

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2021

	Note	The Group		The Bank	
		31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Assets					
Cash and short term funds	A6	35,686,961	34,494,558	21,620,429	21,666,377
Reverse repurchase agreements		5,459,651	6,162,689	5,192,838	5,921,261
Deposits and placements with banks and other financial institutions	A6	1,334,349	1,503,252	5,735,284	6,422,764
Financial investments at fair value through profit or loss	A7	45,577,343	40,177,195	33,733,427	30,398,466
Debt instruments at fair value through other comprehensive income	A8	40,387,106	37,186,805	30,988,135	28,160,581
Equity instruments at fair value through other comprehensive income	A9	269,526	273,894	256,772	263,121
Debt instruments at amortised cost	A10	50,309,755	50,211,774	41,016,695	41,304,692
Derivative financial instruments	A24	14,212,000	15,692,018	7,641,440	8,336,566
Loans, advances and financing	A11	306,371,016	306,315,421	187,743,982	187,274,174
Other assets	A12	10,214,770	10,161,917	7,261,396	7,222,963
Tax recoverable		208,929	452,693	187,143	440,015
Deferred taxation		1,202,740	729,052	886,971	535,523
Statutory deposits with central banks		1,987,491	2,632,211	1,343,569	2,093,481
Amounts due from holding company and ultimate holding company		101	529	111	529
Amount due from subsidiaries		-	-	8,327	121,152
Amount due from related companies		1,956,343	1,845,245	1,954,234	1,844,964
Investment in subsidiaries		-	-	6,780,322	6,770,329
Investment in joint venture		149,529	140,158	125,000	125,000
Goodwill		5,272,435	5,292,552	3,555,075	3,555,075
Intangible assets		1,417,672	1,431,041	1,201,909	1,213,357
Property, plant and equipment		857,341	880,393	559,268	563,563
Right-of-use assets		547,013	559,876	481,395	500,970
		<u>523,422,071</u>	<u>516,143,273</u>	<u>358,273,722</u>	<u>354,734,923</u>
Non-current assets held for sale		3,734	7,112	3,734	7,112
Total Assets		523,425,805	516,150,385	358,277,456	354,742,035
Liabilities					
Deposits from customers	A13	350,354,724	348,025,875	221,876,266	223,063,703
Investment accounts of customers	A14	3,033,161	2,678,870	-	-
Deposits and placements of banks and other financial institutions	A15	34,675,587	31,128,927	29,691,628	25,270,963
Repurchase agreements		27,741,617	25,723,532	24,469,437	24,101,615
Financial liabilities designated at fair value through profit or loss	A16	3,917,331	4,016,930	57,077	62,676
Derivative financial instruments	A24	12,998,807	16,190,747	6,629,835	8,855,243
Bills and acceptances payable		1,469,742	1,593,788	704,454	852,747
Amount due to subsidiaries		-	-	566,754	419,671
Amount due to related companies		13,155	18,610	11,888	8,978
Other liabilities	A17	12,948,076	11,486,400	9,925,724	8,316,881
Lease liabilities		561,837	575,171	493,774	514,359
Recourse obligation on loans and financing sold to Cagamas		2,100,514	2,110,668	2,100,514	2,110,668
Provision for taxation and zakat		93,631	36,557	-	-
Bonds, Sukuk and debentures		10,716,179	10,575,578	9,483,888	9,332,966
Other borrowings		5,918,652	5,429,649	5,614,801	5,429,649
Subordinated obligations		11,850,200	11,834,303	11,548,950	11,532,621
Total Liabilities		478,393,213	471,425,605	323,174,990	319,872,740
Equity					
Capital and reserves attributable to owners of the Parent					
Ordinary share capital		21,323,364	21,323,364	21,323,364	21,323,364
Reserves		23,173,196	22,859,835	13,549,362	13,316,191
		<u>44,496,560</u>	<u>44,183,199</u>	<u>34,872,726</u>	<u>34,639,555</u>
Perpetual preference shares		200,000	200,000	200,000	200,000
Redeemable preference shares		29,740	29,740	29,740	29,740
Non-controlling interests		306,292	311,841	-	-
Total Equity		45,032,592	44,724,780	35,102,466	34,869,295
Total Equity and Liabilities		523,425,805	516,150,385	358,277,456	354,742,035
Commitments and contingencies	A25	1,202,974,563	1,092,078,524	657,224,165	605,624,203
Net assets per ordinary share attributable to owners of the Parent (RM)		7.18	7.13	5.63	5.59

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

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

The Group	Note	1st Quarter Ended		Three Months Ended	
		31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
		RM'000	RM'000	RM'000	RM'000
Interest income	A18	2,740,888	3,371,798	2,740,888	3,371,798
Interest income from financial assets at fair value through profit or loss	A19	108,629	180,440	108,629	180,440
Interest expense	A20	(967,301)	(1,768,414)	(967,301)	(1,768,414)
Net interest income (before net modification gain)		1,882,216	1,783,824	1,882,216	1,783,824
Net modification gain	A21	4,287	-	4,287	-
Net interest income (after net modification gain)		1,886,503	1,783,824	1,886,503	1,783,824
Income from Islamic Banking operations	A30(b)	738,856	665,041	738,856	665,041
Net non-interest income	A22	842,638	463,926	842,638	463,926
Net income		3,467,997	2,912,791	3,467,997	2,912,791
Overheads	A23	(1,648,487)	(1,609,677)	(1,648,487)	(1,609,677)
Profit before expected credit losses		1,819,510	1,303,114	1,819,510	1,303,114
Expected credit losses on loans, advances and financing	A24(a)	(374,317)	(711,154)	(374,317)	(711,154)
Expected credit losses for commitments and contingencies		(14,906)	(40,727)	(14,906)	(40,727)
Other expected credit losses and impairment allowances made	A24(b)	(38,618)	(99,497)	(38,618)	(99,497)
		1,391,669	451,736	1,391,669	451,736
Share of results of joint venture		9,371	(292)	9,371	(292)
Profit before taxation and zakat		1,401,040	451,444	1,401,040	451,444
Taxation and zakat		(292,552)	(105,910)	(292,552)	(105,910)
Profit for the financial period		1,108,488	345,534	1,108,488	345,534
Profit for the financial period attributable to:					
Owners of the Parent		1,105,481	336,581	1,105,481	336,581
Non-controlling interests		3,007	8,953	3,007	8,953
		1,108,488	345,534	1,108,488	345,534
Earnings per share attributable to ordinary equity holders of the Parent - basic (sen)	B3	17.84	5.43	17.84	5.43

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

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

<u>The Group</u>	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
Profit for the financial period	1,108,488	345,534	1,108,488	345,534
Other comprehensive (expense)/income:				
Items that will not be reclassified to profit or loss				
Remeasurement of post employment benefits obligations	502	1,889	502	1,889
- Currency translation difference	502	1,889	502	1,889
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(10,297)	(17,218)	(10,297)	(17,218)
- Net loss from change in fair value	(10,443)	(17,080)	(10,443)	(17,080)
- Currency translation difference	146	(138)	146	(138)
Equity instruments at fair value through other comprehensive income	2,935	(5,036)	2,935	(5,036)
- Net gain/(loss) from change in fair value	2,952	(1,897)	2,952	(1,897)
- Income tax effects	2,608	(74)	2,608	(74)
- Currency translation difference	(2,625)	(3,065)	(2,625)	(3,065)
	(6,860)	(20,365)	(6,860)	(20,365)
Items that may be reclassified subsequently to profit or loss				
Debt instruments at fair value through other comprehensive income	(793,127)	(453,643)	(793,127)	(453,643)
- Net loss from change in fair value	(879,359)	(414,116)	(879,359)	(414,116)
- Realised gain transferred to statement of income on disposal	(90,114)	(117,811)	(90,114)	(117,811)
- Changes in expected credit losses	5,131	18,353	5,131	18,353
- Income tax effects	170,217	58,394	170,217	58,394
- Currency translation difference	998	1,537	998	1,537
Net investment hedge	(164,522)	(234,129)	(164,522)	(234,129)
Cash flow hedge	1,668	(5,416)	1,668	(5,416)
- Net gain/(loss) from change in fair value	2,636	(5,079)	2,636	(5,079)
- Income tax effects	(968)	(337)	(968)	(337)
Exchange fluctuation reserve	184,721	52,838	184,721	52,838
Deferred hedging cost	1,598	14,984	1,598	14,984
- Net gain from change in fair value	2,108	14,984	2,108	14,984
- Income tax effects	(510)	-	(510)	-
	(769,662)	(625,366)	(769,662)	(625,366)
Other comprehensive expense for the financial period, net of tax	(776,522)	(645,731)	(776,522)	(645,731)
Total comprehensive income/(expense) for the financial period	331,966	(300,197)	331,966	(300,197)
Total comprehensive income/(expense) for the financial period attributable to:				
Owners of the Parent	337,408	(297,271)	337,408	(297,271)
Non-controlling interests	(5,442)	(2,926)	(5,442)	(2,926)
	331,966	(300,197)	331,966	(300,197)

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

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Note	1st Quarter Ended		Three Months Ended	
		31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
<u>The Bank</u>					
Interest income	A18	2,299,020	2,816,098	2,299,020	2,816,098
Interest income from financial assets at fair value through profit or loss	A19	86,610	157,821	86,610	157,821
Interest expense	A20	(869,293)	(1,608,802)	(869,293)	(1,608,802)
Net interest income		1,516,337	1,365,117	1,516,337	1,365,117
Income from Islamic Banking operations	A30(b)	30,130	49,783	30,130	49,783
Net non-interest income	A22	973,292	497,945	973,292	497,945
Net income		2,519,759	1,912,845	2,519,759	1,912,845
Overheads	A23	(1,330,164)	(1,241,770)	(1,330,164)	(1,241,770)
Profit before expected credit losses		1,189,595	671,075	1,189,595	671,075
Expected credit losses on loans, advances and financing	A24(a)	(216,585)	(649,836)	(216,585)	(649,836)
Expected credit losses made for commitments and contingencies		(17,122)	(26,385)	(17,122)	(26,385)
Other expected credit losses and impairment allowances made	A24(b)	(2,685)	(49,240)	(2,685)	(49,240)
Profit/(loss) before taxation		953,203	(54,386)	953,203	(54,386)
Taxation		(187,649)	(21,770)	(187,649)	(21,770)
Profit/(loss) for the financial period		765,554	(76,156)	765,554	(76,156)
Earnings per share - basic (sen)	B3	12.35	(1.23)	12.35	(1.23)

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CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Individual Quarter		Cumulative Quarters	
	1st Quarter Ended	31 Mar 2020	Three Months Ended	31 Mar 2020
<u>The Bank</u>	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the financial period	765,554	(76,156)	765,554	(76,156)
Other comprehensive (expense)/income:				
Items that will not be reclassified to profit or loss				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk				
- Net (loss)/gain from change in fair value	(4)	491	(4)	491
Equity instruments at fair value through other comprehensive income	500	(4,490)	500	(4,490)
- Net gain/(loss) from change in fair value	838	(125)	838	(125)
- Income tax effects	2,669	(44)	2,669	(44)
- Currency translation difference	(3,007)	(4,321)	(3,007)	(4,321)
	496	(3,999)	496	(3,999)
Items that may be reclassified subsequently to profit or loss				
Debt instruments at fair value through other comprehensive income	(602,331)	(430,411)	(602,331)	(430,411)
- Net loss from change in fair value	(702,814)	(436,180)	(702,814)	(436,180)
- Realised gain transferred to statement of income on disposal	(44,547)	(62,385)	(44,547)	(62,385)
- Changes in expected credit losses	4,810	15,984	4,810	15,984
- Income tax effects	139,222	50,633	139,222	50,633
- Currency translation difference	998	1,537	998	1,537
Net investment hedge	(146,366)	(207,905)	(146,366)	(207,905)
Cash flow hedge	2,833	(7,164)	2,833	(7,164)
- Net gain/(loss) from change in fair value	4,032	(7,198)	4,032	(7,198)
- Income tax effects	(1,199)	34	(1,199)	34
Exchange fluctuation reserve	232,745	283,428	232,745	283,428
Deferred hedging cost	1,833	5,537	1,833	5,537
- Net gain from change in fair value	2,343	5,537	2,343	5,537
- Income tax effects	(510)	-	(510)	-
	(511,286)	(356,515)	(511,286)	(356,515)
Other comprehensive expense for the financial period, net of tax	(510,790)	(360,514)	(510,790)	(360,514)
Total comprehensive income for the financial period	254,764	(436,670)	254,764	(436,670)

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CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

The Group	Attributable to owners of the Parent																	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total Equity RM'000
	Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Statutory reserve RM'000	Exchange fluctuation reserve RM'000	Fair value reserve debt instruments at fair value through other comprehensive income RM'000	Fair value reserve equity instruments at fair value through other comprehensive income RM'000	Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Costs of hedging reserve RM'000	Regulatory reserve ^a RM'000	Own credit risk reserve RM'000	Share-based payment reserve RM'000	Defined benefits reserve RM'000	Retained earnings RM'000	Total RM'000				
At 1 January 2021	21,323,364	29,740	68,400	2,161,645	172,513	(15,109)	(1,085,928)	805,772	(1,115,253)	105,028	233,441	(10,849)	52,230	(37,367)	21,525,312	44,212,939	200,000	311,841	44,724,780	
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,105,481	1,105,481	-	3,007	1,108,488	
Other comprehensive income/ (expenses) (net of tax)	-	-	-	188,326	(788,964)	2,809	-	-	(162,636)	1,598	-	(9,765)	83	476	-	(768,073)	-	(8,449)	(776,522)	
- debt instruments at fair value through other comprehensive income	-	-	-	-	(788,964)	-	-	-	-	-	-	-	-	-	-	(788,964)	-	(4,163)	(793,127)	
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	2,809	-	-	-	-	-	-	-	-	-	2,809	-	126	2,935	
- net investment hedge	-	-	-	-	-	-	-	(164,522)	-	-	-	-	-	-	(164,522)	-	-	-	(164,522)	
- cash flow hedge	-	-	-	-	-	-	-	-	1,886	-	-	-	-	-	1,886	-	-	(218)	1,668	
- currency translation difference	-	-	-	188,326	-	-	-	-	-	-	-	-	83	-	188,409	-	-	(3,688)	184,721	
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	476	-	476	-	26	502	
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	-	-	(9,765)	-	-	(9,765)	-	-	(532)	(10,297)	
- deferred hedging cost	-	-	-	-	-	-	-	-	1,598	-	-	-	-	-	1,598	-	-	-	1,598	
Total comprehensive income/ (expenses) for the financial period	-	-	-	188,326	(788,964)	2,809	-	-	(162,636)	1,598	-	(9,765)	83	476	1,105,481	337,408	-	(5,442)	331,966	
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	-	13,495	-	-	13,495	-	(107)	13,388	
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	-	-	(37,542)	-	(37,542)	-	-	-	(37,542)	
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	(24,047)	-	(24,047)	-	-	(107)	(24,154)	
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	-	(105,538)	-	-	-	105,538	-	-	-	-	
At 31 March 2021	21,323,364	29,740	68,400	2,349,971	(616,451)	(12,300)	(1,085,928)	805,772	(1,277,889)	106,626	127,903	(20,614)	28,266	(36,891)	22,736,331	44,526,300	200,000	306,292	45,032,592	

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

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CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

The Group	Attributable to owners of the Parent																		
	Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Statutory reserve RM'000	Exchange fluctuation reserve RM'000	Fair value reserve debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Costs of hedging reserve RM'000	Regulatory reserve* RM'000	Own credit risk reserve RM'000	Share-based payment reserve RM'000	Defined benefits reserve RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total Equity RM'000
At 1 January 2020	21,323,364	29,740	50,641	2,433,557	169,515	(7,917)	(1,085,928)	735,457	(1,163,687)	95,540	2,133,057	2,380	48,452	(45,933)	19,954,215	44,672,453	200,000	307,938	45,180,391
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	-	-	336,581	336,581	-	8,953	345,534
Other comprehensive income/ (expenses) (net of tax)	-	-	-	65,070	(453,669)	(5,128)	-	(239,545)	14,984	-	(17,218)	(235)	1,889	-	(633,852)	(633,852)	-	(11,879)	(645,731)
- debt instruments at fair value through other comprehensive income	-	-	-	-	(453,669)	-	-	-	-	-	-	-	-	-	-	(453,669)	-	26	(453,643)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	(5,128)	-	-	-	-	-	-	-	-	-	(5,128)	-	92	(5,036)
- net investment hedge	-	-	-	-	-	-	-	(234,129)	-	-	-	-	-	-	-	(234,129)	-	-	(234,129)
- cash flow hedge	-	-	-	-	-	-	-	(5,416)	-	-	-	-	-	-	-	(5,416)	-	-	(5,416)
- currency translation difference	-	-	-	65,070	-	-	-	-	-	-	-	-	(235)	-	64,835	64,835	-	(11,997)	52,838
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	-	-	-	-	-	1,889	-	1,889	-	-	1,889
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	-	(17,218)	-	-	-	(17,218)	-	-	-	(17,218)
- deferred hedging cost	-	-	-	-	-	-	-	-	14,984	-	-	-	-	-	14,984	-	-	-	14,984
Total comprehensive income/ (expenses) for the financial period	-	-	-	65,070	(453,669)	(5,128)	-	(239,545)	14,984	-	(17,218)	(235)	1,889	-	336,581	(297,271)	-	(2,926)	(300,197)
Second interim dividend for the financial year ended 31 December 2019	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,227,104)	(1,227,104)	-	-	(1,227,104)
Dividend paid to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(1,184)	(1,184)
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	-	13,152	-	-	13,152	-	-	13,152
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	-	-	(31,487)	-	-	(31,487)	-	-	(31,487)
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	-	(18,335)	-	(1,227,104)	(1,245,439)	-	(1,184)	(1,246,623)
Transfer to statutory reserve	-	-	2,794	-	-	-	-	-	-	-	-	-	-	-	(2,794)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	(2,133,057)	-	-	-	-	2,133,057	-	-	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	2,318	-	-	-	-	-	-	-	-	(2,318)	-	-	-	-
At 31 March 2020	21,323,364	29,740	53,435	2,498,627	(284,154)	(10,727)	(1,085,928)	735,457	(1,403,232)	110,524	-	(14,838)	29,882	(44,044)	21,191,637	43,129,743	200,000	303,828	43,633,571

* The regulatory reserve held against expected losses is reduced to 0%, a Covid-19 related measure to drawdown prudential buffers as permitted by BNM.

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

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	Non-distributable										Distributable				
	Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Exchange fluctuation reserve RM'000	Fair value reserve		Merger deficit RM'000	Capital reserve RM'000	Hedging reserve RM'000	Costs of hedging reserve RM'000	Regulatory reserve* RM'000	Own credit risk reserve RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	Perpetual preference shares RM'000	Total Equity RM'000
debt instruments at fair value through other comprehensive income RM'000				equity instruments at fair value through other comprehensive income RM'000											
The Bank															
At 1 January 2021	21,323,364	29,740	603,041	84,638	13,201	(1,047,872)	746,852	(670,437)	98,479	20,409	3	46,764	13,421,113	200,000	34,869,295
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	765,554	-	765,554
Other comprehensive income/ (expenses) (net of tax)	-	-	232,590	(602,331)	500	-	(143,533)	1,833	-	(4)	155	-	-	-	(510,790)
- debt instruments at fair value through other comprehensive income	-	-	-	(602,331)	-	-	-	-	-	-	-	-	-	-	(602,331)
- equity instruments at fair value through other comprehensive income	-	-	-	-	500	-	-	-	-	-	-	-	-	-	500
- net investment hedge	-	-	-	-	-	-	(146,366)	-	-	-	-	-	-	-	(146,366)
- cash flow hedge	-	-	-	-	-	-	2,833	-	-	-	-	-	-	-	2,833
- currency translation difference	-	-	232,590	-	-	-	-	-	-	-	155	-	-	-	232,745
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	(4)	-	-	-	-	(4)
- deferred hedging cost	-	-	-	-	-	-	-	1,833	-	-	-	-	-	-	1,833
Total comprehensive income/ (expenses) for the financial period	-	-	232,590	(602,331)	500	-	(143,533)	1,833	-	(4)	155	765,554	-	-	254,764
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	12,051	-	-	-	12,051
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	(33,644)	-	-	-	(33,644)
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	(21,593)	-	-	-	(21,593)
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	(2,147)	-	-	2,147	-	-	-
At 31 March 2021	21,323,364	29,740	835,631	(517,693)	13,701	(1,047,872)	746,852	(813,970)	100,312	18,262	(1)	25,326	14,188,814	200,000	35,102,466

The regulatory reserve is maintained to meet the local regulatory requirement of the foreign branch's general provision

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

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	← Non-distributable →						Distributable →								
	Fair value reserve debt instruments at fair value through other comprehensive income	Fair value reserve equity instruments at fair value through other comprehensive income	Merger deficit	Capital reserve	Hedging reserve	Costs of hedging reserve	Regulatory reserve*	Own credit risk reserve	Share-based payment reserve	Retained earnings	Perpetual preference shares		Total Equity		
The Bank	Ordinary share capital RM'000	Redeemable Preference Shares RM'000	Exchange fluctuation reserve RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000			
At 1 January 2020	21,323,364	29,740	690,671	113,790	22,224	(1,047,872)	746,852	(700,460)	97,000	1,619,524	(952)	42,389	12,669,580	200,000	35,805,850
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	-	(76,156)	-	(76,156)
Other comprehensive income/ (expenses) (net of tax)	-	-	283,449	(430,411)	(4,490)	-	-	(215,069)	5,537	-	491	(21)	-	-	(360,514)
- debt instruments at fair value through other comprehensive income	-	-	-	(430,411)	-	-	-	-	-	-	-	-	-	-	(430,411)
- equity instruments at fair value through other comprehensive income	-	-	-	-	(4,490)	-	-	-	-	-	-	-	-	-	(4,490)
- net investment hedge	-	-	-	-	-	-	-	(207,905)	-	-	-	-	-	-	(207,905)
- cash flow hedge	-	-	-	-	-	-	-	(7,164)	-	-	-	-	-	-	(7,164)
- currency translation difference	-	-	283,449	-	-	-	-	-	-	-	-	(21)	-	-	283,428
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	-	491	-	-	-	-	491
- deferred hedging cost	-	-	-	-	-	-	-	5,537	-	-	-	-	-	-	5,537
Total comprehensive income/ (expenses) for the financial period	-	-	283,449	(430,411)	(4,490)	-	-	(215,069)	5,537	-	491	(21)	(76,156)	-	(436,670)
Second interim dividend for the financial year ended 31 December 2019	-	-	-	-	-	-	-	-	-	-	-	-	(1,227,104)	-	(1,227,104)
Share-based payment expense	-	-	-	-	-	-	-	-	-	-	-	11,646	-	-	11,646
Share released under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	-	-	(30,580)	-	-	(30,580)
Total transactions with owners recognised directly in equity	-	-	-	-	-	-	-	-	-	-	-	(18,934)	(1,227,104)	-	(1,246,038)
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	(1,619,524)	-	-	1,619,524	-	-
At 31 March 2020	21,323,364	29,740	974,120	(316,621)	17,734	(1,047,872)	746,852	(915,529)	102,537	-	(461)	23,434	12,985,844	200,000	34,123,142

* The regulatory reserve held against expected losses is reduced to 0%, a Covid-19 related measure to drawdown prudential buffers as permitted by BNM.

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

CIMB BANK BERHAD
Company No: 197201001799 (13491-P)
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
Profit before taxation and zakat	1,401,040	451,444	953,203	(54,386)
Adjustments for non-operating and non-cash items	7,537	996,060	(88,179)	861,605
Operating profit before changes in working capital	1,408,577	1,447,504	865,024	807,219
Net changes in operating assets	(6,283,784)	(10,296,274)	(3,541,989)	(5,300,512)
Net changes in operating liabilities	9,777,116	15,942,670	4,952,910	14,731,502
	3,493,332	5,646,396	1,410,921	9,430,990
Cash flows generated from operations	4,901,909	7,093,900	2,275,945	10,238,209
Taxation paid	(283,890)	(370,099)	(141,722)	(307,372)
Net cash flows generated from operating activities	4,618,019	6,723,801	2,134,223	9,930,837
Net cash flows used in investing activities	(3,696,643)	(1,291,438)	(2,736,947)	(1,055,407)
Net cash flows used in financing activities	(23,096)	(5,692,808)	(147,072)	(5,694,005)
Net increase/(decrease) in cash and cash equivalents	898,280	(260,445)	(749,796)	3,181,425
Effects of exchange rate changes	266,450	464,952	296,161	608,273
Cash and cash equivalents at the beginning of financial period	34,406,356	33,101,084	26,771,403	26,167,402
Cash and cash equivalents at end of financial period	35,571,086	33,305,591	26,317,768	29,957,100
Cash and cash equivalents comprise:				
Cash and short-term funds	35,686,961	34,572,510	21,620,429	26,343,321
Deposits and placements with banks and other financial institutions	1,334,349	4,253,751	5,735,284	8,738,617
	37,021,310	38,826,261	27,355,713	35,081,938
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(1,450,224)	(5,520,670)	(1,037,945)	(5,124,838)
Cash and cash equivalents at end of financial period	35,571,086	33,305,591	26,317,768	29,957,100

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

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

(a) The unaudited condensed interim financial statements for the financial period ended 31 March 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 Bank'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 Bank 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 June 2020 and 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 except for Interest rate benchmark reform-Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16) where the Group is still in the midst of assessing the impact of the above amendments to published standards.

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 Covid-19 pandemic is expected to persist in 2021, although global and regional economies are projected to recover meaningfully on the back of positive developments of the Covid-19 vaccines and the various stimulus measures undertaken by respective governments.

Financial institutions continue to provide economic stimulus and loan repayment programs as economic headwinds remain within the uncertain environment. Respective central banks are implementing fiscal measures to address market disruptions and disparities.

The Group has been supporting customers impacted by the economic downturn over the past year and continues to provide targeted assistance programs particularly to those within the directly impacted sectors.

The Group will continuously assess the extent of the impact of the Covid-19 pandemic given the potential disruptions from its possible resurgence.

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

A2. CHANGES IN ESTIMATES

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

PART A - EXPLANATORY NOTES (CONTINUED)

A3 ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

a) During the financial period, Merdeka Kapital Berhad ("MKB"), a special purpose vehicle consolidated by the Bank, undertook a partial redemption of the Medium Term Note amounting to RM18.6 million.

b) During the financial period, Ziya Capital Bhd ("Ziya"), an Islamic special purpose vehicle consolidated by CIMB Islamic Bank, undertook a partial redemption of its Sukuk amounting to RM18.0 million.

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

d) On 5 May 2021, the 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).

e) On 25 May 2021, the 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.

A4. DIVIDENDS PAID

There was no dividend payment during the financial period ended 31 March 2021.

A5. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events that had occurred between 31 March 2021 and the date of this announcement other than those disclosed under issuance and repayment of debts and equity securities.

PART A - EXPLANATORY NOTES (CONTINUED)

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

As at 31 March 2021, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM64,000 and RM36,000 for the Group and RMNil and RM19,000 for the Bank. The 12-month expected credit losses written back in the income statements of the Group and the Bank during the financial period amounting to RM22,000 and RM46,000 respectively (Mar 2020: expected credit losses charge of RM205,000 and RM160,000 respectively).

A7. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Fair Value				
Money market instruments				
Unquoted:				
Malaysian Government Securities	1,633,673	1,653,243	1,633,673	1,653,243
Cagamas bonds	935,229	862,050	927,730	854,505
Khazanah bonds	57,949	58,002	57,949	58,002
Malaysian Government treasury bills	551,629	289,567	93,471	738
Bank Negara Malaysia Monetary Notes	2,399,575	-	2,399,575	-
Negotiable instruments of deposit	4,988,570	2,650,577	2,294,458	1,454,924
Other Government securities	7,026,105	7,448,307	2,830,999	3,051,519
Government Investment Issues	1,348,016	1,113,392	645,854	716,976
Other Government treasury bills	13,619,920	12,082,414	13,619,920	12,082,414
Promissory Notes	447,923	433,546	447,923	433,546
Commercial papers	4,276,539	4,086,026	1,401,184	1,276,818
	<u>37,285,128</u>	<u>30,677,124</u>	<u>26,352,736</u>	<u>21,582,685</u>
Quoted securities:				
In Malaysia				
Shares	907,856	1,161,338	907,856	1,161,338
	<u>907,856</u>	<u>1,161,338</u>	<u>907,856</u>	<u>1,161,338</u>
Outside Malaysia				
Shares	198,409	138,069	198,409	138,069
	<u>1,106,265</u>	<u>1,299,407</u>	<u>1,106,265</u>	<u>1,299,407</u>
Unquoted securities:				
In Malaysia				
Shares	915,953	915,953	903,466	903,466
Corporate bond and Sukuk	2,066,294	1,969,809	1,700,934	1,633,030
	<u>2,982,247</u>	<u>2,885,762</u>	<u>2,604,400</u>	<u>2,536,496</u>
Outside Malaysia				
Corporate bond	3,928,365	5,048,629	3,394,688	4,713,605
Private equity and unit trusts funds	275,338	266,273	275,338	266,273
	<u>4,203,703</u>	<u>5,314,902</u>	<u>3,670,026</u>	<u>4,979,878</u>
	<u>45,577,343</u>	<u>40,177,195</u>	<u>33,733,427</u>	<u>30,398,466</u>

A8. DEBTS INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Fair Value				
Money market instruments				
Unquoted:				
Malaysian Government Securities	4,556,666	4,347,217	4,540,931	4,326,220
Cagamas bonds	121,596	212,655	106,009	155,505
Other government securities	4,888,373	3,609,744	1,302,227	1,012,943
Negotiable instruments of deposit	591,199	572,682	591,199	572,682
Government investment issues	4,558,967	2,863,367	3,870,781	2,235,215
Commercial papers	24,959	41,866	-	17,063
	<u>14,741,760</u>	<u>11,647,531</u>	<u>10,411,147</u>	<u>8,319,628</u>
Unquoted securities:				
In Malaysia				
Corporate bond and Sukuk	18,480,896	17,893,352	15,679,057	14,996,418
Outside Malaysia				
Corporate bond and Sukuk	7,164,449	7,645,921	4,897,931	4,844,535
Unit trust fund	1	1	-	-
	<u>7,164,450</u>	<u>7,645,922</u>	<u>4,897,931</u>	<u>4,844,535</u>
	<u>40,387,106</u>	<u>37,186,805</u>	<u>30,988,135</u>	<u>28,160,581</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A8. DEBTS INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

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

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

The Group	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	33,077	320	20,849	54,246
Total charge to Income Statement:	5,329	(198)	-	5,131
New financial assets purchased	20,529	-	-	20,529
Financial assets that have been derecognised	(902)	(38)	-	(940)
Change in credit risk	(14,298)	(160)	-	(14,458)
Exchange fluctuation	299	1	-	300
At 31 March 2021	38,705	123	20,849	59,677

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 2020	24,428	122	21,030	45,580
Changes in expected credit losses due to transferred within stages:	(1)	1	-	-
Transferred to Stage 1	141	(141)	-	-
Transferred to Stage 2	(142)	142	-	-
Total charge to Income Statement:	8,686	197	(181)	8,702
New financial assets purchased	88,448	-	-	88,448
Financial assets that have been derecognised	(5,091)	(77)	-	(5,168)
Change in credit risk	(74,671)	274	(181)	(74,578)
Exchange fluctuation	(36)	-	-	(36)
At 31 December 2020	33,077	320	20,849	54,246

PART A - EXPLANATORY NOTES (CONTINUED)

A8. DEBTS INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

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

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

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	31,119	305	20,849	52,273
Total charge to Income Statement:	4,992	(182)	-	4,810
New financial assets purchased	17,447	-	-	17,447
Financial assets that have been derecognised	(718)	(22)	-	(740)
Change in credit risk	(11,737)	(160)	-	(11,897)
Exchange fluctuation	301	-	-	301
At 31 March 2021	36,412	123	20,849	57,384

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	22,650	23	21,030	43,703
Changes in expected credit losses due to transferred within stages:	(118)	118	-	-
Transferred to Stage 1	24	(24)	-	-
Transferred to Stage 2	(142)	142	-	-
Total charge to Income Statement:	8,622	164	(181)	8,605
New financial assets purchased	74,006	-	-	74,006
Financial assets that have been derecognised	(4,605)	(77)	-	(4,682)
Change in credit risk	(60,779)	241	(181)	(60,719)
Exchange fluctuation	(35)	-	-	(35)
At 31 December 2020	31,119	305	20,849	52,273

PART A - EXPLANATORY NOTES (CONTINUED)

A8. DEBTS INSTRUMENT AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONTINUED)

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

The Group and The Bank	Lifetime expected credit losses - Credit impaired	Total
	(Stage 3) RM'000	RM'000
At 1 January 2021/31 March 2021	20,849	20,849

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

PART A - EXPLANATORY NOTES (CONTINUED)

A9. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Quoted securities:				
<u>Outside Malaysia</u>				
Shares	2,081	2,012	166	182
Unit trusts	5,309	5,178	-	-
	<u>7,390</u>	<u>7,190</u>	<u>166</u>	<u>182</u>
Unquoted securities:				
<u>In Malaysia</u>				
Shares	241,290	252,380	241,007	252,097
	<u>241,290</u>	<u>252,380</u>	<u>241,007</u>	<u>252,097</u>
<u>Outside Malaysia</u>				
Shares	7,630	5,865	2,383	2,383
Private equity and unit trusts funds	13,216	8,459	13,216	8,459
	<u>20,846</u>	<u>14,324</u>	<u>15,599</u>	<u>10,842</u>
	<u>269,526</u>	<u>273,894</u>	<u>256,772</u>	<u>263,121</u>

A10. DEBT INSTRUMENTS AT AMORTISED COST

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Money market instruments				
Unquoted:				
Malaysian Government securities	7,250,552	7,143,519	7,150,318	7,042,178
Cagamas bonds	111,327	110,960	58,016	58,049
Other Government treasury bills	3,667,141	2,735,065	3,667,141	2,735,065
Other Government's securities	1,981,252	2,240,121	578,303	852,695
Negotiable instruments of deposit	200,076	-	200,076	-
Malaysian Government Investment Issue	15,794,484	15,732,816	12,758,719	12,806,036
Khazanah bonds	235,345	401,316	146,298	312,269
Commercial papers	-	193,005	-	193,005
	<u>29,240,177</u>	<u>28,556,802</u>	<u>24,558,871</u>	<u>23,999,297</u>
Unquoted securities:				
<u>In Malaysia</u>				
Corporate bond and Sukuk	18,191,099	18,813,170	13,640,968	14,581,192
<u>Outside Malaysia</u>				
Corporate bond and Sukuk	3,289,058	3,480,965	3,229,539	3,367,644
	<u>21,480,157</u>	<u>22,294,135</u>	<u>16,870,507</u>	<u>17,948,836</u>
Amortisation of premium net of accretion of discount	49,433	112,645	52,119	113,923
Less : Expected credit losses	(460,012)	(751,808)	(464,802)	(757,364)
	<u>50,309,755</u>	<u>50,211,774</u>	<u>41,016,695</u>	<u>41,304,692</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A10. DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

Expected credit losses movement for debt instruments at amortised cost:

The Group	12-month	Lifetime expected	Lifetime expected	Total
	expected credit losses (Stage 1)	credit losses - not credit impaired (Stage 2)	credit losses - Credit impaired (Stage 3)	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	8,704	735,922	7,182	751,808
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 2	(93)	93	-	-
	(93)	93	-	-
Total charge to Income Statement:	491	(2,065)	-	(1,574)
New financial assets purchased	1,373	-	-	1,373
Financial assets that have been derecognised	(26)	-	-	(26)
Change in credit risk	(856)	(2,065)	-	(2,921)
Exchange fluctuation	39	-	(2)	37
Other movements	-	(290,259)	-	(290,259)
At 31 March 2021	9,141	443,691	7,180	460,012

The Group	12-month	Lifetime expected	Lifetime expected	Total
	expected credit losses (Stage 1)	credit losses - not credit impaired (Stage 2)	credit losses - Credit impaired (Stage 3)	
	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	10,892	55,355	7,186	73,433
Changes in expected credit losses due to transferred within stages:				
Transferred to Stage 2	(5,430)	5,430	-	-
	(5,430)	5,430	-	-
Total charge to Income Statement:	3,248	675,137	-	678,385
New financial assets purchased	6,513	-	-	6,513
Financial assets that have been derecognised	(110)	-	-	(110)
Change in credit risk	(3,155)	675,137	-	671,982
Exchange fluctuation	(6)	-	(4)	(10)
At 31 December 2020	8,704	735,922	7,182	751,808

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

The Group	Lifetime expected	Total
	credit losses - credit impaired (Stage 3)	
	RM'000	RM'000
At 1 January 2021	7,182	7,182
Exchange fluctuation	(2)	(2)
At 31 March 2021	7,180	7,180

The Group	Lifetime expected	Total
	credit losses - credit impaired (Stage 3)	
	RM'000	RM'000
At 1 January 2020	7,186	7,186
Exchange fluctuation	(4)	(4)
At 31 December 2020	7,182	7,182

PART A - EXPLANATORY NOTES (CONTINUED)

A10. DEBT INSTRUMENTS AT AMORTISED COST (CONTINUED)

Expected credit losses movement for debt instruments at amortised cost:

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	21,442	735,922	-	757,364
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 2	(93)	93	-	-
	(93)	93	-	-
Total charge to Income Statement:	(277)	(2,065)	-	(2,342)
New financial assets purchased	1,238	-	-	1,238
Financial assets that have been derecognised	(26)	-	-	(26)
Change in credit risk	(1,489)	(2,065)	-	(3,554)
Exchange fluctuation	39	-	-	39
Other movements	-	(290,259)	-	(290,259)
At 31 March 2021	21,111	443,691	-	464,802

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	28,218	55,355	-	83,573
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:	(1,340)	675,137	-	673,797
New financial assets purchased	5,401	-	-	5,401
Financial assets that have been derecognised	(110)	-	-	(110)
Change in credit risk	(6,631)	675,137	-	668,506
Exchange fluctuation	(6)	-	-	(6)
At 31 December 2020	21,442	735,922	-	757,364

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
(i) By type of financing				
<i>At amortised cost</i>				
Overdrafts	4,785,868	4,793,865	2,659,863	2,683,722
Term loans/financing				
- Housing loan/financing	104,564,279	103,170,776	64,209,978	63,929,056
- Syndicated term loan	16,603,339	16,162,906	14,640,413	13,989,161
- Other term loans/financing	118,502,373	119,154,672	68,077,634	68,003,307
- Factoring receivables	3,589	3,594	-	-
- Lease receivables	4,293	4,226	-	-
- Hire purchase receivables	22,148,766	22,426,652	5,096,262	5,482,892
Bills receivable	7,799,591	7,001,692	6,075,109	5,088,314
Trust receipts	2,190,850	2,139,045	1,224,422	1,024,369
Claim on customers under acceptance credit	2,764,755	2,749,158	1,934,178	1,970,144
Staff loans *	1,282,142	1,243,264	953,344	931,629
Credit card receivables	5,651,516	5,855,590	5,516,810	5,717,542
Revolving credit	27,637,900	28,187,023	22,854,775	23,273,827
Share margin financing	54,763	54,010	54,763	54,010
Gross loans, advances and financing, at amortised cost	313,994,024	312,946,473	193,297,551	192,147,973
Fair value changes arising from fair value hedges	(6,769)	6,497	(9,802)	2,661
	313,987,255	312,952,970	193,287,749	192,150,634
Less: Expected credit losses	(8,009,638)	(7,347,784)	(5,937,166)	(5,389,374)
Net loans, advances and financing at amortised cost	305,977,617	305,605,186	187,350,583	186,761,260
<i>At fair value through profit or loss</i>				
Term loans/financing				
- Syndicated term loan	393,399	710,235	393,399	512,914
	393,399	710,235	393,399	512,914
Total net loans, advances and financing	306,371,016	306,315,421	187,743,982	187,274,174
Total gross loans, advances and financing				
- At amortised cost	313,994,024	312,946,473	193,297,551	192,147,973
- At fair value through profit or loss	393,399	710,235	393,399	512,914
	314,387,423	313,656,708	193,690,950	192,660,887

* Loans to Directors of the Group and the Bank (including Directors of subsidiary) amounting to RM3,087,849 (2020: RM3,984,272) and RM1,012,685 (2020: RM1,902,553) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

(a) Included in the Group's and the Bank's loans, advances and financing balances are RM26,218,000 (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 and the Bank have undertaken fair value hedge on the interest rate risk of loans, advances and financing of RM395,720,000 (2020: RM392,508,000) and RM318,885,000 (2020: RM314,185,000) respectively, using interest rate swaps.

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

As at 31 March 2021, the gross exposure and expected credit losses relating to RPSIA financing are RM4,455,923,000 (2020: RM4,703,553,000) and RM109,356,000 (2020: RM104,169,000) respectively.

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

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Revolving credit	701,468	-	701,468	-
Other term loan	5,078,175	5,030,980	5,078,175	5,030,980
	5,779,643	5,030,980	5,779,643	5,030,980

Restricted Agency Investment Account ("RAIA") arrangement is with the Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where the Bank, solely provide the funds, whilst the assets are managed by CIMB Islamic (as the Wakeel or agent). In the arrangement, CIMB Islamic has transferred substantially all the risk and rewards of ownership of the Investment (i.e the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and expected credit losses arising thereon, if any, are recognised and accounted for by the Bank.

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
(ii) By type of customers				
Domestic banking institutions	585,287	770,458	404,725	577,915
Domestic non-bank financial institutions				
- stockbroking companies	110,026	139,043	110,026	139,043
- others	5,344,475	5,618,189	2,477,661	2,769,030
Domestic business enterprises				
- small medium enterprises	34,989,048	34,867,830	21,160,007	21,224,054
- others	45,661,637	44,656,712	26,696,527	24,561,778
Government and statutory bodies	8,070,576	8,053,764	4,590,578	4,573,434
Individuals	179,123,627	179,059,754	99,527,457	100,064,328
Other domestic entities	975,046	968,479	59,385	59,338
Foreign entities	39,527,701	39,522,479	38,664,584	38,691,967
Gross loans, advances and financing	<u>314,387,423</u>	<u>313,656,708</u>	<u>193,690,950</u>	<u>192,660,887</u>
(iii) By interest rate sensitivity				
Fixed rate				
- Housing loans/ financing	3,957,286	3,991,792	1,046,182	962,812
- Hire purchase receivables	18,822,116	18,849,653	2,875,023	3,064,438
- Other fixed rate loans	27,712,650	28,457,085	19,404,837	20,246,749
Variable rate				
- BLR plus/BFR plus	84,154,214	85,255,685	62,551,867	63,628,303
- Cost-plus	50,983,514	50,862,022	35,798,077	34,654,049
- Other variable rates	128,757,643	126,240,471	72,014,964	70,104,536
Gross loans, advances and financing	<u>314,387,423</u>	<u>313,656,708</u>	<u>193,690,950</u>	<u>192,660,887</u>
(iv) By economic purpose				
Personal use	15,775,699	15,830,839	11,304,405	11,142,330
Credit cards	5,651,516	5,855,590	5,516,810	5,717,542
Purchase of consumer durables	175,838	154,248	46,463	49,590
Construction	11,760,788	11,805,736	7,828,456	7,721,535
Residential property (housing)	106,180,540	104,728,059	64,408,619	64,178,867
Non-residential property	30,801,658	30,262,157	22,868,848	22,376,392
Purchase of fixed assets other than land and buildings	3,369,015	3,477,674	2,604,374	2,741,321
Mergers and acquisitions	2,651,200	2,778,796	2,649,325	2,776,203
Purchase of securities	23,443,193	24,712,110	9,976,678	10,692,353
Purchase of transport vehicles	22,104,199	22,403,167	5,137,688	5,521,668
Working capital	60,323,559	61,053,304	40,701,795	40,981,626
Other purposes	32,150,218	30,595,028	20,647,489	18,761,460
Gross loans, advances and financing	<u>314,387,423</u>	<u>313,656,708</u>	<u>193,690,950</u>	<u>192,660,887</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
(v) By geographical distribution				
Malaysia	229,056,814	226,824,072	141,868,912	140,620,217
Indonesia	2,042,685	2,117,050	2,042,685	2,117,050
Thailand	32,450,222	33,875,533	3,097,851	3,136,395
Singapore	30,305,599	29,590,306	30,305,599	29,590,306
United Kingdom	4,740,398	4,876,320	4,740,398	4,876,320
Hong Kong	1,191,699	1,462,829	1,191,699	1,462,829
China	4,104,532	4,037,938	4,100,785	4,037,938
Other countries	10,495,474	10,872,660	6,343,021	6,819,832
Gross loans, advances and financing	<u>314,387,423</u>	<u>313,656,708</u>	<u>193,690,950</u>	<u>192,660,887</u>
(vi) By economic sector				
Primary agriculture	8,330,415	8,199,975	5,098,801	4,883,143
Mining and quarrying	4,485,084	3,974,683	3,176,770	2,434,412
Manufacturing	16,443,586	16,401,835	10,221,759	10,210,106
Electricity, gas and water supply	4,662,228	4,740,203	2,635,137	2,573,689
Construction	10,517,500	10,903,894	8,471,835	8,910,584
Transport, storage and communications	7,841,058	7,596,768	5,284,916	5,007,446
Education, health and others	15,041,338	15,036,434	10,192,736	10,128,616
Wholesale and retail trade, and restaurants and hotels	24,029,191	23,236,981	16,322,579	15,464,715
Finance, insurance/takaful, real estate and business activities	42,886,318	42,767,608	30,626,384	30,174,262
Household	177,509,017	177,566,369	99,388,966	100,013,820
Others	2,641,688	3,231,958	2,271,067	2,860,094
	<u>314,387,423</u>	<u>313,656,708</u>	<u>193,690,950</u>	<u>192,660,887</u>
(vii) By residual contractual maturity				
Within one year	64,111,949	63,272,732	48,640,948	47,132,386
One year to less than three years	22,844,409	24,522,535	16,217,006	17,736,568
Three years to less than five years	25,205,137	23,281,136	16,191,022	14,791,522
Five years and more	202,225,928	202,580,305	112,641,974	113,000,411
Gross loans, advances and financing	<u>314,387,423</u>	<u>313,656,708</u>	<u>193,690,950</u>	<u>192,660,887</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
(viii) Credit impaired loans, advances and financing by economic purpose				
Personal use	277,417	352,323	171,834	236,015
Credit cards	110,858	116,400	109,530	114,463
Purchase of consumer durables	809	733	388	471
Construction	1,328,992	1,356,167	1,186,041	1,198,958
Residential property (housing)	1,661,397	2,044,032	859,485	1,133,184
Non-residential property	485,195	537,820	373,612	414,632
Purchase of fixed assets other than land and buildings	44,470	38,495	25,098	27,308
Purchase of securities	185,949	289,926	183,667	202,160
Purchase of transport vehicles	218,178	250,907	77,971	97,596
Working capital	3,002,122	2,992,964	2,118,686	2,074,836
Other purposes	747,665	717,053	207,757	176,800
Gross credit impaired loans, advances and financing	8,063,052	8,696,820	5,314,069	5,676,423
(ix) Credit impaired loans, advances and financing by geographical distribution				
Malaysia	4,869,059	5,520,744	3,617,775	4,012,118
Indonesia	133,357	138,396	133,357	138,396
Thailand	1,439,738	1,454,498	-	-
Singapore	1,468,858	1,424,273	1,468,858	1,424,273
United Kingdom	6,700	9,618	6,700	9,618
Hong Kong	2,764	3,167	2,764	3,167
China	13,988	15,311	13,988	15,311
Other countries	128,588	130,813	70,627	73,540
Gross credit impaired loans, advances and financing	8,063,052	8,696,820	5,314,069	5,676,423
(x) Credit impaired loans, advances and financing by economic sector				
Primary agriculture	74,224	73,016	54,451	53,536
Mining and quarrying	313,560	336,045	313,560	334,706
Manufacturing	1,137,975	1,096,993	1,137,975	1,141,054
Electricity, gas and water supply	250,247	257,463	250,246	247,018
Construction	200,759	221,044	159,491	176,488
Transport, storage and communications	1,134,175	1,147,001	1,130,025	1,140,964
Education, health and others	196,310	202,812	106,915	109,487
Wholesale and retail trade, and restaurants and hotels	1,718,649	1,723,892	1,325,464	1,328,791
Finance, insurance/takaful, real estate and business activities	607,635	578,960	427,307	393,385
Household	2,419,894	3,045,407	1,339,512	1,737,275
Others	9,624	14,187	9,369	13,719
Gross credit impaired loans, advances and financing	8,063,052	8,696,820	5,314,069	5,676,423

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

The Group	12-month expected	Lifetime expected	Lifetime expected	Purchased credit	Total
	credit losses	credit losses - not credit	credit losses		
	(Stage 1)	impaired	- Credit impaired	impaired	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2021	1,414,924	1,780,975	4,148,626	3,259	7,347,784
Changes in expected credit losses due to transferred within stages:	275,423	(128,909)	(146,514)	-	-
Transferred to Stage 1	389,327	(353,504)	(35,823)	-	-
Transferred to Stage 2	(112,911)	400,955	(288,044)	-	-
Transferred to Stage 3	(993)	(176,360)	177,353	-	-
Total charge to Income Statement:	(170,714)	398,287	312,008	-	539,581
New financial assets originated	188,511	16,200	43,021	-	247,732
Financial assets that have been derecognised	(172,912)	(191,523)	-	-	(364,435)
Writeback in respect of full recoveries	-	-	(46,129)	-	(46,129)
Change in credit risk	(186,313)	573,610	315,116	-	702,413
Write-offs	(10)	(60)	(286,134)	-	(286,204)
Exchange fluctuation	1,291	5,705	22,049	(42)	29,003
Other movements	1,364	353,607	24,503	-	379,474
At 31 March 2021	1,522,278	2,409,605	4,074,538	3,217	8,009,638

The Group	12-month expected	Lifetime expected	Lifetime expected	Purchased credit	Total
	credit losses	credit losses - not credit	credit losses		
	(Stage 1)	impaired	- Credit impaired	impaired	RM'000
	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January 2020	947,363	766,983	3,121,465	2,748	4,838,559
Changes in expected credit losses due to transferred within stages:	(404,403)	270,037	134,366	-	-
Transferred to Stage 1	719,298	(579,288)	(140,010)	-	-
Transferred to Stage 2	(1,118,315)	1,551,801	(433,486)	-	-
Transferred to Stage 3	(5,386)	(702,476)	707,862	-	-
Total charge to Income Statement:	887,793	749,496	2,603,604	574	4,241,467
New financial assets originated	621,107	69,053	114,576	-	804,736
Financial assets that have been derecognised	(437,158)	(157,603)	-	-	(594,761)
Writeback in respect of full recoveries	-	-	(176,423)	-	(176,423)
Change in credit risk	703,844	838,046	2,665,451	574	4,207,915
Write-offs	(665)	(725)	(1,312,337)	-	(1,313,727)
Disposal of loans, advances and financing	-	-	(361,487)	-	(361,487)
Exchange fluctuation	(7,643)	(4,640)	(97,339)	(63)	(109,685)
Other movements	(7,521)	(176)	60,354	-	52,657
At 31 December 2020	1,414,924	1,780,975	4,148,626	3,259	7,347,784

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

The Bank	12-month expected credit losses (Stage 1) 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	857,601	1,200,071	3,331,702	5,389,374
Changes in expected credit losses due to transferred within stages:	155,825	(60,357)	(95,468)	-
Transferred to Stage 1	209,008	(186,712)	(22,296)	-
Transferred to Stage 2	(52,627)	232,167	(179,540)	-
Transferred to Stage 3	(556)	(105,812)	106,368	-
Total charge to Income Statement:	(46,122)	245,960	122,558	322,396
New financial assets originated	167,997	13,624	3,954	185,575
Financial assets that have been derecognised	(156,370)	(167,487)	-	(323,857)
Writeback in respect of full recoveries	-	-	(16,187)	(16,187)
Change in credit risk	(57,749)	399,823	134,791	476,865
Write-offs	(8)	(6)	(189,881)	(189,895)
Exchange fluctuation	3,799	8,747	27,169	39,715
Other movements	1,364	353,586	20,626	375,576
At 31 March 2021	972,459	1,748,001	3,216,706	5,937,166

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	641,476	445,075	2,194,095	3,280,646
Changes in expected credit losses due to transferred within stages:	(364,075)	291,638	72,437	-
Transferred to Stage 1	432,839	(351,941)	(80,898)	-
Transferred to Stage 2	(793,793)	1,037,224	(243,431)	-
Transferred to Stage 3	(3,121)	(393,645)	396,766	-
Total charge to Income Statement:	587,100	463,735	1,922,233	2,973,068
New financial assets originated	491,609	54,277	38,512	584,398
Financial assets that have been derecognised	(368,061)	(91,750)	-	(459,811)
Writeback in respect of full recoveries	-	-	(79,688)	(79,688)
Change in credit risk	463,552	501,208	1,963,409	2,928,169
Write-offs	(323)	(62)	(833,006)	(833,391)
Exchange fluctuation	(3,897)	(207)	(79,906)	(84,010)
Other movements	(2,680)	(108)	55,849	53,061
At 31 December 2020	857,601	1,200,071	3,331,702	5,389,374

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

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

	The Group		
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
At 1 January 2021	8,689,004	7,816	8,696,820
Transfer within stages	(91,758)	-	(91,758)
New financial assets originated	114,274	-	114,274
Write-offs	(286,585)	-	(286,585)
Amount fully recovered	(232,367)	-	(232,367)
Other changes in loans, advances and financing	(168,751)	(4)	(168,755)
Exchange fluctuation	31,523	(100)	31,423
At 31 March 2021	8,055,340	7,712	8,063,052

	The Group		
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
At 1 January 2020	7,586,783	8,024	7,594,807
Transfer within stages	3,699,649	-	3,699,649
New financial assets originated	424,061	-	424,061
Write-offs	(1,312,834)	-	(1,312,834)
Amount fully recovered	(614,493)	-	(614,493)
Other changes in loans, advances and financing	(608,597)	(28)	(608,625)
Disposal of loans, advances and financing	(431,602)	-	(431,602)
Exchange fluctuation	(53,963)	(180)	(54,143)
At 31 December 2020	8,689,004	7,816	8,696,820

	The Group	
	31 Mar 2021	31 Dec 2020
Ratio of credit impaired loans to total loans, advances and financing	2.56%	2.77%

PART A - EXPLANATORY NOTES (CONTINUED)

A11. LOANS, ADVANCES AND FINANCING (CONTINUED)

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

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

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	5,676,423	5,676,423
Transfer within stages	(123,942)	(123,942)
New financial assets originated	9,051	9,051
Write-offs	(190,332)	(190,332)
Amount fully recovered	(66,730)	(66,730)
Other changes in loans, advances and financing	(27,790)	(27,790)
Exchange fluctuation	37,389	37,389
At 31 March 2021	5,314,069	5,314,069

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	4,430,993	4,430,993
Transfer within stages	2,579,124	2,579,124
New financial assets originated	50,098	50,098
Write-offs	(833,502)	(833,502)
Amount fully recovered	(178,568)	(178,568)
Other changes in loans, advances and financing	(360,413)	(360,413)
Exchange fluctuation	(11,309)	(11,309)
At 31 December 2020	5,676,423	5,676,423

	The Bank	
	31 Mar 2021	31 Dec 2020
Ratio of credit impaired loans to total loans, advances and financing	2.74%	2.95%

PART A - EXPLANATORY NOTES (CONTINUED)

A12. OTHER ASSETS

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Foreclosed assets	129,759	121,661	-	-
Due from brokers	7,071	16,498	7,071	16,498
Structured financing	655,395	677,899	655,395	677,899
Collateral pledged for derivative transactions	3,319,097	3,981,007	1,498,935	1,988,055
Treasury related receivables	2,586,177	829,539	1,743,045	405,336
Settlement accounts	269,562	2,147,072	398,397	2,095,969
Other debtors, deposits and prepayments	3,247,709	2,388,241	2,958,553	2,039,206
	10,214,770	10,161,917	7,261,396	7,222,963

A13. DEPOSITS FROM CUSTOMERS

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
(i) By type of deposit				
Demand deposits	89,310,157	86,757,800	70,599,312	68,948,088
Saving deposits	48,412,817	46,866,540	31,061,280	29,717,515
Fixed deposits	133,407,368	135,425,861	88,088,941	91,146,585
Negotiable instruments of deposit	409,175	199,022	-	-
Others	78,815,207	78,776,652	32,126,733	33,251,515
	350,354,724	348,025,875	221,876,266	223,063,703

(ii) By type of customer

Government and statutory bodies	14,163,382	13,329,478	7,870,747	8,570,863
Business enterprises	117,147,742	115,599,752	78,362,224	76,901,308
Individuals	141,398,333	143,519,356	91,080,635	94,605,412
Others	77,645,267	75,577,289	44,562,660	42,986,120
	350,354,724	348,025,875	221,876,266	223,063,703

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

Due within six months	106,346,781	110,180,039	73,588,854	76,918,510
Six months to less than one year	26,880,382	24,976,486	14,355,971	14,086,196
One year to less than three years	499,728	380,773	58,209	57,883
Three years to less than five years	89,652	87,585	85,907	83,996
	133,816,543	135,624,883	88,088,941	91,146,585

A14. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Unrestricted investment accounts	3,033,161	2,678,870	-	-

PART A - EXPLANATORY NOTES (CONTINUED)

A15. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Licensed banks	28,355,267	25,035,189	26,625,743	22,329,434
Licensed finance companies	2,247,245	2,138,885	80,818	183,117
Licensed investment banks	143,847	216,880	143,027	215,830
Bank Negara Malaysia	638,275	671,953	633,275	666,953
Other financial institutions	3,290,953	3,066,020	2,208,765	1,875,629
	34,675,587	31,128,927	29,691,628	25,270,963

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

Due within six months	32,732,505	28,580,095	27,815,513	23,051,626
Six months to less than one year	147,123	1,731,452	234,589	1,557,882
One year to less than three years	1,014,040	-	1,014,040	-
Three years to less than five years	154,433	155,517	-	-
Five years and more	627,486	661,863	627,486	661,455
	34,675,587	31,128,927	29,691,628	25,270,963

A16. FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Deposits from customers - structured investments	207,509	134,285	57,077	62,676
Debentures	977,989	1,072,150	-	-
Bills payable	2,731,833	2,810,495	-	-
	3,917,331	4,016,930	57,077	62,676

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

The carrying amount of financial liabilities designated at fair value of the Group and the Bank at 31 March 2021 were RM10,312,000 lower (2020: RM479,000 higher) and RM1,790,000 lower (2020: RM1,128,000 higher) respectively than the contractual amount at maturity for the structured investments, RM3,875,000 lower (2020: RM1,611,000 higher) than the contractual amount at maturity for the debentures and RM440,900,000 (2020: RM520,836,000) higher than the contractual amount at maturity for bills payable.

A17. OTHER LIABILITIES

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Due to brokers and clients	19,130	9,856	19,130	9,856
Accrued employee benefits	24,873	24,601	24,565	24,208
Post employment benefit obligations	305,286	277,911	64,550	34,996
Sundry creditors	770,815	479,765	511,796	364,861
Expenditure payable	1,238,659	1,185,311	1,102,908	994,856
Expected credit losses for loan commitments and financial guarantee contracts	A17(a) 585,447	561,087	398,055	370,148
Provision for legal claims	56,584	51,980	36,935	37,125
Credit card expenditure payable	105,371	98,219	97,929	90,795
Collateral received for derivative transactions	2,131,959	2,888,876	1,306,643	1,363,736
Structured deposits	3,109,966	2,765,102	3,087,663	2,726,654
Treasury related payables	3,944,488	2,428,523	2,942,173	1,924,888
Others	655,498	715,169	333,377	374,758
	12,948,076	11,486,400	9,925,724	8,316,881

PART A - EXPLANATORY NOTES (CONTINUED)

A17. OTHER LIABILITIES (CONTINUED)

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

The Group	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	279,950	120,942	160,195	561,087
Changes in expected credit losses due to transferred within stages:	40,215	(26,514)	(13,701)	-
Transferred to Stage 1	44,976	(35,287)	(9,689)	-
Transferred to Stage 2	(4,605)	14,320	(9,715)	-
Transferred to Stage 3	(156)	(5,547)	5,703	-
Total charge to Income Statement:	(25,698)	42,699	(2,095)	14,906
New exposures	50,075	1,616	801	52,492
Exposures derecognised or matured	(31,233)	(5,461)	(264)	(36,958)
Change in credit risk	(44,540)	46,544	(2,632)	(628)
Exchange fluctuation	676	92	(1,145)	(377)
Other movements	216	9,480	135	9,831
At 31 March 2021	295,359	146,699	143,389	585,447

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 2020	210,691	38,848	124,352	373,891
Changes in expected credit losses due to transferred within stages:	19,821	(23,948)	4,127	-
Transferred to Stage 1	128,218	(81,132)	(47,086)	-
Transferred to Stage 2	(72,891)	90,075	(17,184)	-
Transferred to Stage 3	(35,506)	(32,891)	68,397	-
Total charge to Income Statement:	50,141	108,311	33,194	191,646
New exposures	191,780	6,800	39,896	238,476
Exposures derecognised or matured	(112,818)	(15,788)	(29,667)	(158,273)
Change in credit risk	(28,821)	117,299	22,965	111,443
Exchange fluctuation	160	(52)	(1,623)	(1,515)
Other movements	(863)	(2,217)	145	(2,935)
At 31 December 2020	279,950	120,942	160,195	561,087

PART A - EXPLANATORY NOTES (CONTINUED)

A17. OTHER LIABILITIES (CONTINUED)

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

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	210,701	97,031	62,416	370,148
Changes in expected credit losses due to transferred within stages:	26,058	(16,644)	(9,414)	-
Transferred to Stage 1	29,472	(22,363)	(7,109)	-
Transferred to Stage 2	(3,382)	10,374	(6,992)	-
Transferred to Stage 3	(32)	(4,655)	4,687	-
Total charge to Income Statement:	(14,387)	35,033	(3,524)	17,122
New exposures	28,319	1,602	-	29,921
Exposures derecognised or matured	(21,160)	(3,743)	-	(24,903)
Change in credit risk	(21,546)	37,174	(3,524)	12,104
Exchange fluctuation	869	85	-	954
Other movements	233	9,466	132	9,831
At 31 March 2021	223,474	124,971	49,610	398,055

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	166,711	30,989	48,206	245,906
Changes in expected credit losses due to transferred within stages:	5,408	(5,879)	471	-
Transferred to Stage 1	70,501	(59,887)	(10,614)	-
Transferred to Stage 2	(64,901)	80,089	(15,188)	-
Transferred to Stage 3	(192)	(26,081)	26,273	-
Total charge to Income Statement:	38,567	73,537	13,413	125,517
New exposures	116,833	4,211	39,795	160,839
Exposures derecognised or matured	(78,736)	(10,726)	(28,209)	(117,671)
Change in credit risk	470	80,052	1,827	82,349
Exchange fluctuation	35	(2)	57	90
Other movements	(20)	(1,614)	269	(1,365)
At 31 December 2020	210,701	97,031	62,416	370,148

As at 31 March 2021, the gross carrying amount of loan commitments and financial guarantee contracts that are credit impaired for the Group and the Bank is RM248,917,000 (2020: RM286,497,000) and RM166,943,000 (2020: RM193,087,000) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A18. INTEREST INCOME

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Group				
Loans and advances				
- interest income	2,086,460	2,697,723	2,086,460	2,697,723
- unwinding income [^]	17,361	27,678	17,361	27,678
Money at call and deposits with financial institutions	58,856	142,127	58,856	142,127
Reverse repurchase agreements	18,105	40,302	18,105	40,302
Debt instruments at fair value through other comprehensive income	257,848	203,267	257,848	203,267
Debt instruments at amortised cost	354,470	262,540	354,470	262,540
Equity instruments at fair value through other comprehensive income	-	1,266	-	1,266
	<u>2,793,100</u>	<u>3,374,903</u>	<u>2,793,100</u>	<u>3,374,903</u>
Net accretion of discount less amortisation of premium	(52,212)	(3,105)	(52,212)	(3,105)
	<u>2,740,888</u>	<u>3,371,798</u>	<u>2,740,888</u>	<u>3,371,798</u>
The Bank				
Loans and advances				
- interest income	1,627,186	2,129,986	1,627,186	2,129,986
- unwinding income [^]	20,374	19,442	20,374	19,442
Money at call and deposits with financial institutions	82,791	173,463	82,791	173,463
Reverse repurchase agreements	17,886	39,689	17,886	39,689
Debt instruments at fair value through other comprehensive income	232,634	180,632	232,634	180,632
Debt instruments at amortised cost	363,671	273,520	363,671	273,520
Equity instruments at fair value through other comprehensive income	-	1,266	-	1,266
	<u>2,344,542</u>	<u>2,817,998</u>	<u>2,344,542</u>	<u>2,817,998</u>
Net accretion of discount less amortisation of premium	(45,522)	(1,900)	(45,522)	(1,900)
	<u>2,299,020</u>	<u>2,816,098</u>	<u>2,299,020</u>	<u>2,816,098</u>

[^] Unwinding income is interest income earned on credit impaired financial assets.

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

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Group				
Loans and advances at fair value through profit or loss	3,930	9,547	3,930	9,547
Financial assets at fair value through profit or loss	118,902	112,042	118,902	112,042
	<u>122,832</u>	<u>121,589</u>	<u>122,832</u>	<u>121,589</u>
Net accretion of discount less amortisation of premium	(14,203)	58,851	(14,203)	58,851
	<u>108,629</u>	<u>180,440</u>	<u>108,629</u>	<u>180,440</u>
The Bank				
Loans and advances at fair value through profit or loss	3,930	9,547	3,930	9,547
Financial assets at fair value through profit or loss	89,703	82,379	89,703	82,379
	<u>93,633</u>	<u>91,926</u>	<u>93,633</u>	<u>91,926</u>
Net accretion of discount less amortisation of premium	(7,023)	65,895	(7,023)	65,895
	<u>86,610</u>	<u>157,821</u>	<u>86,610</u>	<u>157,821</u>

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

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Group				
Deposits and placements of banks and other financial institutions	54,025	100,442	54,025	100,442
Deposits from other customers	642,916	1,240,877	642,916	1,240,877
Repurchase agreements	67,823	57,376	67,823	57,376
Financial liabilities designated at fair value through profit or loss	7,233	13,033	7,233	13,033
Negotiable certificates of deposits	1,919	11,174	1,919	11,174
Recourse obligation on loan and financing sold to Cagamas	12,486	27,778	12,486	27,778
Bonds, Sukuk and debentures	50,455	133,674	50,455	133,674
Subordinated obligations	109,201	130,713	109,201	130,713
Other borrowings	7,518	28,740	7,518	28,740
Structured deposits	6,994	13,535	6,994	13,535
Lease liabilities	4,800	7,181	4,800	7,181
Others	1,931	3,891	1,931	3,891
	967,301	1,768,414	967,301	1,768,414
The Bank				
Deposits and placements of banks and other financial institutions	40,479	87,109	40,479	87,109
Deposits from other customers	570,654	1,127,913	570,654	1,127,913
Repurchase agreements	64,555	48,024	64,555	48,024
Financial liabilities designated at fair value through profit or loss	202	1,448	202	1,448
Negotiable certificates of deposits	1,739	10,861	1,739	10,861
Recourse obligation on loan and financing sold to Cagamas	12,486	27,778	12,486	27,778
Bonds and debentures	44,045	121,124	44,045	121,124
Subordinated obligations	105,745	128,988	105,745	128,988
Other borrowings	18,043	35,383	18,043	35,383
Structured deposits	6,994	13,535	6,994	13,535
Lease liabilities	4,343	6,622	4,343	6,622
Others	8	17	8	17
	869,293	1,608,802	869,293	1,608,802

A21. MODIFICATION LOSS

In light of the Covid-19 outbreak, BNM and Ministry of Finance 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.

PART A - EXPLANATORY NOTES (CONTINUED)

A22. NET NON-INTEREST INCOME

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Group				
Net fee and commission income				
Commissions	278,144	171,854	278,144	171,854
Fee on loans and advances	83,824	108,094	83,824	108,094
Service charges and fees	105,737	129,072	105,737	129,072
Guarantee fees	21,067	19,540	21,067	19,540
Other fee income	41,688	51,066	41,688	51,066
Fee and commission income	530,460	479,626	530,460	479,626
Fee and commission expense	(96,503)	(126,300)	(96,503)	(126,300)
Net fee and commission income	433,957	353,326	433,957	353,326
Gross dividend income from:				
Financial investments at fair value through profit or loss	14,518	9,215	14,518	9,215
Equity instruments at fair value through other comprehensive income	314	8	314	8
	14,832	9,223	14,832	9,223
Net loss arising from financial investments at fair value through profit or loss				
- realised	(99,940)	(28,900)	(99,940)	(28,900)
- unrealised	(648,965)	(609,493)	(648,965)	(609,493)
	(748,905)	(638,393)	(748,905)	(638,393)
Net gain arising from derivative financial instrument				
- realised	419,615	222,790	419,615	222,790
- unrealised	1,365,485	1,218,036	1,365,485	1,218,036
	1,785,100	1,440,826	1,785,100	1,440,826
Net gain arising from loans, advances and financing at fair value through profit or loss				
- unrealised	487	356	487	356
	487	356	487	356
Net gain/(loss) arising from financial liabilities designated at fair value through profit or loss				
- realised	(11,125)	(5,367)	(11,125)	(5,367)
- unrealised	115,407	(83,648)	115,407	(83,648)
	104,282	(89,015)	104,282	(89,015)
Net gain/(loss) arising from hedging activities				
	2,931	(19,911)	2,931	(19,911)
Net gain from sale of investment in debt instruments at fair value through other comprehensive income				
	62,718	81,875	62,718	81,875
Other non-interest income				
Foreign exchange loss	(818,792)	(686,221)	(818,792)	(686,221)
Rental income	1,262	3,642	1,262	3,642
Gain on disposal of property, plant and equipment/ assets held for sale	2,879	3,917	2,879	3,917
Loss on disposal of foreclosed assets	(1,046)	(1,765)	(1,046)	(1,765)
Others	2,933	6,066	2,933	6,066
	(812,764)	(674,361)	(812,764)	(674,361)
	842,638	463,926	842,638	463,926

PART A - EXPLANATORY NOTES (CONTINUED)

A22. NET NON-INTEREST INCOME (CONTINUED)

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Bank				
Net fee and commission income				
Commissions	214,439	129,569	214,439	129,569
Fee on loans and advances	81,114	104,625	81,114	104,625
Service charges and fees	345,958	333,369	345,958	333,369
Guarantee fees	18,886	16,264	18,886	16,264
Other fee income	40,149	39,108	40,149	39,108
Fee and commission income	700,546	622,935	700,546	622,935
Fee and commission expense	(93,563)	(113,691)	(93,563)	(113,691)
Net fee and commission income	606,983	509,244	606,983	509,244
Gross dividend income from:				
Financial investments at fair value through profit or loss	14,518	9,215	14,518	9,215
Subsidiary	-	21,722	-	21,722
	14,518	30,937	14,518	30,937
Net loss arising from financial investments at fair value through profit or loss				
- realised	12,837	(46,322)	12,837	(46,322)
- unrealised	(358,851)	(458,969)	(358,851)	(458,969)
	(346,014)	(505,291)	(346,014)	(505,291)
Net gain arising from derivative financial instrument				
- realised	221,258	174,730	221,258	174,730
- unrealised	1,229,069	1,004,636	1,229,069	1,004,636
	1,450,327	1,179,366	1,450,327	1,179,366
Net gain arising from loans, advances and financing at fair value through profit or loss				
- unrealised	487	356	487	356
	487	356	487	356
Net gain/(loss) arising from financial liabilities designated at fair value through profit or loss				
- realised	(146)	4,141	(146)	4,141
- unrealised	2,922	(6,210)	2,922	(6,210)
	2,776	(2,069)	2,776	(2,069)
Net gain/(loss) arising from hedging activities				
	2,891	(18,736)	2,891	(18,736)
Net gain from sale of investment in debt instruments at fair value through other comprehensive income				
	44,547	62,385	44,547	62,385
Other non-interest income				
Foreign exchange loss	(807,718)	(770,857)	(807,718)	(770,857)
Rental income	1,268	3,262	1,268	3,262
Gain on disposal of property, plant and equipment/ assets held for sale	2,323	3,905	2,323	3,905
Others	904	5,443	904	5,443
	(803,223)	(758,247)	(803,223)	(758,247)
	973,292	497,945	973,292	497,945

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

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Group				
Personnel costs				
- Salaries, allowances and bonuses	783,650	778,379	783,650	778,379
- Pension costs (defined contribution plan)	89,031	80,850	89,031	80,850
- Pension costs (defined benefit plan)	6,247	6,469	6,247	6,469
- Overtime	2,199	4,538	2,199	4,538
- Staff incentives and other staff payments	115,407	51,748	115,407	51,748
- Medical expenses	18,464	21,773	18,464	21,773
- Others	38,039	22,764	38,039	22,764
	1,053,037	966,521	1,053,037	966,521
Establishment costs				
- Depreciation of property, plant and equipment	38,208	38,765	38,208	38,765
- Amortisation of prepaid lease payments	-	3	-	3
- Depreciation of right-of-use assets	49,379	48,430	49,379	48,430
- Rental	17,417	20,793	17,417	20,793
- Amortisation of intangible assets	76,289	60,506	76,289	60,506
- Repair and maintenance	119,329	104,771	119,329	104,771
- Outsourced services	18,943	20,981	18,943	20,981
- Security expenses	25,655	22,024	25,655	22,024
- Others	30,734	30,780	30,734	30,780
	375,954	347,053	375,954	347,053
Marketing expenses				
- Advertisement	14,126	25,092	14,126	25,092
- Others	2,245	12,952	2,245	12,952
	16,371	38,044	16,371	38,044
Administration and general expenses				
- Communication	16,369	18,683	16,369	18,683
- Consultancy and professional fees	10,235	28,471	10,235	28,471
- Legal expenses	16,029	2,252	16,029	2,252
- Stationery	4,039	6,428	4,039	6,428
- Postages	6,665	12,766	6,665	12,766
- Administrative travelling and vehicle expenses	3,633	5,044	3,633	5,044
- Incidental expenses on banking operations	13,200	11,620	13,200	11,620
- Insurance	34,868	53,143	34,868	53,143
- Others	98,087	119,652	98,087	119,652
	203,125	258,059	203,125	258,059
	1,648,487	1,609,677	1,648,487	1,609,677

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

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
The Bank				
Personnel costs				
- Salaries, allowances and bonuses	625,354	604,523	625,354	604,523
- Pension costs (defined contribution plan)	82,148	73,668	82,148	73,668
- Overtime	1,238	2,461	1,238	2,461
- Staff incentives and other staff payments	103,017	42,126	103,017	42,126
- Medical expenses	16,779	20,032	16,779	20,032
- Others	32,873	13,705	32,873	13,705
	861,409	756,515	861,409	756,515
Establishment costs				
- Depreciation of property, plant and equipment	27,057	27,452	27,057	27,452
- Depreciation of right-of-use assets	41,732	41,073	41,732	41,073
- Rental	8,463	13,287	8,463	13,287
- Amortisation of intangible assets	61,889	48,243	61,889	48,243
- Repair and maintenance	107,227	95,366	107,227	95,366
- Outsourced services	12,338	15,914	12,338	15,914
- Security expenses	24,378	20,568	24,378	20,568
- Others	26,046	26,461	26,046	26,461
	309,130	288,364	309,130	288,364
Marketing expenses				
- Advertisement	11,483	22,076	11,483	22,076
- Others	1,954	8,869	1,954	8,869
	13,437	30,945	13,437	30,945
Administration and general expenses				
- Communication	15,079	17,090	15,079	17,090
- Consultancy and professional fees	9,016	10,071	9,016	10,071
- Legal expenses	5,194	339	5,194	339
- Stationery	2,964	3,847	2,964	3,847
- Postages	5,061	9,682	5,061	9,682
- Administrative travelling and vehicle expenses	1,612	2,883	1,612	2,883
- Incidental expenses on banking operations	7,662	7,434	7,662	7,434
- Insurance	12,713	12,939	12,713	12,939
- Others	86,887	101,661	86,887	101,661
	146,188	165,946	146,188	165,946
	1,330,164	1,241,770	1,330,164	1,241,770

PART A - EXPLANATORY NOTES (CONTINUED)

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

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Expected credit losses on loans, advances and financing at amortised cost:				
- Expected credit losses on loans, advances and financing	539,581	811,583	539,581	811,583
Credit impaired:				
- recovered	(167,674)	(103,447)	(167,674)	(103,447)
- written off	2,410	3,018	2,410	3,018
	<u>374,317</u>	<u>711,154</u>	<u>374,317</u>	<u>711,154</u>
The Bank				
Expected credit losses on loans, advances and financing at amortised cost:				
- Expected credit losses made/(written back) on loans, advances and financing	322,396	695,955	322,396	695,955
Credit impaired:				
- recovered	(107,800)	(48,554)	(107,800)	(48,554)
- written off	1,989	2,435	1,989	2,435
	<u>216,585</u>	<u>649,836</u>	<u>216,585</u>	<u>649,836</u>

A24(b). OTHER EXPECTED CREDIT LOSSES

	1st Quarter Ended		Three Months Ended	
	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
	RM'000	RM'000	RM'000	RM'000
The Group				
Expected credit losses and impairment allowances (written back)/made on:				
- Debt instrument at fair value through other comprehensive income	5,131	18,353	5,131	18,353
- Debt instrument at amortised cost	(1,574)	21,854	(1,574)	21,854
- Money at call and deposits and placements with banks and other financial institutions	(22)	205	(22)	205
- Other assets	35,083	59,085	35,083	59,085
	<u>38,618</u>	<u>99,497</u>	<u>38,618</u>	<u>99,497</u>
The Bank				
Expected credit losses and impairment allowances (written back)/made on:				
- Debt instrument at fair value through other comprehensive income	4,810	15,984	4,810	15,984
- Debt instrument at amortised cost	(2,342)	32,444	(2,342)	32,444
- Money at call and deposits and placements with banks and other financial institutions	(46)	160	(46)	160
- Other assets	263	652	263	652
	<u>2,685</u>	<u>49,240</u>	<u>2,685</u>	<u>49,240</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS

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

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

At 31 March 2021	The Group			The Bank		
	Principal RM'000	Fair values		Principal RM'000	Fair values	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<u>Trading derivatives</u>						
<u>Foreign exchange derivatives</u>						
Currency forward	43,852,709	662,064	(385,587)	30,910,192	392,503	(232,918)
- less than one year	40,393,795	556,873	(214,192)	28,763,591	362,760	(141,575)
- one year to three years	2,215,005	60,269	(82,738)	1,289,948	15,581	(32,983)
- more than three years	1,243,909	44,922	(88,657)	856,653	14,162	(58,360)
Currency swaps	417,413,163	4,887,856	(4,455,151)	250,704,343	2,518,780	(2,030,943)
- less than one year	414,413,550	4,835,977	(4,422,184)	249,009,561	2,494,956	(2,007,813)
- one year to three years	2,758,020	50,929	(22,964)	1,571,079	22,874	(21,804)
- more than three years	241,593	950	(10,003)	123,703	950	(1,326)
Currency spots	5,606,996	5,106	(4,891)	3,401,841	2,966	(3,299)
- less than one year	5,606,996	5,106	(4,891)	3,401,841	2,966	(3,299)
Currency options	9,379,089	206,185	(236,348)	9,265,223	204,304	(236,220)
- less than one year	5,717,914	108,580	(117,531)	5,604,048	106,699	(117,403)
- one year to three years	1,066,795	42,226	(60,255)	1,066,795	42,226	(60,255)
- more than three years	2,594,380	55,379	(58,562)	2,594,380	55,379	(58,562)
Cross currency interest rate swaps	95,631,809	2,103,338	(2,054,660)	38,439,729	1,070,717	(862,513)
- less than one year	27,791,227	493,377	(654,625)	13,004,808	275,105	(255,612)
- one year to three years	30,339,047	713,132	(531,099)	12,295,554	366,544	(304,112)
- more than three years	37,501,535	896,829	(868,936)	13,139,367	429,068	(302,789)
	571,883,766	7,864,549	(7,136,637)	332,721,328	4,189,270	(3,365,893)
<u>Interest rate derivatives</u>						
<u>Interest rate swaps</u>						
- less than one year	467,310,990	4,844,935	(4,432,997)	194,606,023	2,133,256	(2,137,549)
- less than one year	176,014,362	493,134	(526,128)	81,730,154	318,610	(361,813)
- one year to three years	132,653,568	1,184,534	(1,327,430)	59,515,267	678,551	(724,472)
- more than three years	158,643,060	3,167,267	(2,579,439)	53,360,602	1,136,095	(1,051,264)
Interest rate futures	4,051,381	21,774	(5,516)	4,051,381	21,774	(5,516)
- less than one year	4,051,381	21,774	(5,516)	4,051,381	21,774	(5,516)
Interest rate options	7,300	-	(46)	7,300	-	(46)
- less than one year	7,300	-	(46)	7,300	-	(46)
	471,369,671	4,866,709	(4,438,559)	198,664,704	2,155,030	(2,143,111)
<u>Equity related derivatives</u>						
<u>Equity swaps</u>						
- less than one year	205,927	3,706	(29,475)	205,927	3,706	(29,475)
- less than one year	40,387	1,401	(3,350)	40,387	1,401	(3,350)
- one year to three years	18,265	2,232	(897)	18,265	2,232	(897)
- more than three years	147,275	73	(25,228)	147,275	73	(25,228)
Equity options	3,232,188	188,097	(81,657)	2,830,577	183,271	(76,831)
- less than one year	2,973,239	180,996	(79,454)	2,715,887	178,430	(76,831)
- one year to three years	169,805	5,188	(290)	114,690	4,841	-
- more than three years	89,144	1,913	(1,913)	-	-	-
Equity futures	8,920	85	(3)	8,920	85	(3)
- less than one year	8,920	85	(3)	8,920	85	(3)
Index futures	34,914	230	(527)	34,914	230	(527)
- less than one year	34,914	230	(527)	34,914	230	(527)
	3,481,949	192,118	(111,662)	3,080,338	187,292	(106,836)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

	The Group			The Bank		
	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000
At 31 March 2021						
<u>Commodity related derivatives</u>						
Commodity swaps	764,220	118,691	(100,162)	764,269	118,200	(100,162)
- less than one year	742,855	117,181	(98,612)	742,904	116,690	(98,612)
- one year to three years	21,365	1,510	(1,550)	21,365	1,510	(1,550)
Commodity futures	194,729	10,136	(10,148)	194,729	10,136	(10,148)
- less than one year	194,729	10,136	(10,148)	194,729	10,136	(10,148)
Commodity options	4,693,041	449,905	(444,765)	4,693,041	449,905	(444,765)
- less than one year	4,693,041	449,905	(444,765)	4,693,041	449,905	(444,765)
	5,651,990	578,732	(555,075)	5,652,039	578,241	(555,075)
<u>Credit related derivatives</u>						
Credit default swaps	3,206,406	44,498	(33,729)	3,206,820	44,489	(34,147)
- less than one year	62,269	143	-	62,269	143	-
- one year to three years	318,221	2,756	(664)	318,221	2,756	(664)
- more than three years	2,825,916	41,599	(33,065)	2,826,330	41,590	(33,483)
Total return swaps	122,095	5,812	(7,262)	122,095	5,812	(7,262)
- less than one year	101,595	5,812	(6,059)	101,595	5,812	(6,059)
- more than three years	20,500	-	(1,203)	20,500	-	(1,203)
	3,328,501	50,310	(40,991)	3,328,915	50,301	(41,409)
<u>Bond contract</u>						
Bond forward	2,904,619	175,587	(173,792)	30,000	-	(2,422)
- less than one year	1,126,146	43,407	(97,574)	-	-	-
- one year to three years	1,109,330	53,733	(65,945)	-	-	-
- more than three years	669,143	78,447	(10,273)	30,000	-	(2,422)
<u>Hedging derivatives</u>						
Currency forward	3,540	-	(4)	3,540	-	(4)
- less than one year	3,540	-	(4)	3,540	-	(4)
Currency swaps	3,339,848	14,375	(54,176)	3,190,403	14,331	(53,921)
- less than one year	3,339,848	14,375	(54,176)	3,190,403	14,331	(53,921)
Cross currency interest rate swaps	3,060,613	13,734	(126,640)	573,655	15,143	-
- less than one year	1,047,639	10,154	(77,240)	466,829	10,197	-
- one year to three years	542,111	2,474	(9,742)	-	-	-
- more than three years	1,470,863	1,106	(39,658)	106,826	4,946	-
Interest rate swaps	23,501,282	455,886	(361,271)	22,796,500	451,832	(361,164)
- less than one year	6,437,485	75,184	(22,104)	6,437,485	75,184	(22,104)
- one year to three years	7,040,819	135,100	(76,403)	6,270,855	128,121	(76,296)
- more than three years	10,022,978	245,602	(262,764)	10,088,160	248,527	(262,764)
Total derivatives assets/(liabilities)	1,088,525,779	14,212,000	(12,998,807)	570,041,422	7,641,440	(6,629,835)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

At 31 December 2020	The Group			The Bank		
	Principal RM'000	Fair values		Principal RM'000	Fair values	
		Assets RM'000	Liabilities RM'000		Assets RM'000	Liabilities RM'000
<u>Trading derivatives</u>						
<u>Foreign exchange derivatives</u>						
Currency forward	39,272,269	302,979	(951,865)	27,912,605	166,369	(761,307)
- less than one year	35,295,232	233,114	(820,279)	25,246,051	144,252	(641,814)
- one year to three years	2,804,083	56,829	(70,533)	1,730,940	13,109	(58,114)
- more than three years	1,172,954	13,036	(61,053)	935,614	9,008	(61,379)
Currency swaps	335,851,537	4,117,776	(4,397,664)	201,463,176	2,418,155	(2,590,440)
- less than one year	332,589,463	4,085,146	(4,334,392)	199,157,255	2,398,536	(2,534,019)
- one year to three years	2,968,016	32,483	(56,313)	2,129,573	19,472	(51,137)
- more than three years	294,058	147	(6,959)	176,348	147	(5,284)
Currency spots	1,909,262	2,453	(3,046)	1,674,195	2,316	(3,055)
- less than one year	1,909,262	2,453	(3,046)	1,674,195	2,316	(3,055)
Currency options	8,562,836	195,463	(223,178)	8,334,367	193,769	(221,454)
- less than one year	5,509,114	99,608	(109,502)	5,280,645	97,914	(107,778)
- one year to three years	1,165,890	44,818	(67,085)	1,165,890	44,818	(67,085)
- more than three years	1,887,832	51,037	(46,591)	1,887,832	51,037	(46,591)
Cross currency interest rate swaps	89,399,319	3,440,355	(3,009,654)	36,876,607	1,511,505	(1,061,821)
- less than one year	23,619,309	872,434	(662,423)	11,311,850	389,754	(213,722)
- one year to three years	27,728,931	1,004,521	(976,491)	12,641,338	432,307	(486,354)
- more than three years	38,051,079	1,563,400	(1,370,740)	12,923,419	689,444	(361,745)
	474,995,223	8,059,026	(8,585,407)	276,260,950	4,292,114	(4,638,077)
<u>Interest rate derivatives</u>						
Interest rate swaps	456,041,628	6,292,186	(5,844,554)	200,382,398	2,766,992	(2,915,651)
- less than one year	184,576,537	599,994	(622,752)	80,518,464	359,744	(394,035)
- one year to three years	126,535,270	1,481,484	(1,459,352)	64,983,551	862,980	(827,106)
- more than three years	144,929,821	4,210,708	(3,762,450)	54,880,383	1,544,268	(1,694,510)
Interest rate futures	4,570,064	2,287	(9,244)	4,570,064	2,287	(9,244)
- less than one year	4,570,064	2,287	(9,244)	4,570,064	2,287	(9,244)
Interest rate options	7,085	-	(67)	7,085	-	(67)
- less than one year	7,085	-	(67)	7,085	-	(67)
	460,618,777	6,294,473	(5,853,865)	204,959,547	2,769,279	(2,924,962)
<u>Equity related derivatives</u>						
Equity swaps	223,354	3,995	(27,065)	223,354	3,995	(27,065)
- one year to three years	60,033	3,991	(2,964)	60,033	3,991	(2,964)
- more than three years	163,321	4	(24,101)	163,321	4	(24,101)
Equity options	2,749,143	171,471	(133,985)	2,179,007	161,282	(123,724)
- less than one year	2,396,904	163,002	(129,811)	1,967,772	155,078	(121,815)
- one year to three years	265,695	6,618	(2,323)	211,235	6,204	(1,909)
- more than three years	86,544	1,851	(1,851)	-	-	-
Equity futures	30,563	215	-	30,563	215	-
- less than one year	30,563	215	-	30,563	215	-
Index futures	11,286	-	(285)	11,286	-	(285)
- less than one year	11,286	-	(285)	11,286	-	(285)
	3,014,346	175,681	(161,335)	2,444,210	165,492	(151,074)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

At 31 December 2020	The Group			The Bank		
	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000	Principal RM'000	Fair values Assets RM'000	Liabilities RM'000
<u>Commodity related derivatives</u>						
Commodity swaps	865,341	106,541	(87,016)	868,183	107,848	(88,323)
- less than one year	796,502	97,197	(74,962)	797,923	97,197	(76,269)
- one year to three years	68,839	9,344	(12,054)	70,260	10,651	(12,054)
Commodity futures	241,897	9,896	(18,472)	241,897	9,896	(18,472)
- less than one year	241,897	9,896	(18,472)	241,897	9,896	(18,472)
Commodity options	5,710,668	395,693	(384,511)	5,707,845	394,172	(383,204)
- less than one year	5,707,845	394,172	(383,204)	5,707,845	394,172	(383,204)
	6,817,906	512,130	(489,999)	6,817,925	511,916	(489,999)
<u>Credit related derivatives</u>						
Credit default swaps	2,584,541	40,193	(40,167)	2,581,804	40,188	(44,037)
- less than one year	60,270	280	-	60,270	280	-
- one year to three years	297,064	3,115	(525)	296,640	3,117	(525)
- more than three years	2,227,207	36,798	(39,642)	2,224,894	36,791	(43,512)
Total return swaps	125,845	8,212	(10,454)	125,845	8,212	(10,454)
- less than one year	105,095	8,212	(8,430)	105,095	8,212	(8,430)
- more than three years	20,750	-	(2,024)	20,750	-	(2,024)
	2,710,386	48,405	(50,621)	2,707,649	48,400	(54,491)
<u>Bond Forward</u>						
Bond Forward	3,164,544	9,606	(397,770)	30,000	-	(5,156)
- Up to 1 year	1,164,037	61	(164,155)	-	-	-
- More than 1 year to 3 years	1,381,984	7,208	(203,226)	-	-	-
- More than 3 years	618,523	2,337	(30,389)	30,000	-	(5,156)
<u>Hedging derivatives</u>						
Currency forward	7,133	-	(230)	7,133	-	(230)
- less than one year	7,133	-	(230)	7,133	-	(230)
Currency swaps	2,322,131	78,907	(45,156)	2,185,519	74,818	(45,156)
- less than one year	2,322,131	78,907	(45,156)	2,185,519	74,818	(45,156)
Cross currency interest rate swaps	1,497,779	46,756	(56,218)	556,670	15,835	-
- less than one year	451,459	6,837	-	453,007	9,998	-
- one year to three years	119,800	617	(2,070)	-	-	-
- more than three years	926,520	39,302	(54,148)	103,663	5,837	-
Interest rate swaps	21,245,820	467,034	(550,146)	20,691,682	458,712	(546,098)
- less than one year	3,684,922	51,583	(6,920)	3,684,922	51,583	(6,921)
- one year to three years	8,231,586	180,680	(93,549)	7,755,456	172,358	(93,429)
- more than three years	9,329,312	234,771	(449,677)	9,251,304	234,771	(445,748)
Total derivatives assets/(liabilities)	976,394,045	15,692,018	(16,190,747)	516,661,285	8,336,566	(8,855,243)

PART A - EXPLANATORY NOTES (CONTINUED)

A25. DERIVATIVE FINANCIAL INSTRUMENTS (CONTINUED)

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

Market Risk

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

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfill their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 March 2021, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, was RM14,212,000,000 and RM7,641,440,000 respectively (31 December 2020: RM15,692,018,000 and RM8,336,566,000 respectively). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

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

Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 March 2021 the Group and the Bank has posted cash collateral of RM3,319,097,000 and RM1,498,935,000 respectively (31 December 2020: RM3,981,007,000 and RM1,988,055,000 respectively) on their derivative contracts.

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

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

The above information, policies and procedures in respect of derivative financial instruments of the Group and the Bank are disclosed in the audited annual financial statements for the financial year ended 31 December 2020.

PART A - EXPLANATORY NOTES (CONTINUED)

A26. COMMITMENTS AND CONTINGENCIES

The Group	31 Mar 2021	31 Dec 2020
	Principal	Principal
	RM'000	RM'000
<u>Credit-related</u>		
Direct credit substitutes	3,690,961	3,484,361
Transaction-related contingent items	5,993,152	6,389,614
Short-term self-liquidating trade-related contingencies	2,827,666	2,763,854
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	68,867,606	68,777,231
- maturity exceeding one year	32,265,827	31,691,945
Miscellaneous commitments and contingencies	803,572	2,577,474
Total credit-related commitments and contingencies	114,448,784	115,684,479
<u>Treasury-related</u>		
Foreign exchange related contracts :		
- less than one year	498,314,509	401,703,103
- one year to five years	60,558,428	59,559,819
- more than five years	19,414,830	17,559,344
	578,287,767	478,822,266
Interest rate related contracts :		
- less than one year	186,510,528	192,838,608
- one year to five years	244,926,391	228,713,844
- more than five years	63,434,034	60,312,145
	494,870,953	481,864,597
Equity related contracts:		
- less than one year	3,057,460	2,438,753
- one year to five years	335,345	476,829
- more than five years	89,144	98,764
	3,481,949	3,014,346
Credit related contracts:		
- less than one year	163,864	165,365
- one year to five years	1,649,685	1,867,323
- more than five years	1,514,952	677,698
	3,328,501	2,710,386
Commodity related contracts:		
- less than one year	5,630,625	6,746,244
- one year to five years	21,365	71,662
	5,651,990	6,817,906
Bond contracts:		
- less than one year	1,126,146	1,164,037
- one year to five years	1,748,473	1,970,507
- more than five years	30,000	30,000
	2,904,619	3,164,544
Total treasury-related commitments and contingencies	1,088,525,779	976,394,045
	1,202,974,563	1,092,078,524

PART A - EXPLANATORY NOTES (CONTINUED)

A26. COMMITMENTS AND CONTINGENCIES (CONTINUED)

	31 Mar 2021	31 Dec 2020
	Principal	Principal
	RM'000	RM'000
The Bank		
Credit-related		
Direct credit substitutes	3,374,074	3,186,118
Transaction-related contingent items	3,873,639	4,282,333
Short-term self-liquidating trade-related contingencies	1,693,180	1,748,327
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	54,147,620	53,822,332
- maturity exceeding one year	23,319,219	23,406,900
Miscellaneous commitments and contingencies	775,011	2,516,908
Total credit-related commitments and contingencies	<u>87,182,743</u>	<u>88,962,918</u>
Treasury-related		
Foreign exchange related contracts :		
- less than one year	303,444,621	245,315,655
- one year to five years	28,573,768	29,240,297
- more than five years	4,470,537	4,454,320
	<u>336,488,926</u>	<u>279,010,272</u>
Interest rate related contracts :		
- less than one year	92,226,320	88,780,535
- one year to five years	103,211,862	111,171,256
- more than five years	26,023,022	25,699,438
	<u>221,461,204</u>	<u>225,651,229</u>
Equity related contracts:		
- less than one year	2,800,108	2,009,621
- one year to five years	280,230	422,369
- more than five years	-	12,220
	<u>3,080,338</u>	<u>2,444,210</u>
Credit related contracts:		
- less than one year	163,864	165,365
- one year to five years	1,649,845	1,866,262
- more than five years	1,515,206	676,022
	<u>3,328,915</u>	<u>2,707,649</u>
Commodity related contracts:		
- less than one year	5,630,674	6,747,665
- one year to five years	21,365	70,260
	<u>5,652,039</u>	<u>6,817,925</u>
Bond contracts:		
- more than five years	30,000	30,000
	<u>30,000</u>	<u>30,000</u>
Total treasury-related commitments and contingencies	<u>570,041,422</u>	<u>516,661,285</u>
	<u>657,224,165</u>	<u>605,624,203</u>

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

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Irrevocable commitments to extend credit :				
- maturity not exceeding one year	3,000,000	3,700,000	3,000,000	3,700,000
	<u>3,000,000</u>	<u>3,700,000</u>	<u>3,000,000</u>	<u>3,700,000</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY

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

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

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

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

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

31 March 2021 - Basel III

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

	The Group	The Bank*
Common equity tier 1 ratio	12.801%	12.297%
Tier 1 ratio	14.022%	13.890%
Total capital ratio	17.593%	17.598%

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

	The Group	The Bank*
	RM'000	RM'000
Credit risk ⁽¹⁾	234,155,540	154,001,678
Market risk	19,143,756	12,605,744
Large exposure risk requirements	837,083	837,083
Operational risk	22,819,331	16,395,135
Total risk-weighted assets	276,955,710	183,839,640

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

	The Group	The Bank*
	RM'000	RM'000
Under Restricted Agency Investment Account arrangement	326,101	326,101
	326,101	326,101

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY (CONTINUED)

31 March 2021 - Basel III (Continued)

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

	The Group RM'000	The Bank* RM'000
Common Equity Tier I capital		
Ordinary share capital	21,323,364	21,323,364
Other reserves	21,962,180	12,850,059
Qualifying non-controlling interests	167,261	-
Common Equity Tier I capital before regulatory adjustments	<u>43,452,805</u>	<u>34,173,423</u>
<u>Less: Regulatory adjustments</u>		
Goodwill	(5,272,435)	(3,555,075)
Intangible assets	(1,413,545)	(1,200,154)
Deferred tax assets	(1,206,867)	(888,726)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(5,905,606)
Regulatory reserve	(127,903)	(18,262)
Others	22,299	1,687
Common Equity Tier I capital after regulatory adjustments	<u>35,454,354</u>	<u>22,607,287</u>
Additional Tier I capital		
Perpetual preference shares	200,000	200,000
Perpetual subordinated capital securities	3,150,000	3,150,000
Qualifying capital instruments held by third parties	34,175	-
	<u>3,384,175</u>	<u>3,350,000</u>
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,461)	(422,461)
Additional Tier I capital after regulatory adjustments	<u>3,381,714</u>	<u>2,927,539</u>
Total Tier I capital	<u>38,836,068</u>	<u>25,534,826</u>
Tier II capital		
Subordinated notes	8,200,000	8,200,000
Redeemable preference shares	29,740	29,740
Qualifying capital instruments held by third parties	178,168	-
Surplus eligible provisions over expected loss	793,165	759,367
General provisions ^	688,219	343,006
Tier II capital before regulatory adjustments	<u>9,889,292</u>	<u>9,332,113</u>
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(2,515,360)
Total Tier II capital	<u>9,889,292</u>	<u>6,816,753</u>
Total capital	<u>48,725,360</u>	<u>32,351,579</u>

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

	CIMB Islamic Bank	CIMB Thai Bank	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
Common equity tier I ratio	11.970%	14.080%	N/A	N/A
Tier I ratio	12.700%	14.080%	N/A	N/A
Total capital ratio	<u>15.113%</u>	<u>19.717%</u>	<u>18.486%</u>	<u>61.729%</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY (CONTINUED)

31 December 2020 - Basel III

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

	The Group	The Bank*
Common equity tier I ratio	13.607%	13.126%
Tier I ratio	14.860%	14.760%
Total capital ratio	<u>18.571%</u>	<u>18.564%</u>

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

	The Group RM'000	The Bank* RM'000
Credit risk ⁽¹⁾	227,839,226	149,876,677
Market risk	17,651,716	11,576,625
Large exposure risk requirements	910,107	910,107
Operational risk	22,510,308	16,115,259
Total risk-weighted assets	<u>268,911,357</u>	<u>178,478,668</u>

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

	The Group RM'000	The Bank* RM'000
Under Restricted Agency Investment Account arrangement	209,266	209,266
	<u>209,266</u>	<u>209,266</u>

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

	The Group RM'000	The Bank* RM'000
Common Equity Tier 1 capital		
Ordinary share capital	21,323,364	21,323,364
Other reserves	22,859,835	13,370,829
Qualifying non-controlling interests	161,568	-
Common Equity Tier 1 capital before regulatory adjustments	<u>44,344,767</u>	<u>34,694,193</u>
<u>Less: Regulatory adjustments</u>		
Goodwill	(5,292,552)	(3,555,075)
Intangible assets	(1,243,398)	(1,028,113)
Deferred tax assets	(916,696)	(720,767)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(5,895,613)
Regulatory reserve	(233,441)	(20,409)
Others	(68,664)	(47,776)
Common Equity Tier I capital after regulatory adjustments	<u>36,590,016</u>	<u>23,426,440</u>
Additional Tier I capital		
Perpetual preference shares	200,000	200,000
Perpetual subordinated capital securities	3,150,000	3,150,000
Qualifying capital instruments held by third parties	33,546	-
Additional Tier I capital before and after regulatory adjustments	<u>3,383,546</u>	<u>3,350,000</u>
<u>Less: Regulatory adjustments</u>		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(12,921)	(432,921)
Additional Tier I capital after regulatory adjustments	<u>3,370,625</u>	<u>2,917,079</u>
Total Tier I capital	<u>39,960,641</u>	<u>26,343,519</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A27. CAPITAL ADEQUACY (CONTINUED)

<u>31 December 2020 - Basel III (Continued)</u>	The Group RM'000	The Bank* RM'000
Tier II capital		
Subordinated notes	8,200,000	8,200,000
Redeemable preference shares	29,740	29,740
Qualifying capital instruments held by third parties	168,828	-
Surplus eligible provisions over expected loss	775,538	742,520
General provisions ^	803,653	326,541
Tier II capital before regulatory adjustments	<u>9,977,759</u>	<u>9,298,801</u>
Less: Regulatory adjustments		
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	-	(2,509,099)
Total Tier II capital	<u>9,977,759</u>	<u>6,789,702</u>
Total capital	<u>49,938,400</u>	<u>33,133,221</u>

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

	CIMB Islamic Bank	CIMB Thai Bank	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
Common equity tier I ratio	13.307%	14.938%	N/A	N/A
Tier I ratio	14.100%	14.938%	N/A	N/A
Total capital ratio	<u>16.760%</u>	<u>20.749%</u>	<u>17.491%</u>	<u>73.436%</u>

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

^ Total capital of the Group and the Bank has excluded general provisions/portfolio impairment allowance from Tier II capital of RM446 million (2020: RM480 million) and RM202 million (2020: RM244 million) respectively.

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT

Definition of segments

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

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

Business segment reporting

Definition of segments:

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

Consumer Banking

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

Commercial Banking

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

Wholesale Banking

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

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

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

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

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

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

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

CIMB Digital Assets & Group Funding (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.

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT (CONTINUED)

The Group
31 March 2021

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
Net interest income/(expense) - after net modification gain					
- external income	980,244	220,081	392,364	293,814	1,886,503
- inter-segment	(45,044)	118,006	136,790	(209,752)	-
	<u>935,200</u>	<u>338,087</u>	<u>529,154</u>	<u>84,062</u>	<u>1,886,503</u>
Income from Islamic Banking operations	342,415	149,996	121,252	125,193	738,856
Net non-interest income	<u>357,874</u>	<u>102,570</u>	<u>333,177</u>	<u>49,017</u>	<u>842,638</u>
Net income	1,635,489	590,653	983,583	258,272	3,467,997
Overheads	(815,552)	(287,879)	(395,618)	(149,438)	(1,648,487)
of which:					
Depreciation of property, plant and equipment	(16,152)	(711)	(2,591)	(18,754)	(38,208)
Amortisation of intangible assets	<u>(19,012)</u>	<u>(742)</u>	<u>(7,643)</u>	<u>(48,892)</u>	<u>(76,289)</u>
Profit before expected credit losses	819,937	302,774	587,965	108,834	1,819,510
Expected credit losses on loans, advances and financing	(156,445)	(18,794)	(192,446)	(6,632)	(374,317)
Expected credit losses written back/(made) for commitments and contingencies	2,945	968	(18,504)	(315)	(14,906)
Other expected credit losses and impairment allowances (made)/written back	<u>(34,691)</u>	<u>30</u>	<u>(2,782)</u>	<u>(1,175)</u>	<u>(38,618)</u>
Segment results	631,746	284,978	374,233	100,712	1,391,669
Share of results of joint venture	9,371	-	-	-	9,371
Taxation					<u>(292,552)</u>
Profit for the financial period					<u>1,108,488</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT (CONTINUED)

The Group
31 March 2020

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
Net interest income/(expense)					
- external income	1,026,449	235,086	313,255	209,034	1,783,824
- inter-segment	(102,851)	101,377	169,022	(167,548)	-
	923,598	336,463	482,277	41,486	1,783,824
Income from Islamic Banking operations	259,128	134,683	131,640	139,590	665,041
Net non-interest income	281,932	107,027	(21,063)	96,030	463,926
Net income	1,464,658	578,173	592,854	277,106	2,912,791
Overheads	(839,321)	(290,134)	(428,232)	(51,990)	(1,609,677)
of which:					
Depreciation of property, plant and equipment	(18,794)	(749)	(2,825)	(16,397)	(38,765)
Amortisation of prepaid lease payments	-	-	-	(3)	(3)
Amortisation of intangible assets	(18,597)	(405)	(6,037)	(35,467)	(60,506)
Profit before expected credit losses	625,337	288,039	164,622	225,116	1,303,114
Expected credit losses on loans, advances and financing	(165,601)	(464,579)	(77,369)	(3,605)	(711,154)
Expected credit losses written back /(made) for commitments and contingencies	753	(11,023)	(30,450)	(7)	(40,727)
Other expected credit losses and impairment allowances made	(54,943)	-	(29,358)	(15,196)	(99,497)
Segment results	405,546	(187,563)	27,445	206,308	451,736
Share of results of joint venture	(292)	-	-	-	(292)
Taxation					(105,910)
Profit for the financial period					345,534

PART A - EXPLANATORY NOTES (CONTINUED)

A28. SEGMENTAL REPORT (CONTINUED)

The Group
31 March 2021

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
Segment assets	172,833,160	44,600,110	217,865,685	71,927,138	507,226,093
Unallocated assets					16,199,712
Total assets					523,425,805
Segment liabilities	142,479,505	58,145,460	237,666,202	26,192,794	464,483,961
Unallocated liabilities					13,909,252
Total liabilities					478,393,213
Other segment items					
Capital expenditure	23,797	969	7,617	49,815	82,198
Investment in joint venture	149,529	-	-	-	149,529

The Group
31 December 2020

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
Segment assets	173,017,158	45,979,352	208,239,459	73,308,551	500,544,520
Unallocated assets					15,605,865
Total assets					516,150,385
Segment liabilities	144,498,478	57,214,155	231,734,655	25,818,713	459,266,001
Unallocated liabilities					12,159,604
Total liabilities					471,425,605
Other segment items					
Capital expenditure	315,787	12,358	56,262	342,868	727,275
Investment in joint venture	140,158	-	-	-	140,158

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION

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

Determination of fair value and fair value hierarchy

The fair value hierarchy has the following levels:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

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

Assets/liabilities are classified as Level 3 if their 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.

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

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

The Group	Fair Value			
	31 Mar 2021			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
<u>Financial assets</u>				
Financial assets at fair value through profit or loss				
-Money market instruments	-	36,837,205	447,923	37,285,128
-Quoted securities	1,106,265	-	-	1,106,265
-Unquoted securities	-	5,994,659	1,191,291	7,185,950
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	14,741,760	-	14,741,760
-Unquoted securities	-	25,645,345	1	25,645,346
Equity instruments at fair value through other comprehensive income				
-Quoted securities	7,390	-	-	7,390
-Unquoted securities	-	-	262,136	262,136
Derivative financial instruments				
-Trading derivatives	32,786	13,512,504	182,715	13,728,005
-Hedging derivatives	-	483,995	-	483,995
Loans, advances and financing at fair value through profit or loss	-	393,399	-	393,399
Non-recurring fair value measurements				
<u>Non-financial assets</u>				
Non-current assets held for sale	-	3,734	-	3,734
Total	1,146,441	97,612,601	2,084,066	100,843,108
Recurring fair value measurements				
<u>Financial liabilities</u>				
Derivative financial instruments				
- Trading derivatives	508,786	11,919,041	28,893	12,456,720
- Hedging derivatives	-	542,087	-	542,087
Financial liabilities designated at fair values through profit or loss	-	3,917,331	-	3,917,331
Total	508,786	16,378,459	28,893	16,916,138

The Group	Fair Value			
	31 Dec 2020			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
<u>Financial assets</u>				
Financial assets at fair value through profit or loss				
-Money market instruments	-	30,243,578	433,546	30,677,124
-Quoted securities	1,299,407	-	-	1,299,407
-Unquoted securities	-	7,018,438	1,182,226	8,200,664
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	11,647,531	-	11,647,531
-Unquoted securities	-	25,539,273	1	25,539,274
Equity instruments at fair value through other comprehensive income				
-Quoted securities	7,190	-	-	7,190
-Unquoted securities	-	-	266,704	266,704
Derivative financial instruments				
-Trading derivatives	12,399	14,929,621	157,301	15,099,321
-Hedging derivatives	-	592,697	-	592,697
Loans, advances and financing at fair value through profit or loss	-	710,235	-	710,235
Non-recurring fair value measurements				
<u>Non-financial assets</u>				
Non-current assets held for sale	-	7,112	-	7,112
Total	1,318,996	90,688,485	2,039,778	94,047,259
Recurring fair value measurements				
<u>Financial liabilities</u>				
Derivative financial instruments				
- Trading derivatives	522,577	15,008,107	8,313	15,538,997
- Hedging derivatives	-	651,750	-	651,750
Financial liabilities designated at fair values through profit or loss	-	4,016,930	-	4,016,930
Total	522,577	19,676,787	8,313	20,207,677

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

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

The Bank				
Fair Value				
31 Mar 2021				
The Bank	Level 1	Level 2	Level 3	Total
<i>Recurring fair value measurements</i>	RM'000	RM'000	RM'000	RM'000
<u>Financial assets</u>				
Financial assets at fair value through profit or loss				
-Money market instruments	-	25,904,813	447,923	26,352,736
-Quoted securities	1,106,265	-	-	1,106,265
-Unquoted securities	-	5,095,622	1,178,804	6,274,426
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	10,411,147	-	10,411,147
-Unquoted securities	-	20,576,988	-	20,576,988
Equity instruments at fair value through other comprehensive income				
-Quoted securities	166	-	-	166
-Unquoted securities	-	-	256,606	256,606
Derivative financial instruments				
-Trading derivatives	32,786	6,944,633	182,715	7,160,134
-Hedging derivatives	-	481,306	-	481,306
Loans, advances and financing at fair value through profit or loss	-	393,399	-	393,399
<u>Non-recurring fair value measurements</u>				
<u>Non-financial assets</u>				
Non-current assets/disposal groups held for sale	-	3,734	-	3,734
Total	1,139,217	69,811,642	2,066,048	73,016,907
<u>Recurring fair value measurements</u>				
<u>Financial liabilities</u>				
Derivative financial instruments				
-Trading derivatives	508,786	5,653,884	52,080	6,214,750
-Hedging derivatives	-	415,085	-	415,085
Financial liabilities designated at fair values through profit or loss	-	57,077	-	57,077
Total	508,786	6,126,046	52,080	6,686,912

The Bank				
Fair Value				
31 Dec 2020				
The Bank	prices	inputs	unobservable	Total
<i>Recurring fair value measurements</i>	Level 1	Level 2	Level 3	RM'000
<u>Financial assets</u>	RM'000	RM'000	RM'000	RM'000
Financial assets at fair value through profit or loss				
-Money market instruments	-	21,149,139	433,546	21,582,685
-Quoted securities	1,299,407	-	-	1,299,407
-Unquoted securities	-	6,346,635	1,169,739	7,516,374
Debt instruments at fair value through other comprehensive income				
-Money market instruments	-	8,319,628	-	8,319,628
-Unquoted securities	-	19,840,953	-	19,840,953
Equity instruments at fair value through other comprehensive income				
-Quoted securities	182	-	-	182
-Unquoted securities	-	-	262,939	262,939
Derivative financial instruments				
-Trading derivatives	12,399	7,617,501	157,301	7,787,201
-Hedging derivatives	-	549,365	-	549,365
Loans, advances and financing at fair value through profit or loss	-	512,914	-	512,914
<u>Non-recurring fair value measurements</u>				
<u>Non-financial assets</u>				
Non-current assets held for sale	-	7,112	-	7,112
Total	1,311,988	64,343,247	2,023,525	67,678,760
<u>Recurring fair value measurements</u>				
<u>Financial liabilities</u>				
Derivative financial instruments				
-Trading derivatives	522,577	7,701,101	40,081	8,263,759
-Hedging derivatives	-	591,484	-	591,484
Financial liabilities designated at fair values through profit or loss	-	62,676	-	62,676
Total	522,577	8,355,261	40,081	8,917,919

PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2021 and 31 December 2020 for the Group and the Bank:

	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		Derivative financial instruments	Total
	Money market instruments and unquoted securities	Unquoted securities	Unquoted securities	Trading derivatives		Trading derivatives	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Group							
2021							
At 1 January	1,615,772	1	266,704	157,301	2,039,778	(8,313)	(8,313)
Total gains/(losses) recognised in statement of income	11,197	-	-	28,035	39,232	(15,146)	(15,146)
Total loss recognised in other comprehensive income	-	-	2,447	-	2,447	-	-
Purchases	670	-	-	1,113	1,783	(8,216)	(8,216)
Sales and redemptions	(11,637)	-	(7,317)	-	(18,954)	-	-
Settlements	-	-	-	(3,958)	(3,958)	2,957	2,957
Exchange fluctuation	23,212	-	302	224	23,738	(175)	(175)
At 31 March	1,639,214	1	262,136	182,715	2,084,066	(28,893)	(28,893)

Total gains/(losses) recognised in statement of income for financial period ended 31 March 2021 under:
- net non-interest income

	11,197	-	-	28,035	39,232	(15,146)	(15,146)
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Total gain recognised in other comprehensive income for financial period ended 31 March 2021 under "revaluation reserves"

	-	-	2,447	-	2,447	-	-
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Change in unrealised gains/(losses) recognised in statement of income relating to assets held on 31 March 2021 under "net non-interest income"

	10,618	-	-	110,047	120,665	(24,257)	(24,257)
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	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		Derivative financial instruments	Total
	Money market instruments and unquoted securities	Unquoted securities	Unquoted securities	Trading derivatives		Trading derivatives	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Bank							
2021							
At 1 January	1,603,285	-	262,939	157,301	2,023,525	(40,081)	(40,081)
Total (losses)/gains recognised in statement of income	11,197	-	-	28,035	39,232	(6,565)	(6,565)
Total loss recognised in other comprehensive income	-	-	612	-	612	-	-
Purchases	670	-	-	1,113	1,783	(8,216)	(8,216)
Sales and redemptions	(11,637)	-	(7,317)	-	(18,954)	-	-
Settlements	-	-	-	(3,958)	(3,958)	2,957	2,957
Exchange fluctuation	23,212	-	372	224	23,808	(175)	(175)
At 31 March	1,626,727	-	256,606	182,715	2,066,048	(52,080)	(52,080)

Total gains/(losses) recognised in statement of income for financial period ended 31 March 2021 under:
- net non-interest income

	11,197	-	-	28,035	39,232	(6,565)	(6,565)
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Total gain recognised in other comprehensive income for financial period ended 31 March 2021 under "revaluation reserves"

	-	-	612	-	612	-	-
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Change in unrealised gains/(losses) recognised in statement of income relating to assets held on 31 March 2021 under "net non-interest income"

	10,618	-	-	110,047	120,665	(15,676)	(15,676)
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PART A-EXPLANATORY NOTES (CONTINUED)

A29. FAIR VALUE ESTIMATION (CONTINUED)

The following represents the changes in Level 3 instruments for the financial period/year ended 31 March 2021 and 31 December 2020 for the Group and the Bank: (Continued)

	Financial assets at fair value through profit or loss	Financial Assets		Derivative financial instruments	Total	Financial Liabilities	
		Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income			Derivative financial instruments	Total
	Money market instruments and unquoted securities			Trading derivatives			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Group							
2020							
At 1 January							
Total gains/(losses) recognised in statement of income	1,553,626	1	325,877	69,119	1,948,623	(15,552)	(15,552)
Total gains/(losses) recognised in statement of income	78,234	-	-	84,930	163,164	4,306	4,306
Total gains recognised in other comprehensive income	-	-	(11,431)	-	(11,431)	-	-
Purchases	2,159	-	297	6,531	8,987	(9,834)	(9,834)
Sales and redemptions	(54,030)	-	(562)	-	(54,592)	-	-
Settlements	-	-	-	(3,276)	(3,276)	12,765	12,765
Exchange fluctuation	(10,877)	-	(817)	(3)	(11,697)	2	2
At 31 December	1,615,772	1	266,704	157,301	2,039,778	(8,313)	(8,313)
Total gains/(losses) recognised in statement of income for financial year ended 31 December 2020 under:							
- net non-interest income	78,234	-	-	84,930	163,164	4,306	4,306
Total loss recognised in other comprehensive income for financial year ended 31 December 2020 under "revaluation reserves"	-	-	(11,431)	-	(11,431)	-	-
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)

	Financial assets at fair value through profit or loss	Financial Assets		Derivative financial instruments	Total	Financial Liabilities	
		Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income			Derivative financial instruments	Total
	Money market instruments and unquoted securities			Trading derivatives			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
The Bank							
2020							
At 1 January							
Total gains/(losses) recognised in statement of income	1,542,101	-	321,785	69,119	1,933,005	(42,346)	(42,346)
Total gains/(losses) recognised in statement of income	77,272	-	-	84,930	162,202	(668)	(668)
Total loss recognised in other comprehensive income	-	-	(11,192)	-	(11,192)	-	-
Purchases	2,159	-	297	6,531	8,987	(9,834)	(9,834)
Sales and redemptions	(54,030)	-	(562)	-	(54,592)	-	-
Settlements	-	-	-	(3,276)	(3,276)	12,765	12,765
Exchange fluctuation	(10,877)	-	(729)	(3)	(11,609)	2	2
At 31 December	1,603,285	-	262,939	157,301	2,023,525	(40,081)	(40,081)
Total gains/(losses) recognised in statement of income for financial year ended 31 December 2020 under:							
- net non-interest income	77,272	-	-	84,930	162,202	(668)	(668)
Total loss recognised in other comprehensive income for financial year ended 31 December 2020 under "revaluation reserves"	-	-	(11,192)	-	(11,192)	-	-
Change in unrealised gains/(losses) recognised in statement of income relating to assets held on 31 December 2020 under "net non-interest income"	78,767	-	-	450,820	529,587	(70,548)	(70,548)

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING

A30a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 MARCH 2020

	Note	The Group		The Bank	
		31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Assets					
Cash and short-term funds		15,098,021	13,087,528	1,695,907	1,394,038
Deposits and placements with banks and other financial institutions		946,502	934,006	913,283	883,960
Financial assets at fair value through profit or loss		7,217,504	5,144,152	114,858	109,723
Debt instruments at fair value through other comprehensive income		3,771,719	3,894,868	183,172	223,969
Debt instruments at amortised cost		8,960,161	8,538,782	38,429	37,128
Islamic derivative financial instruments		419,719	559,340	6,431	36,493
Financing, advances and other financing/loans	A30c	89,071,982	88,394,295	3,242,202	3,517,809
Other assets		1,179,099	991,814	681,993	579,309
Deferred taxation		142,676	95,304	-	-
Amount due from conventional operations		1,842,914	1,589,545	-	-
Amount due from related companies		6,352,831	5,727,719	6,352,702	5,727,552
Goodwill		136,000	136,000	-	-
Intangible assets		54,640	56,711	529	598
Property, plant and equipment		1,239	1,352	10	4
Right-of-use assets		2,243	2,396	162	176
Total assets		135,210,757	129,158,064	13,229,678	12,510,759
Liabilities					
Deposits from customers	A30d	104,639,116	100,448,763	3,657,525	4,145,853
Investment accounts of customers	A30e	3,033,161	2,678,870	-	-
Deposits and placements of banks and other financial institutions		2,659,653	2,369,478	538,624	454,440
Collateralised commodity murabahah		495,349	299,236	-	-
Investment accounts due to designated financial institutions	A30f	4,512,450	4,751,241	-	-
Financial liabilities designated at fair value through profit or loss	A30g	150,432	71,610	-	-
Islamic derivative financial instruments		379,111	595,587	2,331	37,740
Other liabilities		8,020,376	7,222,239	7,436,232	6,744,347
Lease liability		2,381	2,524	142	159
Sukuk		168,140	186,155	-	-
Amount due to related company		1,091,680	669,544	993,627	566,207
Provision for taxation		-	1,239	-	-
Subordinated Sukuk		1,114,219	1,118,336	-	-
Total liabilities		126,266,068	120,414,822	12,628,481	11,948,746
Equity					
Ordinary share capital		1,000,000	1,000,000	-	-
Perpetual preference shares		420,000	420,000	-	-
Reserves		7,524,689	7,323,242	601,197	562,013
Total equity		8,944,689	8,743,242	601,197	562,013
Total equity and liabilities		135,210,757	129,158,064	13,229,678	12,510,759
Restricted Agency Investment Account(*)		8,779,643	8,730,980	-	-
Total Islamic Banking Assets		143,990,400	137,889,044	13,229,678	12,510,759

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

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30(b) UNAUDITED CONSOLIDATED STATEMENT OF INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	The Group			
	1st Quarter Ended		Three Months Ended	
	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	921,519	1,211,550	921,519	1,211,550
Income derived from investment of investment accounts	72,216	110,099	72,216	110,099
Net income derived from investment of shareholders' funds	185,361	13,533	185,361	13,533
Expected credit losses made on financing, advances and other financing/loans	(32,979)	(60,717)	(32,979)	(60,717)
Expected credit losses written back/(made) for commitments and contingencies	1,099	(4,839)	1,099	(4,839)
Other expected credit losses and impairment allowances made	(261)	(2,459)	(261)	(2,459)
Total distributable income	1,146,955	1,267,167	1,146,955	1,267,167
Income attributable to depositors and others	(442,635)	(646,342)	(442,635)	(646,342)
Profit distributed to investment account holder	(35,038)	(78,583)	(35,038)	(78,583)
Total net income	669,282	542,242	669,282	542,242
Other operating expenses	(269,844)	(237,815)	(269,844)	(237,815)
Profit before taxation and zakat	399,438	304,427	399,438	304,427
Taxation and zakat	(76,966)	(60,497)	(76,966)	(60,497)
Profit for the financial period	322,472	243,930	322,472	243,930

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021

	The Group			
	1st Quarter Ended		Three Months Ended	
	31 Mar 2021	31 Mar 2020	31 Mar 2021	31 Mar 2020
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period	322,472	243,930	322,472	243,930
Other comprehensive (expense)/income:				
Items that will not be reclassified to profit or loss				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	-	(32)	-	(32)
	-	(32)	-	(32)
Items that may be reclassified to profit or loss				
Debt instruments at fair value through other comprehensive income	(118,126)	(29,009)	(118,126)	(29,009)
- Net loss from change in fair value	(107,386)	(3,128)	(107,386)	(3,128)
- Realised gain transferred to statement of income on disposal	(27,396)	(36,439)	(27,396)	(36,439)
- Changes in expected credit losses	306	2,316	306	2,316
- Income tax effects	16,350	8,242	16,350	8,242
Exchange fluctuation reserve	8,435	(523)	8,435	(523)
	(109,691)	(29,532)	(109,691)	(29,532)
Other comprehensive expense for the financial period, net of tax	(109,691)	(29,564)	(109,691)	(29,564)
Total comprehensive income for the period	212,781	214,366	212,781	214,366
Total net income	669,282	542,242	669,282	542,242
Add:				
Expected credit losses made on financing, advances and other financing/loans	32,979	60,717	32,979	60,717
Expected credit losses (written back)/made for commitments and contingencies	(1,099)	4,839	(1,099)	4,839
Other expected credit losses and impairment allowances made	261	2,459	261	2,459
	701,423	610,257	701,423	610,257
Elimination for transactions with conventional operations	37,433	54,784	37,433	54,784
Income from Islamic operations (per page 2)	738,856	665,041	738,856	665,041

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

**A30(b) UNAUDITED STATEMENT OF INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	The Bank			
	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
Income derived from investment of depositors' funds and others	20,028	171,566	20,028	171,566
Net income/(expense) derived from investment of shareholders' funds	12,907	(101,412)	12,907	(101,412)
Expected credit losses written back on financing, advances and other financing/loans	6,622	76	6,622	76
Expected credit losses written back for commitments and contingencies	39	-	39	-
Other expected credit losses and impairment allowances made	(17)	(5)	(17)	(5)
Total distributable income	39,579	70,225	39,579	70,225
Income attributable to depositors and others	(2,949)	(20,820)	(2,949)	(20,820)
Total net income	36,630	49,405	36,630	49,405
Other operating expenses	(1,169)	(548)	(1,169)	(548)
Profit for the financial period	35,461	48,857	35,461	48,857

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2021**

	The Bank			
	1st Quarter Ended		Three Months Ended	
	31 Mar 2021 RM'000	31 Mar 2020 RM'000	31 Mar 2021 RM'000	31 Mar 2020 RM'000
Profit for the financial period	35,461	48,857	35,461	48,857
Other comprehensive (expense)/income:				
<i>Items that may be reclassified to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(7,859)	(5,266)	(7,859)	(5,266)
- Net loss from change in fair value	(7,859)	(4,722)	(7,859)	(4,722)
- Realised gain transferred to statement of income on disposal	-	(503)	-	(503)
- Changes in expected credit losses	-	(41)	-	(41)
Exchange fluctuation reserve	11,576	4,633	11,576	4,633
Other comprehensive income/(expense) for the financial period, net of tax	3,717	(633)	3,717	(633)
Total comprehensive income for the period	39,178	48,224	39,178	48,224
Total net income	36,630	49,405	36,630	49,405
Add:				
Expected credit losses written back on financing, advances and other financing/loans	(6,622)	(76)	(6,622)	(76)
Expected credit losses written back for commitments and contingencies	(39)	-	(39)	-
Other expected credit losses and impairment allowances made	17	5	17	5
29,986	49,334	29,986	49,334	
Elimination for transactions with conventional operations	144	449	144	449
Income from Islamic operations (per page 4)	30,130	49,783	30,130	49,783

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS

i) By type and Shariah contract

The Group
At 31 March 2021

	Sale-based contracts				Lease-based contracts		Equity-based	Loan contract	Other	Total	
	Murabahah	Bai' Bithaman Ajil	Bai' al-'inah	Bai' al-Dayn	Tawarruq	Muntahiah Bi al-Ijarah Tamlik *					Al-Ijarah Thumma al-Bai #
At amortised cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line^	-	213	696	-	1,075,431	-	-	-	6,864	-	1,083,204
Term financing											
- House financing	-	4,808,329	-	-	23,002,245	1,203,894	-	-	-	-	29,014,468
- Syndicated financing	-	-	39,036	-	2,034,580	-	-	531	-	-	2,074,147
- Hire purchase receivables	-	-	-	-	-	-	11,895,227	-	-	-	11,895,227
- Other term financing	652,685	1,136,846	4,927,640	-	32,344,344	43,705	-	-	-	-	39,105,220
Bills receivable	419,991	-	-	250,489	-	-	-	-	-	-	670,480
Islamic trust receipts	89,542	-	-	-	-	-	-	-	-	-	89,542
Claims on customers under acceptance credits	739,713	-	-	86,452	-	-	-	-	-	-	826,165
Staff financing	-	-	-	-	186,875	-	-	-	-	-	186,875
Revolving credits	-	-	-	-	5,043,614	-	-	-	-	-	5,043,614
Credit card receivables	-	-	-	-	-	-	-	-	-	131,598	131,598
Gross financing, advances and other financing/loans, at amortised cost	1,901,931	5,945,388	4,967,372	336,941	63,687,089	1,247,599	11,895,227	531	6,864	131,598	90,120,540
Fair value changes arising from fair value hedge											<u>3,032</u>
											<u>90,123,572</u>
Less: Expected credit losses											<u>(1,051,590)</u>
Net financing, advances and other financing/loans, at amortised cost											<u>89,071,982</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	-	-	-	-	-	-	-	-	-	-	-
Net financing, advances and other financing/loans											<u>89,071,982</u>

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

i) By type and Shariah contract (Continued)

**The Group
At 31 December 2020**

	Sale-based contracts					Lease-based contracts		Equity-based	Loan contract	Other	Total
	Murabahah	Bai' Bithaman Ajil	Bai' al-'inah	Bai' al-Dayn	Tawarruq	Muntabah Bi al-Ijarah Tamlik *	Al-Ijarah Thumma al-Bai #	Mudharabah	Qard	Ujarah	
At amortised cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line^	-	268	842	-	1,036,202	-	-	-	8,907	-	1,046,219
Term financing											
- House financing	-	4,937,835	-	-	21,574,218	1,227,897	-	-	-	-	27,739,950
- Syndicated financing	-	-	39,111	-	2,120,688	-	-	532	-	-	2,160,331
- Hire purchase receivables	-	-	-	-	-	-	11,380,856	-	-	-	11,380,856
- Other term financing	628,005	1,168,761	5,004,003	-	32,905,287	44,811	-	-	-	-	39,750,867
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	-	-	-	-	-	-	776,814
Staff financing	-	-	-	-	171,716	-	-	-	-	-	171,716
Revolving credits	-	-	-	-	5,475,377	-	-	-	-	-	5,475,377
Credit card receivables	-	-	-	-	-	-	-	-	-	134,389	134,389
Gross financing, advances and other financing/loans, at amortised cost	1,753,756	6,106,864	5,043,956	252,361	63,283,488	1,272,708	11,380,856	532	8,907	134,389	89,237,817
Fair value changes arising from fair value hedge											3,835
											89,241,652
Less: Expected credit losses											(1,044,678)
Net financing, advances and other financing/loans, at amortised cost											88,196,974
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											88,394,295

^ Includes current account in excess

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

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

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

i) By type and Shariah contract (Continued)

The Bank
At 31 March 2021

At amortised cost	Sale-based contracts			Equity-based contracts	Total
	Murabahah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Mudharabah RM'000	
Cash line [^]	-	-	3	-	3
Term financing					
- Syndicated financing	-	-	165,039	531	165,570
- Other term financing	652,685	-	1,782,201	-	2,434,886
Bills receivable	-	211,199	-	-	211,199
Islamic trust receipts	2,477	-	-	-	2,477
Claims on customers under acceptance credits	-	-	-	-	-
Gross financing, advances and other financing/loans	655,162	211,199	2,403,618	531	3,270,510
Fair value changes arising from fair value hedges					-
					3,270,510
Less: Expected credit losses					(28,308)
Net financing, advances and other financing/loans					3,242,202

The Bank
At 31 December 2020

At amortised cost	Sale-based contracts			Equity-based contracts	Total
	Murabahah RM'000	Bai' al-Dayn RM'000	Tawarruq RM'000	Mudharabah RM'000	
Cash line [^]	-	-	4	-	4
Term financing					
- Syndicated financing	-	-	38,293	532	38,825
- Other term financing	628,005	-	1,874,365	-	2,502,370
Bills receivable	-	136,407	-	-	136,407
Islamic trust receipts	2,397	-	-	-	2,397
Revolving credits	-	-	871,937	-	871,937
Gross financing, advances and other financing/loans, at amortised cost	630,402	136,407	2,784,599	532	3,551,940
Fair value changes arising from fair value hedge					-
					3,551,940
Less: Expected credit losses					(34,131)
Net financing, advances and other financing/loans					3,517,809

[^] Includes current account in excess

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Gross financing, advances and other financing/loans				
- At amortised cost	90,120,540	89,237,817	3,270,510	3,551,940
- At fair value through profit or loss	-	197,321	-	-
	90,120,540	89,435,138	3,270,510	3,551,940

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

a) During the financial period, the Group has undertaken fair value hedges on the profit rate risk of RM76,834,000 (2020: RM78,322,000) financing using Islamic profit rate swaps.

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

As at 31 March 2020, the gross exposure and expected credit losses relating to RPSIA financing are RM4,455,923,000 (2020: RM4,703,553,000) and RM109,356,000 (2020: RM104,169,000) respectively.

c) Movement of Qard financing

	The Group	
	31 Mar 2021	31 Dec 2020
	RM'000	RM'000
As at 1 January	8,907	5,910
New disbursement	5,244	5,072
Repayment	(7,287)	(2,075)
As at 31 March/31 December	<u>6,864</u>	<u>8,907</u>
Sources of Qard fund:		
Depositors' fund	6,409	8,401
Shareholders' fund	455	506
	<u>6,864</u>	<u>8,907</u>
Uses of Qard fund:		
Personal use	2,661	469
Business purpose	4,203	8,438
	<u>6,864</u>	<u>8,907</u>

PART A - EXPLANATORY NOTES (CONTINUED)**A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)****A30c FINANCING, ADVANCES AND OTHER FINANCING/LOANS (CONTINUED)****ii) By geographical distribution**

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Malaysia	86,859,040	85,919,565	9,010	36,368
Indonesia	2,370	9,671	2,370	9,671
Singapore	2,394,027	2,767,216	2,394,027	2,767,216
Other countries	865,103	738,686	865,103	738,685
	90,120,540	89,435,138	3,270,510	3,551,940

iii) By economic sector

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Primary agriculture	3,114,484	3,147,401	-	21,100
Mining and quarrying	555,000	785,092	121,906	130,242
Manufacturing	3,317,215	3,171,483	79,594	62,049
Electricity, gas and water supply	88,678	283,688	-	-
Construction	1,775,511	1,750,613	102,892	102,937
Transport, storage and communications	2,333,721	2,363,046	23,757	27,840
Education, health and others	4,257,211	4,207,790	-	-
Wholesale and retail trade, and restaurants and hotels	3,919,248	3,766,595	341,570	218,914
Finance, insurance/takaful, real estate and business activities	11,026,440	11,493,700	2,397,266	2,805,352
Household	59,574,619	58,302,573	126,969	101,614
Others	158,413	163,157	76,556	81,892
	90,120,540	89,435,138	3,270,510	3,551,940

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

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Malaysia	1,240,406	1,506,614	8,927	9,373
Indonesia	2,370	9,671	2,370	9,671
Singapore	1,210	5,141	1,210	5,141
	1,243,986	1,521,426	12,507	24,185

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

	The Group		The Bank	
	31 Mar 2021 RM'000	31 Dec 2020 RM'000	31 Mar 2021 RM'000	31 Dec 2020 RM'000
Primary agriculture	19,680	19,370	-	-
Mining and quarrying	4,847	13,408	4,847	12,068
Manufacturing	675,619	694,216	-	-
Construction	11,363	16,505	-	-
Transport, storage and communications	9,743	15,911	7,392	12,117
Education, health and others	5,984	3,567	-	-
Wholesale and retail trade, and restaurants and hotels	103,544	92,310	-	-
Finance, insurance/takaful, real estate and business activities	42,393	39,048	-	-
Household	370,810	627,088	268	-
Others	2	2	-	-
	1,243,986	1,521,426	12,507	24,185

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

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

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

The Group	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	299,267	381,996	363,415	1,044,678
Changes in expected credit losses due to transferred within stages:	99,752	(37,462)	(62,290)	-
Transferred to Stage 1	130,848	(121,982)	(8,866)	-
Transferred to Stage 2	(31,022)	117,464	(86,442)	-
Transferred to Stage 3	(74)	(32,944)	33,018	-
Total charge to Income Statement:	(96,991)	113,998	32,680	49,687
New financial assets originated	16,262	1,301	18,688	36,251
Financial assets that have been derecognised	(12,049)	(10,667)	-	(22,716)
Writeback in respect of full recoveries	-	-	(21,331)	(21,331)
Change in credit risk	(101,204)	123,364	35,323	57,483
Write-offs	-	(4)	(47,502)	(47,506)
Exchange fluctuation	162	86	653	901
Other movements	-	21	3,809	3,830
At 31 March 2021	302,190	458,635	290,765	1,051,590

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 2020	146,590	132,074	213,399	492,063
Changes in expected credit losses due to transferred within stages:	(126,797)	115,144	11,653	-
Transferred to Stage 1	105,759	(82,281)	(23,478)	-
Transferred to Stage 2	(231,781)	339,942	(108,161)	-
Transferred to Stage 3	(775)	(142,517)	143,292	-
Total charge to Income Statement:	279,275	134,991	368,234	782,500
New financial assets originated	81,920	5,137	61,547	148,604
Financial assets that have been derecognised	(51,255)	(19,046)	-	(70,301)
Writeback in respect of full recoveries	-	-	(60,469)	(60,469)
Change in credit risk	248,610	148,900	367,156	764,666
Write-offs	(221)	(70)	(228,362)	(228,653)
Exchange fluctuation	234	(71)	(5,991)	(5,828)
Other movements	186	(72)	4,482	4,596
At 31 December 2020	299,267	381,996	363,415	1,044,678

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

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

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

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	9,723	151	24,257	34,131
Total charge to Income Statement:	(2,255)	65	(4,432)	(6,622)
Change in credit risk	(2,255)	65	(4,432)	(6,622)
Exchange fluctuation	143	3	653	799
At 31 March 2021	7,611	219	20,478	28,308

The Bank	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	12,027	21	45,367	57,415
Total charge to Income Statement:	(2,513)	130	123,328	120,945
Financial assets that have been derecognised	-	(22)	-	(22)
Change in credit risk	(2,513)	152	123,328	120,967
Write-offs	-	-	(138,447)	(138,447)
Exchange fluctuation	209	-	(5,991)	(5,782)
At 31 December 2020	9,723	151	24,257	34,131

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

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

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	1,521,426	1,521,426
Transfer within stages	(176,277)	(176,277)
New financial assets originated	78,622	78,622
Write-offs	(47,502)	(47,502)
Amount fully recovered	(118,732)	(118,732)
Other changes in financing, advances and other financing/loans	(14,192)	(14,192)
Exchange fluctuation	641	641
At 31 March 2021	1,243,986	1,243,986

	The Group	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	1,425,983	1,425,983
Transfer within stages	498,434	498,434
New financial assets originated	358,118	358,118
Write-offs	(228,362)	(228,362)
Amount fully recovered	(403,090)	(403,090)
Other changes in financing, advances and other financing/loans	(126,970)	(126,970)
Exchange fluctuation	(2,687)	(2,687)
At 31 December 2020	1,521,426	1,521,426

	The Group	
	31 Mar 2021	31 Dec 2020
Ratio of credit impaired financing, advances and other financing/loans to total financing, advances and other financing/loans	1.38%	1.70%

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

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

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

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2021	24,185	24,185
Other changes in financing, advances and other financing/loans	(12,319)	(12,319)
Exchange fluctuation	641	641
At 31 March 2021	<u>12,507</u>	<u>12,507</u>

	The Bank	
	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2020	183,886	183,886
Transfer within stages	5,125	5,125
Write-offs	(138,447)	(138,447)
Amount recovered	(11,208)	(11,208)
Other changes in financing, advances and other financing/loans	(12,484)	(12,484)
Exchange fluctuation	(2,687)	(2,687)
At 31 December 2020	<u>24,185</u>	<u>24,185</u>

	The Bank	
	31 Mar 2021	31 Dec 2020
Ratio of credit impaired financing, advances and other financing/loans to total financing, advances and other financing/loans	<u>0.38%</u>	<u>0.68%</u>

PART A - EXPLANATORY NOTES (CONTINUED)**A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)****A30d DEPOSITS FROM CUSTOMERS**

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
(i) By type of deposits				
Savings deposit				
Commodity Murabahah (via Tawarruq arrangement)*	6,964,497	6,220,526	939,915	1,025,205
Demand deposit				
Wadiah	216	221	216	221
Qard	13,920,329	12,869,163	11,650	10,135
Commodity Murabahah (via Tawarruq arrangement)*	4,157,668	4,109,453	1,934,834	1,844,629
Term deposit				
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	48,472,981	47,172,109	479,756	452,034
Fixed Return Income Account-i (via Tawarruq arrangement)*	30,638,322	29,841,761	291,031	813,506
Negotiable Islamic Debt Certificate (NIDC)				
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	348,471	99,562	-	-
Fixed Deposit-i				
Wadiah	123	123	123	123
Specific investment account				
Mudharabah	98,869	98,672	-	-
Others - Qard	37,640	37,173	-	-
	104,639,116	100,448,763	3,657,525	4,145,853

*Included Qard contract of the Group and of the Bank of RM302,389,000 and RMNil respectively (2020: RM3,148,712,000 and RM2,719,178,000)

(ii) By maturity structures of term deposits

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Due within six months	67,330,303	67,554,284	628,886	1,134,300
Six months to less than one year	12,050,627	9,496,264	141,367	130,716
One year to less than three years	150,940	134,988	657	647
Three years to less than five years	3,743	3,589	-	-
Five years and more	23,153	23,102	-	-
	79,558,766	77,212,227	770,910	1,265,663

PART A - EXPLANATORY NOTES (CONTINUED)

A30. OPERATIONS OF ISLAMIC BANKING (CONTINUED)

A30d DEPOSITS FROM CUSTOMERS (CONTINUED)

(iii) By type of customer

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Government and statutory bodies	6,274,556	4,756,182	204	236
Business enterprises	31,549,193	31,630,913	2,072,020	1,891,856
Individuals	33,055,814	30,926,126	1,290,703	1,871,058
Others	33,759,553	33,135,542	294,598	382,703
	104,639,116	100,448,763	3,657,525	4,145,853

A30e INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Unrestricted investment accounts (Mudharabah)				
-without maturity				
Special Mudharabah Investment Account	873,234	831,454	-	-
-with maturity				
Term Investment Account-i	2,015,493	1,847,416	-	-
Restricted investment accounts (Mudharabah)				
-with maturity				
Restricted Profit Sharing Investment Account (RPSIA)	144,434	-	-	-
	3,033,161	2,678,870	-	-

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

A30f INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Restricted investment accounts				
Mudharabah	4,512,450	4,751,241	-	-
By type of counterparty				
Licensed banks	4,512,450	4,751,241	-	-

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

A30g FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group		The Bank	
	31 Mar 2021	31 Dec 2020	31 Mar 2021	31 Dec 2020
	RM'000	RM'000	RM'000	RM'000
Deposits from customers - structured investments	150,432	71,610	-	-

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

The carrying amount of the financial liabilities designated at fair value of the Group as at 31 March 2021 is RM8,522,000 (31 December 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.

PART B

B1. GROUP PERFORMANCE REVIEW

The Group registered a pre-tax profit of RM1,401.0 million for the three months period ended 31 March 2021, an increase of 210.3% as compared to the pre-tax profit of RM451.4 million reported in the previous corresponding period. The Group's net profit (attributable to the owners of the Parent) increased by 228.4% to RM1,105.5 million, equivalent to net earnings per share (sen) of 17.84.

The Group's year-on-year increase in earnings was mainly contributed by higher net interest income, non-interest income and income from Islamic Banking operations by RM102.7 million, RM378.7 million and RM73.8 million respectively, and lower expected credit losses for all the financial instruments. This was offset by higher overheads by 2.4% .

The Group's gross loans, advances and financing grew by 0.2% to RM314.4 billion while deposits from customers increased by 0.7% to RM350.4 billion, as compared to 31 December 2020.

The Group's Common Equity Tier 1, Tier 1 Ratios and Total Capital Ratio as at 31 March 2021 stood at 12.801%, 14.022% and 17.593% respectively.

B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Bank expects a meaningful recovery for the full year 2021 although remains cautious in view of potential economic disruptions from resurgence of the Covid-19 pandemic. Against this backdrop, the Bank will continue to manage asset quality through enhanced credit risk management across segments and geographies and remains committed to support its impacted customers.

Execution of the Forward23+ Strategic Plan initiatives continues to be a key focus including RAROC optimisation, CASA accumulation and non-interest income growth, while prudently managing costs. The Bank will maintain its focus in rolling out its digital strategies particularly in the areas of operational digitalisation, payments, sales enablement and acquisition, whilst continuing to spearhead the sustainability agenda. Loan growth will likely be gradual in line with the Bank's cautious stance, while capital market activity is expected to improve in tandem with the economic recovery. Accordingly, with the anticipated lower provisions and the consequent impact of the initiatives undertaken, the Bank expects better financial performance in 2021.

B3. COMPUTATION OF EARNINGS PER SHARE (EPS)

a) Basic EPS

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

	The Group			
	1st Quarter Ended 31 Mar 2021 RM'000	31 Mar 2020 RM'000	Three Months Ended 31 Mar 2021 RM'000	31 Mar 2020 RM'000
Net profit for the financial period after non-controlling interests (RM '000)	1,105,481	336,581	1,105,481	336,581
Weighted average number of ordinary shares in issue ('000)	6,197,496	6,197,496	6,197,496	6,197,496
Basic earnings per share (expressed in sen per share)	17.84	5.43	17.84	5.43

	The Bank			
	1st Quarter Ended 31 Mar 2021 RM'000	31 Mar 2020 RM'000	Three Months Ended 31 Mar 2021 RM'000	31 Mar 2020 RM'000
Net (loss)/profit for the financial period (RM '000)	765,554	(76,156)	765,554	(76,156)
Weighted average number of ordinary shares in issue ('000)	6,197,496	6,197,496	6,197,496	6,197,496
Basic earnings per share (expressed in sen per share)	12.35	(1.23)	12.35	(1.23)

b) Diluted EPS

There were no dilutive potential ordinary shares outstanding as at 31 March 2021 and 31 March 2020.