

CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

	Note	The Group		The Company	
		31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
ASSETS					
Cash and short-term funds	A8	34,772,470	44,008,860	363,691	474,259
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah		9,707,692	9,751,262	-	-
Deposits and placements with banks and other financial institutions	A8	3,207,618	3,096,482	-	-
Financial investments at fair value through profit or loss	A9	48,622,731	33,200,263	-	-
Debt instruments at fair value through other comprehensive income	A10	71,417,298	58,375,661	1,144,797	1,737,110
Equity instruments at fair value through other comprehensive income	A11	306,171	300,669	-	-
Debt instruments at amortised cost	A12	78,498,195	64,533,424	8,412,266	7,813,401
Derivative financial instruments	A26	15,644,895	18,072,158	-	-
Loans, advances and financing	A13	429,450,037	394,557,180	-	-
Other assets	A14	14,648,900	13,601,102	83,564	83,364
Amount due from a subsidiary		-	-	-	209
Tax recoverable		340,804	339,068	184,068	185,361
Deferred tax assets		1,934,311	1,910,929	-	-
Statutory deposits with central banks		11,511,391	10,905,070	-	-
Investment in subsidiaries		-	-	34,724,169	34,666,619
Investment in associates and joint ventures		2,396,525	2,467,007	-	-
Property, plant and equipment		2,055,295	2,055,881	131	266
Right-of-use assets		658,562	600,402	430	430
Investment properties		2,758	-	309	327
Goodwill		6,475,948	6,382,440	-	-
Intangible assets		1,914,967	1,798,512	-	-
		733,566,568	665,956,370	44,913,425	44,961,346
Non-current assets held for sale		5,584	764,855	-	-
TOTAL ASSETS		733,572,152	666,721,225	44,913,425	44,961,346
LIABILITIES AND EQUITY					
Deposits from customers	A15	463,442,092	432,949,983	-	-
Investment accounts of customers	A16	18,984,125	13,684,632	-	-
Deposits and placements of banks and other financial institutions	A17	40,283,219	34,189,249	-	-
Repurchase agreements/Collateralised Commodity Murabahah		49,386,566	35,923,201	-	-
Financial liabilities designated at fair value through profit or loss	A18	12,429,238	11,063,853	-	-
Derivative financial instruments	A26	16,077,219	17,460,533	-	-
Bills and acceptances payable		1,753,934	2,002,427	-	-
Other liabilities	A19	22,679,122	25,160,638	3,135	12,762
Lease liabilities		548,621	500,138	-	-
Recourse obligation on loans and financing sold to Cagamas		3,986,749	650,667	-	-
Amount due to subsidiaries		-	-	13,625	531
Provision for taxation and zakat		356,203	109,651	-	-
Deferred tax liabilities		52,500	44,852	2	3
Bonds, Sukuk and debentures	B5(i)	12,921,042	9,918,209	-	-
Other borrowings	B5(ii)	9,698,584	8,264,785	3,957,145	3,956,970
Subordinated obligations	B5(iii)	11,134,047	11,014,515	10,624,837	10,627,596
		663,733,261	602,937,333	14,598,744	14,597,862
Non-current liabilities held for sale		-	39	-	-
TOTAL LIABILITIES		663,733,261	602,937,372	14,598,744	14,597,862
Ordinary share capital		29,094,547	29,094,547	29,094,547	29,094,547
Reserves		39,233,020	33,397,265	1,220,177	1,268,980
Less: Shares held under trust		(563)	(563)	-	-
Treasury shares, at cost		(43)	(43)	(43)	(43)
		68,326,961	62,491,206	30,314,681	30,363,484
Perpetual preference shares		200,000	200,000	-	-
Non-controlling interests		1,311,930	1,092,647	-	-
TOTAL EQUITY		69,838,891	63,783,853	30,314,681	30,363,484
TOTAL EQUITY AND LIABILITIES		733,572,152	666,721,225	44,913,425	44,961,346
COMMITMENTS AND CONTINGENCIES	A27	1,662,078,807	1,371,423,297	-	-
Net assets per share attributable to owners of the Parent (RM)		6.41	5.86	2.84	2.85

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022.

CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	The Group			
		4th quarter ended		Twelve months ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	6,230,522	5,368,078	23,690,662	17,847,429
Interest income for financial assets at fair value through profit or loss	A20(b)	445,455	257,049	1,423,614	791,617
Interest expense	A21	(3,901,422)	(2,517,760)	(14,026,823)	(7,016,125)
Net interest income (before modification loss)		2,774,555	3,107,367	11,087,453	11,622,921
Modification (loss)/gain	A22	(1,258)	(153)	(3,747)	6,707
Net interest income (after modification loss)		2,773,297	3,107,214	11,083,706	11,629,628
Income from Islamic Banking operations	A31(c)	1,120,266	1,032,242	4,260,336	3,999,849
Fee and commission income	A23(a)	914,598	804,082	3,253,363	2,948,252
Fee and commission expense	A23(b)	(262,707)	(234,092)	(1,019,297)	(742,265)
Net fee and commission income		651,891	569,990	2,234,066	2,205,987
Other non-interest income	A23(c)	829,774	500,031	3,436,374	1,991,601
		5,375,228	5,209,477	21,014,482	19,827,065
Gain on disposal and deemed disposal of subsidiaries, associates and joint venture		-	10,186	-	10,451
Net income		5,375,228	5,219,663	21,014,482	19,837,516
Overheads	A24	(2,624,730)	(2,487,460)	(9,865,076)	(9,345,507)
Profit before expected credit losses		2,750,498	2,732,203	11,149,406	10,492,009
Expected credit losses on loans, advances and financing	A25(a)	(373,680)	(721,645)	(1,534,446)	(1,952,725)
Expected credit losses written back/(made) for commitments and contingencies		33,754	8,639	174,921	(30,756)
Other expected credit losses and impairment allowances made	A25(b)	(59,412)	(31,361)	(231,928)	(177,757)
		2,351,160	1,987,836	9,557,953	8,330,771
Share of results of joint ventures		(19,240)	(17,328)	(58,914)	(26,022)
Share of results of associates		(1,204)	46,121	41,692	66,261
Profit before taxation and zakat		2,330,716	2,016,629	9,540,731	8,371,010
Taxation and zakat	B3	(570,291)	(661,460)	(2,378,636)	(2,778,079)
Profit for the financial period/year		1,760,425	1,355,169	7,162,095	5,592,931
Profit for the financial period/year attributable to :					
Owners of the Parent		1,715,172	1,324,952	6,980,962	5,439,863
Non-controlling interests		45,253	30,217	181,133	153,068
		1,760,425	1,355,169	7,162,095	5,592,931
Earnings per share attributable to ordinary equity holders of the Parent (sen):					
- Basic	B7(a)	16.09	12.49	65.46	52.18
- Fully diluted	B7(b)	16.02	12.47	65.28	52.09

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CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2023

	The Group			
	4th quarter ended		Twelve months ended	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
Profit for the financial period/year	1,760,425	1,355,169	7,162,095	5,592,931
Other comprehensive income/(expense):				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation	(7,357)	917	(13,494)	2,419
- Actuarial (loss)/gain	(10,113)	(1,123)	(15,032)	361
- Income tax effects	2,108	767	2,750	767
- Currency translation difference	648	1,273	(1,212)	1,291
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	21,100	72,755	56,625	(154,013)
- Net gain/(loss) from change in fair value	20,958	61,326	69,491	(160,499)
- Currency translation difference	142	11,429	(12,866)	6,486
Equity instruments at fair value through other comprehensive income	1,363	7,861	2,219	(21,044)
- Net gain/(loss) from change in fair value	1,236	4,029	8,757	(16,343)
- Income tax effects	(915)	16	(937)	(11)
- Currency translation difference	1,042	3,816	(5,601)	(4,690)
	15,106	81,533	45,350	(172,638)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	388,812	597,197	763,937	(886,883)
- Net gain/(loss) from change in fair value	491,969	734,298	1,133,488	(1,097,535)
- Realised (gain)/loss transferred to statement of income on disposal	(24,246)	15,069	(212,791)	16,558
- Changes in expected credit losses	1,253	13,260	19,842	(25,068)
- Income tax effects	(84,722)	(175,139)	(156,452)	209,486
- Currency translation difference	4,558	9,709	(20,150)	9,676
Net investment hedge	49,439	165,096	(339,013)	(295,066)
Hedging reserve - cash flow hedge	924	17,325	6,358	(1,256)
- Net gain/(loss) from change in fair value	2,226	20,284	9,000	(1,654)
- Income tax effects	(1,302)	(2,959)	(2,642)	398
Deferred hedging cost	(17,256)	(13,847)	6,202	21,353
- Net (loss)/gain from change in fair value	(18,758)	(13,001)	3,506	20,122
- Income tax effects	1,502	(846)	2,696	1,231
Exchange fluctuation reserve	(147,020)	(1,166,034)	1,651,387	35,719
Share of other comprehensive (expense)/income of associates and joint ventures	(377)	6,069	16,204	10,436
	274,522	(394,194)	2,105,075	(1,115,697)
Other comprehensive income/(expense) during the financial period/year, net of tax	289,628	(312,661)	2,150,425	(1,288,335)
Total comprehensive income for the financial period/year	2,050,053	1,042,508	9,312,520	4,304,596
Total comprehensive income attributable to:				
Owners of the Parent	2,005,023	1,058,500	9,060,914	4,211,208
Non-controlling interests	45,030	(15,992)	251,606	93,388
	2,050,053	1,042,508	9,312,520	4,304,596

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022.

CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	Note	The Company			
		4th quarter ended		Twelve months ended	
		31 December 2023	31 December 2022	31 December 2023	31 December 2022
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	102,311	109,478	407,601	388,181
Interest expense	A21	(149,175)	(151,886)	(593,390)	(556,391)
Net interest expense		(46,864)	(42,408)	(185,789)	(168,210)
Net non-interest income	A23	71	102,315	3,355,258	3,137,107
Gain on disposal of a subsidiary		(46,793)	59,907	3,169,469	2,968,897
		-	-	-	581,774
Overheads	A24	(46,793)	59,907	3,169,469	3,550,671
		(9,473)	(7,231)	(28,814)	(30,839)
(Loss)/profit before expected credit losses		(56,266)	52,676	3,140,655	3,519,832
Other expected credit losses and impairment allowances (made)/written back	A25(b)	(2,649)	3,802	(915)	(2,553)
(Loss)/profit before taxation		(58,915)	56,478	3,139,740	3,517,279
Taxation	B3	(799)	(763)	(3,471)	(1,560)
(Loss)/profit for the financial period/year		(59,714)	55,715	3,136,269	3,515,719

UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	The Company			
	4th quarter ended		Twelve months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
(Loss)/profit for the financial period/year	(59,714)	55,715	3,136,269	3,515,719
Other comprehensive (expense)/income:				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	7,933	(3,475)	10,234	(41,762)
- Net gain/(loss) from change in fair value	12,003	(3,424)	14,027	(40,906)
- Changes in expected credit losses	(4,070)	(51)	(3,793)	(856)
Other comprehensive income/(expense)	7,933	(3,475)	10,234	(41,762)
Total comprehensive (expense)/income for the financial period/year	(51,781)	52,240	3,146,503	3,473,957

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022.

CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Attributable to owners of the Parent

The Group 31 December 2023	Attributable to owners of the Parent															
	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	Debt instruments at fair value through other comprehensive income RM'000	Fair value reserve Equity instruments at fair value through other comprehensive income RM'000	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
At 1 January 2023	29,094,547	166,833	242,626	542,479	(563)	(43)	(1,417,428)	(238,981)	(1,701,287)	114,097	417,993	35,270,933	62,491,206	200,000	1,092,647	63,783,853
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	-	6,980,962	6,980,962	-	181,133	7,162,095
Other comprehensive income/(expense) (net of tax)	-	-	-	1,597,473	-	-	762,600	2,358	(283,581)	1,102	-	-	2,079,952	-	70,473	2,150,425
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	762,600	-	-	-	-	-	762,600	-	1,337	763,937
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	2,358	-	-	-	-	2,358	-	(139)	2,219
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	55,518	-	-	-	55,518	-	1,107	56,625
- net investment hedge	-	-	-	-	-	-	-	-	(339,013)	-	-	-	(339,013)	-	-	(339,013)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	6,206	-	-	-	6,206	-	152	6,358
- deferred hedging cost	-	-	-	-	-	-	-	-	6,202	-	-	-	6,202	-	-	6,202
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	(13,133)	-	-	-	(13,133)	-	(361)	(13,494)
- currency translation difference	-	-	-	1,581,363	-	-	-	-	545	1,102	-	-	1,583,010	-	68,377	1,651,387
- share of other comprehensive income of associates and joint ventures	-	-	-	16,110	-	-	-	-	94	-	-	-	16,204	-	-	16,204
Total comprehensive income/ (expense) for the financial year	-	-	-	1,597,473	-	-	762,600	2,358	(283,581)	1,102	-	6,980,962	9,060,914	-	251,606	9,312,520
Second interim dividend for the financial year ended 31 December 2022	-	-	-	-	-	-	-	-	-	-	-	(1,386,463)	(1,386,463)	-	-	(1,386,463)
First interim dividend for the financial year ended 31 December 2023	-	-	-	-	-	-	-	-	-	-	-	(1,866,393)	(1,866,393)	-	-	(1,866,393)
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(66,595)	(66,595)
Transfer to statutory reserve	-	14,075	-	-	-	-	-	-	-	-	-	(14,075)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	684,575	-	(684,575)	-	-	-	-
Transfer to capital reserve	-	-	75,253	-	-	-	-	-	-	-	-	(75,253)	-	-	-	-
Disposal of shares on unexercised employee benefit scheme	-	-	-	-	-	-	-	-	-	(9,660)	-	-	(9,660)	-	-	(9,660)
Disposal of non-current assets held for sale	-	-	-	(36,648)	-	-	-	245	1,646	-	-	-	(34,757)	-	-	(34,757)
Contributions by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	20	20
Transfer of gain on disposal of treasury shares by a subsidiary	-	-	-	-	-	-	-	-	-	-	-	10,419	10,419	-	-	10,419
Liquidation of a foreign branch	-	-	-	7,236	-	-	-	-	-	478	3	-	7,717	-	-	7,717
Net non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	34,231	34,231
Share-based payment expense	-	-	-	-	-	-	-	-	73,784	-	-	-	73,784	-	-	73,784
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	14,147	(18,420)	-	-	(4,273)	-	21	(4,252)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(15,533)	-	-	-	(15,533)	-	-	(15,533)
Transfer of realised loss to retained earnings	-	-	-	-	-	-	-	-	1,144	-	-	(1,144)	-	-	-	-
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	-	-	490	-	-	-	(490)	-	-	-	-
At 31 December 2023	29,094,547	180,908	317,879	2,110,540	(563)	(43)	(654,828)	(235,888)	(1,983,464)	161,381	1,102,571	38,233,921	68,326,961	200,000	1,311,930	69,838,891

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

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(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

Attributable to owners of the Parent

The Group
31 December 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								
At 1 January 2022	27,099,681	152,997	207,419	462,900	(563)	(43)	(556,531)	(217,545)	(1,315,309)	86,595	129,286	32,814,376	58,863,263	200,000	1,045,485	60,108,748
Profit for the financial year	-	-	-	-	-	-	-	-	-	-	-	5,439,863	5,439,863	-	153,068	5,592,931
Other comprehensive income/(expense) (net of tax)	-	-	-	79,579	-	-	(860,897)	(21,156)	(425,839)	(342)	-	-	(1,228,655)	-	(59,680)	(1,288,335)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(860,897)	-	-	-	-	-	(860,897)	-	(25,986)	(886,883)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	(21,156)	-	-	-	-	(21,156)	-	112	(21,044)
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(152,670)	-	-	-	(152,670)	-	(1,343)	(154,013)
- net investment hedge	-	-	-	-	-	-	-	-	(295,066)	-	-	-	(295,066)	-	-	(295,066)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	(1,063)	-	-	-	(1,063)	-	(193)	(1,256)
- deferred hedging cost	-	-	-	-	-	-	-	-	21,353	-	-	-	21,353	-	-	21,353
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	914	-	-	-	914	-	1,505	2,419
- currency translation difference	-	-	-	69,692	-	-	-	-	144	(342)	-	-	69,494	-	(33,775)	35,719
- share of other comprehensive income/ (expense) of associates and joint ventures	-	-	-	9,887	-	-	-	-	549	-	-	-	10,436	-	-	10,436
Total comprehensive income/(expense) for the financial period	-	-	-	79,579	-	-	(860,897)	(21,156)	(425,839)	(342)	-	5,439,863	4,211,208	-	93,388	4,304,596
Second interim dividend for the financial year ended 31 December 2021	-	-	-	-	-	-	-	-	-	-	-	(1,282,792)	(1,282,792)	-	-	(1,282,792)
First interim dividend for the financial year ended 31 December 2022	-	-	-	-	-	-	-	-	-	-	-	(1,361,653)	(1,361,653)	-	-	(1,361,653)
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	-	(51,235)	(51,235)
Transfer to statutory reserve	-	13,836	-	-	-	-	-	-	-	-	-	(13,836)	-	-	-	-
Transfer to regulatory reserve	-	-	-	-	-	-	-	-	-	-	288,707	(288,707)	-	-	-	-
Transfer to capital reserve	-	-	35,207	-	-	-	-	-	-	-	-	(35,207)	-	-	-	-
Acquisition of equity interest from non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(1,391)	(1,391)	-	(1,727)	(3,118)
Contributions by non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-	5,926	5,926
Net non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	-	882	882
Share-based payment expense	-	-	-	-	-	-	-	-	-	77,415	-	-	77,415	-	-	77,415
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	53,631	(48,330)	-	-	5,301	-	(72)	5,229
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(13,770)	-	-	-	(13,770)	-	-	(13,770)
Shares of resigned staff under Equity Ownership Plan	-	-	-	-	-	-	-	-	-	(1,241)	-	-	(1,241)	-	-	(1,241)
Issuance of shares through dividend reinvestment scheme	1,994,866	-	-	-	-	-	-	-	-	-	-	-	1,994,866	-	-	1,994,866
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	-	-	(280)	-	-	-	280	-	-	-	-
At 31 December 2022	29,094,547	166,833	242,626	542,479	(563)	(43)	(1,417,428)	(238,981)	(1,701,287)	114,097	417,993	35,270,933	62,491,206	200,000	1,092,647	63,783,853

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

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022

CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	← Non-distributable →				Distributable		Total RM'000
	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	
The Company							
At 1 January 2023	29,094,547	55,982	(43)	(13,534)	87,817	1,138,715	30,363,484
Profit for the financial year	-	-	-	-	-	3,136,269	3,136,269
Other comprehensive income (net of tax)	-	-	-	10,234	-	-	10,234
- Debt instruments at fair value through other comprehensive income	-	-	-	10,234	-	-	10,234
Total comprehensive income for the financial year	-	-	-	10,234	-	3,136,269	3,146,503
Second interim dividend for the financial year ended 31 December 2022	-	-	-	-	-	(1,386,463)	(1,386,463)
First interim dividend for the financial year ended 31 December 2023	-	-	-	-	-	(1,866,393)	(1,866,393)
Capital contribution to subsidiaries	-	-	-	-	57,550	-	57,550
At 31 December 2023	29,094,547	55,982	(43)	(3,300)	145,367	1,022,128	30,314,681

	← Non-distributable →				Distributable		Total RM'000
	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	
The Company							
At 1 January 2022	27,099,681	55,982	(43)	28,228	33,487	267,441	27,484,776
Profit for the financial year	-	-	-	-	-	3,515,719	3,515,719
Other comprehensive expense (net of tax)	-	-	-	(41,762)	-	-	(41,762)
- Debt instruments at fair value through other comprehensive income	-	-	-	(41,762)	-	-	(41,762)
Total comprehensive (expense)/income for the financial period	-	-	-	(41,762)	-	3,515,719	3,473,957
Second interim dividend for the financial year ended 31 December 2021	-	-	-	-	-	(1,282,792)	(1,282,792)
First interim dividend for the financial year ended 31 December 2022	-	-	-	-	-	(1,361,653)	(1,361,653)
Issuance of shares through dividend reinvestment scheme	1,994,866	-	-	-	-	-	1,994,866
Capital contribution to subsidiaries	-	-	-	-	54,330	-	54,330
At 31 December 2022	29,094,547	55,982	(43)	(13,534)	87,817	1,138,715	30,363,484

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022.

CIMB GROUP HOLDINGS BERHAD
(Registration Number 195601000197 (50841-W))
CONDENSED INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	The Group		The Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Cash flow from operating activities				
Profit before taxation and zakat	9,540,731	8,371,010	3,139,740	3,517,279
Adjustments for non-operating and non-cash items	(3,352,541)	(738,743)	(3,152,893)	(3,539,703)
Operating profit/(loss) before changes in working capital	6,188,190	7,632,267	(13,153)	(22,424)
Net changes in operating assets	(48,995,813)	(34,714,430)	42,678	1,069,696
Net changes in operating liabilities	54,257,683	37,652,145	(9,484)	10,639
	5,261,870	2,937,715	33,194	1,080,335
Cash flows generated from operations	11,450,060	10,569,982	20,041	1,057,911
Taxation paid	(2,209,737)	(2,474,389)	(2,180)	(1,791)
Net cash flows generated from operating activities	9,240,323	8,095,593	17,861	1,056,120
Cash flows from investing activities				
Dividend income from subsidiaries	-	-	3,354,835	3,131,843
Interest income received from financial investments	4,663,303	3,874,580	995,144	362,436
Net purchase of financial investments	(25,154,982)	(8,980,694)	(600,000)	(1,000,000)
Net purchase from disposal of property, plant and equipment	(255,485)	(305,212)	-	-
Net purchase of intangible assets	(565,104)	(548,803)	-	-
Other investing activities	24,352	(175,785)	(29,740)	(2,229,719)
Net cash flows (used in)/generated from investing activities	(21,287,916)	(6,135,914)	3,720,239	264,560
Cash flows from financing activities				
Dividend paid to shareholders	(3,252,856)	(649,579)	(3,252,856)	(649,579)
Interest paid on bonds, Sukuk and debentures	(531,031)	(309,729)	-	-
Interest paid on subordinated obligations	(482,503)	(403,636)	(443,931)	(411,244)
Interest paid on term loan facility and other borrowings	(276,067)	(86,346)	-	-
Proceeds from issuance of bonds, Sukuk and debentures	5,310,794	5,619,953	-	-
Proceeds from issuance of subordinated obligations	2,115,000	2,500,000	1,700,000	2,500,000
Proceeds from term loan facility and other borrowings	1,959,282	4,449,409	350,000	-
Redemption of bonds, Sukuk and debentures	(2,789,756)	(9,116,594)	-	-
Redemption of subordinated obligations	(2,112,450)	(1,493,556)	(1,700,000)	(1,500,000)
Repayment of term loan facility and other borrowings	(730,825)	(3,675,958)	(354,993)	-
Other financing activities	2,911,162	(1,485,644)	(147,049)	(878,589)
Net cash flows generated from/(used in) financing activities	2,120,750	(4,651,680)	(3,848,829)	(939,412)
Net (decrease)/increase in cash and cash equivalents during the financial year	(9,926,843)	(2,692,001)	(110,729)	381,268
Effects of exchange rate changes	1,114,328	309,843	(528)	(683)
Cash and cash equivalents at beginning of the financial year	43,039,072	46,106,715	474,259	93,674
	34,226,557	43,724,557	363,002	474,259
Monies held in trust*	-	(685,485)	-	-
Cash and cash equivalents at end of the financial year	34,226,557	43,039,072	363,002	474,259
Cash and cash equivalents comprise:				
Cash and short-term funds	34,772,470	44,008,860	363,691	474,259
Deposits and placements with banks and other financial institutions	3,207,618	3,096,482	-	-
	37,980,088	47,105,342	363,691	474,259
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(3,167,338)	(3,380,785)	(689)	-
Monies held in trust*	-	(685,485)	-	-
Restricted cash	(586,193)	-	-	-
	34,226,557	43,039,072	363,002	474,259

*The monies held in trust is included in the cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022

PART A - EXPLANATORY NOTES

A1. BASIS OF PREPARATION

The unaudited condensed interim financial statements for the financial year ended 31 December 2023 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 are measured at fair value.

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

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2022. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Company since the financial year ended 31 December 2022.

The material accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 December 2022, and modified for the adoption of the following accounting standards and amendments to published standards applicable for financial periods beginning on or after 1 January 2023:

- Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'
- Amendments to MFRS 101 and MFRS Practice Statement 2 on 'Disclosure of accounting policies'
- Amendments to MFRS 108 'Definition of Accounting Estimates'
- Amendments to MFRS 112 'International Tax Reform-Pillar Two Model Rules'

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

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

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

A3. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

Other than detailed below, there were no other new share issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the financial year ended 31 December 2023:-

(a) On 3 March 2023, the Company announced that it will seek its shareholders' approval at its 66th 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 13 April 2023.

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

(c) During the financial year, CIMB Thai Bank issued various unsecured structured debentures amounting to THB948.5 million with tenures ranging between one month to three years from respective issuance dates. The Bank will pay interest according to the conditions of agreements.

During the financial year, CIMB Thai Bank has redeemed structured debentures amounting to THB1.3 billion.

(d) During the financial year, CIMB Thai Bank issued various unsecured short term debentures amounting to THB20.1 billion with tenures ranging between 9 to 12 months from respective issuance dates. The short term debentures carry fixed interest rates ranging between 2.05% to 2.50%, payable at respective maturity dates.

During the financial year, CIMB Thai Bank has redeemed unsecured short term debentures amounting to THB18.5 billion.

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

(e) On 8 February 2023, CIMB Niaga Auto Finance issued unsecured IDR1,000,000 million bonds. The bonds are divided into 370-day Series A Bond and 3-year Series B Bond amounting to IDR700,000 million and IDR300,000 million, with fixed interest rates of 6.25% and 7.15% per annum respectively.

(f) On 8 March 2023, the Company issued RM400 million 10-year non-callable 5-year Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 4.30% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM400 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(g) On 8 March 2023, CIMB Bank issued RM400 million 10-year non-callable 5-year Tier 2 Sustainability Sukuk Wakalah to CIMB Group bearing a periodic distribution rate of 4.30% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme.

(h) On 27 March 2023, CIMB Niaga redeemed its Continuous Sukuk Mudharabah I Phase III Year 2020 Series B Sukuk amounting to IDR287,000 million.

(i) On 29 March 2023, the Company redeemed its existing RM700 million Tier 2 Subordinated Debt issued under RM10.0 billion Tier 2 Subordinated Debt Programme on the first call date.

(j) On 29 March 2023, CIMB Bank redeemed its existing RM700 million Tier 2 Subordinated Debt issued under RM10.0 billion Tier 2 Subordinated Debt Programme on the first call date.

(k) On 29 March 2023, CIMB Thai redeemed its existing RM390 million Tier 2 subordinated notes.

(l) On 29 March 2023, CIMB Thai issued RM415million Basel III compliant Tier 2 subordinated notes. The subordinated notes carry fixed interest rate of 4.70% per annum payable every six months. The subordinated notes will mature on 29 March 2033. CIMB Thai may exercise its right to early redeem the subordinated notes 5-years after issue date, and on each coupon payment date thereafter, subject to approval by the Bank of Thailand.

(m) On 12 June 2023, CIMBGH redeemed its RM350 million 3-year Medium Term Notes ("MTN") issued under the existing Conventional and Islamic Medium Term Notes Programmes, which has a combined limit of RM6.0 billion in nominal value.

(n) On 12 June 2023, CIMBGH issued RM350 million 1-year MTN which will mature on 12 June 2024. The MTN was issued out of its existing Conventional and Islamic Medium Term Notes Programmes, which has a combined limit of RM6.0 billion in nominal value.

(o) On 5 July 2023, CIMB Bank Berhad issued RM14.0 million of senior medium term notes ("the MTN") under its RM20.0 billion Senior Medium Term Note Programme. The MTN is a zero coupon bond that will mature on 10 July 2024.

(p) On 17 July 2023, CIMB Bank Berhad issued RM19.0 million of senior medium term notes ("the MTN") under its RM20.0 billion Senior Medium Term Note Programme. The MTN is a zero coupon bond that will mature on 18 July 2024.

(q) On 17 July 2023, CIMB Bank redeemed its existing 2,974,009,486 Redeemable Preference Shares, equivalent to RM29.7 million.

(r) On 28 July 2023, CIMB Bank Berhad issued USD130.0 million 5-year floating rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of SOFR plus 1.00% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 28 July 2028.

(s) On 15 August 2023, CIMB Bank Berhad issued RM17.0 million of senior medium term notes ("the MTN") under its RM20.0 billion Senior Medium Term Note Programme. The MTN is a zero coupon bond that will mature on 19 August 2024.

(t) On 20 September 2023, CIMB Niaga redeemed its 5-year Series C Bond amounting to IDR118,000 million.

(u) On 26 September 2023, CIMB Bank Berhad issued USD30.0 million 1-year floating rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of SOFR plus 0.50% per annum payable quarterly, will mature on the interest payment date falling on or nearest to 26 September 2024.

(v) On 3 October 2023, CIMB Bank Berhad issued USD100.0 million 35-month fixed rate notes ("the Notes") under its USD5.0 billion Global Medium Term Note Programme. The Notes, which bear a coupon rate of 5.45% per annum payable quarterly, will mature on 3 September 2026.

(w) On 23 October 2023, the Company redeemed its existing RM1.0 billion Additional Tier 1 Capital Securities issued under its RM10.0 billion Additional Tier 1 Capital Securities Programme on the first call date.

(x) On 23 October 2023, CIMB Bank redeemed its existing RM1.0 billion Additional Tier 1 Capital Securities issued under its RM10.0 billion Additional Tier 1 Capital Securities Programme on the first call date.

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

(y) On 23 October 2023, the Company issued RM400 million Perpetual non-callable 5-year Additional Tier 1 Sustainability Sukuk Wakalah, bearing a periodic distribution rate of 4.75% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM400 million Additional Tier 1 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(z) On 23 October 2023, the Company issued RM900 million 10-year non-callable 5-year Tier 2 Sustainability Sukuk Wakalah, bearing a periodic distribution rate of 4.36% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM900 million Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(aa) On 23 October 2023, CIMB Bank issued RM400 million Perpetual non-callable 5-year Additional Tier 1 Sustainability Sukuk Wakalah to CIMB Group, bearing a periodic distribution rate of 4.75% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme.

(ab) On 23 October 2023, CIMB Bank issued RM900 million 10-year non-callable 5-year Tier 2 Sustainability Sukuk Wakalah to CIMB Group, bearing a periodic distribution rate of 4.36% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme.

(ac) On 15 November 2023, the Company issued RM5.0 million 1-month CPs under its Conventional Commercial Papers Programme. The CPs bear a discount rate of 3.50% and were fully redeemed on 15 December 2023.

(ad) On 15 November 2023, CIMB Niaga redeemed its 5-year Subordinated Bonds III Year 2018 Series A with Fixed Interest Rate amounted to IDR75,000 million.

(ae) On 30 November 2023, CIMB Islamic Bank issued RM100 million senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 3.95% per annum payable semi-annually, will mature on 30 November 2026.

(af) On 30 November 2023, CIMB Islamic Bank issued RM600 million senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.02% per annum payable semi-annually, will mature on 30 November 2028.

(ag) On 30 November 2023, CIMB Islamic Bank issued RM300 million senior sukuk under its RM10 billion Sukuk Wakalah Programme. The senior sukuk, which bears a profit rate of 4.31% per annum payable semi-annually, will mature on 29 November 2030.

A4. DIVIDENDS PAID AND PROPOSED

A single-tier second interim dividend of 13.00 sen per ordinary share, on 10,665,101,700 ordinary shares amounting to RM1,386,463,221 in respect of the financial year ended 31 December 2022 was approved by the Board of Directors on 31 January 2023. The single-tier second interim dividend which consists of all cash dividend was paid on 12 April 2023.

A single-tier first interim dividend of 17.50 sen per ordinary share, on 10,665,101,700 ordinary shares amounting to RM1,866,392,879 in respect of the financial year ending 31 December 2023 was approved by the Board of Directors on 31 July 2023. The single-tier first interim dividend which consists of all cash dividend was paid on 12 October 2023.

The Directors have proposed a single-tier second interim dividend of 18.50 sen per ordinary share, on 10,665,101,700 ordinary shares amounting to RM 1,973 million in respect of the financial year ended 31 December 2023.

The Directors have proposed a single-tier special dividend of 7.00 sen per ordinary share, on 10,665,101,700 ordinary shares amounting to RM747 million in respect of the financial year ended 31 December 2023.

A5. STATUS OF CORPORATE PROPOSAL

On 29 December 2023, the Group has through CIMB Group Sdn Bhd, completed the sale of its 25.01% and 25.0% shareholding in CGS-CIMB Securities International Pte Ltd (“CSI”) and CGS-CIMB Holdings Sdn Bhd (“CCH”) respectively (collectively referred to as “CGS-CIMB JV”), to CGS International Holdings Limited (formerly known as China Galaxy International Financial Holdings Limited) (“CGI”) pursuant to the second call option exercised by CGI. The gross proceeds of the sale amounted to approximately RM780 million, subject to completion audit adjustments.

In 2018, CIMB entered into a partnership agreement with CGI to operate a regional stockbroking business in Asia, through the sale of CIMB’s stockbroking business into the CGS-CIMB JV, where CIMB and CGI originally owned 50:50. The partnership agreement incorporated put and call options for CGI to acquire CIMB’s stake in the CGS-CIMB JV over a period of time. CGI had exercised the first call option to acquire 24.99% and 25% stake in the CSI and CCH respectively from CIMB Group which was completed on 7 December 2021. With the completion of the second call option on 29 December 2023, CIMB Group has fully exited the CGS-CIMB JV.

A6. EVENTS DURING THE REPORTING PERIOD

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

A7. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

On 8 February 2024, CIMB Group has completed the acquisition of KAF Equities Sdn Bhd via CIMB Investment Bank Berhad (“CIMB Investment”) and will be rebranded as CIMB Securities Sdn Bhd (“CIMB Securities”). The acquisition is part of CIMB Investment's strategy to expand its in-house capabilities which complements the Group’s Wholesale Banking business in Malaysia.

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

As at 31 December 2023, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM3,326,000 (2022: RM2,528,000) and RM2,125,000 (2022: RM2,361,000) respectively. The 12-month expected credit losses made in the income statement during the financial year is amounting to RM425,000 (2022: RM137,000).

A9. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Money market instruments:		
Unquoted		
Malaysian Government Securities	3,047,851	3,141,965
Cagamas bonds	1,044,976	1,021,901
Khazanah bonds	1,984	1,987
Malaysian Government treasury bills	983,420	1,265,864
Bank Negara Malaysia monetary notes	3,331,862	1,094,640
Negotiable instruments of deposit	2,398,255	193,586
Other Government securities	9,287,751	3,022,373
Government Investment Issues	1,937,431	3,080,842
Other Government treasury bills	8,927,008	10,370,577
Commercial papers	992,374	24,753
Promissory Notes	308,890	295,529
	32,261,802	23,514,017
Quoted securities:		
<i>In Malaysia:</i>		
Shares	1,387,604	988,048
<i>Outside Malaysia:</i>		
Shares	493,527	352,026
	1,881,131	1,340,074
Unquoted securities:		
<i>In Malaysia:</i>		
Corporate bond and Sukuk	5,102,515	3,103,138
Shares	1,080,541	1,054,046
Unit trusts	57,503	93,128
<i>Outside Malaysia:</i>		
Corporate bond	3,150,460	1,535,979
Shares	5,683	3,385
Private equity funds	87,410	139,499
Other Government bonds	4,978,622	2,416,997
Bank Indonesia certificates	17,064	-
	14,479,798	8,346,172
	48,622,731	33,200,263

A10. DEBT INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group		The Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Fair value				
Money market instruments:				
Unquoted				
Malaysian Government Securities	6,160,916	5,107,076	-	-
Cagamas bonds	305,441	396,349	-	-
Negotiable instruments of deposit	656,664	232,584	-	-
Other Government securities	7,756,927	7,618,254	-	-
Government investment Issues	8,149,438	6,427,540	-	-
Other Government treasury bills	58,434	140,102	-	-
	23,087,820	19,921,905	-	-
Unquoted securities:				
<i>In Malaysia:</i>				
Corporate bond and Sukuk	22,881,720	20,139,108	1,144,797	1,737,110
<i>Outside Malaysia:</i>				
Corporate bond and Sukuk	14,468,777	9,618,028	-	-
Bank Indonesia certificates	66,968	-	-	-
Other Government bonds	10,912,013	8,696,620	-	-
	48,329,478	38,453,756	1,144,797	1,737,110
	71,417,298	58,375,661	1,144,797	1,737,110

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 impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000				
					Lifetime		
					expected credit losses		
At 1 January 2023	39,988	1,229	-	41,217			
Changes in expected credit losses due to transfer within stages:							
Transferred to Stage 2	(32)	32	-	-			
Total charge to Statement of Income:	20,356	(514)	-	19,842			
New financial assets purchased	78,898	-	-	78,898			
Financial assets that have been derecognised	(22,536)	(33)	-	(22,569)			
Change in credit risk	(36,006)	(481)	-	(36,487)			
Exchange fluctuation	2,417	1	-	2,418			
At 31 December 2023	62,729	748	-	63,477			
At 1 January 2022	41,798	1,748	20,849	64,395			
Changes in expected credit losses due to transfer within stages:							
Transferred to Stage 1	(54)	54	-	-			
Transferred to Stage 2	116	(116)	-	-			
Total charge to Statement of Income:	(3,645)	(574)	(20,849)	(25,068)			
New financial assets purchased	29,665	-	-	29,665			
Financial assets that have been derecognised	(5,712)	(7)	-	(5,719)			
Writeback in respect of full recoveries	-	-	(20,849)	(20,849)			
Change in credit risk	(27,598)	(567)	-	(28,165)			
Exchange fluctuation	1,889	1	-	1,890			
At 31 December 2022	39,988	1,229	-	41,217			

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

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

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

	The Company			Total RM'000
	12-month	Lifetime	Lifetime expected	
	expected credit	expected credit	credit losses	
	losses	losses - not credit	- credit impaired	
(Stage 1)	(Stage 2)	(Stage 3)		
RM'000	RM'000	RM'000	RM'000	
At 1 January 2023	11,472	-	-	11,472
Total charge to Statement of Income:	(3,793)	-	-	(3,793)
New financial assets purchased	2,624	-	-	2,624
Financial assets that have been derecognised	(6,805)	-	-	(6,805)
Change in credit risk	388	-	-	388
At 31 December 2023	7,679	-	-	7,679
At 1 January 2022	12,328	-	-	12,328
Total charge to Statement of Income:	(856)	-	-	(856)
Change in credit risk	(856)	-	-	(856)
At 31 December 2022	11,472	-	-	11,472

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

	The Group	
	Lifetime expected	Total
	credit losses	RM'000
	- credit impaired	RM'000
	(Stage 3)	RM'000
At 1 January / 31 December 2023	-	-
At 1 January 2022	20,849	20,849
Amount recovered	(20,849)	(20,849)
At 31 December 2022	-	-

A11. EQUITY INSTRUMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	The Group	
	31 December	31 December
	2023	2022
	RM'000	RM'000
Quoted securities		
<u>In Malaysia</u>		
Shares	28,272	22,264
<u>Outside Malaysia</u>		
Shares	1,718	1,860
	29,990	24,124
Unquoted securities		
<u>In Malaysia</u>		
Shares	269,240	265,578
Property funds	189	189
<u>Outside Malaysia</u>		
Shares	6,752	10,705
Private equity funds	-	73
	276,181	276,545
	306,171	300,669

A12. DEBT INSTRUMENTS AT AMORTISED COST

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Money market instruments:				
Unquoted				
Malaysian Government securities	11,040,607	9,262,963	-	-
Cagamas bonds	524,581	503,023	-	-
Other Government treasury bills	8,019,307	5,144,798	-	-
Other Government securities	5,193,723	3,535,311	-	-
Malaysian Government investment issue	19,052,161	16,658,815	-	-
Khazanah bonds	112,980	202,027	-	-
Commercial papers	137,081	-	-	-
	44,080,440	35,306,937	-	-
Unquoted securities				
<i>In Malaysia</i>				
Corporate bond and Sukuk	25,045,259	19,812,585	8,468,345	7,864,777
Loan stock	20,900	-	-	-
<i>Outside Malaysia</i>				
Corporate bond and Sukuk	4,576,255	4,208,523	-	-
Other Government bonds	5,445,968	5,757,420	-	-
	35,088,382	29,778,528	8,468,345	7,864,777
Total	79,168,822	65,085,465	8,468,345	7,864,777
Amortisation of premium, net of accretion of discount	(41,810)	32,998	-	-
Less : Expected credit losses	(628,817)	(585,039)	(56,079)	(51,376)
	78,498,195	64,533,424	8,412,266	7,813,401

Expected credit losses movement for debt instruments at amortised cost:

	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				
					Lifetime		
					Total		
At 1 January 2023	5,478	4,175	575,386	585,039			
Changes in expected credit losses due to transfer within stages:							
Transferred to Stage 1	3,535	(3,884)	349	-			
Transferred to Stage 2	3,675	(3,675)	-	-			
Transferred to Stage 3	(140)	140	-	-			
Transferred to Stage 3	-	(349)	349	-			
Total charge to Statement of Income:	2,412	(310)	5,245	7,347			
New financial assets purchased	49,399	-	-	49,399			
Financial assets that have been derecognised	(24,970)	-	-	(24,970)			
Change in credit risk	(22,017)	(310)	5,245	(17,082)			
Exchange fluctuation	268	19	222	509			
Other movements	-	-	35,922	35,922			
At 31 December 2023	11,693	-	617,124	628,817			
At 1 January 2022	1,878	31,265	614,102	647,245			
Changes in expected credit losses due to transfer within stages:							
Transferred to Stage 1	983	(983)	-	-			
Transferred to Stage 1	1,275	(1,275)	-	-			
Transferred to Stage 2	(292)	292	-	-			
Total charge to Statement of Income:	2,294	(26,093)	(78,158)	(101,957)			
New financial assets purchased	12,829	-	-	12,829			
Financial assets that have been derecognised	(1,295)	(52)	-	(1,347)			
Change in credit risk	(9,240)	(26,041)	(78,158)	(113,439)			
Exchange fluctuation	323	(14)	(154)	155			
Other movements	-	-	39,596	39,596			
At 31 December 2022	5,478	4,175	575,386	585,039			

A12. DEBT INSTRUMENTS AT AMORTISED COST (Continued)

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

	The Company			Total RM'000
	12-month expected credit losses (Stage 1) RM'000	Lifetime	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	
		expected credit losses - not credit impaired (Stage 2) RM'000		
At 1 January 2023	51,376	-	-	51,376
Total charge to Statement of Income:	4,703	-	-	4,703
New financial assets purchased	8,543	-	-	8,543
Financial assets that have been derecognised	(4,730)	-	-	(4,730)
Change in credit risk	890	-	-	890
At 31 December 2023	56,079	-	-	56,079
At 1 January 2022	47,967	-	-	47,967
Total charge to Statement of Income:	3,409	-	-	3,409
Change in credit risk	3,409	-	-	3,409
At 31 December 2022	51,376	-	-	51,376

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

	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3)	
	RM'000	Total RM'000
At 1 January 2023	1,318,868	1,318,868
Transfer within stages	10,480	10,480
Other changes in debts instruments	122,162	122,162
Exchange fluctuation	21,199	21,199
At 31 December 2023	1,472,709	1,472,709
At 1 January 2022	1,231,144	1,231,144
Other changes in debts instruments	63,737	63,737
Exchange fluctuation	23,987	23,987
At 31 December 2022	1,318,868	1,318,868

A13. LOANS, ADVANCES AND FINANCING

(i) By type

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
At amortised cost		
Overdrafts	5,123,107	4,941,495
Term loans/financing		
- Housing loans/financing	144,429,727	131,209,391
- Syndicated term loans	23,669,701	21,904,930
- Hire purchase receivables	28,992,061	26,064,935
- Lease receivables	349,957	217,887
- Factoring receivables	18,678	193,113
- Other term loans/financing	166,501,931	154,908,116
Bills receivable	6,822,459	6,761,901
Trust receipts	1,975,195	2,683,230
Claims on customers under acceptance credits	3,933,444	4,105,031
Staff loans *	1,845,786	1,761,101
Credit card receivables	10,498,006	9,334,399
Revolving credits	46,467,995	42,813,681
Share margin financing	19,687	50,346
Gross loans, advances and financing at amortised cost	440,647,734	406,949,556
Fair value changes arising from fair value hedges	(59,698)	(99,907)
	440,588,036	406,849,649
Less:		
- Expected credit losses	(11,412,132)	(12,400,021)
Net loans, advances and financing at amortised cost	429,175,904	394,449,628
At fair value through profit or loss		
Term loans/financing		
- Syndicated term loan	274,133	107,552
Gross loans, advances and financing at fair value through profit or loss	274,133	107,552
Total net loans, advances and financing	429,450,037	394,557,180
Total gross loans, advances and financing:		
- At amortised cost	440,647,734	406,949,556
- At fair value through profit or loss	274,133	107,552
	440,921,867	407,057,108

* Included in staff loans of the Group are loans to Directors amounting to RM11,038,103 (2022: RM2,970,659).

(a) Included in the Group's loans, advances and financing balances are RM17,810,000 (2022: RM21,919,000) 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 and cash flow hedge on the interest rate risk and foreign currency risk of loans, advances and financing of RM1,989,145,000 (2022: 2,103,865,000) using interest rate swaps.

(c) Included in the loans, advances and financing of the Group at 31 December 2023 are financing which are disclosed as "Restricted Agency Investment Account" ("RAIA") in the financial statements of CIMB Islamic amounting to RM12,882,815,000 (2022: RM11,280,429,000). RAIA arrangement is with CIMB Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where CIMB Bank solely provide the funds, whilst the assets are managed by CIMB Islamic (as the Wakeel or agent). In the arrangement, CIMB Islamic has transferred substantially all the risk and rewards of ownership of the Investment (i.e the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and expected credit losses arising thereon, if any, are recognised and accounted for by CIMB Bank.

(ii) By type of customers

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Domestic banking institutions	319,567	353,649
Domestic non-bank financial institutions		
- Stockbroking companies	281,240	390,700
- Others	7,032,851	5,931,557
Domestic business enterprises		
- Small medium enterprises	56,316,404	52,961,537
- Others	68,015,469	63,842,297
Government and statutory bodies	11,788,572	11,813,303
Individuals	229,431,374	214,310,312
Other domestic entities	18,478,000	15,980,825
Foreign entities	49,258,390	41,472,928
Gross loans, advances and financing	440,921,867	407,057,108

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Fixed rate		
- Housing loans/financing	3,626,180	3,778,325
- Hire-purchase receivables	21,750,632	19,711,850
- Other fixed rate loans	51,702,328	50,004,042
Variable rate		
- BLR/BFR	127,415,066	122,277,864
- Cost plus	61,354,041	57,474,041
- Other variable rates	175,073,620	153,810,986
Gross loans, advances and financing	440,921,867	407,057,108

(iv) By economic purpose

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Personal use	25,179,709	21,261,070
Credit card	10,498,006	9,334,399
Purchase of consumer durables	649,928	671,284
Construction	12,315,593	12,851,633
Residential property (Housing)	144,931,884	132,022,436
Non-residential property	38,547,823	34,488,187
Purchase of fixed assets other than land and building	17,338,574	15,231,052
Mergers and acquisitions	2,228,564	2,301,167
Purchase of securities	18,961,132	22,653,271
Purchase of transport vehicles	29,134,514	26,262,111
Working capital	108,742,944	99,188,624
Other purposes	32,393,196	30,791,874
Gross loans, advances and financing	440,921,867	407,057,108

(v) By geographical distribution

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Malaysia	267,014,722	253,322,993
Indonesia	67,423,974	60,073,967
Thailand	35,977,870	33,022,208
Singapore	44,087,664	37,060,832
United Kingdom	6,956,802	4,667,221
Hong Kong	1,627,938	1,516,160
China	4,432,132	3,325,093
Other countries	13,400,765	14,068,634
Gross loans, advances and financing	440,921,867	407,057,108

(vi) By economic sector

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Primary agriculture	12,278,148	11,487,021
Mining and quarrying	5,113,891	4,826,294
Manufacturing	31,074,185	29,975,693
Electricity, gas and water supply	8,887,907	5,835,764
Construction	14,707,423	13,109,378
Transport, storage and communications	14,027,576	14,003,587
Education, health and others	19,499,092	19,456,379
Wholesale and retail trade, and restaurants and hotels	37,194,024	32,946,738
Finance, insurance/takaful, real estate and business activities	58,456,075	51,280,780
Household	215,374,514	201,360,134
Others	24,309,032	22,775,340
Gross loans, advances and financing	440,921,867	407,057,108

A13. LOANS, ADVANCES AND FINANCING (Continued)

(vii) By residual contractual maturity

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Within one year	98,234,923	88,412,486
One year to less than three years	37,448,137	30,915,249
Three years to less than five years	46,032,588	43,465,298
Five years and more	259,206,219	244,264,075
Gross loans, advances and financing	<u>440,921,867</u>	<u>407,057,108</u>

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Personal use	422,036	515,312
Credit card	207,388	176,297
Purchase of consumer durables	842	2,005
Construction	603,937	392,766
Residential property (Housing)	3,319,000	3,104,913
Non-residential property	523,214	708,347
Purchase of fixed assets other than land and building	991,998	1,105,457
Mergers and acquisitions	40,583	-
Purchase of securities	29,775	53,934
Purchase of transport vehicles	329,539	313,452
Working capital	4,404,331	6,156,858
Other purpose	897,600	791,558
Gross credit impaired loans, advances and financing	<u>11,770,243</u>	<u>13,320,899</u>

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Malaysia	5,329,949	5,308,929
Indonesia	4,353,363	5,006,066
Thailand	1,481,474	1,321,615
Singapore	157,209	736,184
United Kingdom	44,801	8,700
Hong Kong	160,808	142,284
China	5,351	4,546
Other countries	237,288	792,575
Gross credit impaired loans, advances and financing	<u>11,770,243</u>	<u>13,320,899</u>

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Primary agriculture	104,413	171,606
Mining and quarrying	1,207,945	1,177,565
Manufacturing	1,785,574	1,999,683
Electricity, gas and water supply	496	111
Construction	464,311	206,583
Transport, storage and communications	687,027	792,157
Education, health and others	111,771	173,114
Wholesale and retail trade, and restaurants and hotels	1,891,787	2,363,447
Finance, insurance/takaful, real estate and business activities	849,586	1,043,193
Household	4,174,346	3,982,303
Others	492,987	1,411,137
Gross credit impaired loans, advances and financing	<u>11,770,243</u>	<u>13,320,899</u>

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

	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	Purchased credit impaired RM'000	
<u>Loans, advances and financing at amortised cost</u>					
At 1 January 2023	1,425,581	3,629,496	7,343,173	1,771	12,400,021
Changes in expected credit losses due to transfer within stages:	1,901,649	(1,799,842)	(101,807)	-	-
Transferred to Stage 1	2,448,048	(2,301,987)	(146,061)	-	-
Transferred to Stage 2	(527,431)	1,633,598	(1,106,167)	-	-
Transferred to Stage 3	(18,968)	(1,131,453)	1,150,421	-	-
Total charge to Statement of Income:	(451,973)	99,951	2,572,329	-	2,220,307
New financial assets originated	961,948	222,799	78,546	-	1,263,293
Financial assets that have been derecognised	(512,887)	(373,414)	-	-	(886,301)
Writeback in respect of full recoveries	-	-	(321,643)	-	(321,643)
Change in credit risk	(901,034)	250,566	2,815,426	-	2,164,958
Write-offs	(95)	(598)	(3,340,341)	-	(3,341,034)
Disposal of loans, advances and financing	-	-	(181,078)	-	(181,078)
Exchange fluctuation	4,832	62,568	326,600	92	394,092
Other movements	(21,180)	(4,464)	(54,532)	-	(80,176)
At 31 December 2023	2,858,814	1,987,111	6,564,344	1,863	11,412,132

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

	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	Purchased credit impaired RM'000	Total RM'000
<u>Loans, advances and financing at amortised cost</u>					
At 1 January 2022	1,534,517	4,063,053	7,722,465	3,046	13,323,081
Changes in expected credit losses due to transfer within stages:	586,278	(1,608,928)	1,022,650	-	-
Transferred to Stage 1	1,034,679	(939,786)	(94,893)	-	-
Transferred to Stage 2	(439,574)	909,904	(470,330)	-	-
Transferred to Stage 3	(8,827)	(1,579,046)	1,587,873	-	-
Total charge to Statement of Income:	(702,900)	1,199,606	2,098,251	-	2,594,957
New financial assets originated	959,284	112,225	84,772	-	1,156,281
Financial assets that have been derecognised	(464,774)	(281,159)	-	-	(745,933)
Writeback in respect of full recoveries	-	-	(216,375)	-	(216,375)
Change in credit risk	(1,197,410)	1,368,540	2,229,854	-	2,400,984
Write-offs	(923)	(3,763)	(3,601,539)	(1,320)	(3,607,545)
Disposal of loans, advances and financing	-	-	(412,103)	-	(412,103)
Exchange fluctuation	7,888	(22,007)	52,845	45	38,771
Other movements	721	1,535	460,604	-	462,860
At 31 December 2022	1,425,581	3,629,496	7,343,173	1,771	12,400,021

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

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

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	At 1 January 2023	13,314,951	5,948
Transfer within stages	2,359,268	-	2,359,268
New financial assets originated	245,884	-	245,884
Write-offs	(3,341,043)	-	(3,341,043)
Amount fully recovered	(933,505)	-	(933,505)
Other changes in loans, advances and financing	(113,362)	(141)	(113,503)
Disposal of loans, advances and financing	(198,948)	-	(198,948)
Exchange fluctuation	430,881	310	431,191
At 31 December 2023	11,764,126	6,117	11,770,243

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	Total RM'000
	At 1 January 2022	13,285,278	7,257
Transfer within stages	4,600,745	-	4,600,745
New financial assets originated	171,714	-	171,714
Write-offs	(3,609,463)	(1,320)	(3,610,783)
Amount fully recovered	(609,045)	-	(609,045)
Other changes in loans, advances and financing	(197,420)	(96)	(197,516)
Disposal of loans, advances and financing	(466,527)	-	(466,527)
Exchange fluctuation	139,669	107	139,776
At 31 December 2022	13,314,951	5,948	13,320,899

	The Group	
	31 December 2023	31 December 2022
Ratio of credit impaired loans to total gross loans, advances and financing	2.67%	3.27%

A14. OTHER ASSETS

	The Group		The Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Due from brokers	45,045	10,377	-	-
Other debtors net of expected credit losses of RM657,284,000 (2022: RM701,401,000), deposits and prepayments	3,747,639	3,390,389	83,564	83,364
Settlement accounts	1,323,115	1,242,400	-	-
Treasury related receivables	1,424,277	2,027,697	-	-
Due from joint ventures	3,815,531	2,897,175	-	-
Structured financing	504,996	553,415	-	-
Foreclosed assets net of allowance for impairment losses of RM135,081,000 (2022: RM73,312,000)	247,038	210,116	-	-
Collateral pledged for derivative transactions	3,541,259	3,269,533	-	-
	14,648,900	13,601,102	83,564	83,364

A15. DEPOSITS FROM CUSTOMERS

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
<u>By type of deposit</u>		
Demand deposits	121,302,721	108,507,497
Savings deposits	81,773,812	73,784,622
Fixed deposits	174,767,273	165,541,568
Negotiable instruments of deposit	532,709	648,944
Short term money market deposit	84,284,007	83,804,199
Others	781,570	663,153
	463,442,092	432,949,983
 <u>By type of customer</u>		
Government and statutory bodies	14,681,556	15,005,285
Business enterprises	167,361,930	166,281,466
Individuals	209,954,057	181,284,793
Others	71,444,549	70,378,439
	463,442,092	432,949,983

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

Due within six months	140,539,430	127,698,171
Six months to less than one year	31,737,137	30,874,784
One year to less than three years	2,121,813	6,685,799
Three years to five years	901,602	931,758
	175,299,982	166,190,512

A16. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Unrestricted investment accounts	18,984,125	13,684,632

A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Licensed banks	29,794,511	26,849,917
Licensed finance companies	2,399,926	2,619,660
Licensed investment banks	561,288	665,768
Bank Negara Malaysia ("BNM")	1,338,864	1,270,997
Other financial institutions	6,188,630	2,782,907
	40,283,219	34,189,249

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

Due within six months	36,870,021	31,178,062
Six months to less than one year	1,184,435	1,015,042
One year to less than three years	1,491,837	695,664
Three years to less than five years	41,915	652,571
Five years and more	695,011	647,910
	40,283,219	34,189,249

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Deposits from customers - structured investments	9,737,938	8,371,927
Debentures	748,117	655,323
Bills payable	1,943,183	2,036,603
	12,429,238	11,063,853

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 and this is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of financial liabilities designated at fair value of the Group at 31 December 2023 were RM423,812,000 (2022: RM419,865,000) lower than the contractual amount at maturity for the structured investments, RM1,478,000 (2022: RM9,259,000) higher than the contractual amount at maturity for the debentures and RM207,511,000 (2022: RM280,465,000) higher than the contractual amount at maturity for the bills payable.

A19. OTHER LIABILITIES

	The Group		The Company	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
Due to brokers	20,358	6,172	-	-
Expenditure payable	3,331,214	3,288,500	3,065	12,192
Provision for legal claims	50,251	51,355	-	-
Sundry creditors	1,711,448	1,435,198	70	570
Treasury related payables	1,420,602	2,077,477	-	-
Settlement accounts	1,054,718	794,621	-	-
Structured deposits	6,027,035	6,041,649	-	-
Post employment benefit obligations	469,861	418,861	-	-
Credit card expenditure payable	310,387	265,135	-	-
Collateral pledged for derivative transactions	4,058,960	6,200,556	-	-
Expected credit losses for loan commitments and financial guarantee contracts	(a) 668,452	816,365	-	-
Prepayment	543,252	552,426	-	-
Others	3,012,584	3,212,323	-	-
	22,679,122	25,160,638	3,135	12,762

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	Lifetime	Lifetime	Total
	expected credit	losses - not	losses - credit	
	losses (Stage 1)	credit impaired	impaired	
RM'000	RM'000	RM'000	RM'000	
At 1 January 2023	367,055	138,749	310,561	816,365
Changes in expected credit losses due to transfer within stages:	126,832	(114,282)	(12,550)	-
Transferred to Stage 1	156,111	(146,116)	(9,995)	-
Transferred to Stage 2	(28,954)	69,801	(40,847)	-
Transferred to Stage 3	(325)	(37,967)	38,292	-
Total charge to Statement of Income:	(92,582)	46,253	(128,592)	(174,921)
New exposures	198,645	4,967	18	203,630
Exposures derecognised or matured	(175,411)	(16,487)	(82,955)	(274,853)
Change in credit risk	(115,816)	57,773	(45,655)	(103,698)
Exchange fluctuation	14,741	1,275	4,357	20,373
Other movements	(781)	1,129	6,287	6,635
At 31 December 2023	415,265	73,124	180,063	668,452

	12-month	Lifetime	Lifetime	Total
	expected credit	losses - not	losses - Credit	
	losses (Stage 1)	credit impaired	impaired	
	RM'000	RM'000	RM'000	
At 1 January 2022	408,101	169,537	203,863	781,501
Changes in expected credit losses due to transfer within stages:	80,087	(94,848)	14,761	-
Transferred to Stage 1	99,868	(93,391)	(6,477)	-
Transferred to Stage 2	(19,592)	39,753	(20,161)	-
Transferred to Stage 3	(189)	(41,210)	41,399	-
Total charge to Statement of Income:	(118,802)	63,973	85,585	30,756
New exposures	251,323	4,203	2,255	257,781
Exposures derecognised or matured	(135,529)	(28,064)	(38,978)	(202,571)
Change in credit risk	(234,596)	87,834	122,308	(24,454)
Exchange fluctuation	(2,737)	(8)	630	(2,115)
Other movements	406	95	5,722	6,223
At 31 December 2022	367,055	138,749	310,561	816,365

As at 31 December 2023, the gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM327,470,000 (2022: RM501,338,000).

A20(a). INTEREST INCOME

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Loans, advances and financing				
- Interest income other than recoveries	4,425,545	3,897,440	16,985,590	13,109,045
- Unwinding income [^]	44,926	44,190	189,746	196,075
Money at call and deposit placements with financial institutions	313,424	311,869	1,246,044	701,794
Reverse repurchase agreements	117,459	81,355	408,196	197,172
Debt instruments at fair value through other comprehensive income	725,206	545,841	2,572,936	2,040,550
Debt instruments at amortised cost	549,949	492,039	2,090,367	1,834,030
Others	33,859	44,144	202,895	102,486
	6,210,368	5,416,878	23,695,774	18,181,152
Accretion of discounts less amortisation of premiums	20,154	(48,800)	(5,112)	(333,723)
	6,230,522	5,368,078	23,690,662	17,847,429
The Company				
Money at call and deposit placements with financial institutions	4,101	4,009	15,228	7,902
Debt instruments at fair value through other comprehensive income	13,906	20,618	75,088	81,800
Debt instruments at amortised cost	84,304	84,851	317,285	298,479
	102,311	109,478	407,601	388,181

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

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Financial investments at fair value through profit or loss	305,850	171,642	979,496	673,733
Reverse repurchase agreements at fair value through profit or loss	472	-	472	-
Loan, advances and financing at fair value through profit or loss	368	5,169	4,056	12,063
	306,690	176,811	984,024	685,796
Accretion of discounts, net of amortisation of premiums	138,765	80,238	439,590	105,821
	445,455	257,049	1,423,614	791,617

A21. INTEREST EXPENSE

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Deposits and placements of banks and other financial institutions	405,194	265,320	1,360,518	548,348
Deposits from customers	2,384,785	1,562,022	8,685,601	4,452,565
Repurchase agreements	484,817	245,616	1,627,207	606,163
Bonds, Sukuk and debentures	159,961	112,881	575,429	364,114
Subordinated obligations	122,544	120,756	497,242	403,779
Financial liabilities designated at fair value through profit or loss	139,698	79,836	503,678	246,998
Negotiable certificates of deposits	21,906	8,996	99,260	28,561
Other borrowings	116,768	71,381	435,346	226,121
Recourse obligation on loan and financing sold to Cagamas	11,346	7,226	36,412	26,454
Structured deposits	42,770	34,774	165,789	74,996
Lease liabilities	5,434	4,581	20,440	18,845
Others	6,199	4,371	19,901	19,181
	3,901,422	2,517,760	14,026,823	7,016,125
The Company				
Subordinated obligations	110,510	117,769	441,172	429,079
Other borrowings	38,665	34,117	152,218	127,312
	149,175	151,886	593,390	556,391

A22. MODIFICATION LOSS/(GAIN)

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Modification loss/(gain)	1,258	153	3,747	(6,707)

A23. NET NON-INTEREST INCOME

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
(a) Fee and commission income				
Commissions	344,059	317,495	1,351,134	1,176,787
Fee on loans, advances and financing	240,143	177,136	705,030	669,976
Service charges and fees	167,181	187,959	722,085	684,341
Corporate advisory and arrangement fees	29,301	14,822	43,792	30,489
Guarantee fees	22,841	22,609	79,897	82,269
Other fee income	104,394	72,936	311,278	254,700
Placement fees	1,813	2,707	9,066	8,141
Underwriting commission	4,866	8,418	31,081	41,549
	914,598	804,082	3,253,363	2,948,252
(b) Fee and commission expense				
Net fee and commission income	(262,707)	(234,092)	(1,019,297)	(742,265)
	651,891	569,990	2,234,066	2,205,987
(c) Other non-interest income				
(i) Gross dividend income from:				
<i>In Malaysia</i>				
- Financial investments at fair value through profit or loss	12,127	9,128	64,801	48,574
- Equity instruments at fair value through other comprehensive income	-	-	1,000	1,019
<i>Outside Malaysia</i>				
- Equity instruments at fair value through other comprehensive income	565	490	2,158	1,717
	12,692	9,618	67,959	51,310
(ii) Net gain/(loss) arising from financial investments at fair value through profit or loss				
- Realised	(127,274)	(245,676)	(323,985)	(1,067,080)
- Unrealised	588,476	548,671	349,126	(68,972)
(iii) Net (loss)/gain arising from derivative financial instruments				
- Realised	(1,103,063)	(1,215,868)	2,743,465	4,809,023
- Unrealised	1,109,093	989,258	3,591,827	5,327,351
	(2,212,156)	(2,205,126)	(848,362)	(518,328)
(iv) Net (loss)/gain arising from financial liability designated at fair value through profit or loss				
- Realised	(58,874)	(98,342)	240,139	338,666
- Unrealised	33,752	4,466	58,299	(17,495)
	(92,626)	(102,808)	181,840	356,161
(v) Net (loss)/gain arising from hedging activities				
	(7,608)	(6,567)	(31,714)	32,266
(vi) Net gain/(loss) from sale of investment in debt instruments at fair value through other comprehensive income				
	19,823	(15,080)	202,014	(32,936)
(vii) Net gain from redemption of debt instruments at amortised cost				
	1	-	567	12,740
(viii) Net loss arising from loans, advances and financing at fair value through profit or loss:				
- Realised	(121)	(54)	(112)	(1,208)
- Unrealised	(121)	-	(112)	-
	-	(54)	-	(1,208)
(ix) Income from assets management and securities services				
	7,205	4,575	19,626	19,871
(x) Brokerage income				
	757	255	2,138	1,167
(xi) Other non-interest income:				
Foreign exchange gain/(loss)	1,400,126	1,493,975	(283,864)	(2,307,061)
Rental income	5,487	6,259	24,790	28,755
Gain/(loss) on disposal of property, plant and equipment/ assets held for sale	54,599	(991)	59,338	27,215
Gain on liquidation of foreign branch	16	-	8,127	-
Gain on disposal of loans, advances and financing	19,672	155	302,117	37,170
Loss on disposal of foreclosed assets	(18,043)	(9,304)	(33,294)	(6,514)
Other non-operating income	35,903	28,405	89,937	117,189
	1,497,760	1,518,499	167,151	(2,103,246)
Total other non-interest income	829,774	500,031	3,436,374	1,991,601
Net non-interest income	1,481,665	1,070,021	5,670,440	4,197,588

A23. NET NON-INTEREST INCOME (CONTINUED)

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Company				
(c) Other non-interest income				
(i) Gross dividend income from:				
<u>In Malaysia</u>				
- Subsidiary	-	103,000	3,354,835	3,131,843
(xi) Other non-interest income:				
Foreign exchange gain/(loss)	1	(755)	143	663
Rental income	70	70	280	280
Gain on disposal of assets held for sale	-	-	-	4,232
Other non-operating income	-	-	-	89
	71	(685)	423	5,264
Net non-interest income	71	102,315	3,355,258	3,137,107

A24. OVERHEADS

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Personnel costs				
- Salaries, allowances and bonus	1,204,781	1,105,384	4,742,141	4,431,555
- Pension cost	135,384	113,048	507,481	466,850
- Share-based expense ¹	15,122	15,778	57,550	54,330
- Overtime	7,619	5,299	32,342	19,117
- Staff incentives and other staff payments	91,960	83,197	257,405	291,129
- Medical expenses	30,922	20,379	103,035	80,829
- Others	80,271	55,986	235,934	195,594
	1,566,059	1,399,071	5,935,888	5,539,404
Establishment costs				
- Depreciation of property, plant and equipment	78,184	76,103	311,017	300,917
- Depreciation of right-of-use assets	56,004	52,477	208,848	215,723
- Amortisation of intangible assets	125,127	121,362	486,784	595,649
- Intangible assets written off	19	121	668	1,632
- Rental	35,596	36,345	124,324	112,022
- Repair and maintenance	224,267	223,172	888,370	778,922
- Outsourced services	16,316	3,884	48,084	18,409
- Security expenses	20,602	24,570	99,094	93,368
- Others	71,979	93,518	292,908	293,437
	628,094	631,552	2,460,097	2,410,079
Marketing expenses				
- Advertisement	64,730	63,355	202,177	177,079
- Others	29,103	34,048	134,030	70,943
	93,833	97,403	336,207	248,022
Administration and general expenses				
- Legal and professional fees	120,376	137,848	215,533	323,213
- Stationery	10,017	6,451	34,019	22,057
- Postage	9,117	10,767	36,509	37,079
- Communication	30,049	24,382	100,701	95,644
- Incidental expenses on banking operations	12,489	14,010	95,245	90,843
- Others	154,696	165,976	650,877	579,166
	336,744	359,434	1,132,884	1,148,002
	2,624,730	2,487,460	9,865,076	9,345,507

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

A24. OVERHEADS (CONTINUED)

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Company				
Establishment costs				
- Depreciation of property, plant and equipment	26	37	136	147
- Depreciation of investment properties	4	4	18	18
- Rental	-	-	1	-
- Repair and maintenance	34	70	180	232
- Outsourced services	32	-	32	-
- Others	134	-	150	36
	230	111	517	433
Marketing expenses				
- Advertisement	3	-	53	-
- Others	-	27	-	27
	3	27	53	27
Administration and general expenses				
- Legal and professional fees	1,808	2,624	4,234	6,989
- Insurance	560	896	3,118	3,595
- Others	6,872	3,573	20,892	19,795
	9,240	7,093	28,244	30,379
	9,473	7,231	28,814	30,839

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Expected credit losses on loans, advances and financing at amortised cost	583,706	862,470	2,220,307	2,594,957
Credit impaired loans, advances and financing:				
- Recovered	(212,722)	(144,163)	(752,610)	(658,282)
- Written off	2,696	3,338	66,749	16,050
	373,680	721,645	1,534,446	1,952,725

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Other expected credit losses and impairment allowances made/ (written back):				
- Debt instrument at fair value through other comprehensive income	1,253	13,260	19,842	(25,068)
- Debt instrument at amortised cost	(8,838)	1,651	7,347	(101,957)
- Money at call and deposits and placements with banks and other financial institutions	506	144	425	137
Other impairment allowances made:				
- Other assets	66,491	16,314	204,314	305,376
- Right-of-use assets	-	(8)	-	(731)
	59,412	31,361	231,928	177,757
The Company				
Other expected credit losses and impairment allowances made/ (written back):				
- Debt instrument at fair value through other comprehensive income	(4,070)	(51)	(3,793)	(856)
- Debt instrument at amortised cost	6,717	(3,751)	4,703	3,409
Other impairment allowances made:				
- Amount due from a subsidiary	2	-	5	-
	2,649	(3,802)	915	2,553

A26. DERIVATIVE FINANCIAL INSTRUMENTS

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

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

At 31 December 2023	The Group		
	Principal amount	Fair values	
	RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	50,626,316	359,837	(684,430)
- Less than 1 year	47,330,261	300,088	(593,397)
- 1 year to 3 years	2,972,833	57,733	(55,034)
- More than 3 years	323,222	2,016	(35,999)
Currency swaps	559,085,294	6,421,923	(6,749,962)
- Less than 1 year	552,751,597	6,383,230	(6,574,039)
- 1 year to 3 years	3,735,849	17,494	(110,432)
- More than 3 years	2,597,848	21,199	(65,491)
Currency spots	6,125,079	7,444	(10,140)
- Less than 1 year	6,125,079	7,444	(10,140)
Currency options	12,639,171	123,089	(114,188)
- Less than 1 year	10,327,411	97,553	(77,206)
- 1 year to 3 years	2,311,760	25,536	(36,529)
- More than 3 years	-	-	(453)
Cross currency interest rate swaps	128,029,706	3,046,928	(3,819,403)
- Less than 1 year	52,841,507	1,025,705	(1,534,611)
- 1 year to 3 years	40,522,002	1,041,485	(1,231,886)
- More than 3 years	34,666,197	979,738	(1,052,906)
	756,505,566	9,959,221	(11,378,123)
<u>Interest rate derivative</u>			
Interest rate swaps	674,668,281	4,235,296	(3,595,331)
- Less than 1 year	323,923,924	481,840	(495,428)
- 1 year to 3 years	163,239,532	1,060,039	(942,168)
- More than 3 years	187,504,825	2,693,417	(2,157,735)
Interest rate futures	8,414,036	1,395	(38,808)
- Less than 1 year	7,840,485	1,395	(38,602)
- 1 year to 3 years	573,551	-	(206)
Interest rate options	452,248	4,521	(725)
- Less than 1 year	385,325	4,009	(725)
- 1 year to 3 years	66,923	512	-
	683,534,565	4,241,212	(3,634,864)
<u>Equity related derivatives</u>			
Equity futures	57,527	-	(229)
- Less than 1 year	57,527	-	(229)
Equity options	3,486,724	128,016	(244,574)
- Less than 1 year	3,021,339	115,971	(237,772)
- 1 year to 3 years	368,712	11,377	(6,134)
- More than 3 years	96,673	668	(668)
Equity swaps	505,755	26,771	(9,465)
- Less than 1 year	242,648	10,661	(6,127)
- 1 year to 3 years	263,107	16,110	(3,338)
	4,050,006	154,787	(254,268)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2023	The Group		
	Principal amount RM'000	Fair values Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Commodity related derivatives</u>			
Commodity swaps	937,459	23,563	(23,846)
- Less than 1 year	924,448	22,734	(23,302)
- 1 year to 3 years	13,011	829	(544)
Commodity futures	152,835	1,319	(3,859)
- Less than 1 year	139,897	1,289	(3,602)
- 1 year to 3 years	12,938	30	(257)
Commodity options	2,115,795	21,979	(20,367)
- Less than 1 year	2,115,795	21,979	(20,367)
	3,206,089	46,861	(48,072)
<u>Credit related contract</u>			
Credit default swaps	2,756,315	18,738	(15,765)
- Less than 1 year	137,912	453	(217)
- 1 year to 3 years	1,701,844	12,922	(10,442)
- More than 3 years	916,559	5,363	(5,106)
Total return swaps	19,900	-	(610)
- 1 year to 3 years	19,900	-	(610)
	2,776,215	18,738	(16,375)
Bond contract			
Bond Forward	6,475,266	265,156	(104,143)
- Less than 1 year	2,510,294	119,109	(43,704)
- 1 year to 3 years	2,463,716	109,358	(33,236)
- More than 3 years	1,501,256	36,689	(27,203)
Hedging derivatives			
Interest rate swaps	41,837,504	629,049	(433,536)
- Less than 1 year	7,097,386	52,760	(13,773)
- 1 year to 3 years	12,430,851	160,940	(76,999)
- More than 3 years	22,309,267	415,349	(342,764)
Currency swaps	8,891,777	133,606	(128,129)
- Less than 1 year	8,891,777	133,606	(128,129)
Cross currency interest rate swaps	5,363,739	196,265	(79,709)
- Less than 1 year	1,737,768	78,277	(26,526)
- 1 year to 3 years	2,477,494	91,731	(51,666)
- More than 3 years	1,148,477	26,257	(1,517)
	56,093,020	958,920	(641,374)
Total derivative assets/(liabilities)	1,512,640,727	15,644,895	(16,077,219)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2022	The Group		
	Principal amount RM'000	Fair values	
		Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Foreign exchange derivatives</u>			
Currency forward	48,694,551	368,281	(1,019,865)
- Less than 1 year	44,708,456	281,464	(923,450)
- 1 year to 3 years	3,111,231	55,382	(60,457)
- More than 3 years	874,864	31,435	(35,958)
Currency swaps	435,187,275	7,617,122	(7,532,870)
- Less than 1 year	428,871,925	7,583,733	(7,259,719)
- 1 year to 3 years	3,259,077	27,446	(103,433)
- More than 3 years	3,056,273	5,943	(169,718)
Currency spots	5,379,541	12,683	(11,524)
- Less than 1 year	5,379,541	12,683	(11,524)
Currency options	10,445,744	113,495	(107,449)
- Less than 1 year	6,686,813	58,255	(55,832)
- 1 year to 3 years	2,035,617	36,964	(34,694)
- More than 3 years	1,723,314	18,276	(16,923)
Cross currency interest rate swaps	105,351,157	3,159,323	(3,583,947)
- Less than 1 year	29,007,703	698,777	(896,998)
- 1 year to 3 years	40,916,752	1,219,193	(1,391,635)
- More than 3 years	35,426,702	1,241,353	(1,295,314)
	605,058,268	11,270,904	(12,255,655)
<u>Interest rate derivative</u>			
Interest rate swaps	564,413,013	5,086,564	(4,290,392)
- Less than 1 year	275,857,945	539,288	(530,380)
- 1 year to 3 years	147,121,574	1,360,983	(1,084,930)
- More than 3 years	141,433,494	3,186,293	(2,675,082)
Interest rate futures	1,172,683	9,827	(1,911)
- Less than 1 year	1,172,683	9,827	(1,911)
Interest rate options	363,623	6,617	(1,621)
- Less than 1 year	363,623	6,617	(1,621)
	565,949,319	5,103,008	(4,293,924)
<u>Equity related derivatives</u>			
Equity futures	2,986	2	(20)
- Less than 1 year	2,986	2	(20)
Equity options	2,603,830	113,091	(166,414)
- Less than 1 year	2,150,148	101,450	(162,852)
- 1 year to 3 years	360,385	11,072	(3,348)
- More than 3 years	93,297	569	(214)
Equity swaps	446,653	16,891	(21,206)
- Less than 1 year	161,018	7,775	(1,476)
- 1 year to 3 years	285,635	9,116	(19,730)
	3,053,469	129,984	(187,640)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

At 31 December 2022	The Group		
	Principal amount RM'000	Fair values Assets RM'000	Liabilities RM'000
Trading derivatives			
<u>Commodity related derivatives</u>			
Commodity swaps	822,386	24,374	(23,182)
- Less than 1 year	822,386	24,374	(23,182)
Commodity futures	93,052	2,477	(1,006)
- Less than 1 year	93,052	2,477	(1,006)
Commodity options	330,903	2,956	(4,174)
- Less than 1 year	330,903	2,956	(4,174)
	1,246,341	29,807	(28,362)
<u>Credit related contract</u>			
Credit default swaps	2,493,237	20,571	(15,135)
- Less than 1 year	12,642	246	-
- 1 year to 3 years	1,011,983	9,128	(2,229)
- More than 3 years	1,468,612	11,197	(12,906)
Total return swaps	20,200	-	(477)
- More than 3 years	20,200	-	(477)
	2,513,437	20,571	(15,612)
Bond contract			
Bond forward	2,781,813	299,346	(30,676)
- Less than 1 year	882,451	71,035	(15,526)
- 1 year to 3 years	1,529,310	198,034	(11,690)
- More than 3 years	370,052	30,277	(3,460)
Hedging derivatives			
Interest rate swaps	36,228,517	900,845	(390,416)
- Less than 1 year	4,439,055	14,059	(18,138)
- 1 year to 3 years	11,690,612	132,801	(100,946)
- More than 3 years	20,098,850	753,985	(271,332)
Currency swaps	7,358,750	101,806	(158,669)
- Less than 1 year	7,358,750	101,806	(158,669)
Cross currency interest rate swaps	3,405,249	215,887	(99,579)
- Less than 1 year	441,209	45,650	(2,188)
- 1 year to 3 years	1,487,628	77,912	(51,846)
- More than 3 years	1,476,412	92,325	(45,545)
	46,992,516	1,218,538	(648,664)
Total derivative assets/(liabilities)	1,227,595,163	18,072,158	(17,460,533)

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

Market Risk

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

Credit Risk

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 December 2023, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM15,644,895,000 (2022: RM18,072,158,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Liquidity Risk

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

Cash requirements of the derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 December 2023, the Group has posted cash collateral of RM3,541,259,000 (2022: RM3,269,533,000) 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 2022 and the Risk Management section of the 2022 Annual Report.

A27. COMMITMENTS AND CONTINGENCIES

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

	31 December 2023	31 December 2022
	Principal Amount RM'000	Principal Amount RM'000
The Group		
<u>Credit-related</u>		
Direct credit substitutes	5,231,528	6,897,580
Certain transaction-related contingent items	7,538,947	7,132,974
Short-term self-liquidating trade-related contingencies	5,285,710	4,151,626
Obligations under underwriting agreement	-	87,500
Irrevocable commitments to extend credit		
- maturity not exceeding one year	95,046,686	86,747,649
- maturity exceeding one year	35,916,513	38,062,217
Miscellaneous commitments and contingencies	418,696	748,588
Total credit-related commitments and contingencies	149,438,080	143,828,134
<u>Treasury-related</u>		
<u>Foreign exchange related contracts</u>		
- less than one year	680,005,400	522,454,397
- one year to five years	75,778,626	76,218,188
- more than five years	14,977,056	17,149,682
	770,761,082	615,822,267
<u>Interest rate related contracts</u>		
- less than one year	339,247,120	281,469,683
- one year to five years	317,413,834	257,983,649
- more than five years	68,711,115	62,724,504
	725,372,069	602,177,836
<u>Equity related contracts</u>		
- less than one year	3,321,514	2,314,152
- one year to five years	631,819	646,020
- more than five years	96,673	93,297
	4,050,006	3,053,469
<u>Credit related contracts</u>		
- less than one year	137,912	12,642
- one year to five years	2,496,364	2,258,816
- more than five years	141,939	241,979
	2,776,215	2,513,437
<u>Commodity related contracts</u>		
- less than one year	3,180,140	1,246,341
- one year to five years	25,949	-
	3,206,089	1,246,341
<u>Bond contracts</u>		
- less than one year	2,510,294	882,451
- one year to five years	3,934,972	1,899,362
- more than five years	30,000	-
	6,475,266	2,781,813
Total treasury-related commitments and contingencies	1,512,640,727	1,227,595,163
	1,662,078,807	1,371,423,297
Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account (refer to Note A13(i) (c) for more details), as follows:		
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	2,500,000	3,000,000
- maturity exceeding one year	100,000	-
	2,600,000	3,000,000

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 15 December 2023. The revised guidelines took effect 15 December 2023 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 18 December 2023.

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 are based on the Bank of Thailand's (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 are based on Otoritas Jasa Keuangan's (OJK) 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. With effect from 1 January 2023, Operational Risk is based on Standardised Approach as stipulated by SEOJK No 6/SEOJK.03/2020.

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 risks.

A28. CAPITAL ADEQUACY (Continued)

31 December 2023

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

	The Group
Before deducting proposed dividend	
Common equity tier 1 ratio	15.259%
Tier 1 ratio	15.874%
Total capital ratio	<u>18.926%</u>
After deducting proposed dividend	
Common equity tier 1 ratio	14.511%
Tier 1 ratio	15.126%
Total capital ratio	<u>18.178%</u>

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

	The Group RM'000
Credit risk ⁽¹⁾	306,189,404
Market risk	19,836,990
Large exposure risk requirements	1,235,055
Operational risk	<u>36,311,913</u>
Total risk-weighted assets	<u>363,573,362</u>

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

	The Group RM'000
Under Restricted Agency Investment Account arrangement	<u>830,893</u>

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

	The Group RM'000
Common Equity Tier 1 capital	
Ordinary share capital	29,094,547
Other reserves	39,232,414
Qualifying non-controlling interests	547,876
Less: Proposed dividends	<u>(2,719,601)</u>
Common Equity Tier 1 capital before regulatory adjustments	66,155,236
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,475,948)
Intangible assets	(1,801,788)
Deferred tax assets	(1,994,990)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(2,193,317)
Regulatory reserve	(1,102,571)
Others	<u>171,804</u>
Common Equity Tier 1 capital after regulatory adjustments	<u>52,758,426</u>
Additional Tier 1 capital	
Perpetual subordinated capital securities	2,150,000
Qualifying capital instruments held by third parties	<u>86,332</u>
	2,236,332
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,236,332</u>
Total Tier 1 capital	<u>54,994,758</u>

A28. CAPITAL ADEQUACY (Continued)

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

	The Group RM'000
Tier 2 capital	
Subordinated obligations	8,400,000
Qualifying capital instruments held by third parties	83,869
Surplus of eligible provisions over expected loss	1,122,690
General provisions √	1,488,429
Tier 2 capital before regulatory adjustments	11,094,988
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	-
Total Tier 2 capital	11,094,988
Total capital	66,089,746

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

	CIMB Bank Group[^]	CIMB Bank^{**^}	CIMB Islamic Bank	CIMB Investment Bank Group	CIMB Thai Bank	Bank CIMB Niaga	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
<u>Before deducting proposed dividend</u>								
Common equity tier 1 ratio	15.375%	15.628%	12.996%	106.562%	15.255%	22.394%	N/A	N/A
Tier 1 ratio	15.781%	16.069%	13.522%	106.562%	15.255%	22.394%	N/A	N/A
Total capital ratio	19.399%	19.949%	15.545%	106.562%	20.876%	23.527%	20.407%	60.916%
<u>After deducting proposed dividend</u>								
Common equity tier 1 ratio	14.795%	14.695%	12.996%	98.955%	15.255%	22.394%	N/A	N/A
Tier 1 ratio	15.201%	15.136%	13.522%	98.955%	15.255%	22.394%	N/A	N/A
Total capital ratio	18.819%	19.015%	15.545%	98.955%	20.876%	23.527%	20.407%	60.916%

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

√ Total Capital of CIMB Group as at 31 December 2023 has excluded general provisions restricted from Tier 2 capital of RM1,548 million.

[^] The Directors have proposed a single tier special dividend of RM1,500 million in respect of the financial year ended 31 December 2023. The proposed single tier special dividend was approved by the Board of Directors on 30 January 2024.

On 30 January 2024, the Directors have approved the proposed new issuance of 239,612,121 ordinary shares by CIMB Bank at an issue price of RM6.26 per ordinary share. The issuance is made in satisfaction of a dividend payable.

The proposed single tier special dividend and the proposed share issuance of new shares, collectively, do not have an impact on the capital ratios of CIMB Bank.

A28. CAPITAL ADEQUACY (Continued)

31 December 2022

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

	The Group
Before deducting proposed dividend	
Common equity tier 1 ratio	14.943%
Tier 1 ratio	15.792%
Total capital ratio	<u>18.891%</u>
After deducting proposed dividend	
Common equity tier 1 ratio	14.526%
Tier 1 ratio	15.375%
Total capital ratio	<u>18.474%</u>

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

	The Group RM'000
Credit risk ⁽¹⁾	283,348,349
Market risk	13,981,992
Large exposure risk requirements	1,194,330
Operational risk	<u>33,969,638</u>
Total risk-weighted assets	<u>332,494,309</u>

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

	The Group RM'000
Under Restricted Agency Investment Account arrangement	<u>857,557</u>

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

	The Group RM'000
Common Equity Tier 1 capital	
Ordinary share capital	29,094,547
Other reserves	33,396,659
Qualifying non-controlling interests	484,612
Less: Proposed dividends	<u>(1,386,463)</u>
Common Equity Tier 1 capital before regulatory adjustments	61,589,355
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,382,440)
Intangible assets	(1,798,512)
Deferred tax assets	(1,866,077)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(3,062,743)
Regulatory reserve	(417,993)
Others	<u>236,434</u>
Common Equity Tier 1 capital after regulatory adjustments	<u>48,298,024</u>
Additional Tier 1 capital	
Perpetual subordinated capital securities	2,750,000
Qualifying capital instruments held by third parties	<u>72,768</u>
	2,822,768
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,822,768</u>
Total Tier 1 capital	<u>51,120,792</u>

A28. CAPITAL ADEQUACY (Continued)

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

	The Group RM'000
Tier 2 capital	
Subordinated obligations	7,800,000
Qualifying capital instruments held by third parties	71,903
Surplus of eligible provisions over expected loss	1,024,699
General provisions [√]	1,407,065
Tier 2 capital before regulatory adjustments	<u>10,303,667</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	<u>-</u>
Total Tier 2 capital	<u>10,303,667</u>
Total capital	<u>61,424,459</u>

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

	CIMB Bank Group	CIMB Bank **	CIMB Islamic Bank	CIMB Investment Bank Group	CIMB Thai Bank	Bank CIMB Niaga	CIMB Bank PLC	CIMB Bank (Vietnam) Ltd
<u>Before deducting proposed dividend</u>								
Common equity tier 1 ratio	15.504%	15.491%	14.040%	97.816%	15.068%	20.779%	N/A	N/A
Tier 1 ratio	16.166%	16.308%	14.670%	97.816%	15.068%	20.779%	N/A	N/A
Total capital ratio	<u>19.822%</u>	<u>20.031%</u>	<u>17.078%</u>	<u>97.816%</u>	<u>20.780%</u>	<u>21.862%</u>	<u>18.615%</u>	<u>56.979%</u>
<u>After deducting proposed dividend</u>								
Common equity tier 1 ratio	15.139%	14.918%	14.040%	94.645%	15.068%	20.779%	N/A	N/A
Tier 1 ratio	15.802%	15.736%	14.670%	94.645%	15.068%	20.779%	N/A	N/A
Total capital ratio	<u>19.458%</u>	<u>19.458%</u>	<u>17.078%</u>	<u>94.645%</u>	<u>20.780%</u>	<u>21.862%</u>	<u>18.615%</u>	<u>56.979%</u>

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

[√] Total Capital of CIMB Group as at 31 December 2022 has excluded general provisions restricted from Tier 2 capital of RM1,369 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
31 December 2023					
Net interest income - after modification loss					
- External income	4,688,519	1,422,383	3,493,896	1,478,908	11,083,706
- Inter-segment income/(expense)	305,796	790,667	(1,262,830)	166,367	-
	4,994,315	2,213,050	2,231,066	1,645,275	11,083,706
Income from Islamic Banking operations	2,025,391	1,082,665	728,402	423,878	4,260,336
Net non-interest income	1,746,726	659,139	2,797,962	466,613	5,670,440
Net income	8,766,432	3,954,854	5,757,430	2,535,766	21,014,482
Overheads	(4,988,055)	(1,943,878)	(2,314,272)	(618,871)	(9,865,076)
of which:					
- Depreciation of property, plant and equipment	(104,952)	(4,980)	(13,886)	(187,199)	(311,017)
- Amortisation of intangible assets	(120,632)	(16,293)	(71,559)	(278,300)	(486,784)
Profit before expected credit losses	3,778,377	2,010,976	3,443,158	1,916,895	11,149,406
Expected credit losses made on loans, advances and financing	(641,144)	(229,840)	(389,840)	(273,622)	(1,534,446)
Expected credit losses written back/(made) for commitments and contingencies	26,959	2,858	145,103	1	174,921
Other expected credit losses and impairment allowances (made)/written back	(172,910)	1,439	(49,450)	(11,007)	(231,928)
Segment results	2,991,282	1,785,433	3,148,971	1,632,267	9,557,953
Share of results of joint ventures	(10,595)	-	-	(48,319)	(58,914)
Share of results of associates	-	-	-	41,692	41,692
Profit before taxation and zakat	2,980,687	1,785,433	3,148,971	1,625,640	9,540,731
% of profit before taxation and zakat	31.3	18.7	33.0	17.0	100.0
Taxation and zakat					(2,378,636)
Profit for the financial year					7,162,095

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2022					
Net interest income - after net modification gain					
- External income	5,169,977	1,822,278	3,202,624	1,434,749	11,629,628
- Inter-segment income/(expense)	(167,594)	523,153	(142,521)	(213,038)	-
	5,002,383	2,345,431	3,060,103	1,221,711	11,629,628
Income from Islamic Banking operations	1,974,728	878,129	656,984	490,008	3,999,849
Net non-interest income	1,720,469	540,441	1,764,551	172,127	4,197,588
Gain on disposal and deemed disposal of subsidiaries and joint ventures	-	-	-	10,451	10,451
Net income	8,697,580	3,764,001	5,481,638	1,894,297	19,837,516
Overheads	(4,665,643)	(1,803,823)	(2,217,004)	(659,037)	(9,345,507)
of which:					
- Depreciation of property, plant and equipment	(110,688)	(5,152)	(15,408)	(169,669)	(300,917)
- Amortisation of intangible assets	(137,682)	(14,109)	(74,243)	(369,615)	(595,649)
Profit before expected credit losses	4,031,937	1,960,178	3,264,634	1,235,260	10,492,009
Expected credit losses made on loans, advances and financing	(1,001,330)	(494,844)	(323,798)	(132,753)	(1,952,725)
Expected credit losses written back/(made) for commitments and contingencies	82,456	756	(113,979)	11	(30,756)
Other expected credit losses and impairment allowances (made)/written back	(370,037)	(9,929)	207,739	(5,530)	(177,757)
Segment results	2,743,026	1,456,161	3,034,596	1,096,988	8,330,771
Share of results of joint ventures	16,749	-	-	(42,771)	(26,022)
Share of results of associates	-	-	24,567	41,694	66,261
Profit before taxation and zakat	2,759,775	1,456,161	3,059,163	1,095,911	8,371,010
% of profit before taxation and zakat	33.0	17.4	36.5	13.1	100.0
Taxation and zakat					(2,778,079)
Profit for the financial year					5,592,931

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2023					
Group					
Segment assets	228,023,511	70,799,346	298,457,173	115,294,611	712,574,641
Investment in associates and joint ventures	152,311	-	-	2,244,214	2,396,525
	<u>228,175,822</u>	<u>70,799,346</u>	<u>298,457,173</u>	<u>117,538,825</u>	<u>714,971,166</u>
Unallocated assets	-	-	-	-	18,600,986
Total assets	<u>228,175,822</u>	<u>70,799,346</u>	<u>298,457,173</u>	<u>117,538,825</u>	<u>733,572,152</u>
Segment liabilities	197,380,697	91,617,444	290,428,444	60,849,572	640,276,157
Unallocated liabilities	-	-	-	-	23,457,104
Total liabilities	<u>197,380,697</u>	<u>91,617,444</u>	<u>290,428,444</u>	<u>60,849,572</u>	<u>663,733,261</u>
Other segment items					
Capital expenditure	263,583	22,416	105,367	519,920	911,286
Investment in joint ventures	152,311	-	-	2,150,055	2,302,366
Investment in associates	-	-	-	94,159	94,159

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
31 December 2022					
Group					
Segment assets	211,410,147	64,078,193	273,763,397	97,654,836	646,906,573
Investment in associates and joint ventures	162,906	-	-	2,304,101	2,467,007
	<u>211,573,053</u>	<u>64,078,193</u>	<u>273,763,397</u>	<u>99,958,937</u>	<u>649,373,580</u>
Unallocated assets	-	-	-	-	17,347,645
Total assets	<u>211,573,053</u>	<u>64,078,193</u>	<u>273,763,397</u>	<u>99,958,937</u>	<u>666,721,225</u>
Segment liabilities	170,804,101	84,449,789	271,298,915	50,590,077	577,142,882
Unallocated liabilities	-	-	-	-	25,794,490
Total liabilities	<u>170,804,101</u>	<u>84,449,789</u>	<u>271,298,915</u>	<u>50,590,077</u>	<u>602,937,372</u>
Other segment items					
Capital expenditure	315,777	19,759	91,596	473,369	900,501
Investment in joint ventures	162,906	-	-	2,262,315	2,425,221
Investment in associates	-	-	-	41,786	41,786

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. Judgement may be required to assess the need for valuation adjustments to appropriately reflect unobservable parameters. The valuation models shall also consider relevant transaction data such as maturity. The inputs are then benchmarked and extrapolated to derive the fair value.

Valuation Model Review and Approval

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

A30. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and the Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 December 2023 and 31 December 2022 .

The Group	Fair Value			Total
	Level 1	Level 2	Level 3	
31 December 2023	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
Financial assets				
Reverse repurchased agreements at fair value through profit or loss	-	147,290	-	147,290
Financial investments at fair value through profit or loss				
- Money market instruments	-	31,952,912	308,890	32,261,802
- Quoted securities	1,881,131	-	-	1,881,131
- Unquoted securities	4,995,686	8,310,478	1,173,634	14,479,798
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	23,087,820	-	23,087,820
- Unquoted securities	10,978,981	37,350,497	-	48,329,478
Equity instruments at fair value through other comprehensive income				
- Quoted securities	29,990	-	-	29,990
- Unquoted securities	-	-	276,181	276,181
Derivative financial instruments				
- Trading derivatives	3,178	14,554,695	128,102	14,685,975
- Hedging derivatives	-	958,920	-	958,920
Loans, advances and financing at fair value through profit or loss	-	274,133	-	274,133
Total	17,888,966	116,636,745	1,886,807	136,412,518

Financial liabilities

Derivative financial instruments				
- Trading derivatives	135,489	15,154,119	146,237	15,435,845
- Hedging derivatives	-	641,374	-	641,374
Financial liabilities designated at fair value through profit or loss	-	12,429,238	-	12,429,238
Total	135,489	28,224,731	146,237	28,506,457

The Group	Fair Value			Total
	Level 1	Level 2	Level 3	
31 December 2022	RM'000	RM'000	RM'000	RM'000
Recurring fair value measurements				
Financial assets				
Financial investments at fair value through profit or loss				
- Money market instruments	-	23,218,488	295,529	23,514,017
- Quoted securities	1,340,074	-	-	1,340,074
- Unquoted securities	2,416,997	4,732,245	1,196,930	8,346,172
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	19,921,905	-	19,921,905
- Unquoted securities	8,696,620	29,757,136	-	38,453,756
Equity instruments at fair value through other comprehensive income				
- Quoted securities	24,124	-	-	24,124
- Unquoted securities	-	-	276,545	276,545
Derivative financial instruments				
- Trading derivatives	11,558	16,726,330	115,732	16,853,620
- Hedging derivatives	-	1,218,538	-	1,218,538
Loans, advances and financing at fair value through profit or loss	-	107,552	-	107,552
Total	12,489,373	95,682,194	1,884,736	110,056,303

Financial liabilities

Derivative financial instruments				
- Trading derivatives	42,227	16,649,411	120,231	16,811,869
- Hedging derivatives	-	648,664	-	648,664
Financial liabilities designated at fair value through profit or loss	-	11,063,853	-	11,063,853
Total	42,227	28,361,928	120,231	28,524,386

A30. FAIR VALUE ESTIMATION (Continued)

- (i). The following table represents the Group's and Company's financial assets and financial liabilities measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 December 2023 and 31 December 2022 (Continued)

The Company 31 December 2023	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	1,144,797	-	1,144,797
Total	-	1,144,797	-	1,144,797

The Company 31 December 2022	Fair Value			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<i>Recurring fair value measurements</i>				
<u>Financial assets</u>				
Debt instruments at fair value through other comprehensive income				
- Unquoted securities	-	1,737,110	-	1,737,110
Total	-	1,737,110	-	1,737,110

A30. FAIR VALUE ESTIMATION (Continued)

(ii). The following represents the movement in Level 3 instruments for the financial year ended 31 December 2023 and 31 December 2022 for the Group.

	Financial Assets			Total	Financial Liabilities	
	Financial assets at fair value through profit or loss	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					
2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	1,492,459	276,545	115,732	1,884,736	(120,231)	(120,231)
Total gains recognised in Statement of Income	24,146	-	7,600	31,746	6,792	6,792
Total losses recognised in Other Comprehensive Income	-	(9,389)	-	(9,389)	-	-
Purchases	2,866	424	11,084	14,374	(390,282)	(390,282)
Sales and redemptions	(56,258)	(374)	-	(56,632)	-	-
Settlements	-	-	(9,656)	(9,656)	360,703	360,703
Exchange fluctuation	19,311	8,975	3,342	31,628	(3,219)	(3,219)
At 31 December	1,482,524	276,181	128,102	1,886,807	(146,237)	(146,237)
Total gains recognised in Statement of Income for the financial year ended 31 December 2023 under:						
- net non-interest income	24,146	-	7,600	31,746	6,792	6,792
Total losses recognised in Other Comprehensive Income for the financial year ended 31 December 2023 under "revaluation reserves"	-	(9,389)	-	(9,389)	-	-
Change in unrealised gains/(losses) recognised in Statement of Income relating to assets held on 31 December 2023 under "net non-interest income"	10,173	-	226,121	236,294	(95,442)	(95,442)

A30. FAIR VALUE ESTIMATION (Continued)

- (ii). The following represents the movement in Level 3 instruments for the financial year ended 31 December 2023 and 31 December 2022 for the Group.
(Continued)

	Financial Assets			Total	Financial Liabilities	
	Financial assets at fair value through profit or loss Money market instruments and unquoted securities	Equity instruments at fair value through other comprehensive income	Derivative financial instruments Trading derivatives		Derivative financial instruments Trading derivatives	Total
2022	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 January	1,577,323	285,593	234,395	2,097,311	(39,759)	(39,759)
Total (losses)/gains recognised in Statement of Income	(64,470)	-	(120,127)	(184,597)	3,010	3,010
Total losses recognised in Other Comprehensive Income	-	(8,762)	-	(8,762)	-	-
Purchases	1,754	-	6,889	8,643	(214,475)	(214,475)
Sales and redemptions	(52,991)	(105)	-	(53,096)	-	-
Settlements	-	-	(7,909)	(7,909)	133,316	133,316
Exchange fluctuation	30,843	(181)	2,484	33,146	(2,323)	(2,323)
At 31 December	1,492,459	276,545	115,732	1,884,736	(120,231)	(120,231)
Total (losses)/gains recognised in Statement of Income for the financial year ended 31 December 2022 under:						
- net non-interest income	(64,470)	-	(120,127)	(184,597)	3,010	3,010
Total losses recognised in Other Comprehensive Income for the financial year ended 31 December 2022 under "revaluation reserves"	-	(8,762)	-	(8,762)	-	-
Change in unrealised (losses)/gains recognised in Statement of Income relating to assets held on 31 December 2022 under "net non-interest income"	(69,580)	-	447,419	377,839	(92,638)	(92,638)

A30. FAIR VALUE ESTIMATION (Continued)

The following represents the Group's and the Company's non-financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 31 December 2023 and 31 December 2022.

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. Sale prices of comparable land and buildings in close proximity are adjusted for differences in key attributes such as property size.

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

In accordance with MFRS 5, the non-current assets held for sales were stated at the lower of carrying amount and fair value less cost to sell. As at 31 December 2023, the property plant and equipment held for sale of the Group that were stated at fair value less cost to sell was RM5,584,000 (2022: RM7,471,000). This is a non-recurring fair value which has been measured using observable inputs under sales comparison approach performed by independent valuers. Sale prices of comparable land and building in close proximity are adjusted for differences in key attributes such as property size. Therefore, it is within level 2 of the fair value hierarchy.

A31. OPERATIONS OF ISLAMIC BANKING

A31a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2023

		The Group	
		31 December 2023	31 December 2022
	Note	RM'000	RM'000
ASSETS			
Cash and short-term funds		12,376,477	18,777,000
Reverse Collateralised Commodity Murabahah		700,067	503,206
Deposits and placements with banks and other financial institutions		974,677	197,875
Financial investments at fair value through profit or loss		3,754,474	2,075,001
Debt instruments at fair value through other comprehensive income		6,134,814	5,917,142
Debt instruments at amortised cost		15,018,475	10,395,507
Islamic derivative financial instruments		419,424	532,332
Financing, advances and other financing/loans	A31d	140,915,517	123,903,093
Other assets		3,512,696	4,701,865
Deferred tax assets		284,222	190,837
Tax recoverable		86,760	6,170
Amount due from conventional operations		19,039,612	13,615,714
Statutory deposits with central banks		2,370,741	2,338,788
Property, plant and equipment		4,184	4,400
Right-of-use assets		2,031	2,788
Goodwill		136,000	136,000
Intangible assets		6,721	3,965
TOTAL ASSETS		205,736,892	183,301,683
LIABILITIES AND ISLAMIC BANKING			
CAPITAL FUNDS			
Deposits from customers	A31e	128,552,736	118,028,859
Investment accounts of customers	A31f	18,984,125	13,684,632
Deposits and placements of banks and other financial institutions		9,934,080	11,689,317
Collateralised Commodity Murabahah		2,229,121	2,191,011
Investment accounts due to designated financial institutions	A31g	3,424,851	3,576,590
Financial liabilities designated at fair value through profit or loss	A31h	2,821,784	2,857,004
Islamic derivative financial instruments		482,305	777,653
Bills and acceptances payable		8,174	39,069
Other liabilities		17,124,357	14,451,682
Lease liabilities		1,241	2,261
Recourse obligation on loans and financing sold to Cagamas		2,822,998	-
Amount due to conventional operations		2,164,153	1,703,718
Provision for taxation		20	30
Sukuk		1,254,903	312,978
Subordinated Sukuk		1,109,424	1,109,342
TOTAL LIABILITIES		190,914,272	170,424,146
Ordinary share capital		1,000,000	1,000,000
Islamic banking funds		55,000	55,696
Perpetual preference shares		350,000	350,000
Reserves		13,206,671	11,313,906
		14,611,671	12,719,602
Non-controlling interests		210,949	157,935
TOTAL ISLAMIC BANKING CAPITAL FUNDS		14,822,620	12,877,537
TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS		205,736,892	183,301,683
RESTRICTED AGENCY INVESTMENT ACCOUNT(*)		15,482,815	14,280,429
TOTAL ISLAMIC BANKING ASSETS		221,219,707	197,582,112

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

**A31b. UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED
31 DECEMBER 2023**

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Income derived from investment of depositors' funds and others	1,869,448	1,738,384	6,804,361	5,217,522
Income derived from investment of investment account	298,479	195,157	1,103,220	738,920
Net income derived from investment of shareholders' funds	249,689	3,542	1,264,860	796,945
Modification loss (Note A22)	-	(1)	(77)	(2,845)
Expected credit losses made on financing, advances and other financing/loans	(173,915)	(164,886)	(617,609)	(538,185)
Expected credit losses (made)/written back for commitments and contingencies	(4,244)	29,126	(41,172)	48,668
Other expected credit losses and impairment allowances (made)/written back	(2,834)	4,677	(3,041)	(14,085)
Total distributable income	2,236,623	1,805,999	8,510,542	6,246,940
Income attributable to depositors and others	(1,155,247)	(861,947)	(4,408,810)	(2,531,197)
Profit distributed to investment account holder	(208,893)	(108,877)	(753,427)	(379,556)
Total net income	872,483	835,175	3,348,305	3,336,187
Other operating expenses	(328,880)	(362,858)	(1,357,179)	(1,263,191)
Profit before taxation and zakat	543,603	472,317	1,991,126	2,072,996
Taxation and zakat	(94,917)	(129,896)	(319,601)	(504,499)
Profit for the financial period/year	448,686	342,421	1,671,525	1,568,497
Profit for the financial period/year attributable to:				
Owners of the Parent	433,199	335,974	1,627,467	1,532,838
Non-controlling interests	15,487	6,447	44,058	35,659
	448,686	342,421	1,671,525	1,568,497

A31c. UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2023

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period/year	448,686	342,421	1,671,525	1,568,497
Other comprehensive income/(expense):				
<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	82	59	(589)	115
	82	59	(589)	115
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	31,762	60,317	103,006	(96,662)
- Net gain/(loss) from change in fair value	46,219	78,218	142,324	(106,151)
- Realised gain transferred to statement of income on disposal	(4,535)	(37)	(9,811)	(7,735)
- Changes in expected credit losses	(110)	18	545	(2,090)
- Income tax effects	(9,812)	(17,882)	(30,052)	19,314
Net investment hedge				
Hedging reserve - Cash flow hedge	433	326	4,128	326
- Net gain from change in fair value	433	326	4,128	326
Exchange fluctuation reserve	(42,046)	(159,902)	170,369	(61,726)
	(9,851)	(99,259)	277,503	(158,062)
Other comprehensive (expense)/income for the financial period/year, net of tax	(9,769)	(99,200)	276,914	(157,947)
Total comprehensive income for the financial period/year	438,917	243,221	1,948,439	1,410,550
Total comprehensive income for the financial period/year attributable to:				
Owners of the Parent	427,174	249,286	1,895,425	1,381,294
Non-controlling interests	11,743	(6,065)	53,014	29,256
	438,917	243,221	1,948,439	1,410,550
<u>Income from Islamic operations (per page 2)</u>				
Total net income	872,483	835,175	3,348,305	3,336,187
Add: Expected credit losses made on financing, advances and other financing/loans	173,915	164,886	617,609	538,185
Add: Expected credit losses made/(written back) for commitments and contingencies	4,244	(29,126)	41,172	(48,668)
Add: Other expected credit losses and impairment allowances made/(written back)	2,834	(4,677)	3,041	14,085
	1,053,476	966,258	4,010,127	3,839,789
Elimination for transaction with conventional operations	66,790	65,984	250,209	160,060
	1,120,266	1,032,242	4,260,336	3,999,849

A31d. FINANCING, ADVANCES AND OTHER FINANCING/LOANS

(i) By type and Shariah contract

31 December 2023

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	Ujrah	Kafalah	
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
At amortised cost													
Cash line^	-	100	157	-	1,600,559	-	-	-	-	11,639	-	-	1,612,455
Term financing													
House Financing	157,378	3,646,653	-	-	43,691,549	995,640	-	-	6,997,899	-	-	-	55,489,119
Syndicated Financing	-	-	-	-	2,050,549	-	-	-	-	-	-	-	2,050,549
Hire purchase receivables	707,033	-	-	-	-	-	17,998,019	-	-	-	-	-	18,705,052
Other term financing	291,087	757,895	1,058,383	-	43,777,685	32,560	-	72,864	6,609,549	178,692	-	-	52,778,715
Lease receivable	-	-	-	-	-	349,843	-	-	-	-	-	-	349,843
Bills receivable	1,069,061	-	-	231,498	-	-	-	-	-	-	-	-	1,300,559
Islamic Trust receipts	21,065	-	-	-	-	-	-	-	-	15,080	-	-	36,145
Claims on customers under acceptance credits	1,101,828	-	-	124,175	-	-	-	-	-	-	-	8,174	1,234,177
Staff financing	-	-	-	-	310,822	-	-	-	30,092	-	-	-	340,914
Revolving credits	-	-	-	-	7,503,537	-	-	-	783,689	-	-	-	8,287,226
Credit card receivables	-	-	-	-	-	-	-	-	-	500,454	302,377	-	802,831
Gross financing, advances and other financing/loans, at amortised cost	3,347,452	4,404,648	1,058,540	355,673	98,934,701	1,378,043	17,998,019	72,864	14,421,229	705,865	302,377	8,174	142,987,585
Fair value changes arising from fair value hedge													(934)
Less: Expected credit losses													(2,345,267)
Net financing, advances and other financing/loans at amortised cost													140,641,384
At fair value through profit or loss													
Term financing													
Syndicated Financing	-	-	-	-	274,133	-	-	-	-	-	-	-	274,133
Net financing, advances and other financing/loans, at fair value through profit or loss	-	-	-	-	274,133	-	-	-	-	-	-	-	274,133
Net financing, advances and other financing/loans													140,915,517

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

(i) By type and Shariah contract (Continued)

31 December 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	Bai' Salam	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Ujarah	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^	-	165	659	-	1,364,944	-	-	-	-	-	12,917	-	-	1,378,685
Term financing														
House Financing	172,793	4,043,521	-	-	34,524,609	-	1,072,578	-	-	5,500,082	-	-	-	45,313,583
Syndicated Financing	-	-	-	-	2,241,328	-	-	-	423	-	-	-	-	2,241,751
Hire purchase receivables	615,257	-	-	-	-	-	-	15,267,838	-	-	-	-	-	15,883,095
Other term financing	199,549	882,650	1,342,309	-	41,220,216	602,649	36,010	-	71,916	6,053,277	67,186	-	-	50,475,762
Lease receivable	-	-	-	-	-	-	217,495	-	-	-	-	-	-	217,495
Bills receivable	771,892	-	-	362,735	-	-	-	-	-	-	-	-	-	1,134,627
Islamic Trust receipts	21,616	-	-	-	-	-	-	-	-	-	20,502	-	-	42,118
Claims on customers under acceptance credits	855,198	-	-	142,288	-	-	-	-	-	-	-	-	39,069	1,036,555
Staff financing	-	-	-	-	268,330	-	-	-	-	27,561	-	-	-	295,891
Revolving credits	-	-	-	-	7,107,893	-	-	-	-	205,509	-	-	-	7,313,402
Credit card receivables	-	-	-	-	-	-	-	-	-	-	366,582	190,087	-	556,669
Gross financing, advances and other financing/loans, at amortised cost	2,636,305	4,926,336	1,342,968	505,023	86,727,320	602,649	1,326,083	15,267,838	72,339	11,786,429	467,187	190,087	39,069	125,889,633
Fair value changes arising from fair value hedge														(1,832)
														125,887,801
Less: Expected credit losses														(1,984,708)
Net financing, advances and other financing/loans														123,903,093

^ Includes current account in excess

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

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

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

	The Group	
	31 December	31 December
	2023	2022
	RM'000	RM'000
Gross financing, advances and other financing/loans		
- At amortised cost	142,987,585	125,889,633
- At fair value through profit or loss	274,133	-
	143,261,718	125,889,633

(a) During the financial year, the Group has undertaken fair value hedges on RM36,682,000 (2022: RM52,610,000) financing using profit rate swaps.

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

As at 31 December 2023, the gross exposure and expected credit losses relating to RPSIA financing are RM3,425,929,000 (2022: RM3,577,694,000) and RM415,000 (2022: RM748,000) respectively, which are recognised in the Financial Statements of CIMB Bank Berhad.

c) Movement of Qard financing

	The Group	
	31 December	31 December
	2023	2022
	RM'000	RM'000
At 1 January	467,187	346,469
New disbursement	441,627	295,412
Repayment	(227,881)	(156,123)
Exchange fluctuation	24,932	(18,571)
At 31 December / 31 December	705,865	467,187
Sources and uses of Qard Financing:		
Sources of Qard fund:		
Depositors' fund	705,051	466,307
Shareholders' fund	814	880
	705,865	467,187
Uses of Qard fund:		
Personal use	699,636	455,018
Business use	6,229	12,169
	705,865	467,187

(ii) By geographical distribution

	The Group	
	31 December	31 December
	2023	2022
	RM'000	RM'000
Malaysia	123,168,208	109,096,313
Indonesia	16,606,913	14,038,964
Singapore	3,166,887	2,297,658
Hong Kong	627	4,346
China	141,017	338,615
Other countries	178,066	113,737
Gross financing, advances and other financing/loans	143,261,718	125,889,633

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

(iii) By economic sector

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Primary agriculture	4,791,221	4,759,011
Mining and quarrying	873,365	916,512
Manufacturing	6,156,618	5,522,387
Electricity, gas and water supply	2,642,841	1,507,678
Construction	4,783,814	3,672,041
Transport, storage and communications	4,524,702	4,958,507
Education, health and others	2,796,437	2,759,560
Wholesale and retail trade, and restaurants and hotels	9,638,126	7,031,551
Finance, insurance/takaful, real estate and business activities	12,825,639	11,431,534
Household	85,683,096	76,477,473
Others	8,545,859	6,853,379
	143,261,718	125,889,633

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Malaysia	1,775,876	1,411,589
Indonesia	388,032	273,893
Singapore	25,382	16,992
Gross impaired financing, advances and other financing/loans	2,189,290	1,702,474

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

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Primary agriculture	12,629	25,706
Mining and quarrying	1	2,251
Manufacturing	23,256	15,253
Electricity, gas and water supply	1	-
Construction	230,644	29,701
Transport, storage and communications	9,405	9,608
Education, health and others	19,881	62,074
Wholesale and retail trade, and restaurants and hotels	204,614	169,268
Finance, insurance/takaful, real estate and business activities	78,413	74,233
Household	1,460,277	1,144,620
Others	150,169	169,760
	2,189,290	1,702,474

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

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

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
Financing, advances and other financing/loans at amortised cost				
At 1 January 2023	213,062	1,191,322	580,324	1,984,708
Changes in expected credit losses due to transfer within stages:	676,533	(670,652)	(5,881)	-
Transferred to Stage 1	845,730	(815,441)	(30,289)	-
Transferred to Stage 2	(161,878)	593,700	(431,822)	-
Transferred to Stage 3	(7,319)	(448,911)	456,230	-
Total charge to Statement of Income:	(1,602)	99,336	613,167	710,901
New financial assets originated	106,943	8,243	25,894	141,080
Financial assets that have been derecognised	(55,093)	(39,106)	-	(94,199)
Writeback in respect of full recoveries	-	-	(61,731)	(61,731)
Change in credit risk	(53,452)	130,199	649,004	725,751
Write-offs	-	-	(376,908)	(376,908)
Disposal of financing, advances and other financing/loans	-	-	(8,014)	(8,014)
Exchange fluctuation	(26,330)	17,001	6,439	(2,890)
Other movements	(22)	(122)	37,614	37,470
At 31 December 2023	861,641	636,885	846,741	2,345,267

	The Group			
	12-month expected credit losses (Stage 1)	Lifetime expected credit losses - not credit impaired (Stage 2)	Lifetime expected credit losses - credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
At 1 January 2022	295,183	940,324	338,132	1,573,639
Changes in expected credit losses due to transfer within stages:	169,175	(244,693)	75,518	-
Transferred to Stage 1	268,763	(246,360)	(22,403)	-
Transferred to Stage 2	(97,506)	261,529	(164,023)	-
Transferred to Stage 3	(2,082)	(259,862)	261,944	-
Total charge to Statement of Income:	(251,981)	508,538	375,016	631,573
New financial assets originated	98,696	4,359	21,743	124,798
Financial assets that have been derecognised	(37,984)	(37,922)	-	(75,906)
Writeback in respect of full recoveries	-	-	(42,435)	(42,435)
Change in credit risk	(312,693)	542,101	395,708	625,116
Write-offs	-	(1)	(232,246)	(232,247)
Exchange fluctuation	1,713	(12,480)	(6,977)	(17,744)
Transfer from related companies	(1,043)	(140)	(2,860)	(4,043)
Other movements	15	(226)	33,741	33,530
At 31 December 2022	213,062	1,191,322	580,324	1,984,708

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

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

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

	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2023	1,702,474	1,702,474
Transfer within stages	908,971	908,971
New financial assets originated	43,526	43,526
Write-offs	(376,908)	(376,908)
Amount fully recovered	(152,517)	(152,517)
Other changes in financing, advances and other financing/loans	54,983	54,983
Disposal of financing, advances and other financing/loans	(8,014)	(8,014)
Exchange fluctuation	16,775	16,775
At 31 December 2023	2,189,290	2,189,290
	The Group	
	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Total RM'000
At 1 January 2022	907,397	907,397
Transfer within stages	1,179,170	1,179,170
New financial assets originated	30,187	30,187
Write-offs	(232,246)	(232,246)
Amount fully recovered	(168,110)	(168,110)
Other changes in financing, advances and other financing/loans	(8,767)	(8,767)
Exchange fluctuation	(5,157)	(5,157)
At 31 December 2022	1,702,474	1,702,474
	The Group	
	31 December 2023	31 December 2022
Ratio of credit impaired financing to total financing, advances and other financing	1.53%	1.35%

A31e. DEPOSITS FROM CUSTOMERS

(i) By type of deposits

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Savings deposit	14,236,787	11,151,960
Wadiah	959,880	817,990
Mudharabah	3,482,509	2,531,044
Commodity Murabahah (via Tawarruq arrangement) *	9,794,398	7,802,926
Demand deposit	27,502,386	22,309,286
Wadiah	1,671,567	1,488,856
Qard	19,649,152	15,020,156
Mudharabah	1,714,422	1,155,818
Commodity Murabahah (via Tawarruq arrangement) *	4,467,245	4,644,456
Term deposit	81,025,716	78,922,360
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	50,768,984	47,017,544
Fixed Return Income Account-i (via Tawarruq arrangement)*	29,761,063	31,309,442
Negotiable Islamic Debt Certificate (NIDC)		
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	495,669	595,374
Fixed Deposit-i	5,575,806	5,439,716
Wadiah	-	148
Mudharabah	5,575,806	5,439,568
Specific investment account	25,160	100,638
Mudharabah	25,160	100,638
Others	186,881	104,899
Qard	186,881	104,899
	128,552,736	118,028,859

*Included Qard contract of RM4,424,360,000 (2022: RM5,066,445,000)

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

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Due within six months	70,148,554	74,111,010
Six months to less than one year	15,427,165	9,095,615
One year to less than three years	173,749	378,318
Three years to less than five years	866,737	852,999
Five years and more	10,477	24,772
	86,626,682	84,462,714

(iii) By type of customer

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Government and statutory bodies	7,469,648	7,050,474
Business enterprises	54,707,432	45,908,468
Individuals	38,570,271	37,416,362
Others	27,805,385	27,653,555
	128,552,736	118,028,859

A31f. INVESTMENT ACCOUNTS OF CUSTOMERS

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Unrestricted investment accounts (Mudharabah)		
- without maturity		
Special Mudharabah Investment Account	1,665,728	1,252,671
Daily Investment Account-i	17,698	-
- with maturity		
Term Investment Account-i	16,659,812	11,902,747
Unrestricted investment accounts (Wakalah)		
- without maturity		
Daily Investment Account-i	48,300	27,548
Restricted investment accounts (Mudharabah)		
- with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	592,587	501,666
	18,984,125	13,684,632

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

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Restricted investment accounts		
Mudharabah	3,424,851	3,576,590
By type of counterparty		
Licensed banks	3,424,851	3,576,590

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

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

	The Group	
	31 December 2023 RM'000	31 December 2022 RM'000
Deposits from customers - structured investments	2,821,784	2,857,004

The Group has issued structured investments, 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 and this is managed by the Group on the basis of its fair value, or includes terms that have substantive derivative characteristics.

The carrying amount of the financial liabilities designated at fair value of the Group as at 31 December 2023 was RM75,260,000 (2022: RM222,678,000) 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. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
Outstanding credit exposures with connected parties	11,963,339	12,549,205
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	2.1%	2.3%
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 4Q23 Y-o-Y Performance

	31 December 2023 RM'mil	31 December 2022 RM'mil	Variance RM'mil	%
Key Profit or Loss Items:				
Operating income	21,014	19,838	1,176	5.9
Profit before taxation and zakat	9,541	8,492 **	1,049	12.4
Net profit for the financial period attributable to Owners of the Parent	6,981	6,206 *	775	12.5

** Excludes exceptional expenses of RM121 million before taxation

* Excludes exceptional expenses of RM101 million net of taxation and cukai makmur of RM665 million

CIMB Group Holdings Berhad (“CIMB Group” or “the Group”) announced a strong financial performance with net profit increasing by 28.3% to RM6.98 billion for the financial year ended 31 December 2023 (“FY23”), compared to RM5.44 billion in the preceding year. Profit before tax (“PBT”) increased 14.0% YoY to RM9.54 billion, translating to earnings per share (“EPS”) of 65.5 sen with a return on average equity (“ROE”) of 10.7%. This represents a strong improvement from 9.0% reported ROE recorded in the previous financial year ended 31 December 2022 (“FY22”).

The FY23 performance was underpinned by robust operating income growth with solid loan and CASA growth from all core markets, coupled with lower provisions from prudent risk management and recoveries.

Accordingly, the Group proposed an all-cash second interim dividend of 18.50 sen per share, bringing the total proposed annual dividend to 36.00 sen per share for a payout ratio of 55.0%, in line with the Group’s dividend policy. In addition, the Group is also proposing a special dividend payout of RM747 million or 7.00 sen per share. This translates to a record total dividend payout of RM4.59 billion for FY23, providing shareholders with higher returns.

FY23 operating income rose 5.9% YoY to RM21.01 billion, driven by non-interest income (“NOII”), which grew strongly by 36.5% to RM6.39 billion from investment and market-related income. This offset the challenging net income margin (“NIM”) environment caused by the continued elevated cost of deposits with net interest income (“NII”) dipping 3.5% to RM14.63 billion.

CIMB Group’s total gross loan growth momentum continued, rising 8.3% YoY driven by stronger demand across targeted key markets and segments, whilst total deposits grew by 8.1% YoY. In addition, total CASA expanded strongly by 11.5% YoY, leading to a CASA ratio of 41.2% as at Dec-23, reflecting the positive impact of the Group’s strategy to enhance its CASA franchise.

Cost-to-income ratio (“CIR”) was marginally higher YoY at 46.9%, with FY23 operating expenses rising by 6.9% YoY from cost inflation and technology investments. This led to the Group’s pre-provisioning operating profit (“PPOP”) growing 5.1% to RM11.15 billion. Total provisions declined significantly by 26.4% YoY, attributed to the moderated credit environment and sustained improvement in asset quality from portfolio reshaping.

For the fourth quarter (“4Q23”), the Group recorded a 15.6% increase in PBT to RM2.33 billion and 29.4% growth in net profit to RM1.72 billion compared to the same period in the previous year, driven by overall strong revenue growth in core markets and lower provisions. On a QoQ basis, operating income increased 1.3% from growth in NOII, attributed to higher fees and gain on the sale of CGS-CIMB but partially offset by lower NII from NIM compression in Indonesia. However, operating expenses increased 5.3% from year end accruals whilst provisions rose by 27.9% due to top up consumer overlays in Thailand. Accordingly, PBT was lower 6.5% at RM2.33 billion, and net profit dipped by 7.2%, to RM1.72 billion.

The Group’s FY23 results reflect another year of strong performance where it met most of its financial targets. The Group continues to be well capitalised as its Common Equity Tier 1 (“CET1”) ratio remained strong at 14.5% as at Dec-23.

The Group is extremely pleased with the FY23 financial performance especially given the challenging industry NIM environment caused by the higher cost of deposits across key markets. This is attributable to the positive impact from the successful execution of CIMB Group’s Forward23+ strategic plan particularly in enhancing its CASA franchise and driving asset quality improvements sustainably. The Group’s diversified ASEAN portfolio continues to be key, which has helped deliver growth, while mitigating downside risks in weaker markets.

This strong financial performance has afforded CIMB Group the ability to optimise capital and declare a higher dividend payout of 55.0%, as well as provide for a special dividend of RM747 million, bringing total dividends for FY23 to RM4.59 billion as a reward to CIMB’s shareholders for their continuous support.

On the sustainability front, 2023 marked the year in which the Group achieved the 88th percentile ranking within the global banking industry in the S&P Global Corporate Sustainability Assessment (“CSA”), achieving its target of the top quartile by 2024 under the Forward23+ strategic plan. The S&P Global CSA is used to assess companies for inclusion into the Dow Jones Sustainability Index (“DJSI”).

B1. GROUP PERFORMANCE REVIEW (CONTINUED)

(i) CIMB Group 4Q23 Y-o-Y Performance (Continued)

FY23 total gross loans increased by 8.3% YoY to RM440.9 billion whilst total deposits grew by 8.1% YoY to RM497.7 billion. Total CASA expanded to 11.5% YoY, with a CASA ratio of 41.2% as at Dec-23. The Group registered a loan-to-deposit (“LDR”) ratio of 88.6% as at Dec-23, compared to 88.4% in end Dec-22.

Total provisions decreased by 26.4% YoY to RM1.59 billion from lower Expected Credit Loss (“ECL”) in Consumer and Commercial segments. This translates to a loan loss charge (“LLC”) of 32bps, improving further from 51bps recorded in FY22 and within the target for the year. The Group’s loan loss allowance coverage stood at 97.0%, with a gross impaired loans (“GIL”) ratio of 2.7%, compared to 3.3% GIL ratio recorded in FY22.

The Group remains well-capitalised with its CET1 ratio sustained at 14.5% as at Dec-23. Total capital ratio stood at 18.2% as at Dec-23. The liquidity coverage ratio (“LCR”) remains well above the regulatory requirement of 100% for all banking entities within the Group.

Group Consumer Banking FY23 operating income grew marginally YoY whilst PBT grew by 8.0% YoY, driven by higher NOII and lower provisions. Consumer loans and deposits grew by 7.4% and 16.5% YoY respectively, driven by all core markets.

Group Commercial Banking FY23 operating income grew by 5.1% YoY whilst PBT improved by 22.6% YoY from robust NOII growth attributed to higher FX income and NPL sale gains in Indonesia, as well as lower provisions in Malaysia and Indonesia. Commercial loans grew by 8.8%, while deposits remained strong at 8.6%, contributed by strong growth in core markets.

Group Wholesale Banking FY23 operating income increased by 5.0% YoY while PBT grew by 2.9% YoY, attributed to the strong 61.9% growth in NOII but partially offset by weaker NII, and higher operating expenses and provisions. Wholesale loans recorded a 9.5% increase YoY, while deposits marginally declined by 0.6% YoY.

CIMB Digital Assets & Group Funding FY23 operating income rose by 33.9% YoY, whilst PBT rose by 33.6% driven by strong investment income, improved CDA performance and gain on sale of CGS-CIMB. The Group’s digital businesses continue to grow strongly with TNG Digital reaching 15.7 million annual transacting users (“ATU”), a 70.7% increase YoY, and 1.3 million merchants as at Dec-23. CIMB Philippines broke even after only four years in operation as per target and is now one of the leading digital banks in ASEAN with more than 7.4 million customers and a deposit book of RM2.09 billion, up 24.0% YoY.

(ii) CIMB Group 4Q23 vs. 4Q22 Performance

	The Group Quarter ended			
	31 December 2023 RM'mil	31 December 2022 RM'mil	Variance RM'mil	%
Key Profit or Loss Items:				
Operating income	5,375	5,220	155	3.0
Profit before taxation and zakat	2,331	2,024 ^{^^}	307	15.2
Net profit for the financial period attributable to Owners of the Parent	1,715	1,477 [^]	238	16.1

^{^^} Excludes exceptional expenses of RM7 million before taxation

[^] Excludes exceptional expenses of RM6 million net of taxation and cukai makmur of RM146 million

On a YoY basis, 4Q23 operating income was 3.0% higher underpinned by strong NOII improvement, partially offset by weaker NII due to NIM compression. Consumer Banking PBT grew 31.0% YoY to RM638 million from higher operating income, lower opex and significantly lower provisions. Commercial Banking PBT expanded strongly by 42.7% YoY from higher NOII and lower provisions due to writebacks in Malaysia and Indonesia. Wholesale Banking PBT was 20.3% higher YoY from improved NOII and lower opex and provisions. CIMB Digital Assets & Group Funding PBT declined 26.1% YoY from weaker Group Funding income and higher opex and provisions, but partially offset by an improved CDA performance. As a result, the Group’s 4Q23 PBT and net profit were 15.2% and 16.1% higher YoY, respectively.

B1. GROUP PERFORMANCE REVIEW (CONTINUED)

(iii) CIMB Group 4Q23 vs. 3Q23 Performance

	The Group			
	Quarter ended		Variance	
	31 December 2023 RM'mil	30 September 2023 RM'mil	RM'mil	%
Key Profit or Loss Items:				
Operating income	5,375	5,308	67	1.3
Profit before taxation and zakat	2,331	2,492	(161)	(6.5)
Net profit for the financial period attributable to Owners of the Parent	1,715	1,848	(133)	(7.2)

4Q23 operating income grew 1.3% QoQ to RM5.38 billion from RM5.31 billion in 3Q23 as the 7.9% growth in NOII was partially offset by lower NII which was attributed to NIM compression. Consumer Banking Profit Before Tax ("PBT") was 31.5% lower QoQ at RM638 million compared to RM932 million in 3Q23 from a combination of lower provision writebacks and more conservative provisions in Thailand. Commercial Banking PBT grew strongly at 55.6% QoQ to RM515 million, compared to RM331 million in 3Q23 underpinned by NII growth and writebacks in Malaysia and Indonesia. Wholesale Banking PBT of RM801 million grew 2.6% QoQ from higher operating income. CIMB Digital Assets & Group Funding PBT was 15.8% lower QoQ from NIM compression and higher opex and provisions. In summary, the Group's 4Q23 PBT and Net profit eased 6.5% and 7.2% QoQ, respectively.

CIMB Islamic

CIMB Islamic FY23 operating income grew by 4.5% YoY while PBT declined by 4.5% YoY from lower net financing income ("NFI") due to margin compression despite strong Islamic financing growth of 13.8%, and higher provisions. Deposits grew strongly 11.5% YoY.

B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group expects that the global economic uncertainty will remain in 2024 in view of geopolitical tensions and the risk of structural slowdown in China. The ASEAN economies remain resilient with decelerating inflation and improving domestic consumptions and investments driven by tapering global interest rates. As we approach the final year of the Forward23+ strategic plan, the Group is focused on delivering its targets for 2024 by maintaining focus on targeted growth in loans and CASA, Preferred Banking and wealth management, while further enhancing on digital capabilities and operational resiliency. The Group is cautiously optimistic on continued positive financial performance in 2024 through improved asset quality and credit risk management, as well as prioritising net interest margin ("NIM") management, sensible cost management and advancing the sustainability agenda.

CIMB Malaysia and CIMB Niaga's performance are expected to track the domestic economic environment with focus on improving interest margin and accelerating digital delivery. CIMB Singapore is expected to sustain its performance after a strong year in 2023, while CIMB Thai is positioned for a better performance focusing on ASEAN network business and rigorous transformation of its retail operations.

B3. TAXATION AND ZAKAT

	4th quarter ended		Twelve months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
	RM'000	RM'000	RM'000	RM'000
The Group				
Major components of tax expense and zakat:				
Current tax expense	473,749	689,316	2,426,360	2,814,074
Deferred tax income	100,032	(46,509)	(51,952)	(40,425)
(Over)/under provision in prior years	(18,490)	9,293	(10,772)	(4,902)
	555,291	652,100	2,363,636	2,768,747
Zakat	15,000	9,360	15,000	9,332
	570,291	661,460	2,378,636	2,778,079
Reconciliation				
Profit before taxation and zakat	2,330,716	2,016,629	9,540,731	8,371,010
Less: Share of results of joint venture	19,240	17,328	58,914	26,022
Share of results of associates	1,204	(46,121)	(41,692)	(66,261)
	2,351,160	1,987,836	9,557,953	8,330,771
Tax at statutory income tax rate of 24% on chargeable income (2022: 24% on chargeable income below and equal RM100.0 million and 33% on chargeable income above RM100.0 million)				
	202,785	751,399	2,293,909	2,656,102
Effect of different tax rates in other countries and change in tax rates				
	13,168	(1,099)	(53,893)	(59,148)
Due to expenses not deductible for tax purposes and income not subject to income tax				
	357,828	(107,493)	134,392	176,695
(Over)/under provision in prior years	(18,490)	9,293	(10,772)	(4,902)
Tax expenses	555,291	652,100	2,363,636	2,768,747
The Company				
Major components of tax expense:				
Current tax expense	801	764	3,308	1,656
Deferred tax income	(1)	(1)	(1)	(224)
Under provision in prior years	(1)	-	164	128
	799	763	3,471	1,560
Reconciliation				
Profit before taxation	(58,915)	56,478	3,139,740	3,517,279
Tax at statutory income tax rate of 24%	(14,139)	13,555	753,538	844,147
Due to expenses not deductible for tax purposes and income not subject to income tax				
	14,939	(12,792)	(750,231)	(842,715)
Under provision in prior years	(1)	-	164	128
Tax expenses	799	763	3,471	1,560

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

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

B5. BORROWINGS AND DEBT SECURITIES

	The Group	
	31 December 2023	31 December 2022
	RM'000	RM'000
(i) Bonds, sukuk and debentures		
Unsecured		
One year or less (short term)		
- USD	774,654	-
- RM	1,255,858	-
- IDR	482,430	114,295
- THB	430,397	235,130
- HKD	3,640,435	-
More than one year (medium/long term)		
- USD	3,381,056	2,766,145
- RM	2,208,717	2,474,531
- HKD	424,983	3,848,289
- IDR	206,489	367,706
- THB	116,023	112,113
	12,921,042	9,918,209

B5. BORROWINGS AND DEBT SECURITIES (Continued)

	The Group		The Company	
	31 December 2023 RM'000	31 December 2022 RM'000	31 December 2023 RM'000	31 December 2022 RM'000
(ii) Other borrowing				
Unsecured				
One year or less (short term)				
- USD	736,620	6,816	-	-
- RM	1,351,201	350,598	1,351,201	350,598
- IDR	511,289	225,147	-	-
- KHR	-	15,359	-	-
More than one year (medium/long term)				
- RM	2,605,944	3,606,372	2,605,944	3,606,372
- USD	3,862,522	3,251,616	-	-
- IDR	631,008	742,335	-	-
- KHR	-	66,542	-	-
	9,698,584	8,264,785	3,957,145	3,956,970
(iii) Subordinated obligations				
Unsecured				
One year or less (short term)				
- RM	5,129,467	3,515,649	3,021,136	1,718,984
- IDR	24,380	21,249	-	-
More than one year (medium/long term)				
- RM	5,957,852	7,433,898	7,603,701	8,908,612
- IDR	22,348	43,719	-	-
	11,134,047	11,014,515	10,624,837	10,627,596

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/year.

	The Group			
	4th quarter ended		Twelve months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Net profit attributable to equity holders of the parent (RM'000)	1,715,172	1,324,952	6,980,962	5,439,863
Weighted average number of ordinary shares in issue ('000)	10,665,102	10,600,794	10,665,102	10,425,806
Basic earnings per share (expressed in sen per share)	16.09	12.49	65.46	52.18

b) Diluted EPS

During the financial year ended 31 December 2023 and 31 December 2022, the Group's basic Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Parent, which require no adjustment for the effects of dilutive potential ordinary shares by the weighted average number of ordinary shares in issue during the financial period and the weighted average number of ordinary shares that would be issued on conversion of dilutive potential ordinary shares.

	The Group			
	4th quarter ended		Twelve months ended	
	31 December 2023	31 December 2022	31 December 2023	31 December 2022
Net profit attributable to equity holders of the parent (RM'000)	1,715,172	1,324,952	6,980,962	5,439,863
Weighted average number of ordinary shares in issue ('000) - during the period/year	10,665,102	10,600,794	10,665,102	10,425,806
- effect of dilutive of potential ordinary shares ¹	37,295	18,485	29,133	17,467
Weighted average number of ordinary shares for diluted EPS	10,702,397	10,619,279	10,694,235	10,443,273
Diluted EPS (expressed in sen per share)	16.02	12.47	65.28	52.09

¹ The dilutive potential ordinary shares is arising from ESOS and Shares Grant Plan.