively, and they are reclassified from investment in JV to associates with effect from 7 December 2021.

The proceeds raised from the corporate proposal will be used for working capital, general banking and other corporate purposes, as intended.

A6. EVENTS DURING THE REPORTING PERIOD

There was no significant events that had occurred during the current reporting period, other than those disclosed under Issuance and Repayment of Debts and Equity Securities, and Status of Corporate Proposal.

A7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

Other than those disclosed under Issuance and Repayment of Debts and Equity Securities and detailed below, there is no significant events that had occurred between 31 December 2021 and the date of this announcement:-

In January 2022, the Group identified errors that was related to a specific third party financial remittance service, which led to a limited number of customers receiving duplicate credits in their accounts. The Group has since addressed and remedied these processing errors. After careful assessment of the incident, the Group has also implemented additional controls to prevent similar errors from occurring in the future. At the same time, the Group is embarking on a major review of mitigating controls and policies and procedures, surrounding its transaction processing infrastructure. In addition, the Group is committed to ensure and to enhance operational resilience.

The Group is currently taking all necessary recovery measures to recover the duplicate payments. While the assessment and recovery measures are still on-going, the Group had provided for the majority of the exposure and this amounted to an ECL of RM280.9 million for the year ended 31 December 2021. Depending on the Group’s recovery engagement and outcomes with customers, the Group expects to take an additional and final provision of the exposure in 1Q FY2022, which will be a lower amount compared to FY2021. This provision does not impair the Group’s ability to pursue recovery measures. The financial impact are disclosed in A14 and A25(b).

A8. CASH AND SHORT-TERM FUNDS AND DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER

As at 31 December 2021, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM2,484,000 (2020: RM2,357,000) and RM1,963,000 (2020: RM78,000) respectively. The 12-month expected credit losses written back in the income statement during the financial year is amounting to RM517,000 (2020: RM6,191,000).

A9. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 December 2021 RM’000	31 December 2020 RM’000
Money market instruments:		
Unquoted		
Malaysian Government Securities	2,063,110	1,653,243
Cagamas bonds	865,744	862,050
Khazanah bonds	63,381	62,457
Malaysian Government treasury bills	151,173	289,567
Bank Negara Malaysia monetary notes	2,290,759	-
Negotiable instruments of deposit	3,909,653	2,650,577
Other Government securities	5,405,014	7,448,307
Government Investment Issues	2,611,716	1,113,392
Other Government treasury bills	9,884,399	12,082,414
Commercial papers	1,479,300	4,086,026
Promissory Notes	398,711	433,546
	29,122,960	30,681,579
Quoted securities:		
<i>In Malaysia:</i>		
Shares	1,115,967	1,161,338
<i>Outside Malaysia:</i>		
Shares	290,468	138,069
	1,406,435	1,299,407
Unquoted securities:		
<i>In Malaysia:</i>		
Corporate bond and Sukuk	3,030,818	1,956,881
Shares	1,001,003	959,488
Unit trusts	85,627	99,549
<i>Outside Malaysia:</i>		
Corporate bond	3,822,467	5,142,453
Shares	1,960	-
Private equity funds	175,649	266,273
Other Government bonds	1,632,325	2,307,503
	9,749,849	10,732,147
	40,279,244	42,713,133

A10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Fair value				
Money market instruments:				
Unquoted				
Malaysian Government Securities	4,832,000	4,347,217	-	-
Cagamas bonds	270,955	212,655	-	-
Negotiable instruments of deposit	470,383	572,682	-	-
Other Government securities	5,114,068	3,609,745	-	-
Government investment Issues	5,712,395	2,863,367	-	-
Other Government treasury bills	-	-	-	-
Commercial Papers	-	41,866	-	-
	16,399,801	11,647,532	-	-
Unquoted securities:				
<i>In Malaysia:</i>				
Corporate bond and Sukuk	21,951,482	17,893,352	1,778,168	3,246,974
<i>Outside Malaysia:</i>				
Corporate bond and Sukuk	10,371,627	9,325,010	-	-
Bank Indonesia certificates	194,652	140,513	-	-
Other Government bonds	11,201,924	8,719,374	-	-
Unit trusts	-	1	-	-
	43,719,685	36,078,250	1,778,168	3,246,974
	60,119,486	47,725,782	1,778,168	3,246,974

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

The carrying amount of debt instruments at fair value through other comprehensive income is equivalent to their fair value. The loss allowance is recognised in other comprehensive income and does not reduce the carrying amount in the statement of financial position.

	The Group			Total RM'000
	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	
At 1 January 2021	40,076	24,223	20,849	85,148
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 2	(527)	527	-	-
Total charge to Income Statement:	(11,698)	(23,369)	-	(35,067)
New financial assets purchased	105,563	-	-	105,563
Financial assets that have been derecognised	(28,081)	(24,584)	-	(52,665)
Change in credit risk	(89,180)	1,215	-	(87,965)
Exchange fluctuation	13,947	367	-	14,314
At 31 December 2021	41,798	1,748	20,849	64,395
At 1 January 2020	27,447	179	21,030	48,656
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	(1)	1	-	-
Transferred to Stage 2	141	(141)	-	-
Transferred to Stage 2	(142)	142	-	-
Total charge to Income Statement:	12,808	25,495	(181)	38,122
New financial assets purchased	93,180	-	-	93,180
Financial assets that have been derecognised	(5,701)	(77)	-	(5,778)
Change in credit risk	(74,671)	25,572	(181)	(49,280)
Exchange fluctuation	(178)	(1,452)	-	(1,630)
At 31 December 2020	40,076	24,223	20,849	85,148

A10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (Continued)

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

The 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. (continued)

	The Company			Total RM'000		
	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			
	At 1 January 2021	25,947	-		-	25,947
	Total charge to Income Statement:	(13,619)	-		-	(13,619)
Change in credit risk	(13,619)	-	-	(13,619)		
At 31 December 2021	12,328	-	-	12,328		
At 1 January 2020	25,269	-	-	25,269		
Total charge to Income Statement:	678	-	-	678		
Change in credit risk	678	-	-	678		
At 31 December 2020	25,947	-	-	25,947		

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

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
	At 1 January/31 December 2021	20,849
At 1 January 2020	21,030	21,030
Other changes in debts instruments	(181)	(181)
At 31 December 2020	20,849	20,849

A11. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group	
	31 December 2021 RM'000	31 December 2020 RM'000
	Quoted securities	
<u>In Malaysia</u>		
Shares	30,039	30,745
<u>Outside Malaysia</u>		
Shares	1,981	2,012
Property fund	5,492	5,178
	37,512	37,935
Unquoted securities		
<u>In Malaysia</u>		
Shares	265,418	252,380
Property funds	189	187
<u>Outside Malaysia</u>		
Shares	12,759	10,010
Private equity funds	7,227	8,459
	285,593	271,036
	323,105	308,971

A12. DEBT INSTRUMENTS AT AMORTISED COST

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
Money market instruments:				
Unquoted				
Malaysian Government securities	7,086,208	7,143,519	-	-
Cagamas bonds	245,668	110,960	-	-
Other Government treasury bills	3,834,187	2,735,065	-	-
Other Government securities	2,022,944	2,240,121	-	-
Malaysian Government investment issue	15,617,821	15,739,078	-	-
Khazanah bonds	235,345	401,316	-	-
Negotiable instruments of deposit	127,679	193,005	-	-
	29,169,852	28,563,064	-	-
Unquoted securities				
<i>In Malaysia</i>				
Corporate bond and Sukuk	18,195,695	18,817,337	6,846,781	6,756,716
<i>Outside Malaysia</i>				
Corporate bond and Sukuk	4,166,266	4,048,298	-	-
Bank Indonesia certificates	-	162,769	-	-
Other Government bonds	5,091,327	5,137,278	-	-
	27,453,288	28,165,682	6,846,781	6,756,716
Total	56,623,140	56,728,746	6,846,781	6,756,716
Amortisation of premium, net of accretion of discount	30,445	155,828	-	-
Less : Expected credit losses	(647,245)	(756,489)	(47,967)	(55,022)
	56,006,340	56,128,085	6,798,814	6,701,694

Expected credit losses movement for debt instruments at amortised cost:

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	9,096	735,922	11,471	756,489
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	84	(453,608)	453,524	-
Transferred to Stage 2	228	(228)	-	-
Transferred to Stage 3	(144)	144	-	-
	-	(453,524)	453,524	-
Total charge to Income Statement:	(7,363)	39,210	156,042	187,889
New financial assets purchased	12,819	-	-	12,819
Financial assets that have been derecognised	(615)	-	-	(615)
Change in credit risk	(19,567)	39,210	156,042	175,685
Write-offs	-	-	(7,020)	(7,020)
Exchange fluctuation	61	-	85	146
Other movements	-	(290,259)	-	(290,259)
At 31 December 2021	1,878	31,265	614,102	647,245
At 1 January 2020	9,884	55,355	11,613	76,852
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 2	(5,430)	5,430	-	-
	(5,430)	5,430	-	-
Total charge to Income Statement:	17,457	675,137	-	692,594
New financial assets purchased	6,581	-	-	6,581
Financial assets that have been derecognised	(287)	-	-	(287)
Change in credit risk	11,163	675,137	-	686,300
Exchange fluctuation	(12,815)	-	(142)	(12,957)
At 31 December 2020	9,096	735,922	11,471	756,489

A12. DEBT INSTRUMENTS AT AMORTISED COST (Continued)

Expected credit losses movement for debt instruments at amortised cost (Continued):

	The Company			Total RM'000		
	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			
	At 1 January 2021	55,022	-		-	55,022
	Total charge to Income Statement:	(7,055)	-		-	(7,055)
Change in credit risk	(7,055)	-	-	(7,055)		
At 31 December 2021	47,967	-	-	47,967		
At 1 January 2020	65,524	-	-	65,524		
Total charge to Income Statement:	(10,502)	-	-	(10,502)		
Change in credit risk	(10,502)	-	-	(10,502)		
At 31 December 2020	55,022	-	-	55,022		

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

	The Group		
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000	
	At 1 January 2021	11,471	11,471
	Transfer within stages	1,226,546	1,226,546
Write-offs	(7,020)	(7,020)	
Other changes in debts instruments	5,578	5,578	
Exchange fluctuation	(5,431)	(5,431)	
At 31 December 2021	1,231,144	1,231,144	
At 1 January 2020	11,613	11,613	
Exchange fluctuation	(142)	(142)	
At 31 December 2020	11,471	11,471	

A13. LOANS, ADVANCES AND FINANCING

(i) By type

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
At amortised cost		
Overdrafts	4,745,193	4,861,624
Term loans/financing		
- Housing loans/financing	121,680,843	113,351,042
- Syndicated term loans	17,205,940	16,162,906
- Hire purchase receivables	24,098,907	24,285,568
- Lease receivables	149,074	182,150
- Factoring receivables	108,698	3,594
- Other term loans/financing	150,407,952	149,553,388
Bills receivable	6,884,735	7,062,222
Trust receipts	2,701,349	2,151,261
Claims on customers under acceptance credits	3,463,342	3,369,336
Staff loans *	1,710,211	1,559,344
Credit card receivables	8,379,069	8,402,871
Revolving credits	36,075,522	34,134,850
Share margin financing	63,946	54,010
Gross loans, advances and financing at amortised cost	377,674,781	365,134,166
Fair value changes arising from fair value hedges	(24,781)	6,497
	377,650,000	365,140,663
Less:		
- Expected credit losses	(13,323,081)	(11,934,932)
	(13,323,081)	(11,934,932)
Net loans, advances and financing at amortised cost	364,326,919	353,205,731
At fair value through profit or loss		
Term loans/financing		
- Syndicated term loan	357,853	710,235
	357,853	710,235
Total net loans, advances and financing	364,684,772	353,915,966
Total Gross loans, advances and financing:		
- At amortised cost	377,674,781	365,134,166
- At fair value through profit or loss	357,853	710,235
	378,032,634	365,844,401

* Included in staff loans of the Group are loans to Directors amounting to RM3,023,324 (2020: RM4,041,922).

(a) Included in the Group's loans, advances and financing balances are RM23,684,000 (2020: RM26,839,000) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

(b) The Group has undertaken fair value hedge on the interest rate risk of loans, advances and financing with RM1,353,719,000 (2020: RM392,508,000), using interest rate swaps.

(c) Included in the loans, advances and financing of the Group at 31 December 2021 are financing which are disclosed as "Restricted Agency Investment Account" ("RAIA") in the financial statements of CIMB Islamic amounting to RM10,248,754,000 (2020: RM5,030,980,000). RAIA arrangement is with CIMB Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where CIMB Bank solely provide the funds, whilst the assets are managed by CIMB Islamic (as the Wakeel or agent). In the arrangement, CIMB Islamic has transferred substantially all the risk and rewards of ownership of the Investment (i.e the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and expected credit losses arising thereon, if any, are recognised and accounted for by CIMB Bank.

(ii) By type of customers

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Domestic banking institutions	331,689	804,586
Domestic non-bank financial institutions		
- stockbroking companies	8,005	139,043
- others	5,757,202	5,956,144
Domestic business enterprises		
- small medium enterprises	50,591,611	49,710,154
- others	61,916,846	60,886,556
Government and statutory bodies	10,043,045	8,053,764
Individuals	199,982,760	190,815,561
Other domestic entities	11,877,650	9,950,233
Foreign entities	37,523,826	39,528,360
Gross loans, advances and financing	378,032,634	365,844,401

A13. LOANS, ADVANCES AND FINANCING (Continued)
(iii) By interest/profit rate sensitivity

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Fixed rate		
- Housing loans/financing	5,318,245	4,027,481
- Hire-purchase receivables	18,920,957	18,852,955
- Other fixed rate loans	43,301,652	36,132,877
Variable rate		
- BLR plus/BFR plus	125,868,417	129,644,383
- Cost plus	49,707,733	50,761,558
- Other variable rates	134,915,630	126,425,147
Gross loans, advances and financing	378,032,634	365,844,401

(iv) By economic purpose

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Personal use	22,018,829	20,851,531
Credit card	8,379,069	8,402,871
Purchase of consumer durables	242,000	154,415
Construction	14,039,720	14,813,140
Residential property (Housing)	122,156,586	114,174,338
Non-residential property	31,956,554	30,268,939
Purchase of fixed assets other than land and building	12,641,424	12,880,836
Mergers and acquisitions	3,164,943	3,089,307
Purchase of securities	23,610,624	24,712,110
Purchase of transport vehicles	24,085,306	24,262,083
Working capital	85,909,439	81,372,027
Other purposes	29,828,140	30,862,804
Gross loans, advances and financing	378,032,634	365,844,401

(v) By geographical distribution

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Malaysia	238,014,490	226,808,035
Indonesia	56,576,930	53,791,508
Thailand	30,727,520	34,193,244
Singapore	33,079,131	29,661,648
United Kingdom	3,799,797	4,887,590
Hong Kong	1,309,610	1,467,910
China	3,310,490	4,065,305
Other countries	11,214,666	10,969,161
Gross loans, advances and financing	378,032,634	365,844,401

(vi) By economic sector

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Primary agriculture	10,138,258	12,414,462
Mining and quarrying	4,768,308	4,727,278
Manufacturing	27,183,545	26,359,046
Electricity, gas and water supply	6,435,297	5,593,468
Construction	12,740,224	13,864,622
Transport, storage and communications	11,374,141	9,630,242
Education, health and others	18,447,390	15,890,873
Wholesale and retail trade, and restaurants and hotels	32,730,035	31,938,904
Finance, insurance/takaful, real estate and business activities	45,592,524	47,144,075
Household	188,211,528	179,953,874
Others	20,411,384	18,327,557
Gross loans, advances and financing	378,032,634	365,844,401

A13. LOANS, ADVANCES AND FINANCING (Continued)

(vii) By residual contractual maturity

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Within one year	87,723,465	84,796,499
One year to less than three years	24,148,032	31,196,200
Three years to less than five years	36,701,434	29,310,907
Five years and more	229,459,703	220,540,795
Gross loans, advances and financing	378,032,634	365,844,401

(viii) Credit impaired loans, advances and financing by economic purpose

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Personal use	444,434	529,728
Credit card	210,939	141,049
Purchase of consumer durables	2,490	737
Construction	1,464,882	1,472,079
Residential property (Housing)	1,791,582	2,257,797
Non-residential property	579,525	544,050
Purchase of fixed assets other than land and building	1,217,569	1,170,038
Mergers and acquisitions	308,533	310,512
Purchase of securities	185,663	289,926
Purchase of transport vehicles	285,425	253,514
Working capital	6,162,103	5,231,998
Other purpose	639,390	825,631
Gross credit impaired loans, advances and financing	13,292,535	13,027,059

(ix) Credit impaired loans, advances and financing by geographical distribution

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Malaysia	5,060,265	5,586,430
Indonesia	4,652,460	4,090,533
Thailand	1,288,608	1,766,911
Singapore	1,515,551	1,424,273
United Kingdom	7,658	9,618
Hong Kong	9	3,167
China	5,429	15,311
Other countries	762,555	130,816
Gross credit impaired loans, advances and financing	13,292,535	13,027,059

(x) Credit impaired loans, advances and financing by economic sector

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Primary agriculture	139,674	123,808
Mining and quarrying	1,418,398	765,199
Manufacturing	1,280,355	2,116,127
Electricity, gas and water supply	250,530	257,463
Construction	249,330	290,279
Transport, storage and communications	1,637,326	1,429,520
Education, health and others	207,436	210,998
Wholesale and retail trade, and restaurants and hotels	3,167,724	3,123,828
Finance, insurance/takaful, real estate and business activities	1,079,208	1,012,592
Household	2,489,810	3,252,921
Others	1,372,744	444,324
Gross credit impaired loans, advances and financing	13,292,535	13,027,059

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	The Group Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Loans, advances and financing at amortised cost					
At 1 January 2021	2,284,597	2,789,443	6,857,633	3,259	11,934,932
Changes in expected credit losses due to transfer within stages:	847,790	(1,493,530)	645,740	-	-
Transferred to Stage 1	1,782,005	(1,644,562)	(137,443)	-	-
Transferred to Stage 2	(921,438)	1,862,332	(940,894)	-	-
Transferred to Stage 3	(12,777)	(1,711,300)	1,724,077	-	-
Total charge to Income Statement:	(1,612,815)	2,391,331	2,490,054	-	3,268,570
New financial assets originated	744,572	489,262	102,212	-	1,336,046
Financial assets that have been derecognised	(457,468)	(636,753)	-	-	(1,094,221)
Writeback in respect of full recoveries	-	-	(201,055)	-	(201,055)
Change in credit risk	(1,899,919)	2,538,822	2,588,897	-	3,227,800
Write-offs	(1,181)	(1,223)	(1,665,621)	-	(1,668,025)
Disposal of loans, advances and financing	(540)	(390)	(749,022)	-	(749,952)
Exchange fluctuation	10,496	21,528	82,010	(213)	113,821
Other movements	6,170	355,894	61,671	-	423,735
At 31 December 2021	1,534,517	4,063,053	7,722,465	3,046	13,323,081

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	The Group Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
Loans, advances and financing at amortised cost					
At 1 January 2020	1,905,723	1,814,592	5,436,768	2,748	9,159,831
Changes in expected credit losses due to transfer within stages:	(251,612)	(229,003)	480,615	-	-
Transferred to Stage 1	904,885	(757,647)	(147,238)	-	-
Transferred to Stage 2	(1,146,027)	1,595,287	(449,260)	-	-
Transferred to Stage 3	(10,470)	(1,066,643)	1,077,113	-	-
Total charge to Income Statement:	1,041,172	1,182,839	3,642,446	574	5,867,031
New financial assets originated	707,835	84,707	131,001	-	923,543
Financial assets that have been derecognised	(470,951)	(162,785)	-	-	(633,736)
Writeback in respect of full recoveries	-	-	(191,185)	-	(191,185)
Change in credit risk	804,288	1,260,917	3,702,630	574	5,768,409
Write-offs	(665)	(728)	(2,390,047)	-	(2,391,440)
Disposal of loans, advances and financing	-	-	(361,487)	-	(361,487)
Exchange fluctuation	(402,521)	21,922	(40,373)	(63)	(421,035)
Other movements	(7,500)	(179)	89,711	-	82,032
At 31 December 2020	2,284,597	2,789,443	6,857,633	3,259	11,934,932

Total ECL movements in 2020 is also affected by the changes in forward-looking economic inputs, increased weighting of a downside economic scenario and increased overlay provisions from estimated impacts of Covid-19 pandemic. For the financial year ended 31 December 2021, the overlays and post-model adjustments have been applied to determine a sufficient overall level of ECL. These overlays and post-model adjustments were taken to reflect the latest macroeconomic outlook not captured in the modelled outcome and the potential impact to delinquencies and defaults arising from the escalation of credit risk on certain segments of the targeted repayment assistance loans.

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

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

	The Group			
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000	
	At 1 January 2021	13,019,243	7,816	13,027,059
	Transfer within stages	3,523,772	-	3,523,772
New financial assets originated	292,748	-	292,748	
Write-offs	(1,668,494)	-	(1,668,494)	
Amount fully recovered	(783,341)	-	(783,341)	
Other changes in loans, advances and financing	(153,527)	(49)	(153,576)	
Disposal of loans, advances and financing	(1,033,755)	-	(1,033,755)	
Exchange fluctuation	88,632	(510)	88,122	
At 31 December 2021	13,285,278	7,257	13,292,535	

	The Group			
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000	
	At 1 January 2020	11,335,824	8,024	11,343,848
	Transfer within stages	5,621,052	-	5,621,052
New financial assets originated	449,831	-	449,831	
Write-offs	(2,390,544)	-	(2,390,544)	
Amount fully recovered	(681,932)	-	(681,932)	
Other changes in loans, advances and financing	(893,801)	(28)	(893,829)	
Disposal of loans, advances and financing	(431,602)	-	(431,602)	
Exchange fluctuation	10,415	(180)	10,235	
At 31 December 2020	13,019,243	7,816	13,027,059	

	The Group	
	31 December 2021	31 December 2020
Ratio of credit impaired loans to total loans, advances and financing	3.52%	3.56%

A14. OTHER ASSETS

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
Due from brokers	146,389	16,498	-	-
Other debtors net of expected credit losses, deposits and prepayments	3,375,190	4,086,157	84,101	83,516
Settlement accounts	222,402	2,147,072	-	-
Treasury related receivables	1,702,413	1,206,091	-	-
Due from joint ventures	2,120,975	1,815,458	-	-
Structured financing	601,812	677,899	-	-
Foreclosed assets net of allowance for impairment losses	188,909	212,891	-	-
Collateral pledged for derivative transactions	2,897,982	3,916,392	-	-
Deferred consideration	-	25,480	-	-
	11,256,072	14,103,938	84,101	83,516

Included in Other debtors net of expected credit losses, deposits and prepayments is related to receivables of settlement debit card balances. See A7.

A15. DEPOSITS FROM CUSTOMERS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
<u>By type of deposit</u>		
Demand deposits	113,715,182	102,464,353
Savings deposits	72,337,231	66,289,180
Fixed deposits	151,957,865	156,085,535
Negotiable instruments of deposit	517,515	199,022
Others	83,890,299	78,012,547
	422,418,092	403,050,637
<u>By type of customer</u>		
Government and statutory bodies	12,260,870	13,374,541
Business enterprises	160,383,062	128,933,199
Individuals	174,607,407	182,755,722
Others	75,166,753	77,987,175
	422,418,092	403,050,637

The maturity structure of fixed deposits and negotiable instruments of deposit is as follows:

Due within six months	125,376,609	130,126,679
Six months to less than one year	25,724,027	25,689,520
One year to less than three years	1,286,007	380,773
Three years to less than five years	88,737	87,585
	152,475,380	156,284,557

A16. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Unrestricted investment accounts	10,427,167	2,678,870

A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Licensed banks	24,391,150	25,865,604
Licensed finance companies	2,387,433	2,138,885
Licensed investment banks	426,340	23,761
Bank Negara Malaysia	1,452,698	671,953
Other financial institutions	2,044,274	3,091,042
	30,701,895	31,791,245

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

Due within six months	27,059,164	29,166,993
Six months to less than one year	1,618,555	1,806,872
One year to less than three years	423,543	-
Three years to less than five years	158,580	155,517
Five years and more	1,442,053	661,863
	30,701,895	31,791,245

A18. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Deposits from customers - structured investments	4,632,373	134,285
Debentures	-	1,072,150
Bills payables	2,224,409	2,810,495
	6,856,782	4,016,930

The Group has issued structured investments, bills payable and debentures, and has designated them at fair value in accordance with MFRS 9. The Group has the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of financial liabilities designated at fair value of the Group at 31 December 2021 were RM129,118,000 lower (2020: RM479,000 higher) than the contractual amount at maturity for the structured investments, RMNil (2020: RM1,611,000) higher than the contractual amount at maturity for the debentures and RM366,350,000 (2020: RM520,836,000) higher than the contractual amount at maturity for the bills payable.

A19. OTHER LIABILITIES

	The Group		The Company	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
Due to brokers	24,579	9,856	-	-
Expenditure payable	2,956,183	2,305,158	3,089	5,829
Provision for legal claims	51,384	52,069	-	-
Sundry creditors	1,088,366	1,266,006	69	818
Treasury related payables	1,673,213	2,957,041	-	-
Structured deposits	3,810,335	5,920,785	-	-
Post employment benefit obligations	470,116	492,882	-	-
Credit card expenditure payable	168,065	158,023	-	-
Collateral received for derivative transactions	3,028,037	2,888,876	-	-
Expected credit losses for loan commitments and financial guarantee contracts	781,501	668,621	-	-
Prepayment	539,312	694,863	-	-
Others	1,239,734	1,042,169	-	-
	15,830,825	18,456,349	3,158	6,647

A19. OTHER LIABILITIES (Continued)

(a) Movements in the expected credit losses for loan commitments and financial guarantee contracts are as follows:

	The Group			
	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	364,382	137,978	166,261	668,621
Changes in expected credit losses due to transfer within stages:	124,233	(132,434)	8,201	-
Transferred to Stage 1	170,005	(150,110)	(19,895)	-
Transferred to Stage 2	(45,348)	75,082	(29,734)	-
Transferred to Stage 3	(424)	(57,406)	57,830	-
Total charge to Income Statement:	(91,734)	166,077	35,879	110,222
New exposures	218,156	4,272	931	223,359
Exposures derecognised or matured	(133,971)	(34,739)	(8,502)	(177,212)
Change in credit risk	(175,919)	196,544	43,450	64,075
Exchange fluctuation	1,626	(2,809)	(6,311)	(7,494)
Other movements	9,594	725	(167)	10,152
At 31 December 2021	408,101	169,537	203,863	781,501

	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 2020	304,686	43,046	150,660	498,392
Changes in expected credit losses due to transfer within stages:	19,652	(23,675)	4,023	-
Transferred to Stage 1	131,745	(84,651)	(47,094)	-
Transferred to Stage 2	(76,584)	93,955	(17,371)	-
Transferred to Stage 3	(35,509)	(32,979)	68,488	-
Total charge to Income Statement:	65,140	113,048	13,332	191,520
New exposures	302,168	41,662	40,124	383,954
Exposures derecognised or matured	(188,462)	(34,426)	(42,326)	(265,214)
Change in credit risk	(48,566)	105,812	15,534	72,780
Exchange fluctuation	(24,234)	7,776	(1,899)	(18,357)
Other movements	(862)	(2,217)	145	(2,934)
At 31 December 2020	364,382	137,978	166,261	668,621

As at 31 December 2021, the gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM479,523,000 (2020: RM294,844,000) .

A20(a). INTEREST INCOME

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Loans, advances and financing				
- Interest income	2,897,960	3,060,044	11,764,893	13,737,876
- Unwinding income [^]	35,931	37,745	154,626	176,920
Money at call and deposit placements with financial institutions	79,596	88,737	329,551	481,955
Reverse repurchase agreements	22,486	39,775	94,382	160,883
Debt instruments at fair value through other comprehensive income	489,607	397,552	1,838,211	1,329,165
Debt instruments at amortised cost	421,948	445,940	1,703,664	1,583,690
Equity instruments at fair value through other comprehensive income	-	-	-	1,266
Others	31,831	7,458	56,063	30,437
	3,979,359	4,077,251	15,941,390	17,502,192
Accretion of discounts, net of amortisation of premiums	(99,239)	(67,922)	(353,303)	(172,579)
	3,880,120	4,009,329	15,588,087	17,329,613
The Company				
Money at call and deposit placements with financial institutions	1,262	1,645	3,295	7,245
Debt instruments at fair value through other comprehensive income	25,199	35,984	125,718	136,576
Debt instruments at amortised cost	69,664	83,931	276,619	309,861
	96,125	121,560	405,632	453,682
Accretion of discounts, net of amortisation of premiums	-	1	1	1
	96,125	121,561	405,633	453,683

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

A20(b) INTEREST INCOME FOR FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Financial investments at fair value through profit or loss	157,401	155,598	643,404	594,848
Loan, advances and financing at fair value through profit or loss	3,741	6,009	15,226	31,477
	161,142	161,607	658,630	626,325
Accretion of discounts, net of amortisation of premiums	(18,537)	(38,760)	(88,953)	6,851
	142,605	122,847	569,677	633,176

A21. INTEREST EXPENSE

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Deposits and placements of banks and other financial institutions	44,387	40,470	178,041	295,846
Deposits from customers	874,498	1,106,128	3,507,997	5,467,541
Repurchase agreements	76,568	63,717	306,938	269,217
Bonds, sukuk and debentures	73,548	74,709	285,978	429,450
Subordinated obligations	93,766	147,839	438,418	600,323
Financial liabilities designated at fair value through profit or loss	5,701	8,548	26,382	42,536
Negotiable certificates of deposits	6,612	928	13,621	14,122
Other borrowings	44,322	53,749	201,535	252,051
Recourse obligation on loan and financing sold to Cagamas	6,299	13,614	42,516	83,965
Structured deposits	51,395	42,955	186,643	206,861
Lease liabilities	4,811	4,767	20,708	25,989
Others	2,688	3,661	12,496	14,438
	1,284,595	1,561,085	5,221,273	7,702,339
The Company				
Subordinated obligations	107,163	132,278	450,809	504,799
Other borrowings	33,388	33,718	132,495	142,105
	140,551	165,996	583,304	646,904

A22. MODIFICATION LOSS

In light of the Covid-19 outbreak, the Central Bank and Ministry of Finance of respective countries have introduced several relief measures to assist customer/ borrowers. These measures aim to ensure that the financial intermediation function of the financial sector remains intact, access to financial continues to be available, and banking institutions remain focused on supporting the economy during these exceptional circumstances.

Modification loss is the Day-1 loss arising from granting the payment relief on all loans/ financing repayment.

A23. NET NON-INTEREST INCOME

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
(a) Net fee income and commission income:				
Commissions	312,853	265,898	1,256,815	971,093
Fee on loans, advances and financing	153,956	89,875	485,498	450,630
Service charges and fees	154,977	134,392	542,386	531,913
Corporate advisory and arrangement fees	9,320	9,595	33,775	23,301
Guarantee fees	20,856	21,149	81,310	79,219
Other fee income	54,046	75,863	222,598	244,741
Placement fees	5,736	2,944	14,605	12,107
Underwriting commission	9,167	21,590	35,038	85,142
Fee and commission income	720,911	621,306	2,672,025	2,398,146
Fee and commission expense	(157,631)	(147,500)	(604,759)	(649,334)
Net fee and commission income	563,280	473,806	2,067,266	1,748,812
(b) Gross dividend income from:				
<i>In Malaysia</i>				
- Financial investments at fair value through profit or loss	10,456	16,881	57,746	66,937
- Equity instruments at fair value through other comprehensive income	-	27	1,000	1,259
<i>Outside Malaysia</i>				
- Equity instruments at fair value through other comprehensive income	303	296	1,614	1,376
	10,759	17,204	60,360	69,572
(c) Net (loss)/gain arising from financial investments at fair value through profit or loss	(182,222)	332,486	(1,038,542)	475,365
- realised	(204,111)	537,194	(367,525)	351,298
- unrealised	21,889	(204,708)	(671,017)	124,067
(d) Net gain/(loss) arising from derivative financial instruments	570,647	(714,326)	3,682,862	139,391
- realised	1,014,352	(331,877)	2,591,840	308,498
- unrealised	(443,705)	(382,449)	1,091,022	(169,107)
(e) Net gain/(loss) arising from financial liability designated at fair value through profit or loss	14,181	13,595	82,852	(92,424)
- realised	(13,625)	(68,912)	(128,296)	(157,174)
- unrealised	27,806	82,507	211,148	64,750
(f) Net (loss)/gain arising from hedging activities	(1,984)	1,389	5,206	(18,803)
(g) Net gain from sale of investment in debt instruments at fair value through other comprehensive income	64,388	5,914	450,247	285,502
(h) Net gain from redemption of debt instruments at amortised cost	-	-	7,020	-
Net gain arising from loans, advances and financing at				
(i) fair value through profit or loss:	(800)	501	1,482	1,440
- unrealised (loss)/gain	(800)	501	1,482	1,440
(j) Income from assets management and securities services	5,568	4,937	23,952	15,995
(k) Brokerage income	660	1,006	2,066	3,104
(l) Other non-interest income:				
Foreign exchange (loss)/gain	(155,138)	1,013,553	(1,546,225)	1,132,325
Rental income	6,200	6,066	29,106	33,416
Gain on disposal of property, plant and equipment/ assets held for sale	32,619	3,773	42,671	21,526
Gain on disposal of loans, advances and financing	760	64,143	32,251	64,143
Gain on disposal of foreclosed assets	3,771	2,781	313	7,635
Other non-operating income	19,067	58,170	51,695	145,515
	(92,721)	1,148,486	(1,390,189)	1,404,560
	951,756	1,284,998	3,954,582	4,032,514

A23. NET NON-INTEREST INCOME (CONTINUED)

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Company				
(a) Gross dividend income from:				
<i>In Malaysia</i>				
- Subsidiaries	-	35	582,565	1,760,139
(b) Other non-interest income:				
Foreign exchange (loss)/gain	(58)	(426)	413	(115)
Rental income	(31)	77	230	307
Other non-operating income	-	-	980	88
	(89)	(349)	1,623	280
	(89)	(314)	584,188	1,760,419

A24. OVERHEADS

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Personnel costs				
- Salaries, allowances and bonus	1,064,443	911,680	4,245,665	4,033,536
- Pension cost	116,057	110,040	468,569	448,180
- Share-based expense ¹	13,956	-	33,487	-
- Overtime	3,848	3,571	14,419	18,547
- Staff incentives and other staff payments	96,126	119,484	399,943	317,388
- Medical expenses	21,548	21,621	81,532	86,039
- Others	40,384	52,382	184,785	240,380
	1,356,362	1,218,778	5,428,400	5,144,070
Establishment costs				
- Depreciation of property, plant and equipment	72,667	71,685	276,272	277,925
- Depreciation of right-of-use assets	57,798	55,504	231,948	247,172
- Amortisation of intangible assets	190,212	106,279	714,578	367,427
- Intangible assets written off	8,683	-	65,904	-
- Rental	52,310	40,103	204,652	149,470
- Repair and maintenance	202,344	189,785	747,065	623,333
- Outsourced services	(4,564)	7,440	22,274	81,927
- Security expenses	26,474	19,862	107,770	104,147
- Others	48,703	70,506	184,715	222,071
	654,627	561,164	2,555,178	2,073,472
Marketing expenses				
- Advertisement	50,417	44,693	142,214	177,944
- Others	14,881	7,695	32,288	36,105
	65,298	52,388	174,502	214,049
Administration and general expenses				
- Legal and professional fees	100,066	138,475	286,003	332,399
- Stationery	10,078	7,892	31,387	31,183
- Communication	22,660	42,119	87,260	163,231
- Incidental expenses on banking operations	9,716	13,167	40,179	44,519
- Insurance	17,355	11,313	73,355	46,049
- Others	222,682	232,806	742,685	726,198
	382,557	445,772	1,260,869	1,343,579
	2,458,844	2,278,102	9,418,949	8,775,170

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

A24. OVERHEADS (CONTINUED)

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Company				
- Others	-	2	-	2
	-	2	-	2
Establishment costs				
- Depreciation of property, plant and equipment	111	150	554	601
- Depreciation of investment properties	4	4	18	18
- Depreciation of right-of-use assets	2	3	10	11
- Repair and maintenance	110	84	270	84
- Others	7	6	54	54
	234	247	906	768
Marketing expenses				
- Others	-	-	17	-
	-	-	17	-
Administration and general expenses				
- Legal and professional fees	4,013	3,596	12,057	6,669
- Communication	-	-	51	2
- Insurance	843	818	3,471	3,788
- Others	5,433	4,403	19,552	12,053
	10,289	8,817	35,131	22,512
	10,523	9,066	36,054	23,282

A25(a). EXPECTED CREDIT LOSSES ON LOANS, ADVANCES AND FINANCING

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Expected credit losses on loans, advances and financing at amortised cost	908,229	1,534,391	3,268,570	5,867,031
Credit impaired loans, advances and financing:				
- recovered	(195,226)	(154,483)	(665,633)	(538,813)
- written off	4,115	4,532	10,650	13,991
	717,118	1,384,440	2,613,587	5,342,209

A25(b). OTHER EXPECTED CREDIT LOSSES AND IMPAIRMENT ALLOWANCES

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Other expected credit losses and impairment allowances (written back)/made:				
- Debt instrument at fair value through other comprehensive income	(16,191)	(5,334)	(35,067)	38,122
- Debt instrument at amortised cost	119,399	400,114	187,889	692,594
- Money at call and deposits and placements with banks and other financial institutions	1,567	218	(517)	(6,191)
Other impairment allowances made:				
- Other assets	236,799	383,338	260,521	521,492
- Intangible assets	614	18,629	614	18,629
- Property, plant and equipment	1,783	-	1,783	-
- Right-of-use assets	18,302	-	18,302	-
	362,273	796,965	433,525	1,264,646

Included in the other impairment allowance made for other assets during the financial year is ECL related to settlement of debit card balances. See A7.

The Company				
Other expected credit losses and impairment allowances (written back)/made:				
- Debt instrument at fair value through other comprehensive income	(10,766)	4,608	(13,619)	678
- Debt instrument at amortised cost	(23,706)	(838)	(7,055)	(10,502)
Other impairment allowances made:				
- Investment in a subsidiary	-	5,537	-	5,537
- Other assets	15	-	15	-
	(34,457)	9,307	(20,659)	(4,287)

A25(c). IMPAIRMENT OF GOODWILL

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. The pervasive macroeconomic deterioration in 2021 caused by the COVID-19 pandemic, and the consequent effects on the operations and earnings of CIMB Thai (“the CGU”) is mainly arising from the implementation of a more focused strategy by reshaping its portfolio. Therefore this has then triggered testing of the carrying amount of the related goodwill for impairment during the financial year ended 31 December 2021. The interim impairment test was performed by comparing the estimated recoverable amount of CIMB Thai CGU carrying goodwill, determined by a Value-In-Use (“VIU”) calculation, with its carrying amount. The impairment test resulted in a goodwill impairment of RM1,215 million. No asset other than goodwill was impaired.

The assumptions used in performing the interim impairment test have been updated to reflect budgeted earnings in 2022-2025 and a delay in the return to the pre-crisis levels of earnings and profitability.

The recoverable amount of CIMB Thai was based on its VIU, calculated based on the cash flow projections derived from the financial budgets and business plans prepared by management that was updated to reflect the most recent developments as at the interim reporting date. In view of the uncertainty in the economic outlook as a result of COVID-19, the VIU estimated during the financial year ended 31 December 2021 was based on the discounted cash flow (“DCF”) method with multiple cash flow projections taking into consideration assumed probabilities of different future events and/or scenarios. In the interim impairment testing, management has considered using 3 scenarios to reflect a representative sample of possible outcomes, namely the best case scenario, base case scenario and worst case scenario. The best case scenario reflects the budgeted earnings without any hair-cut to the cash flow projections, base case scenario with 10% hair-cut and worst case scenario with 20% hair-cut.

The goodwill impairment charge to the Group's Statements of Income is a non-cash item. The impairment charge will not have an impact to regulatory capital ratios and future earnings.

A26. DERIVATIVE FINANCIAL INSTRUMENTS

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

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

At 31 December 2021	The Group		
	Principal amount	Fair values	
	RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	48,268,030	273,110	(504,818)
- Less than 1 year	44,880,812	255,157	(375,141)
- 1 year to 3 years	2,744,734	12,317	(75,023)
- More than 3 years	642,484	5,636	(54,654)
Currency swaps	462,821,680	5,105,674	(4,362,735)
- Less than 1 year	461,052,106	5,071,526	(4,328,502)
- 1 year to 3 years	1,674,882	33,322	(33,138)
- More than 3 years	94,692	826	(1,095)
Currency spot	3,567,881	2,411	(2,683)
- Less than 1 year	3,567,881	2,411	(2,683)
Currency options	9,957,690	85,491	(107,761)
- Less than 1 year	5,025,423	21,894	(41,606)
- 1 year to 3 years	3,763,207	40,733	(35,420)
- More than 3 years	1,169,060	22,864	(30,735)
Cross currency interest rate swaps	103,324,627	2,217,248	(2,448,209)
- Less than 1 year	30,266,673	450,747	(819,096)
- 1 year to 3 years	35,233,715	915,623	(680,226)
- More than 3 years	37,824,239	850,878	(948,887)
	627,939,908	7,683,934	(7,426,206)
<u>Interest rate derivative</u>			
Interest rate swaps	390,444,647	3,180,687	(2,666,625)
- Less than 1 year	135,607,771	246,056	(234,571)
- 1 year to 3 years	128,331,197	791,777	(786,651)
- More than 3 years	126,505,679	2,142,854	(1,645,403)
Interest rate futures	10,776,877	5,097	(11,590)
- Less than 1 year	4,985,334	4,451	(10,773)
- 1 year to 3 years	3,916,583	646	(231)
- More than 3 years	1,874,960	-	(586)
Interest rate options	573,385	-	(4)
- Less than 1 year	573,385	-	(4)
	401,794,909	3,185,784	(2,678,219)
<u>Equity related derivatives</u>			
Equity futures	6,635	25	(1)
- Less than 1 year	6,635	25	(1)
Index futures	86,994	949	(344)
- Less than 1 year	86,994	949	(344)
Equity options	3,573,508	239,628	(97,392)
- Less than 1 year	3,341,932	234,979	(88,474)
- 1 year to 3 years	141,574	2,445	(6,714)
- More than 3 years	90,002	2,204	(2,204)
Equity swaps	318,757	4,168	(37,814)
- Less than 1 year	11,742	-	(228)
- 1 year to 3 years	214,663	4,029	(37,586)
- More than 3 years	92,352	139	-
	3,985,894	244,770	(135,551)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2021	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Commodity related derivatives</u>			
Commodity swaps	845,600	46,861	(52,785)
- Less than 1 year	818,500	45,692	(51,124)
- 1 year to 3 years	27,100	1,169	(1,661)
Commodity futures	379,825	15,422	(6,619)
- Less than 1 year	379,825	15,422	(6,619)
Commodity options	8,351,321	146,506	(153,068)
- Less than 1 year	8,351,321	146,506	(153,068)
	9,576,746	208,789	(212,472)
<u>Credit related contract</u>			
Credit default swaps	3,564,557	47,678	(35,529)
- Less than 1 year	338,534	799	(12)
- 1 year to 3 years	143,061	1,969	(503)
- More than 3 years	3,082,962	44,910	(35,014)
Total return swaps	20,500	-	(1,248)
- More than 3 years	20,500	-	(1,248)
	3,585,057	47,678	(36,777)
Bond contract			
Bond Forward	3,033,180	164,834	(115,204)
- Less than 1 year	1,178,155	23,382	(92,431)
- 1 year to 3 years	1,262,148	99,231	(18,664)
- More than 3 years	592,877	42,221	(4,109)
Hedging derivatives			
Interest rate swaps	30,246,111	333,317	(248,412)
- Less than 1 year	7,540,968	72,435	(24,417)
- 1 year to 3 years	6,422,345	60,052	(49,702)
- More than 3 years	16,282,798	200,830	(174,293)
Currency swaps	4,543,474	43,058	(8,797)
- Less than 1 year	4,543,474	43,058	(8,797)
Cross currency interest rate swaps	3,375,973	77,433	(33,817)
- Less than 1 year	104,740	6,583	(894)
- 1 year to 3 years	1,416,719	55,693	(4,033)
- More than 3 years	1,854,514	15,157	(28,890)
	38,165,558	453,808	(291,026)
Total derivative assets/(liabilities)	1,088,081,252	11,989,597	(10,895,455)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2020	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	41,186,689	320,615	(968,711)
- Less than 1 year	36,620,159	242,362	(833,533)
- 1 year to 3 years	3,373,897	63,970	(74,125)
- More than 3 years	1,192,633	14,283	(61,053)
Currency swaps	338,308,769	4,133,064	(4,423,256)
- Less than 1 year	335,046,694	4,100,434	(4,359,984)
- 1 year to 3 years	2,968,017	32,483	(56,313)
- More than 3 years	294,058	147	(6,959)
Currency spot	2,584,689	2,472	(3,392)
- Less than 1 year	2,584,689	2,472	(3,392)
Currency options	9,830,683	256,190	(271,938)
- Less than 1 year	5,879,981	103,493	(121,918)
- 1 year to 3 years	2,036,085	98,823	(99,316)
- More than 3 years	1,914,617	53,874	(50,704)
Cross currency interest rate swaps	92,817,949	3,602,989	(3,027,157)
- Less than 1 year	24,226,805	893,823	(665,679)
- 1 year to 3 years	30,090,562	1,111,117	(990,401)
- More than 3 years	38,500,582	1,598,049	(1,371,077)
	484,728,779	8,315,330	(8,694,454)
<u>Interest rate derivative</u>			
Interest rate swaps	463,734,769	6,360,401	(5,846,830)
- Less than 1 year	185,658,690	606,088	(622,753)
- 1 year to 3 years	130,806,893	1,530,814	(1,459,581)
- More than 3 years	147,269,186	4,223,499	(3,764,496)
Interest rate futures	10,195,263	2,327	(16,454)
- Less than 1 year	10,195,263	2,327	(16,454)
Interest rate options	7,085	-	(67)
- Less than 1 year	7,085	-	(67)
	473,937,117	6,362,728	(5,863,351)
<u>Equity related derivatives</u>			
Equity futures	30,563	215	-
- Less than 1 year	30,563	215	-
Index futures	11,286	-	(285)
- Less than 1 year	11,286	-	(285)
Equity options	2,749,143	171,471	(133,985)
- Less than 1 year	2,396,904	163,002	(129,811)
- 1 year to 3 years	265,695	6,618	(2,323)
- More than 3 years	86,544	1,851	(1,851)
Equity swaps	223,354	3,995	(27,065)
- 1 year to 3 years	60,033	3,991	(2,964)
- More than 3 years	163,321	4	(24,101)
	3,014,346	175,681	(161,335)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2020	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Commodity related derivatives</u>			
Commodity swaps	865,341	106,541	(87,016)
- Less than 1 year	796,501	97,197	(74,962)
- 1 year to 3 years	68,840	9,344	(12,054)
Commodity futures	241,897	9,896	(18,472)
- Less than 1 year	241,897	9,896	(18,472)
Commodity options	5,710,668	395,693	(384,511)
- Less than 1 year	5,707,845	394,172	(383,204)
- 1 year to 3 years	2,823	1,521	(1,307)
	6,817,906	512,130	(489,999)
<u>Credit related contract</u>			
Credit default swaps	2,584,541	40,193	(40,167)
- Less than 1 year	60,270	280	-
- 1 year to 3 years	297,064	3,115	(525)
- More than 3 years	2,227,207	36,798	(39,642)
Total return swaps	26,275	-	(2,242)
- Less than 1 year	5,525	-	(218)
- More than 3 years	20,750	-	(2,024)
	2,610,816	40,193	(42,409)
Bond contract			
Bond forward	3,164,544	9,606	(397,770)
- Less than 1 year	1,164,037	61	(164,155)
- 1 year to 3 years	1,381,984	7,208	(203,226)
- More than 3 years	618,523	2,337	(30,389)
Hedging derivatives			
Interest rate swaps	21,925,876	467,034	(589,848)
- Less than 1 year	3,805,462	51,583	(12,388)
- 1 year to 3 years	8,791,102	180,680	(127,783)
- More than 3 years	9,329,312	234,771	(449,677)
Currency forward	7,133	-	(230)
- Less than 1 year	7,133	-	(230)
Currency swaps	2,322,131	78,907	(45,156)
- Less than 1 year	2,322,131	78,907	(45,156)
Cross currency interest rate swaps	1,497,779	46,756	(56,218)
- Less than 1 year	451,459	6,837	-
- 1 year to 3 years	119,800	617	(2,070)
- More than 3 years	926,520	39,302	(54,148)
	25,752,919	592,697	(691,452)
Total derivative assets/(liabilities)	1,000,026,427	16,008,365	(16,340,770)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 December 2021, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM11,989,597,000 (2020: RM16,008,365,000). 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 December 2021, the Group has posted cash collateral of RM2,897,982,000 (2020: RM3,916,392,000) 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;
- c) the hedging policies in respect of foreign exchange and interest/profit rate exposures; and
- d) the related accounting policies.

The above information, policies and procedures in respect of derivative financial instruments of the Group are disclosed in the audited financial statements for the financial year ended 31 December 2020 and the Risk Management section of the 2020 Annual Report.

A27. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group enter into various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured over the Group's assets except for certain financial assets at fair value through profit or loss being pledged as credit support assets for certain over-the-counter derivative contracts.

	31 December 2021	31 December 2020
	Principal Amount RM'000	Principal Amount RM'000
The Group		
<u>Credit-related</u>		
Direct credit substitutes	7,032,364	7,054,851
Certain transaction-related contingent items	6,652,316	7,557,071
Short-term self-liquidating trade-related contingencies	3,315,027	2,763,854
Obligations under underwriting agreement	14,044	-
Irrevocable commitments to extend credit		
- maturity not exceeding one year	72,060,271	72,322,919
- maturity exceeding one year	33,989,202	31,691,945
Miscellaneous commitments and contingencies	2,010,717	2,578,701
Total credit-related commitments and contingencies	125,073,941	123,969,341
<u>Treasury-related</u>		
<u>Foreign exchange related contracts</u>		
- less than one year	549,441,109	407,139,051
- one year to five years	68,560,764	63,857,426
- more than five years	17,857,482	17,559,345
	635,859,355	488,555,822
<u>Interest rate related contracts</u>		
- less than one year	148,707,460	199,666,500
- one year to five years	219,275,894	233,544,980
- more than five years	64,057,666	62,651,513
	432,041,020	495,862,993
<u>Equity related contracts</u>		
- less than one year	3,447,303	2,438,753
- one year to five years	448,589	476,829
- more than five years	90,002	98,764
	3,985,894	3,014,346
<u>Credit related contracts</u>		
- less than one year	338,534	65,795
- one year to five years	3,170,347	1,867,323
- more than five years	76,176	677,698
	3,585,057	2,610,816
<u>Commodity related contracts</u>		
- less than one year	9,549,646	6,746,243
- one year to five years	27,100	71,663
	9,576,746	6,817,906
<u>Bond contracts</u>		
- less than one year	1,178,155	1,164,037
- one year to five years	1,825,025	1,970,507
- more than five years	30,000	30,000
	3,033,180	3,164,544
Total treasury-related commitments and contingencies	1,088,081,252	1,000,026,427
	1,213,155,193	1,123,995,768
Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account, as follows:		
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	2,500,000	3,700,000

A28. CAPITAL ADEQUACY

The capital adequacy ratios of the Group and its banking subsidiaries are computed as follows:

The capital adequacy framework applicable to the Malaysian banking entities is based on the Bank Negara Malaysia (“BNM”) Capital Adequacy Framework (“CAF”) (Capital Components)/Capital Adequacy Framework for Islamic Banks (“CAFIB”) (Capital Components), of which the latest revision was issued on 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.

On 5 February 2020, BNM issued the policy document on Domestic Systemically Important Banks (D-SIB) Framework, which sets out BNM’s assessment methodology to identify D-SIBs in Malaysia, following which CIMB Group Holdings Berhad has been identified as a D-SIB. A D-SIB is required to maintain additional capital buffers to regulatory capital requirements that include a higher loss absorbency (HLA) requirement which came into effect on 31 January 2021. The applicable HLA requirements will be in accordance to the list of D-SIBs published and updated by BNM on an annual basis.

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

The Internal Ratings Based (“IRB”) Approach adopted by CIMB Bank and CIMB Islamic Bank is applied for the major credit exposures with retail exposures on Advanced IRB approach and non-retail exposures on Foundation IRB approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on the Basic Indicator Approach. As for CIMB Investment Bank Group, the Standardised Approach is applied for Credit Risk and Market Risk while Operational Risk is based on the Basic Indicator Approach.

The capital adequacy ratios of CIMB Thai Bank is based on the Bank of Thailand (BOT) Notification No. SorNorSor. 12/2555 Re: Regulations on Supervision of Capital for Commercial Banks, dated 8 November 2012. Credit Risk and Market Risk are based on Standardised Approach while Operational Risk is based on Basic Indicator Approach.

The capital adequacy ratios of Bank CIMB Niaga is based on Otoritas Jasa Keuangan (OJK)’s requirements. The approach for Credit Risk and Market Risk is based on the Standardised Approach while Operational Risk is based on the Basic Indicator Approach.

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

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

A28. CAPITAL ADEQUACY (Continued)

31 December 2021

(a) The capital adequacy ratios of the Group is as follows:

	The Group
Before deducting proposed dividend	
Common equity tier 1 ratio	14.596%
Tier 1 ratio	15.481%
Total capital ratio	<u>18.373%</u>
After deducting proposed dividend	
Common equity tier 1 ratio	14.194%
Tier 1 ratio	15.079%
Total capital ratio	<u>17.970%</u>

The Group implemented a Dividend Reinvestment Scheme ("DRS") for the single-Tier Second Interim dividend in respect of the financial year ended 31 December 2021, which would increase the capital adequacy ratios of the Group above those stated above.

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

	The Group
	RM'000
Credit risk ⁽¹⁾	266,883,396
Market risk	18,638,489
Large exposure risk requirements	891,987
Operational risk	<u>32,221,575</u>
Total risk-weighted assets	<u>318,635,447</u>

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

	The Group
	RM'000
Under Restricted Agency Investment Account arrangement	<u>1,227,746</u>

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

	The Group
	RM'000
Common Equity Tier 1 capital	
Ordinary share capital	27,099,681
Other reserves	31,763,582
Qualifying non-controlling interests	460,905
Less: Proposed dividends	<u>(1,282,792)</u>
Common Equity Tier 1 capital before regulatory adjustments	58,041,376
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,444,100)
Intangible assets	(1,857,470)
Deferred tax assets	(1,626,326)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,839,107)
Regulatory reserve	(129,286)
Others	<u>80,941</u>
Common Equity Tier 1 capital after regulatory adjustments	<u>45,226,028</u>
Additional Tier 1 capital	
Perpetual subordinated capital securities	2,750,000
Qualifying capital instruments held by third parties	<u>69,650</u>
	2,819,650
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,819,650</u>
Total Tier 1 capital	<u>48,045,678</u>

A28. CAPITAL ADEQUACY (Continued)

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

	The Group RM'000
Tier 2 capital	
Subordinated notes	6,800,000
Qualifying capital instruments held by third parties	69,341
Surplus eligible provisions over expected loss	915,176
General provisions √	1,429,425
Tier 2 capital before regulatory adjustments	9,213,942
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	-
Total Tier 2 capital	9,213,942
Total capital	57,259,620

(d) The capital adequacy of the banking subsidiary companies of the Group are as follows:

	CIMB Bank Group	CIMB Bank **	CIMB Islamic Bank	CIMB Investment Bank Group	CIMB Thai Bank	Bank CIMB Niaga	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
<u>Before deducting proposed dividend</u>								
Common equity tier 1 ratio	15.443%	14.919%	15.109%	93.350%	15.701%	21.216%	N/A	N/A
Tier 1 ratio	16.228%	15.834%	15.875%	93.350%	15.701%	21.216%	N/A	N/A
Total capital ratio	19.690%	19.051%	18.853%	93.365%	21.797%	22.294%	17.525%	112.477%
<u>After deducting proposed dividend</u>								
Common equity tier 1 ratio	15.185%	14.530%	15.109%	88.272%	15.701%	21.216%	N/A	N/A
Tier 1 ratio	15.970%	15.445%	15.875%	88.272%	15.701%	21.216%	N/A	N/A
Total capital ratio	19.432%	18.662%	18.853%	88.288%	21.797%	22.294%	17.525%	112.477%

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

√ Total Capital of CIMB Group as at 31 December 2021 has excluded general provisions restricted from Tier II capital of RM1,317 million.

A28. CAPITAL ADEQUACY (Continued)**31 December 2020**

(a) The capital adequacy ratios of the Group is as follows:

The Group**Before deducting proposed dividend**

Common equity tier 1 ratio	13.315%
Tier 1 ratio	14.634%
Total capital ratio	<u>17.624%</u>

After deducting proposed dividend

Common equity tier 1 ratio	13.167%
Tier 1 ratio	14.486%
Total capital ratio	<u>17.476%</u>

The Group implemented a Dividend Reinvestment Scheme ("DRS") for the single-Tier Interim dividend in respect of the financial year ended 31 December 2020, which would increase the capital adequacy ratios of the Group above those stated above.

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

The Group**RM'000**

Credit risk ⁽¹⁾	271,321,905
Market risk	19,145,332
Large exposure risk requirements	910,107
Operational risk	<u>31,233,381</u>
Total risk-weighted assets	<u>322,610,725</u>

⁽¹⁾ The RWA for credit risk relating to the Restricted Agency Investment Account are as follows:**The Group****RM'000**

Under Restricted Agency Investment Account arrangement	<u>209,266</u>
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(c) Components of Common Equity Tier 1, Additional Tier 1 and Tier 2 capital are as follows:

The Group**RM'000****Common Equity Tier 1 capital**

Ordinary share capital	25,843,808
Other reserves	30,081,833
Qualifying non-controlling interests	468,913
Less: Proposed dividends	<u>(477,295)</u>
Common Equity Tier 1 capital before regulatory adjustments	55,917,259

Less: Regulatory adjustments

Goodwill	(7,758,423)
Intangible assets	(1,986,610)
Deferred tax assets	(1,003,176)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,354,415)
Regulatory reserve	(233,441)
Others	(101,558)
Common Equity Tier 1 capital after regulatory adjustments	<u>42,479,636</u>

Additional Tier 1 capital

Perpetual subordinated capital securities	4,150,000
Qualifying capital instruments held by third parties	<u>116,948</u>
	4,266,948

Less: Regulatory adjustments

Investments in own Additional Tier 1 capital instruments	(12,400)
Additional Tier 1 capital after regulatory adjustments	<u>4,254,548</u>

Total Tier 1 capital**46,734,184**

A28. CAPITAL ADEQUACY (Continued)

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

	The Group RM'000
Tier 2 capital	
Subordinated notes	6,700,000
Qualifying capital instruments held by third parties	912,962
Surplus eligible provisions over expected loss	683,264
General provisions [√]	<u>1,348,071</u>
Tier 2 capital before regulatory adjustments	<u>9,644,297</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	<u>-</u>
Total Tier 2 capital	<u>9,644,297</u>
Total capital	<u>56,378,481</u>

(d) The capital adequacy of the banking subsidiary companies of the Group are as follows:

	CIMB Bank Group	CIMB Bank **	CIMB Islamic Bank	CIMB Investment Bank Group	CIMB Thai Bank	Bank CIMB Niaga	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
<u>Before deducting proposed dividend</u>								
Common equity tier 1 ratio	13.607%	13.126%	13.307%	91.131%	14.938%	20.115%	N/A	N/A
Tier 1 ratio	14.860%	14.760%	14.100%	91.131%	14.938%	20.115%	N/A	N/A
Total capital ratio	<u>18.571%</u>	<u>18.564%</u>	<u>16.760%</u>	<u>91.131%</u>	<u>20.749%</u>	<u>21.239%</u>	<u>17.491%</u>	<u>73.436%</u>
<u>After deducting proposed dividend</u>								
Common equity tier 1 ratio	13.607%	13.126%	13.307%	83.181%	14.938%	20.115%	N/A	N/A
Tier 1 ratio	14.860%	14.760%	14.100%	83.181%	14.938%	20.115%	N/A	N/A
Total capital ratio	<u>18.571%</u>	<u>18.564%</u>	<u>16.760%</u>	<u>83.181%</u>	<u>20.749%</u>	<u>21.239%</u>	<u>17.491%</u>	<u>73.436%</u>

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

[√] Total Capital of CIMB Group as at 31 December 2020 has excluded general provisions restricted from Tier 2 capital of RM581 million.

A29. SEGMENTAL REPORT

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined the Group Executive Committee as its chief operating decision-maker.

Segment information is presented in respect of the Group's business segment and geographical segment.

All inter-segment transactions are conducted on an arm's length basis and on normal commercial terms not more favourable than those generally available to the public.

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:

As a result of an internal reorganisation, there is a change in business segment reporting. The Group has four major operation divisions that forms the basis on which the Group reports its segment information.

Consumer Banking

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

Commercial Banking

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

Wholesale Banking

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

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

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

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

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

A29. SEGMENTAL REPORT (Continued)

Wholesale Banking (Continued)

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

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

CIMB Digital Assets & Group Funding (previously known as Group Ventures & Partnerships and Funding)

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

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2021					
Net interest income - after modification loss					
- external income	4,686,084	1,923,938	3,057,384	1,207,007	10,874,413
- inter-segment income/(expense)	61,742	334,599	89,423	(485,764)	-
	4,747,826	2,258,537	3,146,807	721,243	10,874,413
Income from Islamic Banking operations	1,585,484	740,759	642,133	565,105	3,533,481
Net non-interest income	1,681,649	502,838	1,432,664	337,431	3,954,582
Gain on disposal and deemed disposal of subsidiaries and joint venture	-	-	-	1,150,464	1,150,464
Net income	8,014,959	3,502,134	5,221,604	2,774,243	19,512,940
Overheads	(4,431,517)	(1,757,672)	(2,016,810)	(1,212,950)	(9,418,949)
of which:					
- Depreciation of property, plant and equipment	(107,463)	(4,824)	(15,935)	(148,050)	(276,272)
- Amortisation of intangible assets	(102,306)	(7,159)	(55,476)	(549,637)	(714,578)
Profit before expected credit losses	3,583,442	1,744,462	3,204,794	1,561,293	10,093,991
Expected credit losses made on loans, advances and financing	(1,159,812)	(672,932)	(733,523)	(47,320)	(2,613,587)
Expected credit losses (made)/written back for commitments and contingencies	(113,106)	4,022	(1,149)	11	(110,222)
Other expected credit losses and impairment allowances (made)/written back	(392,919)	(3,453)	(78,601)	41,448	(433,525)
Impairment of goodwill	(397,339)	(259,652)	(462,737)	(95,469)	(1,215,197)
Segment results	1,520,266	812,447	1,928,784	1,459,963	5,721,460
Share of results of joint ventures	10,999	-	79,641	(26,417)	64,223
Share of results of associates	-	-	3,758	37	3,795
Profit before taxation and zakat	1,531,265	812,447	2,012,183	1,433,583	5,789,478
% of profit before taxation and zakat	26.4	14.0	34.8	24.8	100.0
Taxation and zakat					(1,396,853)
Profit for the financial year					4,392,625

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2020					
Net interest income - after modification loss					
- external income	4,377,974	2,128,837	2,699,014	833,560	10,039,385
- inter-segment income/(expense)	309,693	50,763	86,488	(446,944)	-
	4,687,667	2,179,600	2,785,502	386,616	10,039,385
Income from Islamic Banking operations	1,170,403	631,700	729,353	384,024	2,915,480
Net non-interest income	1,500,408	463,084	1,385,110	683,912	4,032,514
Net income	7,358,478	3,274,384	4,899,965	1,454,552	16,987,379
Overheads	(4,295,323)	(1,756,040)	(1,907,163)	(816,644)	(8,775,170)
of which:					
- Depreciation of property, plant and equipment	(117,026)	(5,024)	(14,651)	(141,224)	(277,925)
- Amortisation of intangible assets	(88,077)	(3,579)	(33,025)	(242,746)	(367,427)
Profit before expected credit losses	3,063,155	1,518,344	2,992,802	637,908	8,212,209
Expected credit losses made back on loans, advances and financing	(2,224,250)	(1,647,229)	(1,447,550)	(23,180)	(5,342,209)
Expected credit losses (made)/written back for commitments and contingencies	(123,479)	5,657	(72,122)	(1,576)	(191,520)
Other expected credit losses and impairment allowances made	(144,325)	(7,021)	(1,025,259)	(88,041)	(1,264,646)
Segment results	571,101	(130,249)	447,871	525,111	1,413,834
Share of results of joint ventures	(10,242)	-	64,496	64,580	118,834
Share of results of associates	-	-	-	(2,339)	(2,339)
Profit/(loss) before taxation and zakat	560,859	(130,249)	512,367	587,352	1,530,329
% of profit before taxation and zakat	36.6	(8.5)	33.5	38.4	100.0
Taxation and zakat					(383,760)
Profit for the financial year					1,146,569

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2021 Group					
Segment assets	192,293,384	60,119,398	258,852,115	92,073,779	603,338,676
Investment in associates and joint ventures	151,157	-	673,706	2,127,283	2,952,146
	<u>192,444,541</u>	<u>60,119,398</u>	<u>259,525,821</u>	<u>94,201,062</u>	<u>606,290,822</u>
Unallocated assets	-	-	-	-	15,616,236
Total assets	<u>192,444,541</u>	<u>60,119,398</u>	<u>259,525,821</u>	<u>94,201,062</u>	<u>621,907,058</u>
Segment liabilities	161,268,385	78,564,205	257,604,225	47,519,805	544,956,620
Unallocated liabilities	-	-	-	-	16,841,690
Total liabilities	<u>161,268,385</u>	<u>78,564,205</u>	<u>257,604,225</u>	<u>47,519,805</u>	<u>561,798,310</u>
Other segment items					
Capital expenditure	223,479	14,031	79,509	727,102	1,044,121
Investment in joint ventures	151,157	-	-	2,030,188	2,181,345
Investment in associates	-	-	673,706	97,095	770,801

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2020 Group					
Segment assets	188,176,345	61,392,914	240,955,673	91,542,432	582,067,364
Investment in associates and joint ventures	140,158	-	1,400,853	955,512	2,496,523
	<u>188,316,503</u>	<u>61,392,914</u>	<u>242,356,526</u>	<u>92,497,944</u>	<u>584,563,887</u>
Unallocated assets	-	-	-	-	17,791,012
Total assets	<u>188,316,503</u>	<u>61,392,914</u>	<u>242,356,526</u>	<u>92,497,944</u>	<u>602,354,899</u>
Segment liabilities	171,435,818	71,794,619	245,112,043	38,786,987	527,129,467
Unallocated liabilities	-	-	-	-	18,051,310
Total liabilities	<u>171,435,818</u>	<u>71,794,619</u>	<u>245,112,043</u>	<u>38,786,987</u>	<u>545,180,777</u>
Other segment items					
Capital expenditure	407,446	20,357	73,451	628,127	1,129,381
Investment in joint ventures	140,158	-	1,400,853	910,206	2,451,217
Investment in associates	-	-	-	45,306	45,306

A30. 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 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/liabilities are recorded at fair value.

A30. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and the Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 December 2021 and 31 December 2020 .

The Group 31 December 2021	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Recurring fair value measurements				
Financial assets				
Financial investments at fair value through profit or loss				
- Money market instruments	-	28,724,249	398,711	29,122,960
- Quoted securities	1,406,435	-	-	1,406,435
- Unquoted securities	-	8,571,237	1,178,612	9,749,849
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	16,399,801	-	16,399,801
- Unquoted securities	-	43,719,685	-	43,719,685
Equity instruments at fair value through other comprehensive income				
- Quoted securities	37,512	-	-	37,512
- Unquoted securities	-	-	285,593	285,593
Derivative financial instruments				
- Trading derivatives	146,868	11,154,526	234,395	11,535,789
- Hedging derivatives	-	453,808	-	453,808
Loans, advances and financing at fair value through profit or loss				
-	-	357,853	-	357,853
Total	1,590,815	109,381,159	2,097,311	113,069,285
Financial liabilities				
Derivative financial instruments				
- Trading derivatives	91,701	10,472,969	39,759	10,604,429
- Hedging derivatives	-	291,026	-	291,026
Financial liabilities designated at fair value through profit or loss				
-	-	6,856,782	-	6,856,782
Total	91,701	17,620,777	39,759	17,752,237

The Group 31 December 2020	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
Recurring fair value measurements				
Financial assets				
Financial investments at fair value through profit or loss				
- Money market instruments	-	30,248,033	433,546	30,681,579
- Quoted securities	1,299,407	-	-	1,299,407
- Unquoted securities	-	9,506,386	1,225,761	10,732,147
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	11,647,532	-	11,647,532
- Unquoted securities	-	36,078,249	1	36,078,250
Equity instruments at fair value through other comprehensive income				
- Quoted securities	37,935	-	-	37,935
- Unquoted securities	-	-	271,036	271,036
Derivative financial instruments				
- Trading derivatives	12,399	15,245,968	157,301	15,415,668
- Hedging derivatives	-	592,697	-	592,697
Loans, advances and financing at fair value through profit or loss				
-	-	710,235	-	710,235
Total	1,349,741	104,029,100	2,087,645	107,466,486
Financial liabilities				
Derivative financial instruments				
- Trading derivatives	522,577	15,118,428	8,313	15,649,318
- Hedging derivatives	-	691,452	-	691,452
Financial liabilities designated at fair value through profit or loss				
-	-	4,016,930	-	4,016,930
Total	522,577	19,826,810	8,313	20,357,700

A30. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 December 2021 and 31 December 2020 (Continued)

The Company 31 December 2021	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	1,778,168	-	1,778,168
Total	-	1,778,168	-	1,778,168

The Company 31 December 2020	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	3,246,974	-	3,246,974
Total	-	3,246,974	-	3,246,974

A30. FAIR VALUE ESTIMATION (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial year ended 31 December 2021 and 31 December 2020 for the Group.

	Financial Assets				Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Derivative financial instruments Trading derivatives		Derivative financial instruments Trading derivatives	Total
	Money market instruments and unquoted securities	Unquoted securities					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2021							
At 1 January	1,659,307	1	271,036	157,301	2,087,645	(8,313)	(8,313)
Total gains/(losses) recognised in Statement of Income	29,631	-	-	79,805	109,436	(26,474)	(26,474)
Total gains recognised in Other Comprehensive Income	-	-	29,140	-	29,140	-	-
Purchases	4,236	-	52	6,076	10,364	(28,630)	(28,630)
Sales and redemptions	(141,336)	(1)	(14,767)	-	(156,104)	-	-
Settlements	-	-	-	(8,885)	(8,885)	23,740	23,740
Exchange fluctuation	25,485	-	132	98	25,715	(82)	(82)
At 31 December	1,577,323	-	285,593	234,395	2,097,311	(39,759)	(39,759)
Total gains/(losses) recognised in Statement of Income for the financial year ended 31 December 2021 under:							
- net non-interest income	29,631	-	-	79,805	109,436	(26,474)	(26,474)
Total gains recognised in Other Comprehensive Income for the financial year ended 31 December 2021 under "revaluation reserves"	-	-	29,140	-	29,140	-	-
Change in unrealised gains/(losses) recognised in Statement of Income relating to assets held on 31 December 2021 under "net non-interest income"	26,821	-	-	395,810	422,631	(83,282)	(83,282)

A30. FAIR VALUE ESTIMATION (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial year ended 31 December 2021 and 31 December 2020 for the Group. (Continued)

	Financial Assets				Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Derivative financial instruments Trading derivatives		Derivative financial instruments Trading derivatives	Total
	Money market instruments and unquoted securities	Unquoted securities					
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
2020							
At 1 January	1,597,162	1	330,642	69,119	1,996,924	(15,552)	(15,552)
Total gains recognised in Statement of Income	78,233	-	-	84,930	163,163	4,306	4,306
Total losses recognised in Other Comprehensive Income	-	-	(11,408)	-	(11,408)	-	-
Purchases	2,159	-	297	6,531	8,987	(9,834)	(9,834)
Sales and redemptions	(7,370)	-	(47,501)	-	(54,871)	-	-
Settlements	-	-	-	(3,276)	(3,276)	12,765	12,765
Exchange fluctuation	(10,877)	-	(994)	(3)	(11,874)	2	2
At 31 December	1,659,307	1	271,036	157,301	2,087,645	(8,313)	(8,313)
Total gains recognised in Statement of Income for the financial year ended 31 December 2020 under: - net non-interest income	78,233	-	-	84,930	163,163	4,306	4,306
Total losses recognised in Other Comprehensive Income for the financial year ended 31 December 2020 under "revaluation reserves"	-	-	(11,408)	-	(11,408)	-	-
Change in unrealised gains/(losses) recognised in Statement of Income relating to assets held on 31 December 2020 under "net non-interest income"	79,729	-	-	450,820	530,549	(65,574)	(65,574)

A30. FAIR VALUE ESTIMATION (Continued)

The following represents the Group's and the Company's non-financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 December 2021 and 31 December 2020.

Investment properties (Recurring)

The investment properties of the Group are valued annually at fair value based on market values determined by independent qualified valuers. The fair values are within level 2 of the fair value hierarchy. The fair values have been derived using the sales comparison approach. Sales prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size.

Non-current assets held for sales (Non-recurring)

In accordance with MFRS 5, the non-current assets held for sales were stated at the lower of carrying amount and fair value less cost to sell. As at 31 December 2021, the property plant and equipment held for sale of the Group that were stated at fair value less cost to sell was RM17,195,000 (2020: RM7,112,000). This is a non-recurring fair value which has been measured using observable inputs under sales comparison approach performed by independent valuers. Sales prices of comparable land and building in close proximity are adjusted for differences in key attributes such as property size. Therefore, it is within level 2 of the fair value hierarchy.

A31. OPERATIONS OF ISLAMIC BANKING

A31a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2021

	Note	The Group	
		31 December 2021 RM'000	31 December 2020 RM'000
ASSETS			
Cash and short-term funds		15,576,658	13,176,836
Deposits and placements with banks and other financial institutions		1,263,401	2,364,137
Financial investments at fair value through profit or loss		5,254,902	5,144,152
Debt instruments at fair value through other comprehensive income		7,082,534	4,623,981
Debt instruments at amortised cost		10,118,573	9,648,264
Islamic derivative financial instruments		264,327	559,340
Financing, advances and other financing/loans	A31d	103,797,100	97,342,038
Other assets		2,718,901	2,105,072
Deferred tax assets		166,320	93,895
Tax recoverable		1,761	4,252
Amount due from conventional operations		8,953,813	7,336,644
Statutory deposits with central banks		915,756	377,067
Property, plant and equipment		3,765	3,037
Right-of-use assets		3,956	5,343
Goodwill		136,000	136,000
Intangible assets		22,661	60,139
TOTAL ASSETS		156,280,428	142,980,197
LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS			
CAPITAL FUNDS			
Deposits from customers	A31e	112,433,852	109,001,344
Investment accounts of customers	A31f	10,427,167	2,678,870
Deposits and placements of banks and other financial institutions		4,444,554	2,395,807
Collateralised commodity murabahah		328,821	299,236
Investment accounts due to designated financial institutions	A31g	3,919,753	4,751,241
Financial liabilities designated at fair value through profit or loss	A31h	799,686	71,610
Islamic derivative financial instruments		292,760	595,587
Bills and acceptances payable		26,397	18,897
Other liabilities		8,267,790	8,983,878
Lease liabilities		4,398	5,067
Amount due to conventional operations		2,024,744	1,970,848
Provision for taxation		51,434	4,918
Sukuk		600,044	1,026,028
Subordinated Sukuk		1,108,045	1,118,336
TOTAL LIABILITIES		144,729,445	132,921,667
Ordinary share capital		1,000,000	1,000,000
Islamic banking funds		55,696	55,696
Perpetual preference shares		420,000	420,000
Reserves		9,946,608	8,495,210
		11,422,304	9,970,906
Non-controlling interests		128,679	87,624
TOTAL ISLAMIC BANKING CAPITAL FUNDS		11,550,983	10,058,530
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		156,280,428	142,980,197
RESTRICTED AGENCY INVESTMENT ACCOUNT(*)		12,748,755	8,730,980
TOTAL ISLAMIC BANKING ASSETS		169,029,183	151,711,177

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

**A31b. UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2021**

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	1,138,734	1,129,487	4,538,709	4,936,466
Income derived from investment of investment account	143,594	67,347	401,384	360,106
Net income derived from investment of shareholders' funds	189,957	162,841	773,401	475,208
Modification loss (Note A22)	(22,558)	-	(95,749)	(185,804)
Expected credit losses made on financing, advances and other financing/loans	(1,275)	(317,752)	(303,947)	(809,110)
Expected credit losses written back/(made) for commitments and contingencies	2,903	(25,234)	(25,989)	(46,123)
Other expected credit losses and impairment allowances (made)/written back	(515)	1,570	(1,693)	411
Total distributable income	1,450,840	1,018,259	5,286,116	4,731,154
Income attributable to depositors and others	(492,021)	(555,082)	(2,012,344)	(2,632,362)
Profit distributed to investment account holder	(72,181)	(37,305)	(208,489)	(219,351)
Total net income	886,638	425,872	3,065,283	1,879,441
Other operating expenses	(248,141)	(230,328)	(1,175,087)	(970,400)
Profit before taxation and zakat	638,497	195,544	1,890,196	909,041
Taxation and zakat	(128,976)	(18,334)	(315,674)	(132,651)
Profit for the financial period/year	509,521	177,210	1,574,522	776,390
Profit for the financial period/year attributable to:				
Owners of the Parent	499,066	169,840	1,535,795	749,281
Non-controlling interests	10,455	7,370	38,727	27,109
	509,521	177,210	1,574,522	776,390

A31c. UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2021

	The Group			
	4th quarter ended		Twelve months ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period/year	509,521	177,210	1,574,522	776,390
Other comprehensive (expense)/income:				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(2)	1	(4)	31
	(2)	1	(4)	31
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(14,971)	(11,123)	(107,399)	8,388
- Net loss from change in fair value	(19,908)	(10,957)	(100,143)	107,940
- Realised gain transferred to statement of income on disposal	(525)	(2,637)	(46,269)	(96,879)
- Changes in expected credit losses	(42)	(1,200)	1,232	(18)
- Income tax effects	5,504	3,671	37,781	(2,655)
Exchange fluctuation reserve	(369)	29,807	37,658	(26,522)
Other comprehensive (expense)/income for the financial period, net of tax	(15,342)	18,685	(69,745)	(18,103)
Total comprehensive income for the financial period/year	494,179	195,895	1,504,777	758,287
Total comprehensive income for the financial period/year attributable to:				
Owners of the Parent	483,863	186,602	1,463,722	733,531
Non-controlling interests	10,316	9,293	41,055	24,756
	494,179	195,895	1,504,777	758,287
<u>Income from Islamic operations (per page 2)</u>				
Total net income	886,638	425,872	3,065,283	1,879,441
Add: Expected credit losses made on financing, advances and other financing/loans	1,275	317,752	303,947	809,110
Add: Expected credit losses (written back)/made for commitments and contingencies	(2,903)	25,234	25,989	46,123
Add: Other expected credit losses and impairment allowances made/(written back)	515	(1,570)	1,693	(411)
	885,525	767,288	3,396,912	2,734,263
Elimination for transaction with conventional operations	30,055	38,771	136,569	181,217
	915,580	806,059	3,533,481	2,915,480

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS

(i) By type and Shariah contract

31 December 2021

	The Group														Total
	Sale-based contracts					Lease-based contracts		Profit sharing contracts		Loan contract	Others				
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Rahnu	Ujrah	Kafalah		
RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000		
At amortised cost															
Cash line [^]	-	295	866	-	1,119,109	-	-	-	-	8,118	-	-	-	1,128,388	
Term financing															
House Financing	206,562	4,498,841	-	-	27,289,680	1,150,034	-	-	4,734,509	-	-	-	-	37,879,626	
Syndicated Financing	-	-	20,275	-	1,694,829	-	-	478	-	-	-	-	-	1,715,582	
Hire purchase receivables	327,802	-	-	-	-	-	12,935,554	-	-	-	-	-	-	13,263,356	
Other term financing	645,029	1,030,219	1,654,204	-	35,453,047	39,989	-	72,644	4,934,888	48,376	-	-	-	43,878,396	
Lease receivable	-	-	-	-	-	147,053	-	-	-	-	-	-	-	147,053	
Bills receivable	641,132	-	-	496,935	-	-	-	-	-	458	-	-	-	1,138,525	
Islamic Trust receipts	34,970	-	-	-	-	-	-	-	-	-	-	-	-	34,970	
Claims on customers under acceptance credits	688,423	-	-	71,233	-	-	-	-	-	-	-	26,397	-	786,053	
Staff financing	-	-	-	-	225,183	-	-	-	24,911	-	-	-	-	250,094	
Revolving credits	-	-	-	-	4,705,217	-	-	-	6,810	-	-	-	-	4,712,027	
Credit card receivables	-	-	-	-	-	-	-	-	-	289,517	-	145,587	-	435,104	
Gross financing, advances and other financing/loans, at amortised cost	<u>2,543,918</u>	<u>5,529,355</u>	<u>1,675,345</u>	<u>568,168</u>	<u>70,487,065</u>	<u>1,337,076</u>	<u>12,935,554</u>	<u>73,122</u>	<u>9,701,118</u>	<u>346,469</u>	<u>-</u>	<u>145,587</u>	<u>26,397</u>	<u>105,369,174</u>	
Fair value changes arising from fair value hedge														1,565	
Less: Expected credit losses														(1,573,639)	
Net financing, advances and other financing/loans at amortised cost														<u>103,797,100</u>	
At fair value through profit or loss															
Term financing															
Syndicated Financing	-	-	-	-	-	-	-	-	-	-	-	-	-	-	
Net financing, advances and other financing/loans, at fair value through profit or loss	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	
Net financing, advances and other financing/loans														<u>103,797,100</u>	

[^] Includes current account in excess

* The beneficial owner of the asset belongs to the subsidiaries of CIMB Group. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

CIMB Islamic is the owner of the asset. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(i) By type and Shariah contract (Continued)

31 December 2020

	The Group												Total
	Sale-based contracts					Lease-based contracts		Profit sharing contracts		Loan contract	Others		
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Rahnu	Ujrah	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At amortised cost													
Cash line [^]	-	268	842	-	1,036,202	-	-	-	-	8,907	-	-	1,046,219
Term financing													
House Financing	305,332	4,937,835	-	-	21,574,218	1,227,897	-	-	3,654,536	-	-	-	31,699,818
Syndicated Financing	-	-	39,111	-	2,120,688	-	-	532	-	-	-	-	2,160,331
Hire purchase receivables	80,859	-	-	-	-	-	11,380,856	-	-	-	-	-	11,461,715
Other term financing	760,403	1,168,761	5,004,003	-	32,905,287	44,811	-	98,217	4,479,920	-	12	-	44,461,414
Lease receivable	-	-	-	-	-	177,923	-	-	-	-	-	-	177,923
Bills receivable	334,959	-	-	167,450	-	-	-	-	-	-	-	-	502,409
Islamic Trust receipts	98,889	-	-	-	-	-	-	-	-	-	-	-	98,889
Claims on customers under acceptance credits	691,903	-	-	84,911	-	-	-	18,897	-	-	-	-	795,711
Staff financing	-	-	-	-	171,716	-	-	-	16,979	-	-	-	188,695
Revolving credits	-	-	-	-	5,475,377	-	-	16,681	-	-	-	-	5,492,058
Credit card receivables	-	-	-	-	-	-	-	-	-	245,962	-	134,389	380,351
Gross financing, advances and other financing/loans, at amortised cost	2,272,345	6,106,864	5,043,956	252,361	63,283,488	1,450,631	11,380,856	134,327	8,151,435	254,869	12	134,389	98,465,533
Fair value changes arising from fair value hedge													3,835
													98,469,368
Less: Expected credit losses													(1,324,651)
Net financing, advances and other financing/loans at amortised cost													97,144,717
At fair value through profit or loss													
Term financing													
Syndicated financing	-	-	-	-	197,321	-	-	-	-	-	-	-	197,321
Net financing, advances and other financing/loans, at fair value through profit or loss	-	-	-	-	197,321	-	-	-	-	-	-	-	197,321
Net financing, advances and other financing/loans													97,342,038

[^] Includes current account in excess

* The beneficial owner of the asset belongs to the subsidiaries of CIMB Group. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

CIMB Islamic is the owner of the asset. The ownership of the asset will be transferred to the customer via sale at the end of the Ijarah financing.

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(i) By type and Shariah contract (Continued)

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
Gross financing, advances and other financing/loans		
- At amortised cost	105,369,174	98,465,533
- At fair value through profit or loss	-	197,321
	105,369,174	98,662,854

(a) During the financial year, the Group has undertaken fair value hedges on RM65,935,000 (2020: RM78,322,000) financing using profit rate swaps.

(b) Included in financing, advances and other financing/loans are exposures to Restricted Profit Sharing Investment Accounts (“RPSIA”), as part of an arrangement between CIMB Islamic Bank and CIMB Bank Berhad. CIMB Bank Berhad is exposed to risks and rewards on RPSIA financing and will account for all the expected credit losses arising thereon.

As at 31 December 2021, the gross exposure and expected credit losses relating to RPSIA financing are RM3,844,040,000 (2020: RM4,703,553,000) and RM1,506,000 (2020: RM104,169,000) respectively, which are recognised in the Financial Statements of CIMB Bank Berhad.

c) Movement of Qard financing

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
At 1 January	254,869	238,702
New disbursement	182,685	118,983
Repayment	(97,265)	(95,314)
Exchange fluctuation	6,180	(7,502)
At 31 December	346,469	254,869
Sources of Qard fund:		
Depositors' fund	345,921	254,363
Shareholders' fund	548	506
	346,469	254,869
Uses of Qard fund:		
Personal use	338,513	246,431
Business use	7,956	8,438
	346,469	254,869

(ii) By geographical distribution

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
Malaysia	91,821,666	85,919,565
Indonesia	10,910,334	9,237,388
Singapore	1,615,488	2,767,216
China	292,999	36,292
Other countries	728,687	702,393
Gross financing, advances and other financing/loans	105,369,174	98,662,854

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(iii) By economic sector

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
Primary agriculture	3,398,745	3,640,343
Mining and quarrying	847,692	786,130
Manufacturing	4,406,354	4,057,554
Electricity, gas and water supply	1,450,378	1,065,903
Construction	2,770,811	2,584,782
Transport, storage and communications	2,242,568	2,445,342
Education, health and others	2,263,923	4,227,834
Wholesale and retail trade, and restaurants and hotels	4,861,994	4,405,309
Finance, insurance/takaful, real estate and business activities	10,765,315	12,165,188
Household	66,685,002	58,743,551
Others	5,676,392	4,540,918
	105,369,174	98,662,854

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

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
Malaysia	645,986	1,506,615
Indonesia	249,749	109,584
Singapore	11,662	5,141
Gross impaired financing, advances and other financing/loans	907,397	1,621,340

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

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
Primary agriculture	21,506	19,796
Mining and quarrying	4,868	13,408
Manufacturing	57,800	696,192
Electricity, gas and water supply	-	1
Construction	20,267	16,505
Transport, storage and communications	12,759	18,104
Education, health and others	6,268	3,567
Wholesale and retail trade, and restaurants and hotels	116,376	108,977
Finance, insurance/takaful, real estate and business activities	69,087	39,048
Household	470,782	640,650
Others	127,684	65,092
	907,397	1,621,340

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

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

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
Financing, advances and other financing/loans at amortised cost				
At 1 January 2021	489,055	436,159	399,437	1,324,651
Changes in expected credit losses due to transfer within stages:	318,576	(168,564)	(150,012)	-
Transferred to stage 1	562,231	(529,668)	(32,563)	-
Transferred to stage 2	(242,175)	549,989	(307,814)	-
Transferred to stage 3	(1,480)	(188,885)	190,365	-
Total charge to Income Statement:	(523,921)	669,781	257,904	403,764
New financial assets originated	80,287	4,738	47,193	132,218
Financial assets that have been derecognised	(44,069)	(30,609)	-	(74,678)
Writeback in respect of full recoveries	-	-	(71,198)	(71,198)
Change in credit risk	(560,139)	695,652	281,909	417,422
Write-offs	-	(4)	(197,986)	(197,990)
Exchange fluctuation	10,535	2,750	1,973	15,258
Transfer from/(to) related companies	984	132	2,698	3,814
Other movements	(46)	70	24,118	24,142
At 31 December 2021	295,183	940,324	338,132	1,573,639

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - Credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	375,216	165,049	229,484	769,749
Changes in expected credit losses due to transfer within stages:	(189,430)	155,754	33,676	-
Transferred to stage 1	112,240	(88,597)	(23,643)	-
Transferred to stage 2	(289,378)	398,048	(108,670)	-
Transferred to stage 3	(12,292)	(153,697)	165,989	-
Total charge to Income Statement:	306,596	112,210	446,094	864,900
New financial assets originated	101,351	6,474	62,084	169,909
Financial assets that have been derecognised	(67,909)	(48,931)	-	(116,840)
Writeback in respect of full recoveries	-	-	(61,450)	(61,450)
Change in credit risk	273,154	154,667	445,460	873,281
Write-offs	(221)	(70)	(315,317)	(315,608)
Exchange fluctuation	(3,292)	3,288	1,020	1,016
Other movements	186	(72)	4,480	4,594
At 31 December 2020	489,055	436,159	399,437	1,324,651

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)

(vii) Movements in impaired financing, advances and other financing/loans:

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

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	1,621,340	1,621,340
Transfer within stages	(362,570)	(362,570)
New financial assets originated	193,876	193,876
Write-offs	(197,986)	(197,986)
Amount fully recovered	(335,549)	(335,549)
Other changes in financing, advances and other financing/loans	(14,341)	(14,341)
Exchange fluctuation	2,627	2,627
At 31 December 2021	907,397	907,397

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	1,522,220	1,522,220
Transfer within stages	552,146	552,146
New financial assets originated	360,117	360,117
Write-offs	(315,317)	(315,317)
Amount fully recovered	(406,962)	(406,962)
Other changes in financing, advances and other financing/loans	(123,400)	(123,400)
Exchange fluctuation	32,536	32,536
At 31 December 2020	1,621,340	1,621,340

	The Group	
	31 December 2021	31 December 2020
Ratio of credit impaired financing to total financing, advances and other financing	0.86%	1.64%

A31e. DEPOSITS FROM CUSTOMERS**(i) By type of deposits**

	The Group	
	31 December 2021 RM'000	31 December 2020 RM'000
Savings deposit	10,773,162	9,216,096
Wadiah	847,570	790,534
Mudharabah	2,312,875	2,205,036
Commodity Murabahah (via Tawarruq arrangement) *	7,612,717	6,220,526
Demand deposit	21,200,733	18,028,514
Wadiah	1,120,095	806,762
Qard	14,512,297	12,869,163
Mudharabah	305,352	243,136
Commodity Murabahah (via Tawarruq arrangement) *	5,262,989	4,109,453
Term deposit	72,629,092	77,113,432
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	45,604,333	47,172,109
Fixed Return Income Account-i (via Tawarruq arrangement)*	26,576,472	29,841,761
Negotiable Islamic Debt Certificate (NIDC)		
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	448,287	99,562
Fixed Deposit-i	7,683,047	4,507,457
Wadiah	123	123
Mudharabah	7,682,924	4,507,334
Specific investment account	99,600	98,672
Mudharabah	99,600	98,672
Others	48,218	37,173
Qard	48,218	37,173
	112,433,852	109,001,344

*included Qard contract of RM4,314,834,000 (2020: RM3,148,712,000)

(ii) By maturity structures of term deposits, investment accounts and Islamic negotiable instruments

	The Group	
	31 December 2021 RM'000	31 December 2020 RM'000
Due within six months	69,762,205	71,877,553
Six months to less than one year	10,475,559	9,680,257
One year to less than three years	144,843	135,060
Three years to less than five years	5,473	3,589
Five years and more	23,659	23,102
	80,411,739	81,719,561

(iii) By type of customer

	The Group	
	31 December 2021 RM'000	31 December 2020 RM'000
Government and statutory bodies	4,880,194	4,756,182
Business enterprises	44,663,839	36,596,864
Individuals	33,810,686	34,512,758
Others	29,079,133	33,135,540
	112,433,852	109,001,344

A31f. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Unrestricted investment accounts (Mudharabah)		
- without maturity		
Special Mudharabah Investment Account	892,710	831,454
- with maturity		
Term Investment Account-i	9,023,282	1,847,416
Unrestricted investment accounts (Wakalah)		
- without maturity		
Daily Investment Account-i	48,844	-
Restricted investment accounts (Mudharabah)		
- with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	462,331	-
	10,427,167	2,678,870

A31g. INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Restricted investment accounts		
Mudharabah	3,919,753	4,751,241
By type of counterparty		
Licensed banks	3,919,753	4,751,241

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

A31h. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 December 2021	31 December 2020
	RM'000	RM'000
Deposits from customers - structured investments	799,686	71,610

The Group has issued structured investments, and have designated them at fair value in accordance with MFRS 9. The Group has the ability to do this when designating these instruments at fair value reduces an accounting mismatch, is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of the financial liabilities designated at fair value of the Group as at 31 December 2021 was RM39,988,000 (2020: RM650,000) 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.

A32. CHANGE IN COMPARATIVES

The Group has adjusted certain expenses which are considered as incremental and directly attributable to the acquisition of a financial liability and treated as an integral part of the effective interest/profit rate. These expenses were previously included under overheads and is now recognised as interest expense. The adjustment has no impact to the consolidated statements of financial position, comprehensive income, cash flows and changes in equity of the Group for the financial year ended 31 December 2020.

	Note	4th quarter ended			Twelve months ended		
		31 December	Reclassification	31 December	31 December	Reclassification	31 December
		2020		2020	2020		2020
		RM'000	RM000	(Restated) RM'000	RM'000	RM000	(Restated) RM'000
Interest expense	A21	(1,516,223)	(44,862)	(1,561,085)	(7,522,748)	(179,591)	(7,702,339)
Income from Islamic Banking operations	A31(c)	812,018	(5,959)	806,059	2,937,513	(22,033)	2,915,480
Overheads	A24	(2,328,923)	50,821	(2,278,102)	(8,976,794)	201,624	(8,775,170)

A33. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES

	The Group	
	31 December 2021 RM'000	31 December 2020 RM'000
Outstanding credit exposures with connected parties	9,153,643	9,952,583
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	1.8%	2.0%
Percentage of outstanding credit exposures to connected parties which is impaired or in default	0.0%	0.0%

Part B - Explanatory Notes Pursuant to Appendix 9B of the Listing Requirements of Bursa Malaysia Securities Berhad

B1. GROUP PERFORMANCE REVIEW

(i) CIMB Group 4Q21 Y-o-Y Performance

	The Group			
	31 December 2021 RM'mil	31 December 2020 RM'mil	Twelve months ended 31 December Variance RM'mil %	
Key Profit or Loss Items:				
Operating income	18,372 **	16,987	1,385	8.2
Profit before taxation and zakat	6,345 *	1,530	4,815	314.7
Net profit for the financial year attributable to Owners of the Parent	4,648 *	1,194	3,454	289.3

**Excludes non-cash accounting gain of RM1.16 billion from the deemed divestment of TNG Digital and RM17 million loss on disposal of a 25% stake in CGS-CIMB Securities (CGS-CIMB Securities International Pte Ltd and CGS-CIMB Holdings Sdn Bhd)

* Excludes exceptional expenses of RM555 million (before taxation)/RM353 million (net of taxation)

CIMB Group Holdings Berhad (“CIMB Group” or the “Group”) announced positive recovery in its performance for the financial year ended 31 December 2021 (“FY21”), registering core1 net profit of RM4.65 billion, up 289.3% YoY. The Group also recorded core pre-provisioning operating profit (“PPOP”) of RM9.43 billion, an increase of 14.9% YoY, and core profit before tax (“PBT”) of RM6.35 billion, up 314.7% YoY.

The FY21 performance translates to a core annualised return on average equity (“ROE”) of 8.1% and core earnings per share (“EPS”) of 46.4 sen. The Group proposed a second interim dividend of 12.55 sen per share, bringing the proposed annual dividend to 22.99 sen per share for a payout ratio of 50% based on core net profit, in line with the Group’s dividend policy.

The improved YoY performance was driven by higher operating income with recovery across all segments and markets, and further supported by strong cost controls and significantly lower provisions.

FY21 core operating income improved to RM18.37 billion, up 8.2% from RM16.99 billion compared to the financial year ended 31 December 2020 (“FY20”). Out of this, net interest income (“NII”) grew by 11.5% to RM13.96 billion, largely driven by net interest margin (“NIM”) expansion and rebounding loan growth at 3.3% YoY. However, core non-interest income (“NOII”) was 1.1% lower YoY at RM4.41 billion due to lower trading and FX gains.

Cost remained tightly managed, with core operating expenses rising only 1.8% YoY to RM8.94 billion contributing to the improvement in core cost-to-income ratio (“CIR”) to 48.6% for FY21 from 51.7% in FY20.

Core total provisions decreased by 53.6% YoY to RM3.16 billion from reduced overlays and non-retail provisions. However, provisions remained relatively elevated in the fourth quarter ended 31 December 2021 (“4Q21”) due to overlays and top-up provisions taken on legacy credit accounts impacted by the pandemic.

An expected credit loss (“ECL”) was also taken proactively in 4Q21. As communicated in January 2022, the Group discovered a processing error that was related to a specific third-party financial remittance service, which led to a limited number of customers receiving duplicate credits to their accounts. The Group is pursuing the necessary measures to recover the duplicate payments from the affected customers. In view of the on-going assessment and recovery measures, the Group has prudently provided for the majority of the exposure with an ECL of RM280.9 million in FY21. Depending on the Group’s recovery engagement and outcome with customers, an additional and lower final provision amount may be taken in the first quarter of 2022.

Notwithstanding the provisions, CIMB Group met or exceeded its FY21 targets across all profitability metrics, including ROE, CIR and credit cost/provisions.

The Group remains well-capitalised as it achieved its highest ever common equity tier 1 (“CET1”) ratio of 14.5%² as at Dec-21, from 13.9% as at Sep-21 and 13.3% as at Dec-20, reflecting the Group’s capital strength and resilience.

On a quarterly basis, in 4Q21 CIMB Group registered stronger quarter-on-quarter (“QoQ”) core operating income of RM4.60 billion, 4.8% higher compared to the third quarter ended 31 December 2021 (“3Q21”). However, despite solid operating income growth, 4Q21 core PBT was muted QoQ at RM1.08 billion against 3Q21 due to elevated provisions. In comparison, on a YoY basis, 4Q21 core operating income declined slightly by 1.3%, whilst core PBT grew by 552.4% and core net profit increased by 277.2% due to significantly lower provisions compared to 4Q20 at the peak of the pandemic’s economic disruption.

¹ All figures are core figures unless stated otherwise:

a) Core figures exclude the net impact of all exceptional items recorded in FY21 and deferred tax asset (“DTA”) gain on CukaiMakmur which collectively amount to a post-tax net charge of RM353 million.

b) Reported figures include the net impact of all exceptional items in FY21 and the DTA gain on Cukai Makmur in 4Q21.

² Post CIMB’s second interim dividend, DRS and includes unaudited profits.

BI. GROUP PERFORMANCE REVIEW (CONTINUED)

(i) CIMB Group 4Q21 Y-o-Y Performance (Continued)

The Group's reported net profit also rebounded strongly QoQ and YoY in 4Q21, at RM855 million compared to a reported net loss of RM101 million in 3Q21 and net profit of RM215 million in 4Q20 respectively. Similarly, FY21 reported net profit also improved significantly, rising by 259.6% YoY to RM4.30 billion compared to RM1.19 billion in FY20.

The FY21 reported net profit includes the net impact of all exceptional items recognised in FY21 which collectively amount to a post-tax net charge of RM353 million. This comprises among others the non-cash, non-recurring impairment of goodwill on CIMB Thai of RM1.22 billion recorded in 3Q21 and RM481 million in transformational costs, intangible assets write-off and accelerated amortisation incurred for FY21, which were partially offset by the positive gain on the deconsolidation of TNG Digital of RM1.16 billion recorded in 1Q21 and deferred tax asset ("DTA") gain on Cukai Makmur of RM118 million recognised in 4Q21.

The Group is pleased to have ended the year on a strong note, with CIMB Group's performance remaining resilient in FY21 despite the ongoing impact and uncertain recovery surrounding the COVID-19 pandemic. It has seen strong underlying operational performance recovery across all its business segments and geographies, driven by solid growth in operating income, discipline in containing cost escalation and lower provisions as per the Group's target.

The Group also made considerable progress on Forward23+ strategic plan where it was able to meet or exceed all its FY21 profitability targets across ROE, CIR and credit cost/provisions. Whilst loan growth came in slightly below target as the Group reshaped its portfolio towards focused investment areas and protect asset quality to improve risk-adjusted returns, it saw positive asset growth momentum in 4Q21. This momentum, along with the more positive economic outlook in 2022, provides confidence in the Group's continued growth trajectory.

Meanwhile, the Group's digital businesses continued to register healthy growth. Touch 'n Go Digital's registered users increased to 16.8 million, up 10.5% YoY. GO+, the investment offering available in Touch 'n Go eWallet, has also exceeded 2 million investors, with total assets under management ("AUM") growing by 261.8% in 4Q21 to RM492 million as at December 2021. Elsewhere in the region, CIMB Philippines grew its customer base by 64.5% to 5.1 million customers and its deposit book by 75.2% to RM1.29 billion. This makes CIMB Philippines not only a leading digital bank in the Philippines, but also one of the fastest growing digital banks in ASEAN.

On the sustainability front, 2021 marked the year in which the Group achieved the 79th percentile ranking within the global banking industry in the S&P Global Corporate Sustainability Assessment ("CSA"), achieving its target of the top quartile by 2024 under its Forward23+ strategic plan three years ahead of target. The S&P Global CSA is used to assess companies for inclusion into the Dow Jones Sustainability Index ("DJSI").

FY21 total gross loans grew by 3.3% YoY, driven by 4.1% growth in Malaysia, 3.9% growth in Indonesia and 4.6% growth in Singapore. Total deposits increased 7.2% YoY whilst CASA continued to grow strongly, up 10.3% YoY, with the CASA ratio reaching 42.5% as at Dec-21. The Group's loan-to-deposit ("LDR") ratio stood at 85.8% as at Dec-21, up by 1.3% from the preceding quarter.

FY21 core total provisions decreased by 53.6% YoY to RM3.16 billion, mainly due to lower overlays and non-retail provisions.

The Group's allowance coverage rose to 100.2% excluding the regulatory reserve as at end-FY21 compared to 91.6% the previous year, while the gross impaired loans ("GIL") ratio declined marginally to 3.5% as at Dec-21. The annualised loan loss charge improved to 0.73% in FY21 compared to 1.51% in FY20.

The Group remains well-capitalised as it achieved its highest ever CET1 ratio of 14.5%² as at Dec-21, from 13.9% as at Sep-21 and 13.3% as at Dec-20, reflecting the Group's capital strength and resilience. The total capital ratio also strengthened further to 18.3%² as at Dec-21. The Group's liquidity coverage ratio ("LCR") remains comfortably above 100% for all banking entities within the Group.

Group Consumer Banking FY21 operating income grew by 8.9% YoY whilst PBT grew significantly YoY by 243.9%, supported by the strong income growth on improved NIM and loan growth, as well as lower provisions. NII increased by 7.5% YoY whilst NOII increased by 13.8%. Consumer loans grew healthily by 5.1% YoY, mainly driven by Malaysia, Indonesia and Singapore, whilst CASA grew by 4.5% YoY despite a marginal 0.7% decrease in deposits.

Group Commercial Banking FY21 operating income grew by 6.9% YoY whilst PBT increased significantly due to strong PPOP and lower expected credit losses ("ECL"), with NII growth of 6.3% and NOII growth of 10.4%. PBT also improved on a QoQ basis due to lower provisions and improved NOII. Commercial loans grew slightly by 1.1% YoY underpinned by Malaysia and Singapore, while Indonesia and Thailand contracted in line with our recalibration in those markets. Deposits grew by 10.5%, underpinned by CASA growth of 14.1%.

Group Wholesale Banking FY21 operating income grew by 6.6% YoY whilst PBT also improved significantly, largely attributable to improved Treasury & Markets performance and lower provisions. NII increased by 9.0% whilst NOII grew by 0.8% YoY. Wholesale loans grew by 1.6% YoY, whilst deposits grew strongly by 14.3%.

CIMB Digital Assets & Group Funding FY21 core operating income increased by 12.3% YoY excluding exceptional items, whilst core PBT also saw a 48.1% improvement supported by higher NII from the absence of the negative impact of rate cuts. NII grew by 75.0%, outpacing a decline in core NOII. Digital businesses including Touch 'n Go Digital and CIMB Philippines continued to register strong momentum.

(ii) CIMB Group 4Q21 vs. 4Q20 Performance

	The Group 4th quarter ended			
	31 December 2021 RM'mil	31 December 2020 RM'mil	Variance RM'mil	%
Key Profit or Loss Items:				
Operating income	4,604 **	4,665	(61)	(1.3)
Profit before taxation and zakat	1,083 *	166	917	552.4
Net profit for the financial period attributable to Owners of the Parent	811 *	215	596	277.2

** Excludes non-cash accounting gain of RM17 million from loss on disposal of a 25% stake in CGS-CIMB Securities (CGS-CIMB Securities International Pte Ltd and CGS-CIMB Holdings Sdn Bhd)

* Excludes exceptional expenses of RM101 million before taxation and RM44 million net of taxation

On a YoY basis, 4Q21 operating income was 1.3% lower attributed to a weaker NOII from lower fee income, partially offset by NII expansion from loan growth and better NIM. Consumer Banking posted an improved 4Q21 PBT growth YoY of 303.1% underpinned by lower provisions from overlays. Stronger revenues and lower provisions drove the strong 643.5% YoY growth in Commercial Banking PBT to RM342 million. Wholesale Banking PBT was higher at RM321 million from improved treasury & markets and lower provisions. CIMB Digital Assets & Group Funding PBT improved significantly from higher NII, as well as lower expenses and provisions. In totality, the Group's 4Q21 net profit was 277.2% higher YoY.

(iii) CIMB Group 4Q21 vs. 3Q21 Performance

	The Group Quarter ended			
	31 December 2021 RM'mil	30 September 2021 RM'mil	Variance RM'mil	%
Key Profit or Loss Items:				
Operating income	4,604 **	4,393 @	211	4.8
Profit before taxation and zakat	1,083 *	1,639 @	(556)	(33.9)
Net profit for the financial period attributable to Owners of the Parent	811 *	1,221 @	(410)	(33.6)

** Excludes non-cash accounting gain of RM17 million from loss on disposal of a 25% stake in CGS-CIMB Securities (CGS-CIMB Securities International Pte Ltd and CGS-CIMB Holdings Sdn Bhd)

* Excludes exceptional expenses of RM101 million before taxation and RM44 million net of taxation

@ Excludes non-cash accounting gain of RM2.3 million from the deemed divestment of TNG Digital

@ Excludes exceptional expenses of RM1.3 billion before taxation and net of taxation

Operating income rose by 4.8% Quarter on Quarter ("QoQ") on a BAU basis to RM4.60 billion from RM4.39 billion in 3Q21, underpinned by a 2.4% increase in NII from loan growth and strong NOII growth of 13.4% on improved fee income in 4Q21. Consumer Banking Profit Before Tax ("PBT") declined 47.8% to RM260 million compared to RM499 million in 3Q21 from increased overlays, despite robust revenue from improved NIM and banca income. Commercial Banking PBT improved by 160.1% to RM342 million, compared to RM131 million in 3Q21 from lower provisions and higher NOII. Wholesale Banking PBT fell 62.5% QoQ on the back of weaker PPOP and higher provisions in Malaysia and Indonesia. As a result, the Group's 4Q21 net profit was 33.6% lower QoQ.

CIMB Islamic

CIMB Islamic FY21 operating income grew by 24.1% YoY whilst PBT also improved by 110.7%, driven by a robust topline along with lower provisions. Net financing income ("NFI") grew by 27.7% on the back of improved NIM driven by lower funding costs, whilst non-financing income ("NOFI") grew by 4.9%. Islamic financing grew by 6.8% YoY, whilst deposits grew by 10.6%. CIMB Islamic remains the no. 2 Islamic bank in Malaysia by total Islamic assets, deposits and financing.

B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group remains cautiously optimistic for 2022 and expects a gradual economic recovery across all its key operating markets on the back of a progressive easing of pandemic restrictions, continued opening of regional economies and sustained stimulus measures undertaken by respective governments. However, the current operating environment warrants caution as uncertainties persist with headwinds brought about by the new Covid-19 variants and mutations, within an environment of impending rising interest rates. The Group will continue to execute the Forward23+ strategies while focusing on credit risk and Risk-Adjusted Return On Capital (RAROC) optimisation. Overall, the Group expects an improved financial performance in 2022 driven by prudent loan growth, lower loan loss provisions and further progress on cost management.

CIMB Malaysia's performance should track the economy and industry growth as it continues to support impacted segments, while driving sustainable growth through Current Account and Savings Account (CASA) accumulation, RAROC optimisation, Preferred and wealth management expansion, enhancing and expanding digital services as well as customer acquisition and sustainability financing. The outlook for CIMB Niaga is positive in tandem with its digital leadership, recalibrated Corporate and Commercial portfolio and improving credit costs. Prospects for CIMB Singapore are expected to track the regional economic direction, while CIMB Thai will likely improve on the back of a recalibrated portfolio and improved top line performance.

B3. TAXATION AND ZAKAT

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Major components of tax expense and zakat:				
Current tax expense	225,895	82,861	1,794,351	849,463
Deferred tax income	(136,893)	39,179	(438,565)	(246,564)
Under/(over) provision in prior years	10,566	(154,760)	36,007	(222,039)
	99,568	(32,720)	1,391,793	380,860
Zakat	-	2,900	5,060	2,900
	99,568	(29,820)	1,396,853	383,760
Reconciliation				
Profit before taxation and zakat	981,249	165,982	5,789,478	1,530,329
Less: Share of results of joint venture	2,783	(37,863)	(64,223)	(118,834)
Share of results of associates	(3,830)	2,253	(3,795)	2,339
	980,202	130,372	5,721,460	1,413,834
Tax at statutory income tax rate of 24%	235,248	31,289	1,373,150	339,320
Effect of different tax rates in other countries and change in tax rates	6,130	559	(36,490)	65,837
Due to expenses not deductible for tax purposes and income not subject to income tax	(34,148)	90,192	137,354	197,742
Effect of change in tax rate arising from Prosperity tax	(118,228)	-	(118,228)	-
Under/(over) provision in prior years	10,566	(154,760)	36,007	(222,039)
Tax expenses/(income)	99,568	(32,720)	1,391,793	380,860
The Company				
Major components of tax expense:				
Current tax (income)/expense	61	(3,663)	(172)	1,836
Deferred tax income	-	(2)	(147)	(3)
Under provision in prior years	-	(749)	(150)	(749)
	61	(4,414)	(469)	1,084
Reconciliation				
Profit before taxation	(20,581)	(63,122)	391,122	1,548,203
Tax at statutory income tax rate of 24%	(4,940)	(15,149)	93,869	371,569
Due to expenses not deductible for tax purposes and income not subject to income tax	5,001	11,484	(94,188)	(369,736)
Over provision in prior years	-	(749)	(150)	(749)
Tax (income)/expenses	61	(4,414)	(469)	1,084

B4. PARTICULARS OF PURCHASE AND SALE OF UNQUOTED INVESTMENTS AND/OR PROPERTIES

There were no material gains or losses on disposal of investments or properties during the period under review other than in the ordinary course of business.

B5. BORROWINGS AND DEBT SECURITIES

	The Group	
	31 December	31 December
	2021	2020
	RM'000	RM'000
(i) Bonds, sukuk and debentures		
Unsecured		
One year or less (short term)		
- USD	2,339,057	-
- RM	1,010,887	-
- IDR	1,079,511	345,341
- THB	1,405,920	162,732
- HKD	-	465,990
More than one year (medium/long term)		
- USD	741,990	2,836,798
- RM	2,622,017	3,998,506
- HKD	3,680,298	2,851,481
- IDR	499,362	1,543,047
- THB	-	260,069
	13,379,042	12,463,964

B5. BORROWINGS AND DEBT SECURITIES (Continued)

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
(ii) Other borrowing				
Unsecured				
One year or less (short term)				
- USD	2,713,798	2,814,183	-	-
- RM	751,546	-	751,546	-
- IDR	266,453	16,392	-	-
- KHR	104,404	-	-	-
More than one year (medium/long term)				
- RM	3,956,347	4,708,892	3,956,349	4,708,893
- USD	3,131	2,615,467	-	-
- IDR	311,315	251,025	-	-
- KHR	1,478	-	-	-
	8,108,472	10,405,959	4,707,895	4,708,893
(iii) Subordinated obligations				
Unsecured				
One year or less (short term)				
- RM	3,035,363	4,379,755	1,506,444	1,406,844
More than one year (medium/long term)				
- RM	7,026,490	8,364,035	8,103,317	9,509,864
- IDR	66,732	64,720	-	-
	10,128,585	12,808,510	9,609,761	10,916,708

B6. MATERIAL LITIGATION

At the date of this report, there are no pending material litigation not in the ordinary course of business which would have materially affected the Group's financial position.

B7. COMPUTATION OF EARNINGS PER SHARE (EPS)**a) Basic EPS**

The Group's basic EPS is calculated by dividing the net profit attributable to equity holders of the Parent by the weighted average number of ordinary shares in issue during the financial period.

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
Net (loss)/profit for the financial period after non-controlling interests (RM'000)	854,511	214,976	4,295,334	1,194,424
Weighted average number of ordinary shares in issue ('000)	10,158,370	9,922,966	10,022,287	9,922,966
Basic earnings per share (expressed in sen per share)	8.37	2.17	42.86	12.04

b) Diluted EPS

The Group has no dilution in its earnings per ordinary share in the current period and the preceding year corresponding period as there are no dilutive potential ordinary shares.