

**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022**

	Note	The Group		The Company	
		30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
<b>ASSETS</b>					
Cash and short-term funds	A8	46,268,861	45,669,511	494,278	93,674
Reverse repurchase agreements		5,302,967	5,885,498	-	-
Deposits and placements with banks and other financial institutions	A8	3,044,554	4,613,720	662	-
Financial investments at fair value through profit or loss	A9	36,916,385	40,279,244	-	-
Debt instruments at fair value through other comprehensive income	A10	58,997,683	60,119,486	1,740,567	1,778,168
Equity instruments at fair value through other comprehensive income	A11	304,647	323,105	-	-
Debt instruments at amortised cost	A12	60,643,180	56,006,340	6,827,352	6,798,814
Derivative financial instruments	A26	21,187,049	11,989,597	-	-
Loans, advances and financing	A13	380,279,736	364,684,772	-	-
Other assets	A14	17,244,078	11,256,072	86,575	84,101
Tax recoverable		534,122	674,935	184,836	185,354
Deferred tax assets		2,031,380	1,670,475	-	-
Statutory deposits with central banks		6,396,158	4,676,200	-	-
Amount due from a subsidiary		-	-	183	183
Investment in subsidiaries		-	-	33,802,261	32,873,956
Investment in associates and joint ventures		2,944,547	2,952,146	-	-
Property, plant and equipment		2,063,638	2,068,976	339	413
Right-of-use assets		633,390	679,582	430	430
Investment properties		-	-	336	345
Goodwill		6,474,224	6,444,100	-	-
Intangible assets		1,726,718	1,857,470	-	-
		<b>652,993,317</b>	<b>621,851,229</b>	<b>43,137,819</b>	<b>41,815,438</b>
Non-current assets held for sale		39,746	55,829	-	3,768
<b>TOTAL ASSETS</b>		<b>653,033,063</b>	<b>621,907,058</b>	<b>43,137,819</b>	<b>41,819,206</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A15	420,936,533	422,418,092	-	-
Investment accounts of customers	A16	12,060,415	10,427,167	-	-
Deposits and placements of banks and other financial institutions	A17	36,909,134	30,701,895	-	-
Repurchase agreements/Collateralised Commodity Murabahah		33,460,913	29,184,383	-	-
Financial liabilities designated at fair value through profit or loss	A18	9,189,421	6,856,782	-	-
Derivative financial instruments	A26	18,238,799	10,895,455	-	-
Bills and acceptances payable		1,903,646	2,035,009	-	-
Other liabilities	A19	26,983,606	15,830,825	7,276	3,158
Lease liabilities		529,837	575,805	-	-
Recourse obligation on loans and financing sold to Cagamas		974,111	998,246	-	-
Amount due to subsidiaries		-	-	4,784	13,389
Provision for taxation and zakat		281,272	214,336	-	-
Deferred tax liabilities		43,856	44,149	4	227
Bonds, Sukuk and debentures	B5(i)	13,387,377	13,379,042	-	-
Other borrowings	B5(ii)	6,547,285	8,108,472	3,956,123	4,707,895
Subordinated obligations	B5(iii)	10,004,108	10,128,585	9,609,232	9,609,761
		<b>591,450,313</b>	<b>561,798,243</b>	<b>13,577,419</b>	<b>14,334,430</b>
Non-current liabilities held for sale		40	67	-	-
<b>TOTAL LIABILITIES</b>		<b>591,450,353</b>	<b>561,798,310</b>	<b>13,577,419</b>	<b>14,334,430</b>
Ordinary share capital		28,184,200	27,099,681	28,184,201	27,099,681
Reserves		32,139,060	31,764,188	1,376,242	385,138
Less: Shares held under trust		(563)	(563)	-	-
Treasury shares, at cost		(43)	(43)	(43)	(43)
		<b>60,322,654</b>	<b>58,863,263</b>	<b>29,560,400</b>	<b>27,484,776</b>
Perpetual preference shares		200,000	200,000	-	-
Non-controlling interests		1,060,056	1,045,485	-	-
<b>TOTAL EQUITY</b>		<b>61,582,710</b>	<b>60,108,748</b>	<b>29,560,400</b>	<b>27,484,776</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>653,033,063</b>	<b>621,907,058</b>	<b>43,137,819</b>	<b>41,819,206</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A27	<b>1,280,135,419</b>	<b>1,213,155,193</b>	<b>-</b>	<b>-</b>
<b>Net assets per share attributable to owners of the Parent (RM)</b>		<b>5.76</b>	<b>5.76</b>	<b>2.82</b>	<b>2.69</b>

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

**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	Note	The Group			
		2nd quarter ended 30 June 2022	30 June 2021	Six months ended 30 June 2022	30 June 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	4,064,984	3,900,328	7,904,158	7,785,948
Interest income for financial assets at fair value through profit or loss	A20(b)	179,603	139,849	326,915	285,215
Interest expense	A21, A32	<u>(1,431,004)</u>	<u>(1,271,766)</u>	<u>(2,695,515)</u>	<u>(2,643,483)</u>
Net interest income (before modification loss)		2,813,583	2,768,411	5,535,558	5,427,680
Modification gain/(loss)	A22	<u>8,558</u>	<u>(11,186)</u>	<u>6,794</u>	<u>(6,899)</u>
Net interest income (after modification loss)		2,822,141	2,757,225	5,542,352	5,420,781
Income from Islamic Banking operations	A31(c), A32	954,424	883,321	1,901,534	1,772,297
Net non-interest income	A23	<u>1,107,804</u>	<u>981,222</u>	<u>2,176,587</u>	<u>2,181,895</u>
		4,884,369	4,621,768	9,620,473	9,374,973
Gain on disposal and deemed disposal of subsidiaries and joint venture		-	-	265	1,155,549
		4,884,369	4,621,768	9,620,738	10,530,522
Overheads	A24, A32	<u>(2,299,546)</u>	<u>(2,402,862)</u>	<u>(4,577,084)</u>	<u>(4,693,336)</u>
Profit before expected credit losses		2,584,823	2,218,906	5,043,654	5,837,186
Expected credit losses on loans, advances and financing	A25(a)	<u>(455,442)</u>	<u>(652,204)</u>	<u>(742,588)</u>	<u>(1,367,890)</u>
Expected credit losses (made)/written back for commitments and contingencies		(17,267)	24,758	(49,973)	2,104
Other expected credit losses and impairment allowances made	A25(b)	<u>(8,810)</u>	<u>(36,697)</u>	<u>(113,045)</u>	<u>(54,124)</u>
		2,103,304	1,554,763	4,138,048	4,417,276
Share of results of joint ventures		(3,757)	23,129	901	58,327
Share of results of associates		<u>5,291</u>	<u>(196)</u>	<u>13,555</u>	<u>(168)</u>
Profit before taxation and zakat		2,104,838	1,577,696	4,152,504	4,475,435
Taxation and zakat	B3	<u>(781,019)</u>	<u>(466,454)</u>	<u>(1,361,278)</u>	<u>(889,304)</u>
Profit for the financial period		<u>1,323,819</u>	<u>1,111,242</u>	<u>2,791,226</u>	<u>3,586,131</u>
Profit for the financial period attributable to :					
Owners of the Parent		1,280,695	1,084,183	2,707,679	3,541,416
Non-controlling interests		<u>43,124</u>	<u>27,059</u>	<u>83,547</u>	<u>44,715</u>
		<u>1,323,819</u>	<u>1,111,242</u>	<u>2,791,226</u>	<u>3,586,131</u>
Earnings per share (sen):					
- Basic	B7(a)	12.30	10.80	26.26	35.56
- Fully diluted	B7(b)	N/A	N/A	N/A	N/A

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**CIMB GROUP HOLDINGS BERHAD**  
*(Company Number 195601000197)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED**  
**30 JUNE 2022**

	The Group			
	2nd quarter ended		Six months ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Profit for the financial period	1,323,819	1,111,242	2,791,226	3,586,131
Other comprehensive expense/(income):				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation	(54)	(149)	(14)	377
- Actuarial loss	(81)	(959)	(84)	(933)
- Currency translation difference	27	810	70	1,310
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	(13,730)	(29,447)	(55,404)	(39,744)
- Net loss from change in fair value attributable to own credit risk	(14,079)	(29,688)	(55,289)	(40,131)
- Currency translation difference	349	241	(115)	387
Equity instruments at fair value through other comprehensive income	(9,777)	10,377	(17,725)	13,642
- Net (loss)/gain from change in fair value	(6,087)	15,446	(13,251)	18,751
- Income tax effects	(33)	(5,693)	55	(3,085)
- Currency translation difference	(3,657)	624	(4,529)	(2,024)
	<b>(23,561)</b>	<b>(19,219)</b>	<b>(73,143)</b>	<b>(25,725)</b>
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	(748,552)	289,696	(1,360,678)	(762,921)
- Net (loss)/gain from change in fair value	(1,034,726)	523,351	(1,687,854)	(585,866)
- Realised loss/(gain) transferred to statement of income on disposal	129,583	(124,536)	7,328	(286,480)
- Changes in expected credit losses	(34,617)	(5,167)	(33,926)	(20,244)
- Income tax effects	187,108	(104,308)	349,738	126,938
- Currency translation difference	4,100	356	4,036	2,731
Net investment hedge	(190,797)	(2,192)	(238,824)	(166,714)
Hedging reserve - cash flow hedge	(8,344)	(1,293)	(8,865)	783
- Net (loss)/gain from change in fair value	(6,355)	(2,020)	(9,573)	1,024
- Income tax effects	(1,989)	727	708	(241)
Deferred hedging cost	15,005	19,016	32,210	20,615
- Net gain from change in fair value	8,827	20,280	30,205	22,389
- Income tax effects	6,178	(1,264)	2,005	(1,774)
Exchange fluctuation reserve	403,830	(111,757)	551,390	65,819
Share of other comprehensive (expense)/income of associates and joint ventures	(2,001)	(3,245)	2,547	(2,028)
	<b>(530,859)</b>	<b>190,225</b>	<b>(1,022,220)</b>	<b>(844,446)</b>
Total other comprehensive (expense)/income for the financial period, net of tax	<b>(554,420)</b>	<b>171,006</b>	<b>(1,095,363)</b>	<b>(870,171)</b>
Total comprehensive income for the financial period	<b>769,399</b>	<b>1,282,248</b>	<b>1,695,863</b>	<b>2,715,960</b>
Total comprehensive income for the financial period attributable to:				
Owners of the Parent	<b>733,213</b>	<b>1,254,396</b>	<b>1,636,808</b>	<b>2,698,638</b>
Non-controlling interests	<b>36,186</b>	<b>27,852</b>	<b>59,055</b>	<b>17,322</b>
	<b>769,399</b>	<b>1,282,248</b>	<b>1,695,863</b>	<b>2,715,960</b>

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**CIMB GROUP HOLDINGS BERHAD**  
*(Company Number 195601000197)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	Note	The Company			
		2nd quarter ended		Six months ended	
		30 June 2022	30 June 2021	30 June 2022	30 June 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	<b>92,687</b>	103,882	<b>182,165</b>	213,160
Interest expense	A21	<b>(133,940)</b>	(148,523)	<b>(268,343)</b>	(301,212)
Net interest expense		<b>(41,253)</b>	(44,641)	<b>(86,178)</b>	(88,052)
Net non-interest income	A23	<b>580,611</b>	83	<b>1,780,759</b>	52,315
Gain on disposal of a subsidiary	A5(a)	<b>539,358</b>	(44,558)	<b>1,694,581</b>	(35,737)
		-	-	<b>581,774</b>	-
Overheads	A24	<b>539,358</b>	(44,558)	<b>2,276,355</b>	(35,737)
		<b>(4,294)</b>	(8,467)	<b>(16,794)</b>	(14,501)
Profit/(loss) before expected credit losses		<b>535,064</b>	(53,025)	<b>2,259,561</b>	(50,238)
Other expected credit losses and impairment allowances written back/(made)	A25(b)	<b>24,655</b>	(24,444)	<b>36,115</b>	(20,036)
Profit/(loss) before taxation		<b>559,719</b>	(77,469)	<b>2,295,676</b>	(70,274)
Taxation	B3	<b>(410)</b>	269	<b>(798)</b>	78
Profit/(loss) for the financial period		<b>559,309</b>	(77,200)	<b>2,294,878</b>	(70,196)

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	The Company				
	2nd quarter ended		Six months ended		
	30 June 2022	30 June 2021	30 June 2022	30 June 2021	
		RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the financial period		<b>559,309</b>	(77,200)	<b>2,294,878</b>	(70,196)
Other comprehensive expense:					
<i>Items that may be reclassified subsequently to profit or loss</i>					
Debt instruments at fair value through other comprehensive income		<b>(41,313)</b>	(6,898)	<b>(44,779)</b>	(67,823)
- Net loss from change in fair value		<b>(36,255)</b>	(6,829)	<b>(37,377)</b>	(66,416)
- Changes in expected credit losses		<b>(5,058)</b>	(69)	<b>(7,402)</b>	(1,407)
Other comprehensive expense		<b>(41,313)</b>	(6,898)	<b>(44,779)</b>	(67,823)
Total comprehensive income/(expense) for the financial period		<b>517,996</b>	(84,098)	<b>2,250,099</b>	(138,019)

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**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

Attributable to owners of the Parent

The Group  
30 June 2022

	Ordinary share capital RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Fair value reserve		Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve * RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non- controlling interests RM'000	Total RM'000
							Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000								
<b>At 1 January 2022</b>	<b>27,099,681</b>	<b>152,997</b>	<b>207,419</b>	<b>462,900</b>	<b>(563)</b>	<b>(43)</b>	<b>(556,531)</b>	<b>(217,545)</b>	<b>(1,315,309)</b>	<b>86,595</b>	<b>129,286</b>	<b>32,814,376</b>	<b>58,863,263</b>	<b>200,000</b>	<b>1,045,485</b>	<b>60,108,748</b>
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	2,707,679	2,707,679	-	83,547	2,791,226
Other comprehensive income/(expense) (net of tax)	-	-	-	549,361	-	-	(1,330,853)	(17,889)	(271,815)	325	-	-	(1,070,871)	-	(24,492)	(1,095,363)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(1,330,853)	-	-	-	-	-	(1,330,853)	-	(29,825)	(1,360,678)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(17,889)	-	-	-	-	(17,889)	-	164	(17,725)
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(55,229)	-	-	-	(55,229)	-	(175)	(55,404)
- net investment hedge	-	-	-	-	-	-	-	-	(238,824)	-	-	-	(238,824)	-	-	(238,824)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	(8,945)	-	-	-	(8,945)	-	80	(8,865)
- deferred hedging cost	-	-	-	-	-	-	-	-	32,210	-	-	-	32,210	-	-	32,210
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	(22)	-	-	-	(22)	-	8	(14)
- currency translation difference	-	-	-	545,875	-	-	-	-	(66)	325	-	-	546,134	-	5,256	551,390
- share of other comprehensive income/ (expense) of associates and joint ventures	-	-	-	3,486	-	-	-	-	(939)	-	-	-	2,547	-	-	2,547
Total comprehensive income/ (expense) for the financial period	-	-	-	549,361	-	-	(1,330,853)	(17,889)	(271,815)	325	-	2,707,679	1,636,808	-	59,055	1,695,863
Dividend for the financial year ended 31 December 2021	-	-	-	-	-	-	-	-	-	-	-	(1,282,792)	(1,282,792)	-	-	(1,282,792)
- single tier second interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(51,232)	(51,232)
Transfer to statutory reserve	-	4,292	-	-	-	-	-	-	-	-	-	(4,292)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	-	212,125	(212,125)	-	-	-	-
Transfer to capital reserve	-	-	34,184	-	-	-	-	-	-	-	-	(34,184)	-	-	-	-
Contributions by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,913	5,913
Net non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	882	882
Share-based payment expense	-	-	-	-	-	-	-	-	-	37,123	-	-	37,123	-	-	37,123
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	28,934	(31,431)	-	-	(2,497)	-	(47)	(2,544)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(13,770)	-	-	-	(13,770)	-	-	(13,770)
Issuance of shares through dividend reinvestment scheme	1,084,519	-	-	-	-	-	-	-	-	-	-	-	1,084,519	-	-	1,084,519
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	-	-	(282)	-	-	-	282	-	-	-	-
<b>At 30 June 2022</b>	<b>28,184,200</b>	<b>157,289</b>	<b>241,603</b>	<b>1,012,261</b>	<b>(563)</b>	<b>(43)</b>	<b>(1,887,384)</b>	<b>(235,716)</b>	<b>(1,571,960)</b>	<b>92,612</b>	<b>341,411</b>	<b>33,988,944</b>	<b>60,322,654</b>	<b>200,000</b>	<b>1,060,056</b>	<b>61,582,710</b>

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

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**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

← Attributable to owners of the Parent →

The Group  
30 June 2021

	Ordinary share capital RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Fair value reserve		Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve * RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
							Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000								
<b>At 1 January 2021</b>	25,843,808	148,117	207,419	421,265	(563)	(43)	465,293	(248,084)	(1,171,120)	75,612	233,441	29,950,496	55,925,641	200,000	1,048,481	57,174,122
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	3,541,416	3,541,416	-	44,715	3,586,131
Other comprehensive (expense)/income (net of tax)	-	181	-	74,012	-	-	(745,812)	13,545	(184,702)	4	(6)	-	(842,778)	-	(27,393)	(870,171)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(745,815)	-	-	-	-	-	(745,815)	-	(17,106)	(762,921)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	13,545	-	-	-	-	13,545	-	97	13,642
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(37,689)	-	-	-	(37,689)	-	(2,055)	(39,744)
- net investment hedge	-	-	-	-	-	-	-	-	(166,714)	-	-	-	(166,714)	-	-	(166,714)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	812	-	-	-	812	-	(29)	783
- deferred hedging cost	-	-	-	-	-	-	-	-	20,615	-	-	-	20,615	-	-	20,615
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	308	-	-	-	308	-	69	377
- currency translation difference	-	-	-	75,264	-	-	-	-	(1,081)	5	-	-	74,188	-	(8,369)	65,819
- share of other comprehensive income/ (expense) of associates and joint ventures	-	181	-	(1,252)	-	-	3	-	(953)	(1)	(6)	-	(2,028)	-	-	(2,028)
Total comprehensive (expense)/income for the financial period	-	181	-	74,012	-	-	(745,812)	13,545	(184,702)	4	(6)	3,541,416	2,698,638	-	17,322	2,715,960
Dividend for the financial year ended 31 December 2020	-	-	-	-	-	-	-	-	-	-	-	(477,295)	(477,295)	-	-	(477,295)
- single tier interim dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(24,933)	(24,933)
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	-	(207,019)	207,019	-	-	-	-
Disposal and deemed disposal of subsidiaries	-	-	-	(34)	-	-	-	-	-	(2,858)	-	-	(2,892)	-	(46,890)	(49,782)
Non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	584	584
Share-based payment expense	-	-	-	-	-	-	-	-	-	29,887	-	-	29,887	-	-	29,887
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	45,489	(47,560)	-	-	(2,071)	-	(78)	(2,149)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(28,277)	-	-	-	(28,277)	-	-	(28,277)
Issuance of shares through dividend reinvestment scheme	366,696	-	-	-	-	-	-	-	-	-	-	-	366,696	-	-	366,696
<b>At 30 June 2021</b>	<b>26,210,504</b>	<b>148,298</b>	<b>207,419</b>	<b>495,243</b>	<b>(563)</b>	<b>(43)</b>	<b>(280,519)</b>	<b>(234,539)</b>	<b>(1,338,610)</b>	<b>55,085</b>	<b>26,416</b>	<b>33,221,636</b>	<b>58,510,327</b>	<b>200,000</b>	<b>994,486</b>	<b>59,704,813</b>

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

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

**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	← Non-distributable →				Distributable		
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	Total RM'000
<b>The Company</b>							
<b>At 1 January 2022</b>	27,099,681	55,982	(43)	28,228	33,487	267,441	27,484,776
Profit for the financial period	-	-	-	-	-	2,294,878	2,294,878
Other comprehensive expense (net of tax)	-	-	-	(44,779)	-	-	(44,779)
- Debt instruments at fair value through other comprehensive income	-	-	-	(44,779)	-	-	(44,779)
Total comprehensive (expense)/income for the financial period	-	-	-	(44,779)	-	2,294,878	2,250,099
Dividend for the financial year ended 31 December 2021	-	-	-	-	-	(1,282,792)	(1,282,792)
- single tier second interim dividend	-	-	-	-	-	-	-
Issuance of shares through dividend reinvestment scheme	1,084,519	-	-	-	-	-	1,084,519
Capital contribution to subsidiaries	-	-	-	-	23,798	-	23,798
<b>At 30 June 2022</b>	<b>28,184,200</b>	<b>55,982</b>	<b>(43)</b>	<b>(16,551)</b>	<b>57,285</b>	<b>1,279,527</b>	<b>29,560,400</b>

	← Non-distributable →				Distributable		
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	Total RM'000
<b>The Company</b>							
<b>At 1 January 2021</b>	25,843,808	55,982	(43)	103,514	-	1,398,626	27,401,887
Loss for the financial period	-	-	-	-	-	(70,196)	(70,196)
Other comprehensive expense (net of tax)	-	-	-	(67,823)	-	-	(67,823)
- Debt instruments at fair value through other comprehensive income	-	-	-	(67,823)	-	-	(67,823)
Total comprehensive expense for the financial period	-	-	-	(67,823)	-	(70,196)	(138,019)
Dividend for the financial year ended 31 December 2020	-	-	-	-	-	-	-
- single tier interim dividend	-	-	-	-	-	(477,295)	(477,295)
Issuance of shares through dividend reinvestment scheme	366,696	-	-	-	-	-	366,696
Capital contribution to subsidiaries	-	-	-	-	4,947	-	4,947
<b>At 30 June 2021</b>	<b>26,210,504</b>	<b>55,982</b>	<b>(43)</b>	<b>35,691</b>	<b>4,947</b>	<b>851,135</b>	<b>27,158,216</b>

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

**CIMB GROUP HOLDINGS BERHAD**  
*(Company Number 195601000197)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	The Group		The Company	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
Profit/(loss) before taxation and zakat	4,152,504	4,475,435	2,295,676	(70,274)
Adjustments for non-operating and non-cash items	(399,505)	(844,206)	(2,308,970)	37,303
Operating profit/(loss) before changes in working capital	3,752,999	3,631,229	(13,294)	(32,971)
Net changes in operating assets	(19,376,058)	(3,315,639)	1,069,417	1,829,613
Net changes in operating liabilities	24,294,206	14,231,625	4,854	61,197
	4,918,148	10,915,986	1,074,271	1,890,810
Cash flows generated from operations	8,671,147	14,547,215	1,060,977	1,857,839
Taxation paid	(1,163,495)	(722,137)	(503)	(498)
Net cash flows generated from operating activities	7,507,652	13,825,078	1,060,474	1,857,341
Cash flows from investing activities				
Dividend income from subsidiaries	-	-	1,775,585	50,820
Interest income received from financial investments	1,855,527	1,722,107	179,842	159,029
Net purchase of financial investments	(6,656,091)	(11,499,271)	-	(750,000)
Net purchase from disposal of property, plant and equipment	(107,293)	(15,651)	-	(110)
Net purchase of intangible assets	(214,617)	(233,478)	-	-
Other investing activities	25,495	(332,521)	(1,395,892)	(103,675)
Net cash flows (used in)/generated from investing activities	(5,096,979)	(10,358,814)	559,535	(643,936)
Cash flows from financing activities				
Dividend paid to shareholders	(198,273)	(110,599)	(198,273)	(110,599)
Interest paid on bonds, Sukuk and debentures	(122,110)	(116,279)	-	-
Interest paid on subordinated obligations	(176,241)	(195,816)	(204,171)	(295,122)
Interest paid on term loan facility and other borrowings	(38,651)	(77,753)	-	(35,653)
Proceeds from issuance of bonds, Sukuk and debentures	4,885,728	603,852	-	-
Proceeds from term loan facility and other borrowings	819,819	128,730	-	-
Redemption of bonds, Sukuk and debentures	(4,997,303)	(806,281)	-	-
Redemption of subordinated obligations	-	(1,000,000)	-	(1,005,879)
Repayment of term loan facility and other borrowings	(1,645,382)	(2,076,500)	-	-
Other financing activities	(964,805)	(12,927)	(816,961)	(30,389)
Net cash flows used in financing activities	(2,437,218)	(3,663,573)	(1,219,405)	(1,477,642)
Net (decrease)/increase in cash and cash equivalents during the financial period	(26,545)	(197,309)	400,604	(264,237)
Effects of exchange rate changes	464,277	181,950	-	-
Cash and cash equivalents at beginning of the financial period	46,106,715	41,194,144	93,674	344,603
	46,544,447	41,178,785	494,278	80,366
Monies held in trust	(701,500)	(630,171)	-	-
<b>Cash and cash equivalents at end of the financial period</b>	<b>45,842,947</b>	<b>40,548,614</b>	<b>494,278</b>	<b>80,366</b>
<b>Cash and cash equivalents comprise:</b>				
Cash and short-term funds	46,268,861	37,618,614	494,278	79,716
Deposits and placements with banks and other financial institutions	3,044,554	6,052,438	662	650
	49,313,415	43,671,052	494,940	80,366
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(2,768,968)	(2,492,267)	(662)	-
Monies held in trust	(701,500)	(630,171)	-	-
Cash and cash equivalents at end of financial period	45,842,947	40,548,614	494,278	80,366

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



## **PART A - EXPLANATORY NOTES**

### **A1. BASIS OF PREPARATION**

(a) The unaudited condensed interim financial statements for the financial period ended 30 June 2022 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, debt instruments at fair value through other comprehensive income, equity instruments at fair value through other comprehensive income, derivative financial instruments and non-current assets/disposal groups held for sale and financial liabilities designated at fair value through profit or loss, that have been measured at fair value.

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

The unaudited condensed interim financial statements should be read in conjunction with the Group's and the Company's audited financial statements for the financial year ended 31 December 2021. The explanatory notes attached to the condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Company since the financial year ended 31 December 2021.

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

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

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

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

(b) While Covid-19 cases remain elevated, high vaccination rates have translated to an easing of concerns, reopening of economies and lifting of global travel restrictions. The trend of governments progressively tightening fiscal and monetary policies to rein in inflation, is expected to continue for the rest of 2022. Nevertheless, the continued recurrence of Covid-19 variants coupled with geopolitical tensions, rising inflation and the threat of a global recession are headwinds to the recovery momentum.

The Group had supported customers impacted by the pandemic by providing targeted assistance programs. As most customers have since migrated out of these programs, various prevailing uncertainties will continue to be monitored and the Group will remain cognisant of asset quality.

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

### **A2. CHANGES IN ESTIMATES**

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

### **A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

Other than detailed below, there were no other new shares issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the financial period ended 30 June 2022:-

(a) On 9 March 2022, the Company announced that it will seek its shareholders' approval at its 65th Annual General Meeting ("AGM") to be convened on a later announced date for the proposed renewal of the authority for the Company to purchase its own shares of up to 10% of the issued and paid-up capital of the Company. Shareholders' approval was subsequently obtained at the AGM which was held on 21 April 2022.

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

(b) The entitlement date pursuant to Single Tier Second Interim Dividend for financial year ended 31 December 2021 and the corresponding Dividend Reinvestment Scheme ("DRS") was fixed for 28 March 2022. The Group had, on 25 April 2022, issued and allotted 252,801,642 new ordinary shares ("New CIMB Shares"). The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Tuesday, 26 April 2022. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMB Group Holdings Berhad ("CIMBGH") is 10,474,258,225 shares.

(c) During the financial period, Merdeka Kapital Berhad ("MKB"), a special purpose vehicle consolidated by CIMB Bank Berhad ("CIMB Bank"), undertook a partial redemption of the Medium Term Note amounting to RM37.2 million.

(d) On 14 January 2022, CIMB Islamic redeemed RM70 million Basel II Additional Tier 1 Perpetual Preference Shares from CIMB Bank.

(e) On 20 January 2022, CIMB Bank issued USD500.0 million 5-year fixed rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of 2.125% per annum payable semi-annually, will mature on 20 July 2027.

(f) On 8 March 2022, CIMB Bank redeemed its USD15 million 5-year senior floating rate notes issued under its USD5 billion Euro Medium Term Note Programme established on 15 August 2014.

(g) On 15 March 2022, CIMB Bank redeemed its USD500 million 5-year senior fixed rate notes issued under its USD5 billion Euro Medium Term Note Programme established on 15 August 2014.

(h) On 18 May 2022, CIMB Bank redeemed its RM1 billion 5-year senior medium term notes issued under its RM20 billion Senior Medium Term Note Programme.

(i) On 20 June 2022, CIMB Bank issued 55.6 million Rights Issue at RM5.80 for each Rights Share. The issuance has resulted in an increase in ordinary shares of RM322.7 million.

(j) On 18 July 2022, CIMB Bank completed the capital injection of VND225 billion into new ordinary shares of CIMB Bank (Vietnam) Limited.

(k) During the financial period, CIMB Thai Bank issued various unsecured structured debentures amounted to THB4.8 billion with tenures ranges between 3 months to three years from respective issuance dates. The Bank will pay interest according to the conditions of agreements.

During the financial period, CIMB Thai Bank has redeemed structured debentures amounted to THB4.3 billion.

(l) During the financial period, CIMB Thai Bank issued various unsecured short term debentures amounted to THB17.4 billion with tenures ranges between 3 to 8 months. The short term debentures carry fixed interest rates ranges from 0.65% - 0.8%, payable at respective maturity dates.

During the financial period, CIMB Thai Bank has redeemed unsecured short term debentures amounted to THB9.8 billion.

### **A4. DIVIDENDS PAID AND PROPOSED**

A single-tier second interim dividend of 12.55 sen per ordinary share, on 10,221,451,675 ordinary shares amounting to RM1,282,792,194 in respect of the financial year ended 31 December 2021 was approved by the Board of Directors on 28 January 2022. The dividend consists of an electible portion of 12.55 sen which can be elected to be reinvested in new ordinary shares in accordance with the Dividend Reinvestment Scheme ("DRS"). Following the completion of DRS, a total cash dividend of RM198,273,150 was paid on 25 April 2022.

The Directors have proposed a single-tier first interim dividend of 13.00 sen per ordinary share, on 10,474,253,317 ordinary shares amounting to RM1,362 million in respect of the financial year ending 31 December 2022. The single-tier first interim dividend of 13.00 sen consists of a cash portion of 2.60 sen per ordinary share and an electible portion of 10.40 sen per ordinary share which can be elected to be reinvested in new ordinary shares.

**A5. STATUS OF CORPORATE PROPOSAL**

(a) On 13 December 2021, the Company entered into Share Purchase Agreement with CIMB Group Sdn Bhd, a direct wholly-owned subsidiary of the Company and CIMB Digital Assets Sdn Bhd (formerly known as CIMB SI 1 Sdn Bhd) (“CDA”), an indirect wholly-owned subsidiary of the Company, to dispose the entire issued and paid-up share capital of Touch ‘N Go Sdn Bhd (“TNG”) to CDA. The objective is to facilitate the internal restructuring exercise to consolidate the shareholding of TNG in CDA (“Proposed Internal Restructuring”). Upon the completion of the internal restructuring on 26 January 2022, TnG become the direct wholly-owned subsidiary of CDA and indirect wholly-owned subsidiary of the Company. There is no financial impact at the Group arising from the internal restructuring.

**A6. EVENTS DURING THE REPORTING PERIOD**

Other than those disclosed under Issuance and Repayment of Debts and Equity Securities, Status of Corporate Proposal and detailed below, there was no significant events that had occurred during the current reporting period:-

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

The Group will take all necessary measures available to it to recover the duplicate payments, and these have commenced in 1Q FY2022. The Group had provided for the majority of the exposure, amounting to an ECL of RM280.9 million during the financial year ended 31 December 2021 and a full and final provision has been made in 1Q FY2022. This provision does not impair the Group’s ability to pursue recovery measures. The financial impact are disclosed in A14 and A25(b).

**A7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD**

There is no significant events that had occurred between 30 June 2022 and the date of this announcement.

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

As at 30 June 2022, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM2,631,000 (2021: RM2,484,000) and RM2,007,000 (2021: RM1,963,000) respectively. The 12-month expected credit losses written back in the income statement during the financial period is amounting to RM86,000 (2021: RM2,392,000).

**A9. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	The Group	
	30 June 2022 RM'000	31 December 2021 RM'000
<b>Money market instruments:</b>		
<b>Unquoted</b>		
Malaysian Government Securities	3,422,625	2,063,110
Cagamas bonds	949,333	865,744
Khazanah bonds	64,232	63,381
Malaysian Government treasury bills	843,619	151,173
Bank Negara Malaysia monetary notes	1,098,931	2,290,759
Negotiable instruments of deposit	2,331,582	3,909,653
Other Government securities	3,975,915	5,405,014
Government Investment Issues	2,618,543	2,611,716
Other Government treasury bills	10,241,586	9,884,399
Commercial papers	346,621	1,479,300
Promissory Notes	421,470	398,711
	<b>26,314,457</b>	<b>29,122,960</b>
<b>Quoted securities:</b>		
<i>In Malaysia:</i>		
Shares	1,047,846	1,115,967
<i>Outside Malaysia:</i>		
Shares	317,791	290,468
	<b>1,365,637</b>	<b>1,406,435</b>
<b>Unquoted securities:</b>		
<i>In Malaysia:</i>		
Corporate bond and Sukuk	2,551,248	3,030,818
Shares	1,011,670	1,001,003
Unit trusts	95,632	85,627
<i>Outside Malaysia:</i>		
Corporate bond	2,709,963	3,822,467
Shares	3,081	1,960
Private equity funds	176,520	175,649
Other Government bonds	2,688,177	1,632,325
	<b>9,236,291</b>	<b>9,749,849</b>
	<b>36,916,385</b>	<b>40,279,244</b>

**A10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	The Group		The Company	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
<b>Fair value</b>				
<b>Money market instruments:</b>				
<b>Unquoted</b>				
Malaysian Government Securities	4,587,416	4,832,000	-	-
Cagamas bonds	270,321	270,955	-	-
Negotiable instruments of deposit	276,760	470,384	-	-
Other Government securities	8,013,691	5,114,067	-	-
Government investment Issues	5,919,443	5,712,395	-	-
Commercial Papers	4,933	-	-	-
	<b>19,072,564</b>	<b>16,399,801</b>	<b>-</b>	<b>-</b>
<b>Unquoted securities:</b>				
<i>In Malaysia:</i>				
Corporate bond and Sukuk	20,401,140	21,951,483	1,740,567	1,778,168
<i>Outside Malaysia:</i>				
Corporate bond and Sukuk	10,244,654	10,371,627	-	-
Bank Indonesia certificates	-	194,652	-	-
Other Government bonds	9,279,325	11,201,923	-	-
	<b>39,925,119</b>	<b>43,719,685</b>	<b>1,740,567</b>	<b>1,778,168</b>
	<b>58,997,683</b>	<b>60,119,486</b>	<b>1,740,567</b>	<b>1,778,168</b>

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

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

	The Group			Total RM'000
	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	
<b>At 1 January 2022</b>	<b>41,798</b>	<b>1,748</b>	<b>20,849</b>	<b>64,395</b>
Changes in expected credit losses due to transfer within stages:	(54)	54	-	-
Transferred to Stage 1	116	(116)	-	-
Transferred to Stage 2	(170)	170	-	-
<b>Total charge to Statement of Income:</b>	<b>(13,157)</b>	<b>80</b>	<b>(20,849)</b>	<b>(33,926)</b>
New financial assets purchased	22,159	-	-	22,159
Financial assets that have been derecognised	(4,567)	(7)	-	(4,574)
Writeback in respect of full recoveries	-	-	(20,849)	(20,849)
Change in credit risk	(30,749)	87	-	(30,662)
Exchange fluctuation	792	1	-	793
<b>At 30 June 2022</b>	<b>29,379</b>	<b>1,883</b>	<b>-</b>	<b>31,262</b>
<b>At 1 January 2021</b>	<b>40,076</b>	<b>24,223</b>	<b>20,849</b>	<b>85,148</b>
Changes in expected credit losses due to transfer within stages:	(527)	527	-	-
Transferred to Stage 2	(527)	527	-	-
<b>Total charge to Statement of Income:</b>	<b>(11,698)</b>	<b>(23,369)</b>	<b>-</b>	<b>(35,067)</b>
New financial assets purchased	105,563	-	-	105,563
Financial assets that have been derecognised	(28,081)	(24,584)	-	(52,665)
Change in credit risk	(89,180)	1,215	-	(87,965)
Exchange fluctuation	13,947	367	-	14,314
<b>At 31 December 2021</b>	<b>41,798</b>	<b>1,748</b>	<b>20,849</b>	<b>64,395</b>

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

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

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

**The Company**

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2022	12,328	-	-	12,328
Total charge to Statement of Income:	(7,402)	-	-	(7,402)
Change in credit risk	(7,402)	-	-	(7,402)
At 30 June 2022	4,926	-	-	4,926
At 1 January 2021	25,947	-	-	25,947
Total charge to Statement of Income:	(13,619)	-	-	(13,619)
Change in credit risk	(13,619)	-	-	(13,619)
At 31 December 2021	12,328	-	-	12,328

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

	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2022	20,849	20,849
Amount recovered	(20,849)	(20,849)
At 30 June 2022	-	-
At 1 January / 31 December 2021	20,849	20,849

**A11. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	The Group	
	30 June 2022 RM'000	31 December 2021 RM'000
<b>Quoted securities</b>		
<i>In Malaysia</i>		
Shares	25,091	30,039
<i>Outside Malaysia</i>		
Shares	1,692	1,981
Property fund	-	5,492
	26,783	37,512
<b>Unquoted securities</b>		
<i>In Malaysia</i>		
Shares	265,418	265,418
Property funds	189	189
<i>Outside Malaysia</i>		
Shares	12,183	12,759
Private equity funds	74	7,227
	277,864	285,593
	304,647	323,105

**A12. DEBT INSTRUMENTS AT AMORTISED COST**

	The Group		The Company	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Money market instruments:</b>				
<b>Unquoted</b>				
Malaysian Government securities	8,918,427	7,086,208	-	-
Cagamas bonds	417,287	245,668	-	-
Other Government treasury bills	3,656,013	3,834,187	-	-
Other Government securities	3,041,910	2,022,944	-	-
Malaysian Government investment issue	16,339,986	15,617,821	-	-
Khazanah bonds	235,345	235,345	-	-
Negotiable instruments of deposit	-	127,679	-	-
	<b>32,608,968</b>	<b>29,169,852</b>	<b>-</b>	<b>-</b>
<b>Unquoted securities</b>				
<i>In Malaysia</i>				
Corporate bond and Sukuk	18,002,757	18,195,695	6,846,606	6,846,781
<i>Outside Malaysia</i>				
Corporate bond and Sukuk	4,493,272	4,166,266	-	-
Other Government bonds	6,019,571	5,091,327	-	-
	<b>28,515,600</b>	<b>27,453,288</b>	<b>6,846,606</b>	<b>6,846,781</b>
Total	<b>61,124,568</b>	<b>56,623,140</b>	<b>6,846,606</b>	<b>6,846,781</b>
Amortisation of premium, net of accretion of discount	81,715	30,445	-	-
Less : Expected credit losses	(563,103)	(647,245)	(19,254)	(47,967)
	<b>60,643,180</b>	<b>56,006,340</b>	<b>6,827,352</b>	<b>6,798,814</b>

**Expected credit losses movement for debt instruments at amortised cost:**

	The Group			
	12-month expected credit losses	Lifetime expected credit losses - not credit impaired	Lifetime expected credit losses - credit impaired	Total
	(Stage 1)	(Stage 2)	(Stage 3)	
	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2022</b>	<b>1,878</b>	<b>31,265</b>	<b>614,102</b>	<b>647,245</b>
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	1,275	(1,275)	-	-
Transferred to Stage 2	(294)	294	-	-
<b>Total charge to Statement of Income:</b>	<b>15,751</b>	<b>(39,037)</b>	<b>(78,158)</b>	<b>(101,444)</b>
New financial assets purchased	5,382	-	-	5,382
Financial assets that have been derecognised	(1,168)	(7)	-	(1,175)
Change in credit risk	11,537	(39,030)	(78,158)	(105,651)
Exchange fluctuation	195	-	51	246
Other movements	-	-	17,056	17,056
<b>At 30 June 2022</b>	<b>18,805</b>	<b>(8,753)</b>	<b>553,051</b>	<b>563,103</b>
<b>At 1 January 2021</b>	<b>9,096</b>	<b>735,922</b>	<b>11,471</b>	<b>756,489</b>
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	228	(228)	-	-
Transferred to Stage 2	(144)	144	-	-
Transferred to Stage 3	-	(453,524)	453,524	-
<b>Total charge to Statement of Income:</b>	<b>(7,363)</b>	<b>39,210</b>	<b>156,042</b>	<b>187,889</b>
New financial assets purchased	12,819	-	-	12,819
Financial assets that have been derecognised	(615)	-	-	(615)
Change in credit risk	(19,567)	39,210	156,042	175,685
Write-offs	-	-	(7,020)	(7,020)
Exchange fluctuation	61	-	85	146
Other movements	-	(290,259)	-	(290,259)
<b>At 31 December 2021</b>	<b>1,878</b>	<b>31,265</b>	<b>614,102</b>	<b>647,245</b>

**A12. DEBT INSTRUMENTS AT AMORTISED COST (Continued)**

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

	<b>The Company</b>				
	<b>12-month expected credit losses (Stage 1) RM'000</b>	<b>Lifetime expected credit losses - not credit impaired (Stage 2) RM'000</b>	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>	
	<b>At 1 January 2022</b>	47,967	-	-	47,967
	<b>Total charge to Statement of Income:</b>	<b>(28,713)</b>	-	-	<b>(28,713)</b>
Change in credit risk	(28,713)	-	-	(28,713)	
<b>At 30 June 2022</b>	<b>19,254</b>	-	-	<b>19,254</b>	
<b>At 1 January 2021</b>	55,022	-	-	55,022	
<b>Total charge to Statement of Income:</b>	<b>(7,055)</b>	-	-	<b>(7,055)</b>	
Change in credit risk	(7,055)	-	-	(7,055)	
<b>At 31 December 2021</b>	<b>47,967</b>	-	-	<b>47,967</b>	

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

	<b>The Group</b>	
	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
	<b>At 1 January 2022</b>	1,231,144
Other changes in debts instruments	17,448	17,448
Exchange fluctuation	26,048	26,048
<b>At 30 June 2022</b>	<b>1,274,640</b>	<b>1,274,640</b>
<b>At 1 January 2021</b>	11,471	11,471
Transfer within stages	1,226,546	1,226,546
Write-offs	(7,020)	(7,020)
Other changes in debts instruments	5,578	5,578
Exchange fluctuation	(5,431)	(5,431)
<b>At 31 December 2021</b>	<b>1,231,144</b>	<b>1,231,144</b>



### A13. LOANS, ADVANCES AND FINANCING

#### (i) By type

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
<b>At amortised cost</b>		
Overdrafts	4,856,817	4,745,193
Term loans/financing		
- Housing loans/financing	126,604,239	121,680,843
- Syndicated term loans	18,375,512	17,205,940
- Hire purchase receivables	25,408,987	24,098,907
- Lease receivables	172,271	149,074
- Factoring receivables	130,239	108,698
- Other term loans/financing	151,384,794	150,407,952
Bills receivable	8,750,003	6,884,735
Trust receipts	2,762,429	2,701,349
Claims on customers under acceptance credits	3,714,207	3,463,342
Staff loans *	1,752,156	1,710,211
Credit card receivables	8,620,546	8,379,069
Revolving credits	41,571,744	36,075,522
Share margin financing	53,262	63,946
Gross loans, advances and financing at amortised cost	394,157,206	377,674,781
Fair value changes arising from fair value hedges	(99,539)	(24,781)
	394,057,667	377,650,000
Less:		
- Expected credit losses	(13,927,272)	(13,323,081)
Net loans, advances and financing at amortised cost	380,130,395	364,326,919
<b>At fair value through profit or loss</b>		
Term loans/financing		
- Syndicated term loan	149,341	357,853
Gross loans, advances and financing at fair value through profit or loss	149,341	357,853
<b>Total net loans, advances and financing</b>	380,279,736	364,684,772
<b>Total gross loans, advances and financing:</b>		
- At amortised cost	394,157,206	377,674,781
- At fair value through profit or loss	149,341	357,853
	394,306,547	378,032,634

\* Included in staff loans of the Group are loans to Directors amounting to RM2,906,253 (2021: RM3,062,694).

(a) Included in the Group's loans, advances and financing balances are RM22,724,000 (2021: RM23,684,000) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

(b) The Group has undertaken fair value hedge on the interest rate risk of loans, advances and financing with RM1,436,151,000 (2021: RM1,353,719,000), using interest rate swaps.

(c) Included in the loans, advances and financing of the Group at 30 June 2022 are financing which are disclosed as "Restricted Agency Investment Account" ("RAIA") in the financial statements of CIMB Islamic amounting to RM11,253,129,000 (2021: RM10,248,754,000). RAIA arrangement is with CIMB Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where CIMB Bank solely provide the funds, whilst the assets are managed by CIMB Islamic (as the Wakeel or agent). In the arrangement, CIMB Islamic has transferred substantially all the risk and rewards of ownership of the Investment (i.e the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and expected credit losses arising thereon, if any, are recognised and accounted for by CIMB Bank.

#### (ii) By type of customers

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Domestic banking institutions	526,935	331,689
Domestic non-bank financial institutions		
- Stockbroking companies	58,035	8,005
- Others	6,452,144	5,757,202
Domestic business enterprises		
- Small medium enterprises	52,031,052	50,591,611
- Others	66,438,999	61,916,846
Government and statutory bodies	9,977,984	10,043,045
Individuals	207,319,865	199,982,760
Other domestic entities	13,837,209	11,877,650
Foreign entities	37,664,324	37,523,826
Gross loans, advances and financing	394,306,547	378,032,634

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

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Fixed rate		
- Housing loans/financing	6,775,446	5,318,245
- Hire-purchase receivables	19,848,092	18,920,957
- Other fixed rate loans	46,825,642	43,301,652
Variable rate		
- BLR plus/BFR plus	125,484,921	125,868,417
- Cost plus	55,979,446	49,707,733
- Other variable rates	139,393,000	134,915,630
Gross loans, advances and financing	<b>394,306,547</b>	<b>378,032,634</b>

**(iv) By economic purpose**

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Personal use	23,216,497	22,018,829
Credit card	8,620,546	8,379,069
Purchase of consumer durables	378,793	242,000
Construction	14,019,292	14,039,720
Residential property (Housing)	126,864,054	122,156,586
Non-residential property	32,742,477	31,956,554
Purchase of fixed assets other than land and building	12,173,807	12,641,424
Mergers and acquisitions	2,218,207	3,164,943
Purchase of securities	21,820,142	23,610,624
Purchase of transport vehicles	25,661,595	24,085,306
Working capital	96,119,510	85,909,439
Other purposes	30,471,627	29,828,140
Gross loans, advances and financing	<b>394,306,547</b>	<b>378,032,634</b>

**(v) By geographical distribution**

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Malaysia	247,321,581	238,014,490
Indonesia	59,757,339	56,576,930
Thailand	29,913,628	30,727,520
Singapore	36,054,311	33,079,131
United Kingdom	4,117,362	3,799,797
Hong Kong	1,284,642	1,309,610
China	4,536,389	3,310,490
Other countries	11,321,295	11,214,666
Gross loans, advances and financing	<b>394,306,547</b>	<b>378,032,634</b>

**(vi) By economic sector**

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Primary agriculture	10,708,230	10,138,258
Mining and quarrying	4,548,759	4,768,308
Manufacturing	27,413,758	27,183,545
Electricity, gas and water supply	7,139,990	6,435,297
Construction	12,882,187	12,740,224
Transport, storage and communications	12,566,679	11,374,141
Education, health and others	17,710,822	18,447,390
Wholesale and retail trade, and restaurants and hotels	35,428,586	32,730,035
Finance, insurance/takaful, real estate and business activities	48,860,942	45,592,524
Household	194,518,758	188,211,528
Others	22,527,836	20,411,384
Gross loans, advances and financing	<b>394,306,547</b>	<b>378,032,634</b>

**A13. LOANS, ADVANCES AND FINANCING (Continued)**
**(vii) By residual contractual maturity**

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Within one year	91,826,146	87,723,465
One year to less than three years	22,669,179	24,148,032
Three years to less than five years	39,703,204	36,701,434
Five years and more	240,108,018	229,459,703
Gross loans, advances and financing	<u>394,306,547</u>	<u>378,032,634</u>

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

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Personal use	500,940	444,434
Credit card	189,110	210,939
Purchase of consumer durables	2,240	2,490
Construction	1,456,949	1,464,882
Residential property (Housing)	2,429,114	1,791,582
Non-residential property	675,738	579,525
Purchase of fixed assets other than land and building	1,213,920	1,217,569
Mergers and acquisitions	312,328	308,533
Purchase of securities	195,556	185,663
Purchase of transport vehicles	200,967	285,425
Working capital	6,105,596	6,162,103
Other purpose	701,025	639,390
Gross credit impaired loans, advances and financing	<u>13,983,483</u>	<u>13,292,535</u>

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

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Malaysia	5,440,160	5,060,265
Indonesia	4,879,281	4,652,460
Thailand	1,211,207	1,288,608
Singapore	1,472,298	1,515,551
United Kingdom	8,636	7,658
Hong Kong	138,617	9
China	6,015	5,429
Other countries	827,269	762,555
Gross credit impaired loans, advances and financing	<u>13,983,483</u>	<u>13,292,535</u>

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

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Primary agriculture	205,666	139,674
Mining and quarrying	1,177,445	1,418,398
Manufacturing	1,168,433	1,280,355
Electricity, gas and water supply	255,641	250,530
Construction	287,852	249,330
Transport, storage and communications	1,747,910	1,637,326
Education, health and others	215,244	207,436
Wholesale and retail trade, and restaurants and hotels	3,119,637	3,167,724
Finance, insurance/takaful, real estate and business activities	1,199,739	1,079,208
Household	3,095,820	2,489,810
Others	1,510,096	1,372,744
Gross credit impaired loans, advances and financing	<u>13,983,483</u>	<u>13,292,535</u>

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	The Group Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
<b>Loans, advances and financing at amortised cost</b>					
<b>At 1 January 2022</b>	1,534,517	4,063,053	7,722,465	3,046	13,323,081
Changes in expected credit losses due to transfer within stages:	394,311	(591,123)	196,812	-	-
Transferred to Stage 1	590,899	(536,392)	(54,507)	-	-
Transferred to Stage 2	(190,701)	335,235	(144,534)	-	-
Transferred to Stage 3	(5,887)	(389,966)	395,853	-	-
<b>Total charge to Statement of Income:</b>	(321,464)	622,520	774,831	-	1,075,887
New financial assets originated	372,371	49,874	39,017	-	461,262
Financial assets that have been derecognised	(203,232)	(116,069)	-	-	(319,301)
Writeback in respect of full recoveries	-	-	(100,214)	-	(100,214)
Change in credit risk	(490,603)	688,715	836,028	-	1,034,140
Write-offs	(699)	(3,399)	(535,187)	(300)	(539,585)
Disposal of loans, advances and financing	-	-	(139,548)	-	(139,548)
Exchange fluctuation	9,052	46,168	159,793	(10)	215,003
Other movements	133	226	(7,925)	-	(7,566)
<b>At 30 June 2022</b>	1,615,850	4,137,445	8,171,241	2,736	13,927,272

**A13. LOANS, ADVANCES AND FINANCING (Continued)**

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

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

For the financial year ended 31 December 2021, the overlays and post-model adjustments have been applied to determine a sufficient overall level of ECL. These overlays and post-model adjustments were taken to reflect the latest macroeconomic outlook not captured in the modelled outcome and the potential impact to delinquencies and defaults arising from the escalation of credit risk on certain segments of the targeted repayment assistance loans.

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

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

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	<b>At 1 January 2022</b>	13,285,278	7,257
Transfer within stages	1,789,386	-	1,789,386
New financial assets originated	73,775	-	73,775
Write-offs	(535,187)	(300)	(535,487)
Amount fully recovered	(323,614)	-	(323,614)
Other changes in loans, advances and financing	(324,796)	(30)	(324,826)
Disposal of loans, advances and financing	(191,462)	-	(191,462)
Exchange fluctuation	203,200	(24)	203,176
<b>At 30 June 2022</b>	<b>13,976,580</b>	<b>6,903</b>	<b>13,983,483</b>

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

	The Group	
	30 June 2022	31 December 2021
Ratio of credit impaired loans to total loans, advances and financing	<b>3.55%</b>	3.52%

**A14. OTHER ASSETS**

	The Group		The Company	
	30 June 2022 RM'000	31 December 2021 RM'000	30 June 2022 RM'000	31 December 2021 RM'000
Due from brokers	5,121	146,389	-	-
Other debtors net of expected credit losses of RM727,755,000 (2021: RM522,551,000), deposits and prepayments	3,710,675	3,597,592	86,575	84,101
Treasury related receivables	5,832,940	1,702,413	-	-
Due from joint ventures	2,339,490	2,120,975	-	-
Structured financing	543,466	601,812	-	-
Foreclosed assets net of allowance for impairment losses of RM62,690,000 (2021: RM63,307,000)	177,420	188,909	-	-
Collateral pledged for derivative transactions	4,634,966	2,897,982	-	-
	<b>17,244,078</b>	<b>11,256,072</b>	<b>86,575</b>	<b>84,101</b>

Included in Other debtors net of expected credit losses, deposits and prepayments are amounts related to receivables of settlement debit card balances. See A6.

**A15. DEPOSITS FROM CUSTOMERS**

	The Group	
	30 June 2022 RM'000	31 December 2021 RM'000
<u>By type of deposit</u>		
Demand deposits	110,487,055	113,715,182
Savings deposits	76,216,018	72,337,231
Fixed deposits	151,847,885	151,957,865
Negotiable instruments of deposit	265,228	517,515
Others	82,120,347	83,890,299
	<b>420,936,533</b>	<b>422,418,092</b>
<u>By type of customer</u>		
Government and statutory bodies	11,494,860	12,260,870
Business enterprises	166,753,816	160,383,062
Individuals	173,261,850	174,607,407
Others	69,426,007	75,166,753
	<b>420,936,533</b>	<b>422,418,092</b>

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

Due within six months	123,967,212	125,376,609
Six months to less than one year	26,412,127	25,724,027
One year to less than three years	1,671,019	1,286,007
Three years to five years	62,688	88,737
More than five years	67	-
	<b>152,113,113</b>	<b>152,475,380</b>

**A16. INVESTMENT ACCOUNTS OF CUSTOMERS**

	The Group	
	30 June 2022 RM'000	31 December 2021 RM'000
Unrestricted investment accounts	12,060,415	10,427,167

**A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	<b>30,056,854</b>	24,391,150
Licensed finance companies	<b>2,824,062</b>	2,387,433
Licensed investment banks	<b>130,579</b>	426,340
Bank Negara Malaysia	<b>1,259,056</b>	1,452,698
Other financial institutions	<b>2,638,583</b>	2,044,274
	<b>36,909,134</b>	30,701,895

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

Due within six months	<b>34,731,222</b>	27,059,164
Six months to less than one year	<b>616,791</b>	1,618,555
One year to less than three years	<b>159,258</b>	423,543
Three years to less than five years	<b>765,385</b>	158,580
Five years and more	<b>636,478</b>	1,442,053
	<b>36,909,134</b>	30,701,895

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

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits from customers - structured investments	<b>7,273,116</b>	4,632,373
Bills payable	<b>1,916,305</b>	2,224,409
	<b>9,189,421</b>	6,856,782

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

The carrying amount of financial liabilities designated at fair value of the Group at 30 June 2022 were RM507,646,000 (2021: RM129,118,000) lower than the contractual amount at maturity for the structured investments and RM215,706,000 (2021: RM366,350,000) higher than the contractual amount at maturity for the bills payable.

**A19. OTHER LIABILITIES**

	<b>The Group</b>		<b>The Company</b>	
	<b>30 June</b>	<b>31 December</b>	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Due to brokers	<b>31,613</b>	24,579	-	-
Expenditure payable	<b>2,390,362</b>	2,956,183	<b>7,207</b>	3,089
Provision for legal claims	<b>49,673</b>	51,384	-	-
Sundry creditors	<b>1,581,377</b>	1,088,366	<b>69</b>	69
Treasury related payables	<b>6,045,386</b>	1,673,213	-	-
Structured deposits	<b>4,482,507</b>	3,810,335	-	-
Post employment benefit obligations	<b>454,723</b>	470,116	-	-
Credit card expenditure payable	<b>153,493</b>	168,065	-	-
Collateral pledged for derivative transactions	<b>6,489,543</b>	3,028,037	-	-
Expected credit losses for loan commitments and financial guarantee contracts	<b>839,439</b>	781,501	-	-
Prepayment	<b>504,488</b>	539,312	-	-
Others	<b>3,961,002</b>	1,239,734	-	-
	<b>26,983,606</b>	15,830,825	<b>7,276</b>	3,158



**A19. OTHER LIABILITIES** (Continued)

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

	The Group			
	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000
<b>At 1 January 2022</b>	408,101	169,537	203,863	781,501
Changes in expected credit losses due to transfer within stages:	50,383	(61,013)	10,630	-
Transferred to Stage 1	59,351	(56,494)	(2,857)	-
Transferred to Stage 2	(8,861)	14,505	(5,644)	-
Transferred to Stage 3	(107)	(19,024)	19,131	-
<b>Total charge to Statement of Income:</b>	(61,369)	23,807	87,535	49,973
New exposures	129,265	3,425	-	132,690
Exposures derecognised or matured	(67,098)	(11,890)	(34,081)	(113,069)
Change in credit risk	(123,536)	32,272	121,616	30,352
Exchange fluctuation	2,835	532	233	3,600
Other movements	577	168	3,620	4,365
<b>At 30 June 2022</b>	400,527	133,031	305,881	839,439

	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
<b>At 1 January 2021</b>	364,382	137,978	166,261	668,621
Changes in expected credit losses due to transfer within stages:	124,233	(132,434)	8,201	-
Transferred to Stage 1	170,005	(150,110)	(19,895)	-
Transferred to Stage 2	(45,348)	75,082	(29,734)	-
Transferred to Stage 3	(424)	(57,406)	57,830	-
<b>Total charge to Statement of Income:</b>	(91,734)	166,077	35,879	110,222
New exposures	218,156	4,272	931	223,359
Exposures derecognised or matured	(133,971)	(34,739)	(8,502)	(177,212)
Change in credit risk	(175,919)	196,544	43,450	64,075
Exchange fluctuation	1,626	(2,809)	(6,311)	(7,494)
Other movements	9,594	725	(167)	10,152
<b>At 31 December 2021</b>	408,101	169,537	203,863	781,501

As at 30 June 2022, the gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM536,125,000 (2021: RRM479,523,000) .

**A20(a). INTEREST INCOME**

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Loans, advances and financing				
- Interest income other than recoveries	3,019,235	2,957,646	5,888,236	5,917,929
- Unwinding income <sup>^</sup>	47,259	41,546	91,308	75,596
Money at call and deposit placements with financial institutions	107,939	86,210	192,770	165,061
Reverse repurchase agreements	37,277	23,811	68,787	53,528
Debt instruments at fair value through other comprehensive income	491,815	450,948	989,027	865,202
Debt instruments at amortised cost	454,001	419,668	866,499	856,904
Others	10,853	8,139	20,243	15,772
	<b>4,168,379</b>	<b>3,987,968</b>	<b>8,116,870</b>	<b>7,949,992</b>
Accretion of discounts less amortisation of premiums	(103,395)	(87,640)	(212,712)	(164,044)
	<b>4,064,984</b>	<b>3,900,328</b>	<b>7,904,158</b>	<b>7,785,948</b>

**The Company**

Money at call and deposit placements with financial institutions	2,470	433	2,722	1,583
Debt instruments at fair value through other comprehensive income	20,394	34,460	40,564	74,356
Debt instruments at amortised cost	69,823	68,989	138,879	137,220
	<b>92,687</b>	<b>103,882</b>	<b>182,165</b>	<b>213,159</b>
Accretion of discounts less amortisation of premiums	-	-	-	1
	<b>92,687</b>	<b>103,882</b>	<b>182,165</b>	<b>213,160</b>

<sup>^</sup> Included in unwinding income is interest income earned on credit impaired financial assets

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

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Financial investments at fair value through profit or loss	171,453	151,216	325,863	326,254
Loan, advances and financing at fair value through profit or loss	1,801	3,736	4,449	7,666
	<b>173,254</b>	<b>154,952</b>	<b>330,312</b>	<b>333,920</b>
Accretion of discounts, net of amortisation of premiums	6,349	(15,103)	(3,397)	(48,705)
	<b>179,603</b>	<b>139,849</b>	<b>326,915</b>	<b>285,215</b>

**A21. INTEREST EXPENSE**

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Deposits and placements of banks and other financial institutions	87,642	34,177	135,051	88,338
Deposits from customers	933,539	844,342	1,768,433	1,764,271
Repurchase agreements	102,967	72,658	187,180	152,256
Bonds, Sukuk and debentures	76,945	69,733	151,049	140,803
Subordinated obligations	91,653	116,370	180,930	238,163
Financial liabilities designated at fair value through profit or loss	55,512	7,521	104,846	14,754
Negotiable certificates of deposits	3,712	3,317	15,260	5,236
Other borrowings	51,731	60,101	101,645	109,163
Recourse obligation on loan and financing sold to Cagamas	6,237	12,560	12,171	25,046
Structured deposits	10,282	43,089	19,436	87,267
Lease liabilities	4,711	5,352	9,479	10,999
Others	6,073	2,546	10,035	7,187
	<b>1,431,004</b>	<b>1,271,766</b>	<b>2,695,515</b>	<b>2,643,483</b>
<b>The Company</b>				
Subordinated obligations	102,383	115,502	203,642	235,550
Other borrowings	31,557	33,021	64,701	65,662
	<b>133,940</b>	<b>148,523</b>	<b>268,343</b>	<b>301,212</b>

## A22. MODIFICATION LOSS

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

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

## A23. NET NON-INTEREST INCOME

	2nd quarter ended		Six months ended	
	30 June 2022	30 June 2021	30 June 2022	30 June 2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
(a) Net fee income and commission income:				
Commissions	296,925	268,485	581,644	650,287
Fee on loans, advances and financing	199,064	123,360	329,929	234,954
Service charges and fees	164,390	130,470	323,506	259,842
Corporate advisory and arrangement fees	1,379	12,777	4,880	18,995
Guarantee fees	15,015	18,317	40,907	41,172
Other fee income	59,641	54,952	119,567	117,077
Placement fees	(4,803)	669	3,043	2,671
Underwriting commission	8,355	10,465	21,604	21,655
Fee and commission income	739,966	619,495	1,425,080	1,346,653
Fee and commission expense	(169,759)	(143,613)	(317,911)	(292,579)
Net fee and commission income	570,207	475,882	1,107,169	1,054,074
(b) Gross dividend income from:				
<i>In Malaysia</i>				
- Financial investments at fair value through profit or loss	18,624	18,014	29,846	32,532
- Equity instruments at fair value through other comprehensive income	1,000	1,000	1,000	1,000
<i>Outside Malaysia</i>				
- Equity instruments at fair value through other comprehensive income	1,047	817	1,236	1,131
	20,671	19,831	32,082	34,663
(c) Net (loss)/gain arising from financial investments at fair value through profit or loss	(606,545)	33,177	(1,145,014)	(723,081)
- Realised	(216,631)	(76,121)	(518,833)	(162,615)
- Unrealised	(389,914)	109,298	(626,181)	(560,466)
(d) Net gain arising from derivative financial instruments	2,900,073	373,037	4,146,517	2,318,423
- Realised	1,687,567	270,471	2,417,730	765,001
- Unrealised	1,212,506	102,566	1,728,787	1,553,422
(e) Net gain/(loss) arising from financial liability designated at fair value through profit or loss	185,642	(59,681)	371,804	44,601
- Realised	(9,997)	(99,996)	(20,033)	(111,121)
- Unrealised	195,639	40,315	391,837	155,722
(f) Net gain arising from hedging activities	24,666	1,552	48,137	4,471
(g) Net (loss)/gain from sale of investment in debt instruments at fair value through other comprehensive income	(115,505)	112,317	(23,477)	241,854
(h) Net gain from redemption of debt instruments at amortised cost	-	7,020	12,740	7,020
(i) Net (loss)/gain arising from loans, advances and financing at fair value through profit or loss:	(197)	160	(1,050)	647
- Unrealised	(197)	160	(1,050)	647
(j) Income from assets management and securities services	5,465	6,395	10,409	11,940
(k) Brokerage income	341	423	707	1,001
(l) Other non-interest income:				
Foreign exchange loss	(1,981,220)	(36,205)	(2,532,247)	(888,782)
Rental income	6,865	7,271	13,317	13,023
Gain on disposal of property, plant and equipment/ assets held for sale	9,988	3,302	22,165	6,358
Gain on disposal of loans, advances and financing	31,096	32,794	36,005	32,794
Gain/(loss) on disposal of foreclosed assets	1,986	(158)	4,442	(3,048)
Other non-operating income	54,271	4,105	72,881	25,937
	(1,877,014)	11,109	(2,383,437)	(813,718)
	1,107,804	981,222	2,176,587	2,181,895

**A23. NET NON-INTEREST INCOME (CONTINUED)**

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Company</b>				
(a) Gross dividend income from:				
<u>In Malaysia</u>				
- Subsidiary	575,585	-	1,775,585	50,820
(b) Other non-interest income:				
Foreign exchange gain	636	7	715	362
Rental income	69	76	138	153
Gain on disposal of assets held for sale	4,232	-	4,232	-
Other non-operating income	89	-	89	980
	5,026	83	5,174	1,495
	<b>580,611</b>	<b>83</b>	<b>1,780,759</b>	<b>52,315</b>

**A24. OVERHEADS**

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Personnel costs				
- Salaries, allowances and bonus	1,112,982	1,057,912	2,224,570	2,121,861
- Pension cost	121,332	117,479	234,157	238,183
- Share-based expense <sup>1</sup>	13,312	4,947	23,798	4,947
- Overtime	4,776	3,754	9,092	7,388
- Staff incentives and other staff payments	74,097	89,916	131,435	227,330
- Medical expenses	18,722	19,282	40,767	41,059
- Others	46,165	37,208	91,269	109,021
	1,391,386	1,330,498	2,755,088	2,749,789
Establishment costs				
- Depreciation of property, plant and equipment	74,372	69,808	150,694	139,239
- Depreciation of right-of-use assets	55,202	57,866	108,116	116,487
- Amortisation of intangible assets	181,557	236,126	358,290	334,876
- Intangible assets written off	229	93,579	1,267	93,579
- Rental	28,629	31,391	49,292	50,540
- Repair and maintenance	199,568	167,851	369,120	345,483
- Outsourced services	2,773	9,291	6,521	23,205
- Security expenses	23,878	23,895	49,742	55,012
- Others	55,225	72,364	131,713	141,059
	621,433	762,171	1,224,755	1,299,480
Marketing expenses				
- Advertisement	38,172	25,912	62,645	53,620
- Others	14,150	5,926	23,666	8,908
	52,322	31,838	86,311	62,528
Administration and general expenses				
- Legal and professional fees	100,247	51,001	136,091	100,834
- Stationery	4,964	8,064	10,959	14,087
- Postage	9,001	11,462	17,505	21,914
- Communication	22,073	19,229	44,533	43,609
- Incidental expenses on banking operations	34,994	17,812	63,863	41,134
- Others	63,126	170,787	237,979	359,961
	234,405	278,355	510,930	581,539
	<b>2,299,546</b>	<b>2,402,862</b>	<b>4,577,084</b>	<b>4,693,336</b>

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

**A24. OVERHEADS (CONTINUED)**

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Company</b>				
- Others	-	-	16	-
	-	-	16	-
Establishment costs				
- Depreciation of property, plant and equipment	37	148	74	296
- Depreciation of investment properties	4	4	9	9
- Depreciation of right-of-use assets	-	2	-	5
- Repair and maintenance	26	-	52	-
- Others	15	19	40	39
	82	173	175	349
Administration and general expenses				
- Legal and professional fees	1,652	4,371	3,025	5,885
- Communication	-	12	-	12
- Insurance	(748)	1,025	1,972	1,894
- Others	3,308	2,886	11,606	6,361
	4,212	8,294	16,603	14,152
	4,294	8,467	16,794	14,501

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

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Expected credit losses on loans, advances and financing at amortised cost	619,212	788,050	1,075,887	1,704,535
Credit impaired loans, advances and financing:				
- Recovered	(166,570)	(138,657)	(340,882)	(341,563)
- Written off	2,800	2,811	7,583	4,918
	455,442	652,204	742,588	1,367,890

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

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Other expected credit losses and impairment allowances (written back)/made:				
- Debt instrument at fair value through other comprehensive income	(34,617)	(5,167)	(33,926)	(20,244)
- Debt instrument at amortised cost	(18,788)	53,493	(101,444)	51,832
- Money at call and deposits and placements with banks and other financial institutions	(32)	(2,362)	(86)	(2,392)
Other impairment allowances made:				
- Other assets	62,964	(20,172)	249,218	14,023
- Intangible assets	-	10,905	-	10,905
- Right-of-use assets	(717)	-	(717)	-
	8,810	36,697	113,045	54,124

Included in the other impairment allowance made for other assets during the financial period is ECL related to settlement of debit card balances. See A6.

	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Company</b>				
Other expected credit losses and impairment allowances (written back)/made:				
- Debt instrument at fair value through other comprehensive income	(5,058)	(69)	(7,402)	(1,407)
- Debt instrument at amortised cost	(19,597)	24,513	(28,713)	21,443
	(24,655)	24,444	(36,115)	20,036

## A26. DERIVATIVE FINANCIAL INSTRUMENTS

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

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

	<b>The Group</b>		
	<b>Principal</b>	<b>Fair values</b>	
	<b>amount</b>	<b>Assets</b>	<b>Liabilities</b>
<b>At 30 June 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Trading derivatives</u></b>			
<b><u>Foreign exchange derivatives</u></b>			
Currency forward	<b>48,560,364</b>	<b>838,523</b>	<b>(441,070)</b>
- Less than 1 year	44,858,933	778,876	(314,540)
- 1 year to 3 years	3,225,915	55,753	(74,188)
- More than 3 years	475,516	3,894	(52,342)
Currency swaps	<b>474,908,788</b>	<b>10,049,047</b>	<b>(9,109,531)</b>
- Less than 1 year	470,464,694	9,962,054	(9,052,323)
- 1 year to 3 years	4,119,918	86,124	(55,309)
- More than 3 years	324,176	869	(1,899)
Currency spots	<b>6,047,263</b>	<b>6,043</b>	<b>(5,842)</b>
- Less than 1 year	6,047,263	6,043	(5,842)
Currency options	<b>12,681,487</b>	<b>108,368</b>	<b>(97,358)</b>
- Less than 1 year	8,450,858	49,537	(30,994)
- 1 year to 3 years	2,487,143	36,270	(45,477)
- More than 3 years	1,743,486	22,561	(20,887)
Cross currency interest rate swaps	<b>101,865,815</b>	<b>3,635,948</b>	<b>(4,097,736)</b>
- Less than 1 year	26,579,753	757,511	(831,788)
- 1 year to 3 years	39,894,566	1,429,346	(1,587,584)
- More than 3 years	35,391,496	1,449,091	(1,678,364)
	<b>644,063,717</b>	<b>14,637,929</b>	<b>(13,751,537)</b>
<b><u>Interest rate derivative</u></b>			
Interest rate swaps	<b>432,619,015</b>	<b>4,448,032</b>	<b>(3,614,288)</b>
- Less than 1 year	178,858,748	370,194	(283,255)
- 1 year to 3 years	132,423,935	1,122,345	(910,342)
- More than 3 years	121,336,332	2,955,493	(2,420,691)
Interest rate futures	<b>7,372,587</b>	<b>31,036</b>	<b>(3,112)</b>
- Less than 1 year	7,372,587	31,036	(3,112)
Interest rate options	<b>162,318</b>	-	-
- Less than 1 year	162,318	-	-
	<b>440,153,920</b>	<b>4,479,068</b>	<b>(3,617,400)</b>
<b><u>Equity related derivatives</u></b>			
Equity futures	<b>98,280</b>	<b>59</b>	<b>(1,605)</b>
- Less than 1 year	98,280	59	(1,605)
Index futures	<b>88,950</b>	<b>640</b>	<b>(442)</b>
- Less than 1 year	88,950	640	(442)
Equity options	<b>3,593,076</b>	<b>288,891</b>	<b>(136,640)</b>
- Less than 1 year	3,254,239	276,177	(128,715)
- 1 year to 3 years	244,611	11,822	(7,033)
- More than 3 years	94,226	892	(892)
Equity swaps	<b>399,740</b>	<b>24,072</b>	<b>(1,102)</b>
- Less than 1 year	92,554	4,967	(987)
- 1 year to 3 years	307,007	19,105	(115)
- More than 3 years	179	-	-
	<b>4,180,046</b>	<b>313,662</b>	<b>(139,789)</b>

**A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)**

At 30 June 2022	The Group		
	Principal amount RM'000	Fair values Assets RM'000	Liabilities RM'000
<b>Trading derivatives</b>			
<u>Commodity related derivatives</u>			
Commodity swaps	<b>912,231</b>	<b>114,847</b>	<b>(122,428)</b>
- Less than 1 year	912,231	114,847	(122,428)
Commodity futures	<b>184,155</b>	<b>12,370</b>	<b>(11,883)</b>
- Less than 1 year	184,155	12,370	(11,883)
Commodity options	<b>5,816,087</b>	<b>11,840</b>	<b>(9,287)</b>
- Less than 1 year	5,816,087	11,840	(9,287)
	<b>6,912,473</b>	<b>139,057</b>	<b>(143,598)</b>
<u>Credit related contract</u>			
Credit default swaps	<b>3,332,375</b>	<b>28,344</b>	<b>(13,634)</b>
- 1 year to 3 years	642,615	6,538	(810)
- More than 3 years	2,689,760	21,806	(12,824)
Total return swaps	<b>20,500</b>	-	<b>(577)</b>
- More than 3 years	20,500	-	(577)
	<b>3,352,875</b>	<b>28,344</b>	<b>(14,211)</b>
<u>Bond contract</u>			
Bond Forward	<b>2,807,425</b>	<b>453,130</b>	<b>(7,863)</b>
- Less than 1 year	939,890	113,964	(7,763)
- 1 year to 3 years	1,376,598	254,236	(4)
- More than 3 years	490,937	84,930	(96)
<u>Hedging derivatives</u>			
Interest rate swaps	<b>37,198,712</b>	<b>853,210</b>	<b>(373,289)</b>
- Less than 1 year	4,823,005	20,904	(9,578)
- 1 year to 3 years	9,239,738	70,188	(69,353)
- More than 3 years	23,135,969	762,118	(294,358)
Currency swaps	<b>5,098,727</b>	<b>52,022</b>	<b>(95,601)</b>
- Less than 1 year	5,098,727	52,022	(95,601)
Cross currency interest rate swaps	<b>3,406,353</b>	<b>230,627</b>	<b>(95,511)</b>
- Less than 1 year	455,821	49,361	(629)
- 1 year to 3 years	1,426,152	88,007	(40,369)
- More than 3 years	1,524,380	93,259	(54,513)
	<b>45,703,792</b>	<b>1,135,859</b>	<b>(564,401)</b>
Total derivative assets/(liabilities)	<b>1,147,174,248</b>	<b>21,187,049</b>	<b>(18,238,799)</b>

**A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)**

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



A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

## A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

### **Market Risk**

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

### **Credit Risk**

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 30 June 2022, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM21,187,049,000 (2021: RM11,989,597,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

### **Liquidity Risk**

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

### **Cash requirements of the derivatives**

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 30 June 2022, the Group has posted cash collateral of RM4,634,966,000 (2021: RM2,897,982,000) on their derivative contracts.

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

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

The above information, policies and procedures in respect of derivative financial instruments of the Group are disclosed in the audited financial statements for the financial year ended 31 December 2021 and the Risk Management section of the 2021 Annual Report.

## A27. COMMITMENTS AND CONTINGENCIES

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

	30 June 2022 Principal Amount RM'000	31 December 2021 Principal Amount RM'000
<b>The Group</b>		
<u>Credit-related</u>		
Direct credit substitutes	7,027,323	7,032,364
Certain transaction-related contingent items	6,636,851	6,652,316
Short-term self-liquidating trade-related contingencies	4,455,571	3,315,027
Obligations under underwriting agreement	-	14,044
Irrevocable commitments to extend credit		
- maturity not exceeding one year	70,967,494	72,060,271
- maturity exceeding one year	41,210,179	33,989,202
Miscellaneous commitments and contingencies	2,663,753	2,010,717
Total credit-related commitments and contingencies	<b>132,961,171</b>	<b>125,073,941</b>
<u>Treasury-related</u>		
<u>Foreign exchange related contracts</u>		
- less than one year	561,956,049	549,441,109
- one year to five years	73,868,978	68,560,764
- more than five years	16,743,770	17,857,482
	<b>652,568,797</b>	<b>635,859,355</b>
<u>Interest rate related contracts</u>		
- less than one year	191,216,658	148,707,460
- one year to five years	220,713,305	219,275,894
- more than five years	65,422,669	64,057,666
	<b>477,352,632</b>	<b>432,041,020</b>
<u>Equity related contracts</u>		
- less than one year	3,534,023	3,447,303
- one year to five years	551,797	448,589
- more than five years	94,226	90,002
	<b>4,180,046</b>	<b>3,985,894</b>
<u>Credit related contracts</u>		
- less than one year	-	338,534
- one year to five years	3,171,346	3,170,347
- more than five years	181,529	76,176
	<b>3,352,875</b>	<b>3,585,057</b>
<u>Commodity related contracts</u>		
- less than one year	6,912,473	9,549,646
- one year to five years	-	27,100
	<b>6,912,473</b>	<b>9,576,746</b>
<u>Bond contracts</u>		
- less than one year	939,890	1,178,155
- one year to five years	1,867,535	1,825,025
- more than five years	-	30,000
	<b>2,807,425</b>	<b>3,033,180</b>
Total treasury-related commitments and contingencies	<b>1,147,174,248</b>	<b>1,088,081,252</b>
	<b>1,280,135,419</b>	<b>1,213,155,193</b>
Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account, as follows:		
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	1,500,000	2,500,000

## A28. CAPITAL ADEQUACY

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

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

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

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

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

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

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

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

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

**A28. CAPITAL ADEQUACY (Continued)****30 June 2022**

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

	<b>The Group</b>
<b>Before deducting proposed dividend</b>	
Common equity tier 1 ratio	14.279%
Tier 1 ratio	15.127%
Total capital ratio	<u>17.916%</u>
<b>After deducting proposed dividend</b>	
Common equity tier 1 ratio	13.870%
Tier 1 ratio	14.718%
Total capital ratio	<u>17.507%</u>

The Group implemented a Dividend Reinvestment Scheme ("DRS") for the single-Tier First Interim dividend in respect of the financial year ending 31 December 2022, which would increase the capital adequacy ratios of the Group above those stated above.

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

	<b>The Group</b> RM'000
Credit risk <sup>(1)</sup>	279,539,594
Market risk	19,322,355
Large exposure risk requirements	1,299,541
Operational risk	<u>33,062,229</u>
Total risk-weighted assets	<u>333,223,719</u>

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

	<b>The Group</b> RM'000
Under Restricted Agency Investment Account arrangement	<u>781,504</u>

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

	<b>The Group</b> RM'000
<b>Common Equity Tier 1 capital</b>	
Ordinary share capital	28,184,200
Other reserves	32,138,454
Qualifying non-controlling interests	489,797
Less: Proposed dividends	<u>(1,361,652)</u>
Common Equity Tier 1 capital before regulatory adjustments	59,450,799
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,474,224)
Intangible assets	(1,726,718)
Deferred tax assets	(1,987,524)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,842,706)
Regulatory reserve	(341,411)
Others	<u>141,008</u>
Common Equity Tier 1 capital after regulatory adjustments	<u>46,219,224</u>
<b>Additional Tier 1 capital</b>	
Perpetual subordinated capital securities	2,750,000
Qualifying capital instruments held by third parties	<u>74,552</u>
	2,824,552
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,824,552</u>
<b>Total Tier 1 capital</b>	<u>49,043,776</u>

**A28. CAPITAL ADEQUACY (Continued)**

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

	<b>The Group RM'000</b>
<b>Tier 2 capital</b>	
Subordinated notes	6,800,000
Qualifying capital instruments held by third parties	74,832
Surplus eligible provisions over expected loss	992,466
General provisions √	<u>1,426,607</u>
Tier 2 capital before regulatory adjustments	<u>9,293,905</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	<u>-</u>
<b>Total Tier 2 capital</b>	<u><b>9,293,905</b></u>
 <b>Total capital</b>	 <u><b>58,337,681</b></u>

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

	<b>CIMB Bank Group</b>	<b>CIMB Bank **</b>	<b>CIMB Islamic Bank</b>	<b>CIMB Investment Bank Group</b>	<b>CIMB Thai Bank</b>	<b>Bank CIMB Niaga</b>	<b>CIMB Bank PLC</b>	<b>CIMB Bank (Vietnam) Ltd</b>
<b><u>Before deducting proposed dividend</u></b>								
Common equity tier 1 ratio	14.959%	14.618%	14.019%	101.920%	14.727%	19.709%	N/A	N/A
Tier 1 ratio	15.631%	15.424%	14.690%	101.920%	14.727%	19.709%	N/A	N/A
Total capital ratio	<u>18.947%</u>	<u>18.524%</u>	<u>17.241%</u>	<u>101.920%</u>	<u>20.717%</u>	<u>20.769%</u>	<u>18.906%</u>	<u>77.022%</u>
<b><u>After deducting proposed dividend</u></b>								
Common equity tier 1 ratio	14.486%	13.895%	14.019%	101.920%	14.727%	19.709%	N/A	N/A
Tier 1 ratio	15.158%	14.702%	14.690%	101.920%	14.727%	19.709%	N/A	N/A
Total capital ratio	<u>18.474%</u>	<u>17.802%</u>	<u>17.241%</u>	<u>101.920%</u>	<u>20.717%</u>	<u>20.769%</u>	<u>18.906%</u>	<u>77.022%</u>

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

√ Total Capital of CIMB Group as at 30 June 2022 has excluded general provisions restricted from Tier 2 capital of RM1,172 million.

**A28. CAPITAL ADEQUACY (Continued)****31 December 2021**

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

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

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

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

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

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

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

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

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

**A28. CAPITAL ADEQUACY (Continued)**

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

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

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

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

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

√ Total Capital of CIMB Group as at 31 December 2021 has excluded general provisions restricted from Tier 2 capital of RM1,317 million.



## A29. SEGMENTAL REPORT

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

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

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

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

### Business segment reporting

#### Definition of segments:

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

#### ***Consumer Banking***

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

#### **Commercial Banking**

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

#### ***Wholesale Banking***

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

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

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

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

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

**A29. SEGMENTAL REPORT** (Continued)

***Wholesale Banking*** (Continued)

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

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

***CIMB Digital Assets & Group Funding***

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

**A29. SEGMENTAL REPORT (Continued)**

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
<b>30 June 2022</b>					
Net interest income - after modification loss					
- external income	2,426,253	894,455	1,564,050	657,594	5,542,352
- inter-segment (expense)/income	(1,496)	217,266	45,377	(261,147)	-
	2,424,757	1,111,721	1,609,427	396,447	5,542,352
Income from Islamic Banking operations	958,629	410,526	310,104	222,275	1,901,534
Net non-interest income	907,996	280,002	852,826	135,763	2,176,587
Gain on disposal of a joint venture	-	-	-	265	265
Net income	4,291,382	1,802,249	2,772,357	754,750	9,620,738
Overheads	(2,213,677)	(855,335)	(1,049,503)	(458,569)	(4,577,084)
of which:					
- Depreciation of property, plant and equipment	(55,955)	(2,530)	(8,216)	(83,993)	(150,694)
- Amortisation of intangible assets	(71,623)	(7,385)	(42,186)	(237,096)	(358,290)
Profit before expected credit losses	2,077,705	946,914	1,722,854	296,181	5,043,654
Expected credit losses made on loans, advances and financing	(359,051)	(167,429)	(175,549)	(40,559)	(742,588)
Expected credit losses written back/(made) for commitments and contingencies	53,468	(792)	(102,658)	9	(49,973)
Other expected credit losses and impairment allowances (made)/written back	(305,010)	(5,875)	199,921	(2,081)	(113,045)
Segment results	1,467,112	772,818	1,644,568	253,550	4,138,048
Share of results of joint ventures	15,143	-	-	(14,242)	901
Share of results of associates	-	-	15,311	(1,756)	13,555
Profit before taxation and zakat	1,482,255	772,818	1,659,879	237,552	4,152,504
% of profit before taxation and zakat	35.7	18.6	40.0	5.7	100.0
Taxation and zakat					(1,361,278)
<b>Profit for the financial period</b>					<b>2,791,226</b>

**A29. SEGMENTAL REPORT (Continued)**

	<b>Consumer Banking RM'000</b>	<b>Commercial Banking RM'000</b>	<b>Wholesale Banking RM'000</b>	<b>CIMB Digital Assets &amp; Group Funding RM'000</b>	<b>Total RM'000</b>
<b>30 June 2021</b>					
Net interest income - after net modification gain					
- external income	2,352,701	976,811	1,501,359	589,910	5,420,781
- inter-segment income/(expense)	47,975	145,361	24,136	(217,472)	-
	2,400,676	1,122,172	1,525,495	372,438	5,420,781
Income from Islamic Banking operations	814,162	355,015	315,102	288,018	1,772,297
Net non-interest income	884,493	247,709	866,817	182,876	2,181,895
Gain on disposal and deemed disposal of subsidiaries	-	-	-	1,155,549	1,155,549
Net income	4,099,331	1,724,896	2,707,414	1,998,881	10,530,522
Overheads	(2,202,764)	(877,395)	(991,400)	(621,777)	(4,693,336)
of which:					
- Depreciation of property, plant and equipment	(54,339)	(2,451)	(7,989)	(74,460)	(139,239)
- Amortisation of intangible assets	(49,452)	(3,166)	(23,851)	(258,407)	(334,876)
Profit before expected credit losses	1,896,567	847,501	1,716,014	1,377,104	5,837,186
Expected credit losses made back on loans, advances and financing	(647,327)	(251,266)	(452,750)	(16,547)	(1,367,890)
Expected credit losses (made)/written back for commitments and contingencies	(23,146)	4,950	20,282	18	2,104
Other expected credit losses and impairment allowances (made)/written back	(65,839)	(2,502)	(26,019)	40,236	(54,124)
Segment results	1,160,255	598,683	1,257,527	1,400,811	4,417,276
Share of results of joint ventures	10,144	-	41,233	6,950	58,327
Share of results of associates	-	-	-	(168)	(168)
Profit before taxation and zakat	1,170,399	598,683	1,298,760	1,407,593	4,475,435
% of profit before taxation and zakat	26.2	13.4	29.0	31.4	100.0
Taxation and zakat					(889,304)
<b>Profit for the financial period</b>					<b>3,586,131</b>

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
<b>30 June 2022</b>					
<b>Group</b>					
Segment assets	204,685,661	62,228,875	269,684,365	92,067,396	628,666,297
Investment in associates and joint ventures	161,299	-	673,706	2,109,542	2,944,547
	<b>204,846,960</b>	<b>62,228,875</b>	<b>270,358,071</b>	<b>94,176,938</b>	<b>631,610,844</b>
Unallocated assets	-	-	-	-	21,422,219
<b>Total assets</b>	<b>204,846,960</b>	<b>62,228,875</b>	<b>270,358,071</b>	<b>94,176,938</b>	<b>653,033,063</b>
Segment liabilities	164,565,201	78,928,186	279,945,926	39,031,723	562,471,036
Unallocated liabilities	-	-	-	-	28,979,317
<b>Total liabilities</b>	<b>164,565,201</b>	<b>78,928,186</b>	<b>279,945,926</b>	<b>39,031,723</b>	<b>591,450,353</b>
<b>Other segment items</b>					
Capital expenditure	139,989	10,069	45,321	176,244	371,623
Investment in joint ventures	161,299	-	-	2,016,779	2,178,078
Investment in associates	-	-	673,706	92,763	766,469

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

### **A30. FAIR VALUE ESTIMATION**

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

#### Determination of fair value and fair value hierarchy

The fair value hierarchy has the following levels:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

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

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

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

#### Valuation Model Review and Approval

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

**A30. FAIR VALUE ESTIMATION (Continued)**

- (i). The following table represents the Group's and the Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 June 2022 and 31 December 2021 .

<b>The Group</b>	<b>Fair Value</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>30 June 2022</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Recurring fair value measurements</u></b>				
<b><u>Financial assets</u></b>				
Financial investments at fair value through profit or loss				
- Money market instruments	-	25,892,987	421,470	26,314,457
- Quoted securities	1,365,637	-	-	1,365,637
- Unquoted securities	-	8,045,019	1,191,272	9,236,291
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	19,072,564	-	19,072,564
- Unquoted securities	-	39,925,119	-	39,925,119
Equity instruments at fair value through other comprehensive income				
- Quoted securities	26,783	-	-	26,783
- Unquoted securities	-	-	277,864	277,864
Derivative financial instruments				
- Trading derivatives	40,128	19,724,500	286,562	20,051,190
- Hedging derivatives	-	1,135,859	-	1,135,859
Loans, advances and financing at fair value through profit or loss				
-	-	149,341	-	149,341
<b>Total</b>	<b>1,432,548</b>	<b>113,945,389</b>	<b>2,177,168</b>	<b>117,555,105</b>

<b><u>Financial liabilities</u></b>				
Derivative financial instruments				
- Trading derivatives	41,786	17,532,458	100,154	17,674,398
- Hedging derivatives	-	564,401	-	564,401
Financial liabilities designated at fair value through profit or loss				
-	-	9,189,421	-	9,189,421
<b>Total</b>	<b>41,786</b>	<b>27,286,280</b>	<b>100,154</b>	<b>27,428,220</b>

<b>The Group</b>	<b>Fair Value</b>			<b>Total</b>
	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	
<b>31 December 2021</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Recurring fair value measurements</u></b>				
<b><u>Financial assets</u></b>				
Financial investments at fair value through profit or loss				
- Money market instruments	-	28,724,249	398,711	29,122,960
- Quoted securities	1,406,435	-	-	1,406,435
- Unquoted securities	-	8,571,237	1,178,612	9,749,849
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	16,399,801	-	16,399,801
- Unquoted securities	-	43,719,685	-	43,719,685
Equity instruments at fair value through other comprehensive income				
- Quoted securities	37,512	-	-	37,512
- Unquoted securities	-	-	285,593	285,593
Derivative financial instruments				
- Trading derivatives	146,868	11,154,526	234,395	11,535,789
- Hedging derivatives	-	453,808	-	453,808
Loans, advances and financing at fair value through profit or loss				
-	-	357,853	-	357,853
<b>Total</b>	<b>1,590,815</b>	<b>109,381,159</b>	<b>2,097,311</b>	<b>113,069,285</b>

<b><u>Financial liabilities</u></b>				
Derivative financial instruments				
- Trading derivatives	91,701	10,472,969	39,759	10,604,429
- Hedging derivatives	-	291,026	-	291,026
Financial liabilities designated at fair value through profit or loss				
-	-	6,856,782	-	6,856,782
<b>Total</b>	<b>91,701</b>	<b>17,620,777</b>	<b>39,759</b>	<b>17,752,237</b>

**A30. FAIR VALUE ESTIMATION (Continued)**

- (i). The following table represents the Group's and Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 June 2022 and 31 December 2021 (Continued)

<b>The Company</b> <b>30 June 2022</b>	<b>Fair Value</b>			<b>Total</b> <b>RM'000</b>
	<b>Level 1</b> <b>RM'000</b>	<b>Level 2</b> <b>RM'000</b>	<b>Level 3</b> <b>RM'000</b>	
<i>Recurring fair value measurements</i>				
<b><u>Financial assets</u></b>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	1,740,567	-	1,740,567
<b>Total</b>	-	1,740,567	-	1,740,567

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



**A30. FAIR VALUE ESTIMATION (Continued)**

(ii). The following represents the movement in Level 3 instruments for the financial period ended 30 June 2022 and 31 December 2021 for the Group.

	Financial Assets				Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income	Derivative financial instruments Trading derivatives		Derivative financial instruments Trading derivatives	Total
	Money market instruments and unquoted securities	Unquoted securities					
<b>2022</b>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January</b>	1,577,323	-	285,593	234,395	2,097,311	(39,759)	(39,759)
Total gains/(losses) recognised in Statement of Income	28,175	-	-	51,972	80,147	(12,518)	(12,518)
Total losses recognised in Other Comprehensive Income	-	-	(8,116)	-	(8,116)	-	-
Purchases	1,440	-	-	2,072	3,512	(80,420)	(80,420)
Sales and redemptions	(26,703)	-	-	-	(26,703)	-	-
Settlements	-	-	-	(2,940)	(2,940)	33,518	33,518
Exchange fluctuation	32,507	-	387	1,063	33,957	(975)	(975)
<b>At 30 June</b>	<b>1,612,742</b>	<b>-</b>	<b>277,864</b>	<b>286,562</b>	<b>2,177,168</b>	<b>(100,154)</b>	<b>(100,154)</b>
Total gains/(losses) recognised in Statement of Income for the financial period ended 30 June 2022 under:							
- net non-interest income	28,175	-	-	51,972	80,147	(12,518)	(12,518)
Total losses recognised in Other Comprehensive Income for the financial period ended 30 June 2022 under "revaluation reserves"	-	-	(8,116)	-	(8,116)	-	-
Change in unrealised gains/(losses) recognised in Statement of Income relating to assets held on 30 June 2022 under "net non-interest income"	28,324	-	-	300,623	328,947	(59,871)	(59,871)

**A30. FAIR VALUE ESTIMATION** (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial period ended 30 June 2022 and 31 December 2021 for the Group. (Continued)

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

**A30. FAIR VALUE ESTIMATION (Continued)**

The following represents the Group's and the Company's non-financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 June 2022 and 31 December 2021.

Investment properties (Recurring)

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

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

In accordance with MFRS 5, the non-current assets held for sales were stated at the lower of carrying amount and fair value less cost to sell. As at 30 June 2022, the property plant and equipment held for sale of the Group that were stated at fair value less cost to sell was RM7,471,000 (2021: RM17,195,000). This is a non-recurring fair value which has been measured using observable inputs under sales comparison approach performed by independent valuers. Sales prices of comparable land and building in close proximity are adjusted for differences in key attributes such as property size. Therefore, it is within level 2 of the fair value hierarchy.

### A31. OPERATIONS OF ISLAMIC BANKING

#### A31a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 JUNE 2022

		The Group	
		30 June 2022	31 December 2021
	Note	RM'000	RM'000
<b>ASSETS</b>			
Cash and short-term funds		16,138,265	15,576,658
Deposits and placements with banks and other financial institutions		934,444	1,263,401
Financial investments at fair value through profit or loss		3,091,144	5,254,902
Debt instruments at fair value through other comprehensive income		6,015,844	7,082,534
Debt instruments at amortised cost		9,680,696	10,118,573
Islamic derivative financial instruments		442,046	264,327
Financing, advances and other financing/loans	A31d	112,134,009	103,797,100
Other assets		3,616,479	2,718,901
Deferred tax assets		227,774	166,320
Tax recoverable		1,761	1,761
Amount due from conventional operations		10,999,049	8,953,813
Statutory deposits with central banks		397,741	915,756
Property, plant and equipment		3,922	3,765
Right-of-use assets		3,544	3,956
Goodwill		136,000	136,000
Intangible assets		4,382	22,661
<b>TOTAL ASSETS</b>		<b>163,827,100</b>	<b>156,280,428</b>
<b>LIABILITIES AND ISLAMIC BANKING</b>			
<b>CAPITAL FUNDS</b>			
Deposits from customers	A31e	110,472,504	112,433,852
Investment accounts of customers	A31f	12,060,415	10,427,167
Deposits and placements of banks and other financial institutions		7,560,468	4,444,554
Collateralised Commodity Murabahah		1,115,659	328,821
Investment accounts due to designated financial institutions	A31g	3,652,002	3,919,753
Financial liabilities designated at fair value through profit or loss	A31h	2,388,068	799,686
Islamic derivative financial instruments		568,866	292,760
Bills and acceptances payable		10,235	26,397
Other liabilities		10,214,256	8,267,790
Lease liabilities		4,459	4,398
Amount due to conventional operations		1,875,437	2,024,744
Provision for taxation		126,411	51,434
Sukuk		607,360	600,044
Subordinated Sukuk		1,108,171	1,108,045
<b>TOTAL LIABILITIES</b>		<b>151,764,311</b>	<b>144,729,445</b>
Ordinary share capital		1,000,000	1,000,000
Islamic banking funds		55,696	55,696
Perpetual preference shares		350,000	420,000
Reserves		10,509,332	9,946,608
		11,915,028	11,422,304
Non-controlling interests		147,761	128,679
<b>TOTAL ISLAMIC BANKING CAPITAL FUNDS</b>		<b>12,062,789</b>	<b>11,550,983</b>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS</b>		<b>163,827,100</b>	<b>156,280,428</b>
<b>RESTRICTED AGENCY INVESTMENT ACCOUNT(*)</b>		<b>12,753,129</b>	<b>12,748,755</b>
<b>TOTAL ISLAMIC BANKING ASSETS</b>		<b>176,580,229</b>	<b>169,029,183</b>

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

**A31b. UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED  
30 JUNE 2022**

	The Group			
	2nd quarter ended 30 June 2022 RM'000	30 June 2021 RM'000	Six months ended 30 June 2022 RM'000	30 June 2021 RM'000
Income derived from investment of depositors' funds and others	<b>1,045,102</b>	1,159,142	<b>2,172,188</b>	2,292,484
Income derived from investment of investment account	<b>181,214</b>	78,717	<b>351,484</b>	150,933
Net income derived from investment of shareholders' funds	<b>309,430</b>	163,526	<b>497,007</b>	372,852
Modification loss (Note A22)	<b>(136)</b>	-	<b>(2,843)</b>	-
Expected credit losses made on financing, advances and other financing/loans	<b>(192,033)</b>	(133,976)	<b>(273,597)</b>	(179,312)
Expected credit losses written back/(made) for commitments and contingencies	<b>453</b>	(15,724)	<b>23,161</b>	(6,181)
Other expected credit losses and impairment allowances made	<b>(21,507)</b>	(3,718)	<b>(19,213)</b>	(3,949)
Total distributable income	<b>1,322,523</b>	1,247,967	<b>2,748,187</b>	2,626,827
Income attributable to depositors and others	<b>(524,926)</b>	(509,176)	<b>(1,007,876)</b>	(1,043,635)
Profit distributed to investment account holder	<b>(89,230)</b>	(44,543)	<b>(172,020)</b>	(79,581)
Total net income	<b>708,367</b>	694,248	<b>1,568,291</b>	1,503,611
Other operating expenses	<b>(276,479)</b>	(309,685)	<b>(615,072)</b>	(592,266)
Profit before taxation and zakat	<b>431,888</b>	384,563	<b>953,219</b>	911,345
Taxation and zakat	<b>(103,551)</b>	(61,942)	<b>(230,981)</b>	(139,312)
Profit for the financial period	<b>328,337</b>	322,621	<b>722,238</b>	772,033
Profit for the financial period attributable to:				
Owners of the Parent	<b>317,899</b>	315,269	<b>704,691</b>	755,250
Non-controlling interests	<b>10,438</b>	7,352	<b>17,547</b>	16,783
	<b>328,337</b>	322,621	<b>722,238</b>	772,033

**A31c. UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2022**

	<b>The Group</b>			
	<b>2nd quarter ended</b>		<b>Six months ended</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the financial period	<b>328,337</b>	322,621	<b>722,238</b>	772,033
Other comprehensive (expense)/income:				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	<b>(4)</b>	-	<b>(7)</b>	-
	<b>(4)</b>	-	<b>(7)</b>	-
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	<b>(86,178)</b>	39,058	<b>(153,756)</b>	(83,201)
- Net (loss)/profit from change in fair value	<b>(124,769)</b>	33,829	<b>(182,273)</b>	(77,690)
- Realised loss/(gain) transferred to statement of income on disposal	<b>14,385</b>	(8,995)	<b>(7,525)</b>	(36,391)
- Changes in expected credit losses	<b>(143)</b>	3,611	<b>(1,901)</b>	3,917
- Income tax effects	<b>24,349</b>	10,613	<b>37,943</b>	26,963
Exchange fluctuation reserve	<b>23,833</b>	3,453	<b>27,879</b>	10,657
Other comprehensive (expense)/income for the financial period, net of tax	<b>(62,349)</b>	42,511	<b>(125,884)</b>	(72,544)
Total comprehensive income for the financial period	<b>265,988</b>	365,132	<b>596,354</b>	699,489
Total comprehensive income for the financial period attributable to:				
Owners of the Parent	<b>254,217</b>	357,601	<b>577,272</b>	682,620
Non-controlling interests	<b>11,771</b>	7,531	<b>19,082</b>	16,869
	<b>265,988</b>	365,132	<b>596,354</b>	699,489
<u>Income from Islamic operations (per page 2)</u>				
Total net income	<b>708,367</b>	694,248	<b>1,568,291</b>	1,503,611
Add: Expected credit losses made on financing, advances and other financing/loans	<b>192,033</b>	133,976	<b>273,597</b>	179,312
Add: Expected credit losses (written back)/made for commitments and contingencies	<b>(453)</b>	15,724	<b>(23,161)</b>	6,181
Add: Other expected credit losses and impairment allowances made	<b>21,507</b>	3,718	<b>19,213</b>	3,949
	<b>921,454</b>	847,666	<b>1,837,940</b>	1,693,053
Elimination for transaction with conventional operations	<b>32,970</b>	35,655	<b>63,594</b>	79,244
	<b>954,424</b>	883,321	<b>1,901,534</b>	1,772,297

**A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS**

(i) By type and Shariah contract

30 June 2022

## The Group

	Sale-based contracts					Lease-based contracts		Profit sharing contracts		Loan contract	Others			Total
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Rahnu	Ujrah	Kafalah	
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	RM'000	RM'000	RM'000
Cash line <sup>^</sup>	-	202	1,700	-	1,194,943	-	-	-	-	17,622	-	-	-	1,214,467
Term financing														
House Financing	192,507	4,266,482	-	-	30,584,642	1,111,403	-	-	5,256,695	-	-	-	-	41,411,729
Syndicated Financing	-	-	10,762	-	1,538,692	-	-	465	-	-	-	-	-	1,549,919
Hire purchase receivables	517,047	-	-	-	-	-	14,196,928	-	-	-	-	-	-	14,713,975
Other term financing	194,771	961,377	1,488,785	-	37,661,058	38,340	-	66,854	5,806,123	88,714	-	-	-	46,306,022
Lease receivable	-	-	-	-	-	171,181	-	-	-	-	-	-	-	171,181
Bills receivable	517,242	-	-	348,570	-	-	-	-	-	262	-	-	-	866,074
Islamic Trust receipts	31,989	-	-	-	-	-	-	-	-	9,563	-	-	-	41,552
Claims on customers under acceptance credits	772,756	-	-	125,274	-	-	-	-	-	-	-	-	10,235	908,265
Staff financing	-	-	-	-	250,776	-	-	-	28,238	-	-	-	-	279,014
Revolving credits	-	-	-	-	5,982,473	-	-	-	41,944	-	-	-	-	6,024,417
Credit card receivables	-	-	-	-	-	-	-	-	-	326,426	-	155,110	-	481,536
Gross financing, advances and other financing/loans, at amortised cost	2,226,312	5,228,061	1,501,247	473,844	77,212,584	1,320,924	14,196,928	67,319	11,133,000	442,587	-	155,110	10,235	113,968,151
Fair value changes arising from fair value hedge														(1,068)
Less: Expected credit losses														(1,833,074)
<b>Net financing, advances and other financing/loans</b>														<b>112,134,009</b>

<sup>^</sup> Includes current account in excess

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

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

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

(i) By type and Shariah contract (Continued)

31 December 2021

The Group

	Sale-based contracts					Lease-based contracts		Profit sharing contracts		Loan contract	Others			Total
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Rahnu	Ujrah	Kafalah	
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	RM'000	RM'000	RM'000
Cash line^	-	295	866	-	1,119,109	-	-	-	-	8,118	-	-	-	1,128,388
Term financing														
House Financing	206,562	4,498,841	-	-	27,289,680	1,150,034	-	-	4,734,509	-	-	-	-	37,879,626
Syndicated Financing	-	-	20,275	-	1,694,829	-	-	478	-	-	-	-	-	1,715,582
Hire purchase receivables	327,802	-	-	-	-	-	12,935,554	-	-	-	-	-	-	13,263,356
Other term financing	645,029	1,030,219	1,654,204	-	35,453,047	39,989	-	72,644	4,934,888	48,376	-	-	-	43,878,396
Lease receivable	-	-	-	-	-	147,053	-	-	-	-	-	-	-	147,053
Bills receivable	641,132	-	-	496,935	-	-	-	-	-	458	-	-	-	1,138,525
Islamic Trust receipts	34,970	-	-	-	-	-	-	-	-	-	-	-	-	34,970
Claims on customers under acceptance credits	688,423	-	-	71,233	-	-	-	-	-	-	-	-	26,397	786,053
Staff financing	-	-	-	-	225,183	-	-	-	24,911	-	-	-	-	250,094
Revolving credits	-	-	-	-	4,705,217	-	-	-	6,810	-	-	-	-	4,712,027
Credit card receivables	-	-	-	-	-	-	-	-	-	289,517	-	145,587	-	435,104
Gross financing, advances and other financing/loans, at amortised cost	2,543,918	5,529,355	1,675,345	568,168	70,487,065	1,337,076	12,935,554	73,122	9,701,118	346,469	-	145,587	26,397	105,369,174
Fair value changes arising from fair value hedge														1,565
														105,370,739
Less: Expected credit losses														(1,573,639)
<b>Net financing, advances and other financing/loans</b>														<b>103,797,100</b>

^ Includes current account in excess

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

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



**A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)****(i) By type and Shariah contract (Continued)**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Gross financing, advances and other financing/loans		
- At amortised cost	<b>113,968,151</b>	105,369,174

(a) During the financial period, the Group has undertaken fair value hedges on RM61,007,000 (2021: RM65,935,000) financing using profit rate swaps.

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

As at 30 June 2022, the gross exposure and expected credit losses relating to RPSIA financing are RM3,653,233,000 (2021: RM3,844,040,000) and RM1,098,000 (2021: RM1,506,000) respectively, which are recognised in the Financial Statements of CIMB Bank Berhad.

**c) Movement of Qard financing**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	<b>346,469</b>	254,869
New disbursement	<b>220,493</b>	182,685
Repayment	<b>(128,332)</b>	(97,265)
Exchange fluctuation	<b>3,957</b>	6,180
At 30 June / 31 December	<b>442,587</b>	346,469
Sources of Qard fund:		
Depositors' fund	<b>441,300</b>	345,921
Shareholders' fund	<b>1,287</b>	548
	<b>442,587</b>	346,469
Uses of Qard fund:		
Personal use	<b>425,295</b>	338,513
Business use	<b>17,292</b>	7,956
	<b>442,587</b>	346,469

**(ii) By geographical distribution**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysia	<b>98,964,205</b>	91,821,666
Indonesia	<b>12,617,028</b>	10,910,334
Singapore	<b>1,965,414</b>	1,615,488
China	<b>195,872</b>	292,999
Other countries	<b>225,632</b>	728,687
Gross financing, advances and other financing/loans	<b>113,968,151</b>	105,369,174

**A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS (Continued)****(iii) By economic sector**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	<b>3,860,446</b>	3,398,745
Mining and quarrying	<b>989,487</b>	847,692
Manufacturing	<b>4,790,924</b>	4,406,354
Electricity, gas and water supply	<b>1,332,959</b>	1,450,378
Construction	<b>3,128,326</b>	2,770,811
Transport, storage and communications	<b>2,759,571</b>	2,242,568
Education, health and others	<b>2,287,332</b>	2,263,923
Wholesale and retail trade, and restaurants and hotels	<b>6,039,115</b>	4,861,994
Finance, insurance/takaful, real estate and business activities	<b>10,871,208</b>	10,765,315
Household	<b>71,435,124</b>	66,685,002
Others	<b>6,473,659</b>	5,676,392
	<b>113,968,151</b>	105,369,174

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

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysia	<b>891,748</b>	645,986
Indonesia	<b>282,254</b>	249,749
Singapore	<b>9,698</b>	11,662
Gross impaired financing, advances and other financing/loans	<b>1,183,700</b>	907,397

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

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	<b>30,791</b>	21,506
Mining and quarrying	<b>2,630</b>	4,868
Manufacturing	<b>24,385</b>	57,800
Electricity, gas and water supply	<b>1</b>	-
Construction	<b>55,547</b>	20,267
Transport, storage and communications	<b>14,350</b>	12,759
Education, health and others	<b>7,551</b>	6,268
Wholesale and retail trade, and restaurants and hotels	<b>142,117</b>	116,376
Finance, insurance/takaful, real estate and business activities	<b>69,235</b>	69,087
Household	<b>666,133</b>	470,782
Others	<b>170,960</b>	127,684
	<b>1,183,700</b>	907,397

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

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

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
<b>Financing, advances and other financing/loans at amortised cost</b>				
<b>At 1 January 2022</b>	295,183	940,324	338,132	1,573,639
Changes in expected credit losses due to transfer within stages:	91,780	(108,033)	16,253	-
Transferred to Stage 1	133,246	(120,488)	(12,758)	-
Transferred to Stage 2	(40,241)	96,101	(55,860)	-
Transferred to Stage 3	(1,225)	(83,646)	84,871	-
<b>Total charge to Statement of Income:</b>	<b>(67,473)</b>	<b>267,107</b>	<b>127,698</b>	<b>327,332</b>
New financial assets originated	45,076	536	8,050	53,662
Financial assets that have been derecognised	(19,560)	(15,724)	-	(35,284)
Writeback in respect of full recoveries	-	-	(15,276)	(15,276)
Change in credit risk	(92,989)	282,295	134,924	324,230
Write-offs	-	(1)	(70,334)	(70,335)
Exchange fluctuation	1,891	2,606	(593)	3,904
Transfer from/(to) related companies	(1,010)	(135)	(2,769)	(3,914)
Other movements	16	1	2,431	2,448
<b>At 30 June 2022</b>	<b>320,387</b>	<b>1,101,869</b>	<b>410,818</b>	<b>1,833,074</b>

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

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

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

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

	<b>The Group</b>	
	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2022</b>	<b>907,397</b>	<b>907,397</b>
Transfer within stages	417,194	417,194
New financial assets originated	13,219	13,219
Write-offs	(72,777)	(72,777)
Amount fully recovered	(57,161)	(57,161)
Other changes in financing, advances and other financing/loans	(28,922)	(28,922)
Exchange fluctuation	4,750	4,750
<b>At 30 June 2022</b>	<b>1,183,700</b>	<b>1,183,700</b>
	<b>The Group</b>	
	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2021</b>	1,621,340	1,621,340
Transfer within stages	(362,570)	(362,570)
New financial assets originated	193,876	193,876
Write-offs	(197,986)	(197,986)
Amount fully recovered	(335,549)	(335,549)
Other changes in financing, advances and other financing/loans	(14,341)	(14,341)
Exchange fluctuation	2,627	2,627
<b>At 31 December 2021</b>	<b>907,397</b>	<b>907,397</b>
	<b>The Group</b>	
	<b>30 June 2022</b>	<b>31 December 2021</b>
Ratio of credit impaired financing to total financing, advances and other financing	<b>1.04%</b>	<b>0.86%</b>

### A31e. DEPOSITS FROM CUSTOMERS

#### (i) By type of deposits

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Savings deposit	11,472,856	10,773,162
Wadiah	873,501	847,570
Mudharabah	2,527,615	2,312,875
Commodity Murabahah (via Tawarruq arrangement) *	8,071,740	7,612,717
Demand deposit	21,583,217	21,200,735
Wadiah	1,241,213	1,120,097
Qard	14,573,446	14,512,297
Mudharabah	1,117,528	305,352
Commodity Murabahah (via Tawarruq arrangement) *	4,651,030	5,262,989
Term deposit	71,946,728	72,629,090
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	45,689,604	45,604,331
Fixed Return Income Account-i (via Tawarruq arrangement)*	26,157,981	26,576,472
Negotiable Islamic Debt Certificate (NIDC)		
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	99,143	448,287
Fixed Deposit-i	5,302,144	7,683,047
Wadiah	128	123
Mudharabah	5,302,016	7,682,924
Specific investment account	99,862	99,600
Mudharabah	99,862	99,600
Others	67,697	48,218
Qard	67,697	48,218
	110,472,504	112,433,852

\*included Qard contract of RM791,934,000 (2021: RM4,314,834,000)

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

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Due within six months	66,937,807	69,969,746
Six months to less than one year	10,193,158	10,268,016
One year to less than three years	187,219	144,843
Three years to less than five years	6,285	5,473
Five years and more	24,265	23,659
	77,348,734	80,411,737

#### (iii) By type of customer

	The Group	
	30 June 2022	31 December 2021
	RM'000	RM'000
Government and statutory bodies	4,114,217	4,880,194
Business enterprises	45,424,777	44,663,839
Individuals	34,215,406	33,810,686
Others	26,718,104	29,079,133
	110,472,504	112,433,852

**A31f. INVESTMENT ACCOUNTS OF CUSTOMERS**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Unrestricted investment accounts (Mudharabah)		
- without maturity		
Special Mudharabah Investment Account	<b>1,066,228</b>	892,710
- with maturity		
Term Investment Account-i	<b>10,464,647</b>	9,023,282
Unrestricted investment accounts (Wakalah)		
- without maturity		
Daily Investment Account-i	<b>30,984</b>	48,844
Restricted investment accounts (Mudharabah)		
- with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	<b>498,556</b>	462,331
	<b>12,060,415</b>	10,427,167

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

**A31g. INVESTMENT ACCOUNTS DUE TO DESIGNATED FINANCIAL INSTITUTIONS**

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Restricted investment accounts		
Mudharabah	<b>3,652,002</b>	3,919,753
By type of counterparty		
Licensed banks	<b>3,652,002</b>	3,919,753

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

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

	<b>The Group</b>	
	<b>30 June</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits from customers - structured investments	<b>2,388,068</b>	799,686

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

The carrying amount of the financial liabilities designated at fair value of the Group as at 30 June 2022 was RM234,444,000 (2021: RM39,988,000) lower than the contractual amount at maturity. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

**A32. CHANGE IN COMPARATIVES**

The Group has adjusted certain expenses which are considered as incremental and directly attributable to the acquisition of a financial liability and treated as an integral part of the effective interest/profit rate. These expenses were previously included under overheads and is now recognised as interest expense. The adjustment has no impact to the profit before taxation and zakat, profit after taxation, consolidated statements of financial position, cash flows and changes in equity of the Group for the financial period ended 30 June 2021.

	Note	2nd quarter ended			Six months ended		
		30 June 2021 RM'000	Reclassification RM000	30 June 2021 (Restated) RM'000	30 June 2021 RM'000	Reclassification RM000	30 June 2021 (Restated) RM'000
Interest expense	A21	(1,233,437)	(38,329)	(1,271,766)	(2,566,538)	(76,945)	(2,643,483)
Income from Islamic Banking operations	A31(c)	893,853	(10,532)	883,321	1,792,124	(19,827)	1,772,297
Overheads	A24	(2,451,723)	48,861	(2,402,862)	(4,790,108)	96,772	(4,693,336)

**A33. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES**

	The Group	
	30 June 2022 RM'000	31 December 2021 RM'000
Outstanding credit exposures with connected parties	11,096,101	9,154,794
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	2.0%	1.8%
Percentage of outstanding credit exposures to connected parties which is impaired or in default	0.0%	0.0%

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

**B1. GROUP PERFORMANCE REVIEW**

**(i) CIMB Group 2Q22 Y-o-Y Performance**

	30 June 2022 RM'mil	The Group Six months ended 30 June		Variance RM'mil	%
		2021 RM'mil			
<b>Key Profit or Loss Items:</b>					
Operating income	9,621	9,375 <sup>aa</sup>	246	2.6	
Profit before taxation and zakat	4,258 <sup>**</sup>	3,623 <sup>a</sup>	635	17.5	
Net profit for the financial year attributable to Owners of the Parent	3,097 <sup>*</sup>	2,616 <sup>a</sup>	481	18.4	

<sup>\*\*</sup> Excludes exceptional expenses of RM105 million before taxation

<sup>\*</sup> Excludes exceptional expenses of RM89 million net of taxation and cukai makmur of RM300 million

<sup>aa</sup> Excludes Gain on deconsolidation of Touch 'n Go Digital of RM1,156 million

<sup>a</sup> Excludes Gain on deconsolidation of Touch 'n Go Digital of RM1,156 million and exceptional expenses of RM304 million before taxation and RM231 million net of taxation

CIMB Group Holdings Berhad (“CIMB Group” or “the Group”) announced a core profit before tax (“PBT”) of RM4.26 billion for the first half ended 30 June 2022 (“1H22”), compared to RM3.62 billion in the first half ended 30 June 2021 (“1H21”). Core net profit increased by 18.4% to RM3.10 billion from RM2.62 billion in the preceding year. The positive performance was driven by higher operating income, contained cost escalation as well as lower provisions across key markets. Core figures exclude all one-off non-recurring exceptional items.

This translated to earnings per share (“EPS”) of 30.0 sen and a core annualised 1H22 return on average equity (“ROE”) of 10.4%. Accordingly, the Group has proposed the first interim dividend of 13.00 sen per share this year, comprising 2.60 sen in cash and 10.40 sen in Dividend Reinvestment Scheme (“DRS”). This amounts to RM1.36 billion, resulting in a dividend payout ratio of 50%, which is in line with the Group’s dividend policy.

1H22 operating income was up by 2.7% YoY to RM9.62 billion. Out of this, net interest income (“NII”) grew by 3.8% to RM7.22 billion largely from strong loan growth despite a slight contraction in net interest margin (“NIM”) YoY. This was partially offset by a marginal decline in non-interest income (“NOII”) YoY to RM2.4 billion, due to weaker trading and foreign exchange income arising from the challenging investment environment. However, NOII expanded 1.9% QoQ due to increased fees and commission, as well as non-performing loan (“NPL”) recoveries.

Total gross loan and deposit growth momentum continued, driven by key markets and business segments. Total CASA expanded by 7.3%, which in turn improved the CASA ratio from 41.6% in Jun-21 to 42.3% in Jun-22.

The Group’s cost-to-income ratio (“CIR”) recorded an improvement YoY to 46.5%, with core operating expenses increasing only 1.7% to RM4.47 billion in 1H22 due to higher marketing expenses and planned technology investments. Accordingly, the Group’s core pre-provisioning operating profit (“PPOP”) strengthened to RM5.15 billion, up 3.5% YoY.

On a reported basis, which includes one-off non-recurring exceptional items, CIMB Group’s operating income and net profit declined by 8.6% and 23.5% YoY to RM9.62 billion and RM2.71 billion, respectively. This was mainly due to the one-off revaluation gain of RM1.16 billion recorded on the deconsolidation of TNG Digital in 1Q21, as well as the higher impact from Cukai Makmur. This translates to a reported ROE of 9.1% in 1H22.

Compared with 2Q21, the Group’s operating income was higher by 5.7% on the back of strong asset growth, mainly from Consumer and Corporate Malaysia. This, together with lower provisions, resulted in a PBT growth of 17.5% YoY.

CIMB Group’s capital remains strong with its Common Equity Tier 1 (“CET1”) ratio at 14.1%<sup>^</sup> as at Jun-22 from 13.5% as at Jun-21.

Strong topline growth, continued cost discipline and lower provisions across all businesses and markets have contributed to the positive performance in 1H22. CIMB Group is seeing an upward trend on loans and deposits which recorded healthy growth of 6.8% and 5.7%, respectively as efforts to reshape its portfolio is starting to crystallise.

CIMB Group is positive on the resilience of its businesses across key markets with the Group’s healthy liquidity and capital positions, which will continue to support its business growth and withstand any market volatility. The Group is also pleased to see its ongoing efforts under the Forward23+ strategic plan continue showing positive outcomes. Indonesia and Thailand, in particular have seen strong traction in business performance, enabling the Group to benefit from its ASEAN diversification.

CIMB Group’s total gross loans increased by 6.8% to RM394.3 billion YoY while total deposits grew by 5.7% YoY to RM444.3 billion. The Group registered a loan-to-deposit (“LDR”) ratio of 88.7% as at Jun-22, an improvement of 1.5% from 87.2% in the preceding quarter. Additionally, CASA continued to improve by 7.3% YoY, with CASA ratio recording 42.3% as at Jun-22.

<sup>1</sup> Core figures exclude all one-off non-recurring exceptional items.

<sup>^</sup> Includes unaudited profits, FY2022 First Interim Dividend and projected corresponding Dividend Reinvestment Scheme (“DRS”).



## B1. GROUP PERFORMANCE REVIEW (CONTINUED)

### (i) CIMB Group 2Q22 Y-o-Y Performance (Continued)

Total provisions decreased by 35.7% YoY to RM906 million. The decline was due to writebacks from Commercial Singapore, lower COVID-19 related provisions in Malaysia and lower underlying Consumer provisions. This led to an improved 1H22 annualised loan loss charge of 41bps.

The Group's allowance coverage stood at 99.6%, with the gross impaired loans ("GIL") ratio recording 3.5%.

The Group remains well-capitalised with its CET1 ratio maintained comfortably above target at 14.1%<sup>^</sup> as at Jun-22, compared to 13.5% as at Jun-21. Total capital ratio stood at 17.8%<sup>^</sup> as at Jun-22. The liquidity coverage ratio ("LCR") remains well above the regulatory requirement of 100% for all banking entities within the Group.

Group Consumer Banking 1H22 operating income grew by 4.7% YoY whilst PBT grew by 26.7% driven by growth in PPOP and lower provisions. Both NII and NOII increased by 4.7% YoY. Consumer loans grew by 8.4% YoY driven by all core markets, while deposits grew by 3.9% YoY from sustained CASA growth in Malaysia, Indonesia, and Thailand.

Group Commercial Banking 1H22 operating income grew by 4.5% YoY whilst PBT improved by 29.0% mainly driven by an overall improvement across the business. NII increased by 2.4%, while NOII increased by 15.1% from higher fees and trading income in Malaysia and Singapore. Commercial loans grew by 5.1%, while deposits grew by 8.9%.

Group Wholesale Banking 1H22 operating income increased by 2.4% YoY while PBT grew by 27.8% driven by lower corporate provisions in Malaysia and Indonesia, as well as writebacks of derivatives exposures. NII increased by 3.8% YoY, while NOII declined marginally due to the challenging capital markets environment. Wholesale loans recorded a 5.1% increase, while deposits grew by 6.2%.

CIMB Digital Assets & Group Funding 1H22 core operating income declined by 10.7% YoY, whilst core PBT contracted by 38.2% due to lower NOII and higher operating expenses. NII grew by 2.6% but core NOII declined 46.9% due to lower realised gains in the fixed income portfolio in line with rising bond yields. The Group's digital businesses continue to grow strongly with CIMB Philippines reaching 5.7 million customers as at Jun-22, up 46.2% YoY, and a deposit book of RM1.42 billion, up 29.1% YoY. TNG Digital continued to maintain momentum, reaching 17.9 million registered users and 690,000 merchants as at Jun-22.

<sup>^</sup> Includes unaudited profits, FY2022 First Interim Dividend and projected corresponding Dividend Reinvestment Scheme ("DRS").

### (ii) CIMB Group 2Q22 vs. 2Q21 Performance

	<b>The Group</b>			
	<b>30 June</b>	<b>30 June</b>	<b>2nd quarter ended</b>	
	<b>2022</b>	<b>2021</b>	<b>Variance</b>	
	<b>RM'mil</b>	<b>RM'mil</b>	<b>RM'mil</b>	<b>%</b>
<b>Key Profit or Loss Items:</b>				
Operating income	4,884	4,622	262	5.7
Profit before taxation and zakat	2,157 <sup>**</sup>	1,835 <sup>^^</sup>	322	17.5
Net profit for the financial period attributable to Owners of the Parent	1,547 <sup>*</sup>	1,280 <sup>^</sup>	267	20.9
<sup>**</sup> Excludes exceptional expenses of RM52 million before taxation				
<sup>*</sup> Excludes exceptional expenses of RM44 million net of taxation and cukai makmur of RM222 million				
<sup>^^</sup> Excludes exceptional expenses of RM258 million before taxation				
<sup>^</sup> Excludes exceptional expenses of RM196 million net of taxation				

On a YoY basis, 2Q22 operating income of RM4.89 billion was 5.7% higher on the back of improvement in both NII and NOII. Consumer Banking 2Q22 PBT improved 37.3% YoY from a combination of stronger operating income and reduction in provisions. Commercial Banking posted a 7.2% YoY increase in PBT to RM328 million driven by stronger operating income and lower operating expenses. Wholesale Banking PBT was higher at 31.2% due to lower Corporate provisions and writebacks of derivatives exposures. CIMB Digital Assets & Group Funding PBT was 39.6% lower YoY from weaker investment income in Group Funding and higher provisions. In totality, the Group's 2Q22 PBT and PAT was 17.5% and 20.9% higher YoY, respectively.

(iii) CIMB Group 2Q22 vs. 1Q22 Performance

	The Group			
	Quarter ended			
	30 June	31 March	Variance	
	2022	2022	RM'mil	%
	RM'mil	RM'mil		
<b>Key Profit or Loss Items:</b>				
Operating income	4,884	4,736	148	3.1
Profit before taxation and zakat	2,157 **	2,101 @	56	2.7
Net profit for the financial period attributable to Owners of the Parent	1,547 *	1,550 @	(3)	(0.2)

\*\* Excludes exceptional expenses of RM52 million before taxation

\* Excludes exceptional expenses of RM44 million net of taxation and cukai makmur of RM222 million

@ Excludes exceptional expenses of RM53 million before taxation

@ Excludes exceptional expenses of RM45 million net of taxation and cukai makmur of RM78 million

2Q22 operating income grew 3.1% QoQ to RM4.89 billion from RM4.70 billion in 1Q22 attributed to better NII from NIM expansion and loan growth, as well as higher NOII from fees & commission income and NPL recoveries. Consumer Banking Profit Before Tax ("PBT") improved 5.8% to RM762 million compared to RM720 million in 1Q22 underpinned by robust loan growth, fee income improvement in Indonesia and Thailand and lower provisions. Commercial Banking PBT was 26.3% lower at RM328 million, compared to RM445 million in 1Q22 due to the absence of provision writebacks taken in 1Q22. Wholesale Banking PBT rose 14.7% QoQ mainly due to lower provisions, while CIMB Digital Assets & Group Funding PBT grew 10.4% from improved operating income and lower expenses. As a result, the Group's 2Q22 PBT expanded by 2.7% QoQ while net profit was marginally lower.

#### CIMB Islamic

CIMB Islamic 1H22 operating income grew by 8.0% YoY while PBT also improved by 3.7%. Net financing income ("NFI") grew by 10.4% from sustained growth in financing while non-financing income ("NOFI") declined by 6.3% and provisions were higher from overlays and macroeconomic factors. Islamic financing grew by 15.7%, whilst deposits grew by 8.0%.

## B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group is optimistic of a better financial performance in 2022 on the back of the regional economic recovery and improved business prospects. Nevertheless, the outlook for the second half of 2022 is cautious in line with the tapering of global economic growth driven by rising inflation and interest rates, continued geopolitical risks, global supply disruptions, continued recurrence of Covid-19 variants and the threat of a global recession. The Forward23+ strategic plan will continue to drive the Group's focus on targeted growth segments, Risk-Adjusted Return On Capital (RAROC) optimisation, Sustainability initiatives and cost management, while the Group invests in technology to improve operational resiliency and digital capabilities. Credit risk and asset quality management remains utmost priority across segments and geographies.

### B3. TAXATION AND ZAKAT

	2nd quarter ended		Six months ended	
	30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<b>The Group</b>				
Major components of tax expense and zakat:				
Current tax expense	752,428	263,925	1,366,278	940,798
Deferred tax income	31,386	195,998	(2,120)	(87,541)
(Over)/under provision in prior years	(2,795)	6,531	(2,852)	36,047
	<b>781,019</b>	466,454	<b>1,361,306</b>	889,304
Zakat	-	-	(28)	-
	<b>781,019</b>	466,454	<b>1,361,278</b>	889,304
<b>Reconciliation</b>				
Profit before taxation and zakat	2,104,838	1,577,696	4,152,504	4,475,435
Less: Share of results of joint venture	3,757	(23,129)	(901)	(58,327)
Share of results of associates	(5,291)	196	(13,555)	168
	<b>2,103,304</b>	1,554,763	<b>4,138,048</b>	4,417,276
Tax at statutory income tax rate of 24% on chargeable income below and equal RM100.0 million and 33% on chargeable income above RM100.0 million (2021: 24%)				
	642,282	373,143	1,247,884	1,060,146
Effect of different tax rates in other countries and change in tax rates	(21,757)	(10,536)	(39,888)	(18,835)
Due to expenses not deductible for tax purposes and income not subject to income tax	163,289	97,316	156,162	(188,054)
(Over)/under provision in prior years	(2,795)	6,531	(2,852)	36,047
Tax expenses	<b>781,019</b>	466,454	<b>1,361,306</b>	889,304

#### The Company

Major components of tax expense:

Current tax expense/(income)	632	(122)	661	69
Deferred tax income	(222)	(147)	(222)	(147)
Under provision in prior years	-	-	359	-
	<b>410</b>	(269)	<b>798</b>	(78)

#### Reconciliation

Profit before taxation	559,719	(77,469)	2,295,676	(70,274)
Tax at statutory income tax rate of 24%	134,332	(18,593)	550,962	(16,866)
Due to expenses not deductible for tax purposes and income not subject to income tax	(133,922)	18,324	(550,523)	16,788
Under provision in prior years	-	-	359	-
Tax expenses	<b>410</b>	(269)	<b>798</b>	(78)

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

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

### B5. BORROWINGS AND DEBT SECURITIES

	The Group	
	30 June 2022 RM'000	31 December 2021 RM'000
<b>(i) Bonds, sukuk and debentures</b>		
<b>Unsecured</b>		
One year or less (short term)		
- USD	176,746	2,339,057
- RM	-	1,010,887
- IDR	1,177,306	1,079,511
- THB	2,300,919	1,405,920
More than one year (medium/long term)		
- USD	2,841,829	741,990
- RM	2,516,694	2,622,017
- HKD	3,852,923	3,680,298
- IDR	420,457	499,362
- THB	100,503	-
	<b>13,387,377</b>	13,379,042

**B5. BORROWINGS AND DEBT SECURITIES (Continued)**

	The Group		The Company	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>(ii) Other borrowing</b>				
<b>Unsecured</b>				
One year or less (short term)				
- USD	1,547,818	2,713,798	-	-
- RM	-	751,546	-	751,546
- IDR	212,463	266,453	-	-
- KHR	33,016	104,404	-	-
More than one year (medium/long term)				
- RM	3,956,121	3,956,347	3,956,123	3,956,349
- USD	6,881	3,131	-	-
- IDR	790,986	311,315	-	-
- KHR	-	1,478	-	-
	<b>6,547,285</b>	<b>8,108,472</b>	<b>3,956,123</b>	<b>4,707,895</b>
<b>(iii) Subordinated obligations</b>				
<b>Unsecured</b>				
One year or less (short term)				
- RM	3,822,560	3,035,363	1,506,444	1,506,444
More than one year (medium/long term)				
- RM	6,113,755	7,026,490	8,102,788	8,103,317
- IDR	67,793	66,732	-	-
	<b>10,004,108</b>	<b>10,128,585</b>	<b>9,609,232</b>	<b>9,609,761</b>

**B6. MATERIAL LITIGATION**

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

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

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

	The Group			
	2nd quarter ended		Six months ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
Net profit for the financial period				
after non-controlling interests (RM'000)	1,280,695	1,084,183	2,707,679	3,541,416
Weighted average number of ordinary shares in issue ('000)	10,402,024	9,992,131	10,312,237	9,957,740
Basic earnings per share (expressed in sen per share)	12.30	10.80	26.26	35.56

**b) Diluted EPS**

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