



RHB BANK BERHAD
Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024

	Note	1st Quarter Ended		Three Months Ended	
		31 March	31 March	31 March	31 March
		2024	2023	2024	2023
Group		RM'000	RM'000	RM'000	RM'000
Interest income	A8	2,487,752	2,230,435	2,487,752	2,230,435
Interest expense	A9	(1,561,775)	(1,346,397)	(1,561,775)	(1,346,397)
Net interest income		925,977	884,038	925,977	884,038
Other operating income	A10	504,101	470,440	504,101	470,440
Income from Islamic Banking business	A30(b)	658,132	553,247	658,132	553,247
Net income		2,088,210	1,907,725	2,088,210	1,907,725
Other operating expenses	A11	(959,153)	(856,508)	(959,153)	(856,508)
Operating profit before allowances		1,129,057	1,051,217	1,129,057	1,051,217
Allowance for credit losses on financial assets	A12	(214,990)	(46,036)	(214,990)	(46,036)
		914,067	1,005,181	914,067	1,005,181
Share of results of associates		(3,906)	1	(3,906)	1
Profit before taxation and zakat		910,161	1,005,182	910,161	1,005,182
Taxation and zakat	B5	(178,811)	(242,553)	(178,811)	(242,553)
Net profit for the financial period		731,350	762,629	731,350	762,629
Attributable to:					
- Equity holders of the Bank		730,170	761,668	730,170	761,668
- Non-controlling interests		1,180	961	1,180	961
		731,350	762,629	731,350	762,629
Earnings per share (sen):					
- Profit attributable to equity holders of the Bank					
- Basic	B11	17.03	17.93	17.03	17.93
- Diluted	B11	17.00	17.91	17.00	17.91

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



RHB BANK BERHAD
Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2024

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RM'000	RM'000	RM'000	RM'000
Group				
Net profit for the financial period	731,350	762,629	731,350	762,629
Other comprehensive income/(loss) in respect of:				
(i) Items that will not be reclassified to profit or loss:				
(a) Actuarial loss on defined benefit plan of subsidiaries	(3)	(524)	(3)	(524)
(b) Equity instruments designated at fair value through other comprehensive income ('FVOCI')				
- Unrealised net gain on revaluation	912	113	912	113
(ii) Items that will be reclassified subsequently to profit or loss:				
(a) Foreign currency translation reserves				
- Currency translation differences	57,526	39,036	57,526	39,036
(b) Debt instruments measured at FVOCI				
- Unrealised net gain on revaluation	117,939	473,238	117,939	473,238
- Net transfer to income statements on disposal	(62,645)	(18,125)	(62,645)	(18,125)
- Changes in expected credit losses and exchange differences	2,725	(115)	2,725	(115)
Income tax relating to components of other comprehensive income	(13,438)	(109,443)	(13,438)	(109,443)
Other comprehensive income, net of tax, for the financial period	103,016	384,180	103,016	384,180
Total comprehensive income for the financial period	834,366	1,146,809	834,366	1,146,809
Total comprehensive income attributable to:				
- Equity holders of the Bank	833,193	1,145,778	833,193	1,145,778
- Non-controlling interests	1,173	1,031	1,173	1,031
	834,366	1,146,809	834,366	1,146,809

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



RHB BANK BERHAD
Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024

	Note	1st Quarter Ended		Three Months Ended	
		31 March	31 March	31 March	31 March
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Bank					
Interest income	A8	2,459,220	2,237,040	2,459,220	2,237,040
Interest expense	A9	(1,532,188)	(1,309,662)	(1,532,188)	(1,309,662)
Net interest income		927,032	927,378	927,032	927,378
Other operating income	A10	709,410	582,251	709,410	582,251
Income from Islamic Banking business	A30(b)	(3,620)	(5,633)	(3,620)	(5,633)
Net income		1,632,822	1,503,996	1,632,822	1,503,996
Other operating expenses	A11	(653,582)	(622,715)	(653,582)	(622,715)
Operating profit before allowances		979,240	881,281	979,240	881,281
Allowance for credit losses on financial assets	A12	(149,079)	(33,401)	(149,079)	(33,401)
Profit before taxation		830,161	847,880	830,161	847,880
Taxation	B5	(113,240)	(140,312)	(113,240)	(140,312)
Net profit for the financial period		716,921	707,568	716,921	707,568

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



RHB BANK BERHAD
Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED 31 MARCH 2024

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Net profit for the financial period	716,921	707,568	716,921	707,568
Other comprehensive income/(loss) in respect of:				
(i) Items that will not be reclassified to profit or loss:				
(a) Equity instruments designated at fair value through other comprehensive income ('FVOCI')				
- Unrealised net gain on revaluation	815	60	815	60
(ii) Items that will be reclassified subsequently to profit or loss:				
(a) Foreign currency translation reserves				
- Currency translation differences	10,989	20,459	10,989	20,459
(b) Debt instruments measured at FVOCI				
- Unrealised net gain on revaluation	99,324	397,111	99,324	397,111
- Net transfer to income statements on disposal	(51,754)	(14,071)	(51,754)	(14,071)
- Changes in expected credit losses and exchange differences	3,134	(545)	3,134	(545)
Income tax relating to components of other comprehensive income	(11,417)	(91,930)	(11,417)	(91,930)
Other comprehensive income, net of tax, for the financial period	51,091	311,084	51,091	311,084
Total comprehensive income for the financial period	768,012	1,018,652	768,012	1,018,652

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 MARCH 2024**

	Note	Group		Bank	
		As at	As at	As at	As at
		31 March	31 December	31 March	31 December
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds		9,561,118	14,145,414	8,557,189	10,306,573
Securities purchased under resale agreements		70,774	-	-	369,585
Deposits and placements with banks and other financial institutions		466,450	888,940	6,542,427	8,798,866
Investment account due from designated financial institutions	A13	-	-	5,244,769	6,258,830
Financial assets at fair value through profit or loss ('FVTPL')	A14	4,421,502	3,718,491	1,788,976	1,327,294
Financial assets at fair value through other comprehensive income ('FVOCI')	A15	48,215,233	47,976,929	40,971,295	41,527,907
Financial investments at amortised cost	A16	29,451,033	28,214,643	19,785,920	18,083,039
Loans, advances and financing	A17	221,959,533	219,562,603	130,094,994	127,848,563
Clients' and brokers' balances		962,984	1,203,013	-	-
Insurance/reinsurance contract assets		372,468	573,036	-	-
Other assets	A18	2,474,377	1,640,091	2,282,701	3,114,931
Derivative assets	B8	2,010,601	1,675,723	2,007,726	1,699,427
Statutory deposits		4,093,348	3,911,810	2,178,229	1,947,787
Tax recoverable		144,780	104,249	40,968	12,292
Deferred tax assets		301,316	344,872	210,958	249,249
Investments in subsidiaries		-	-	4,795,289	4,674,312
Investments in associates		63,132	56,036	86,000	74,000
Right-of-use assets		141,948	142,763	88,118	88,389
Property, plant and equipment		1,062,647	1,066,201	797,475	802,429
Goodwill		2,654,122	2,654,122	1,714,913	1,714,913
Intangible assets		829,596	813,175	728,513	708,508
TOTAL ASSETS		329,256,962	328,692,111	227,916,460	229,606,894
LIABILITIES					
Deposits from customers	A19/B7(a)	242,934,703	245,083,070	148,095,209	148,641,495
Deposits and placements of banks and other financial institutions	A20/B7(a)	20,828,272	17,022,398	27,018,046	27,223,482
Obligations on securities sold under repurchase agreements		8,586,840	8,970,584	10,301,933	10,415,735
Investment accounts	A21	526,873	507,774	-	-
Bills and acceptances payable		305,309	810,216	296,351	800,375
Clients' and brokers' balances		1,044,500	1,285,362	-	-
Insurance/reinsurance contract liabilities		1,085,457	1,185,982	-	-
Other liabilities	A22	4,529,455	3,903,762	3,357,379	2,961,127
Derivative liabilities	B8	1,589,115	1,787,728	1,576,756	1,795,186
Recourse obligation on loans sold to Cagamas Berhad ('Cagamas')		4,343,210	4,332,027	2,725,139	2,720,286
Provision for taxation and zakat		67,784	53,691	-	-
Deferred tax liabilities		33,204	30,196	-	-
Lease liabilities		152,332	151,417	90,122	89,982
Borrowings	B7(b)	2,370,082	2,261,224	1,356,452	1,337,921
Senior debt securities	B7(c)	5,723,534	7,018,453	5,723,534	7,018,453
Subordinated obligations	B7(d)	3,387,703	3,377,163	2,523,210	2,521,693
TOTAL LIABILITIES		297,508,373	297,781,047	203,064,131	205,525,735

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT 31 MARCH 2024

	Note	Group		Bank	
		As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
EQUITY					
Share capital		8,330,324	8,330,324	8,330,324	8,330,324
Reserves		23,380,595	22,544,243	16,522,005	15,750,835
Equity attributable to holders of the Bank		31,710,919	30,874,567	24,852,329	24,081,159
Non-controlling interests ('NCI')		37,670	36,497	-	-
TOTAL EQUITY		31,748,589	30,911,064	24,852,329	24,081,159
TOTAL LIABILITIES AND EQUITY		329,256,962	328,692,111	227,916,460	229,606,894
COMMITMENTS AND CONTINGENCIES	A27(a)	284,401,109	246,063,350	278,772,629	239,349,087
NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK (RM)		7.40	7.20		

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

Group	Attributable to equity holders of the Bank						Share-Based Payment Reserves	Retained Profits	Total Shareholders' Equity	Non- controlling Interests	Total Equity
	Share Capital	Statutory Reserves	Regulatory Reserves	FVOCI Reserves	Translation Reserves	Other Reserves					
Balance as at 1 January 2024	8,330,324	115,907	1,780,366	107,696	867,855	25,975	17,105	19,629,339	30,874,567	36,497	30,911,064
Net profit for the financial period	-	-	-	-	-	-	-	730,170	730,170	1,180	731,350
Foreign currency translation reserves:											
- Currency translation differences	-	3,252	-	-	54,280	-	(1)	-	57,531	(5)	57,526
Financial assets measured at FVOCI:											
- Equity instruments											
- Unrealised net gain on revaluation	-	-	-	912	-	-	-	-	912	-	912
- Debt instruments											
- Unrealised net gain on revaluation	-	-	-	117,939	-	-	-	-	117,939	-	117,939
- Net transfer to income statements on disposal	-	-	-	(62,645)	-	-	-	-	(62,645)	-	(62,645)
- Changes in expected credit losses and exchange differences	-	-	-	2,725	-	-	-	-	2,725	-	2,725
Actuarial loss on defined benefit plan of subsidiaries	-	-	-	-	-	-	-	(3)	(3)	-	(3)
Income tax relating to components of other comprehensive income	-	-	-	(13,262)	-	-	-	(174)	(13,436)	(2)	(13,438)
Other comprehensive income/(loss), net of tax, for the financial period	-	3,252	-	45,669	54,280	-	(1)	(177)	103,023	(7)	103,016
Total comprehensive income/(loss) for the financial period	-	3,252	-	45,669	54,280	-	(1)	729,993	833,193	1,173	834,366
Share-based payment expenses	-	-	-	-	-	-	3,159	-	3,159	-	3,159
Transfer to regulatory reserves	-	-	105,401	-	-	-	-	(105,401)	-	-	-
Balance as at 31 March 2024	8,330,324	119,159	1,885,767	153,365	922,135	25,975	20,263	20,253,931	31,710,919	37,670	31,748,589

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

Group	← Attributable to equity holders of the Bank →						Share-Based Payment Reserves	Retained Profits	Total Shareholders' Equity	Non- controlling Interests	Total Equity
	Share Capital	Statutory Reserves	Regulatory Reserves	FVOCI Reserves	Translation Reserves	Other Reserves					
Balance as at 1 January 2023	8,145,585	111,203	882,145	(546,712)	683,491	23,331	4,337	19,429,002	28,732,382	32,115	28,764,497
Net profit for the financial period	-	-	-	-	-	-	-	761,668	761,668	961	762,629
Foreign currency translation reserves:											
- Currency translation differences	-	204	-	-	38,748	-	-	-	38,952	84	39,036
Financial assets measured at FVOCI:											
- Equity instruments											
- Unrealised net gain on revaluation	-	-	-	113	-	-	-	-	113	-	113
- Debt instruments											
- Unrealised net gain on revaluation	-	-	-	473,238	-	-	-	-	473,238	-	473,238
- Net transfer to income statements on disposal	-	-	-	(18,125)	-	-	-	-	(18,125)	-	(18,125)
- Changes in expected credit losses and exchange differences	-	-	-	(115)	-	-	-	-	(115)	-	(115)
Actuarial loss on defined benefit plan of subsidiaries	-	-	-	-	-	-	-	(511)	(511)	(13)	(524)
Income tax relating to components of other comprehensive income	-	-	-	(109,364)	-	-	-	(78)	(109,442)	(1)	(109,443)
Other comprehensive income/(loss), net of tax, for the financial period	-	204	-	345,747	38,748	-	-	(589)	384,110	70	384,180
Total comprehensive income for the financial period	-	204	-	345,747	38,748	-	-	761,079	1,145,778	1,031	1,146,809
Share-based payment expenses	-	-	-	-	-	-	2,111	-	2,111	-	2,111
Transfer to regulatory reserves	-	-	42,085	-	-	-	-	(42,085)	-	-	-
Balance as at 31 March 2023	8,145,585	111,407	924,230	(200,965)	722,239	23,331	6,448	20,147,996	29,880,271	33,146	29,913,417

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE MONTHS ENDED 31 MARCH 2024

	← Non-Distributable →				Distributable		Total Equity
	Share Capital	Regulatory Reserves	FVOCI Reserves	Translation Reserves	Share-Based Payment Reserves	Retained Profits	
Bank	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2024	8,330,324	942,797	104,109	523,823	17,105	14,163,001	24,081,159
Net profit for the financial period	-	-	-	-	-	716,921	716,921
Foreign currency translation reserves:							
- Currency translation differences	-	-	-	10,989	-	-	10,989
Financial assets measured at FVOCI:							
- Equity instruments							
- Unrealised net gain on revaluation	-	-	815	-	-	-	815
- Debt instruments							
- Unrealised net gain on revaluation	-	-	99,324	-	-	-	99,324
- Net transfer to income statements on disposal	-	-	(51,754)	-	-	-	(51,754)
- Changes in expected credit losses and exchange differences	-	-	3,134	-	-	-	3,134
Income tax relating to components of other comprehensive income	-	-	(11,417)	-	-	-	(11,417)
Other comprehensive income, net of tax, for the financial period	-	-	40,102	10,989	-	-	51,091
Total comprehensive income for the financial period	-	-	40,102	10,989	-	716,921	768,012
Share-based payment expenses	-	-	-	-	3,158	-	3,158
Transfer from regulatory reserves	-	(10,415)	-	-	-	10,415	-
Balance as at 31 March 2024	8,330,324	932,382	144,211	534,812	20,263	14,890,337	24,852,329

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE THREE MONTHS ENDED 31 MARCH 2024

	← Non-Distributable →				Distributable		Total Equity
	Share Capital	Regulatory Reserves	FVOCI Reserves	Translation Reserves	Share-Based Payment Reserves	Retained Profits	
Bank	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Balance as at 1 January 2023	8,145,585	561,654	(471,165)	421,133	4,337	14,207,870	22,869,414
Net profit for the financial period	-	-	-	-	-	707,568	707,568
Foreign currency translation reserves:							
- Currency translation differences	-	-	-	20,459	-	-	20,459
Financial assets measured at FVOCI:							
- Equity instruments							
- Unrealised net gain on revaluation	-	-	60	-	-	-	60
- Debt instruments							
- Unrealised net gain on revaluation	-	-	397,111	-	-	-	397,111
- Net transfer to income statements on disposal	-	-	(14,071)	-	-	-	(14,071)
- Changes in expected credit losses and exchange differences	-	-	(545)	-	-	-	(545)
Income tax relating to components of other comprehensive income	-	-	(91,930)	-	-	-	(91,930)
Other comprehensive income, net of tax, for the financial period	-	-	290,625	20,459	-	-	311,084
Total comprehensive income for the financial period	-	-	290,625	20,459	-	707,568	1,018,652
Share-based payment expenses	-	-	-	-	2,111	-	2,111
Transfer to regulatory reserves	-	2,521	-	-	-	(2,521)	-
Balance as at 31 March 2023	8,145,585	564,175	(180,540)	441,592	6,448	14,912,917	23,890,177

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

Group	Three Months Ended	
	31 March 2024	31 March 2023
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation and zakat	910,161	1,005,182
Adjustments for:		
Allowance for credit losses on loans, advances and financing	307,446	139,757
Allowance for credit losses on other financial assets	(1,167)	(5,514)
Property, plant and equipment:		
- Depreciation	38,823	36,945
- Gain on disposal	(74)	(787)
- Written off	2	9
Intangible assets:		
- Amortisation	46,847	42,472
- Written off	721	-
Right-of-use assets:		
- Depreciation	18,597	16,147
- Gain on modification	(1,055)	(19)
Share-based payment expenses	3,159	2,111
Net allowance made/(written back) on financial assets at FVOCI and financial investments at amortised cost	3,027	(3,322)
Share of results of associates	3,906	(1)
Net gain on financial instruments	(227,107)	(91,620)
Dividend income from financial assets at FVTPL and financial assets at FVOCI	(14,621)	(31,118)
Interest expense on borrowings, senior debt securities, subordinated obligations and lease liabilities	116,323	72,427
Other non-cash items	(626,455)	(578,999)
Operating profit before working capital changes	578,533	603,670
Decrease/(Increase) in operating assets:		
Securities purchased under resale agreements	(70,774)	(640)
Deposits and placements with banks and other financial institutions	398,916	(202,061)
Financial assets at FVTPL	(605,406)	(129,016)
Loans, advances and financing	(2,456,318)	(1,204,389)
Clients' and brokers' balances	234,294	(563,616)
Other assets	(905,366)	23,121
Statutory deposits	(168,956)	(261,262)
	(3,573,610)	(2,337,863)
Increase/(Decrease) in operating liabilities:		
Deposits from customers	(2,449,742)	(872,980)
Deposits and placements of banks and other financial institutions	3,798,983	823,343
Obligations on securities sold under repurchase agreements	(387,267)	748,199
Investment accounts	19,099	(287,723)
Bills and acceptances payable	(508,532)	13,227
Clients' and brokers' balances	(241,056)	574,681
Other liabilities	340,170	(1,004,356)
Recourse obligation on loans sold to Cagamas	11,183	11,409
	582,838	5,800

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Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE MONTHS ENDED 31 MARCH 2024

	Three Months Ended	
	31 March 2024	31 March 2023
Group	RM'000	RM'000
Cash flows from operating activities (continued)		
Cash used in operations	(2,412,239)	(1,728,393)
Interest paid	(80,648)	(51,176)
Net tax and zakat paid	(172,530)	(355,401)
Net cash used in operating activities	<u>(2,665,417)</u>	<u>(2,134,970)</u>
Cash flows from investing activities		
Net purchase of financial assets at FVOCI and financial investments at amortised cost	(1,134,515)	(4,172,724)
Property, plant and equipment:		
- Purchase	(33,875)	(33,551)
- Proceeds from disposal	74	1,150
Intangible assets:		
- Purchase	(63,201)	(59,682)
Financial assets at FVOCI and financial investments at amortised cost:		
- Interest income received	530,278	402,183
- Investment income received	93,508	95,097
Dividend income received from financial assets at FVTPL and financial assets at FVOCI	14,621	31,118
Net capital injection in associates	(11,987)	(40,000)
Net cash used in investing activities	<u>(605,097)</u>	<u>(3,776,409)</u>
Cash flows from financing activities		
Net drawdown/(repayment) of borrowings	71,480	(71,556)
Proceeds from issuance of subordinated notes	-	500,000
Redemption of senior debt securities	(1,378,970)	-
Principal lease payments	(17,497)	(19,992)
Net cash (used in)/generated from financing activities	<u>(1,324,987)</u>	<u>408,452</u>
Net decrease in cash and cash equivalents	(4,595,501)	(5,502,927)
Effects of exchange rate differences	11,205	48,138
Cash and cash equivalents:		
- at the beginning of the financial period	14,145,414	19,134,835
- at the end of the financial period	<u>9,561,118</u>	<u>13,680,046</u>
Cash and cash equivalents comprise the following:		
- Cash and short-term funds	<u>9,561,118</u>	<u>13,680,046</u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



RHB BANK BERHAD

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**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

	Three Months Ended	
	31 March 2024	31 March 2023
	<u>RM'000</u>	<u>RM'000</u>
Bank		
Cash flows from operating activities		
Profit before taxation	830,161	847,880
Adjustments for:		
Allowance for credit losses on loans, advances and financing	220,347	116,359
Allowance for credit losses on other financial assets	(604)	(4,353)
Property, plant and equipment:		
- Depreciation	32,917	30,417
- Gain on disposal	(28)	(2)
- Written off	2	3
Intangible assets:		
- Amortisation	39,978	35,914
Right-of-use assets:		
- Depreciation	13,720	12,749
- Loss on modification	9	-
Share-based payment expenses	2,056	1,496
Net allowance made/(written back) on financial assets at FVOCI and financial investments at amortised cost	2,382	(2,576)
Net gain on financial instruments	(157,032)	(38,348)
Dividend income from financial assets at FVOCI	-	(1,000)
Dividend income from subsidiaries	(283,545)	(291,014)
Interest expense on borrowings, senior debt securities, subordinated obligations and lease liabilities	91,741	60,743
Other non-cash items	(497,838)	(435,436)
Operating profit before working capital changes	<u>294,266</u>	<u>332,832</u>
(Increase)/Decrease in operating assets:		
Securities purchased under resale agreements	369,585	(5,150)
Deposits and placements with banks and other financial institutions	2,275,013	(42,520)
Investment account due from designated financial institutions	1,014,061	(49,403)
Financial assets at FVTPL	(436,180)	(14,464)
Loans, advances and financing	(2,315,261)	130,011
Other assets	598,247	897,768
Statutory deposits	(228,532)	(209,768)
	<u>1,276,933</u>	<u>706,474</u>
Increase/(Decrease) in operating liabilities:		
Deposits from customers	(804,139)	2,134,778
Deposits and placements of banks and other financial institutions	(210,487)	(4,121,348)
Obligations on securities sold under repurchase agreements	(117,325)	546,682
Bills and acceptances payable	(507,649)	12,101
Other liabilities	189,781	(316,426)
Recourse obligation on loans sold to Cagamas	4,853	6,654
	<u>(1,444,966)</u>	<u>(1,737,559)</u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE THREE MONTHS ENDED 31 MARCH 2024

	Three Months Ended	
	31 March 2024	31 March 2023
	RM'000	RM'000
Bank		
Cash flows from operating activities (continued)		
Cash generated from/(used in) operations	126,233	(698,253)
Interest paid	(65,810)	(49,022)
Net tax paid	(115,526)	(255,871)
Net cash used in operating activities	<u>(55,103)</u>	<u>(1,003,146)</u>
Cash flows from investing activities		
Net purchase of financial assets at FVOCI and financial investments at amortised cost	(828,798)	(2,501,228)
Property, plant and equipment:		
- Purchase	(27,715)	(26,637)
- Proceeds from disposal	29	41
Intangible assets:		
- Purchase	(59,789)	(56,340)
Interest received from financial assets at FVOCI and financial investments at amortised cost	466,508	393,003
Dividend income received from subsidiaries	284,669	291,986
Dividend income received from financial assets at FVOCI	-	1,000
Capital injection in an associate	(12,000)	(40,000)
Capital injection in a subsidiary	(119,875)	-
Net cash used in investing activities	<u>(296,971)</u>	<u>(1,938,175)</u>
Cash flows from financing activities		
Proceeds from issuance of subordinated notes	-	500,000
Redemption of senior debt securities	(1,378,970)	-
Principal lease payments	(13,991)	(13,587)
Net cash (used in)/generated from financing activities	<u>(1,392,961)</u>	<u>486,413</u>
Net decrease in cash and cash equivalents	(1,745,035)	(2,454,908)
Effects of exchange rate differences	(4,349)	41,262
Cash and cash equivalents:		
- at the beginning of the financial period	10,306,573	11,494,906
- at the end of the financial period	<u>8,557,189</u>	<u>9,081,260</u>
Cash and cash equivalents comprise the following:		
- Cash and short-term funds	<u>8,557,189</u>	<u>9,081,260</u>

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements of the Group and the Bank for the financial year ended 31 December 2023.



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A1. Basis Of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Board ('MASB') and should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

The accounting policies and presentation adopted by the Group and the Bank for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2023, except for the adoption of the following accounting standards, annual improvements and amendments to MFRS during the current financial period:

- (a) Accounting standards, annual improvements and amendments to MFRS which are effective and applicable for the Group and the Bank for financial period beginning on or after 1 January 2024:
- Amendments to MFRS 101 'Presentation of Financial Statements' - (i) Classification of Liabilities as Current and Non-current; and (ii) Non-current Liabilities with Covenants
 - Amendments to MFRS 107 'Statement of Cash Flows' and MFRS 7 'Financial Instruments: Disclosures' - Supplier Finance Arrangements
 - Amendments to MFRS 16 'Leases' - Lease Liability in a Sale and Leaseback

The adoption of the above accounting standards, annual improvements and amendments do not give rise to any material financial impact to the Group and the Bank.

A2. Auditors' Report

The auditors' report for the financial year ended 31 December 2023 was not subject to any qualification.

A3. Seasonal Or Cyclical Factors

The business operations of the Group and the Bank have not been affected by any material seasonal or cyclical factors.

A4. Exceptional Or Unusual Items

There were no exceptional or unusual items for the three months ended 31 March 2024.

A5. Changes In Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the three months ended 31 March 2024.

A6. Changes In Debt and Equity Securities

There were no issuances and repayments of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares and resale of treasury shares for the three months ended 31 March 2024, other than as disclosed below:

- (a) The Bank had on 20 February 2024 fully redeemed its existing USD300 million unsecured senior notes in nominal value issued under its USD5 billion euro medium term note programme on 19 February 2019.



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A7. Dividends Paid/Declared

A second interim single-tier dividend of 25.0 sen per share in respect of the financial year ended 31 December 2023, amounting RM1,071,587,000, consisting of cash portion of 15.0 sen per share and an electable portion of 10.0 sen per share has been declared by the Board of Directors. The Board of Directors in its absolute discretion, recommends that the shareholders of the Bank be given an option to elect to reinvest the electable portion of the second interim single-tier dividend into new ordinary shares in the Bank in accordance with the approved Dividend Reinvestment Plan ('DRP') scheme of the Bank.

The Bank had on 20 March 2024, submitted an application to Bursa Securities Malaysia Berhad ('Bursa Securities') for the listing and quotation of new ordinary shares to be issued pursuant to the DRP on the main market of Bursa Securities.

On 25 March 2024, RHB Investment Bank Berhad ('RHB Investment Bank'), on behalf of the Bank, announced that Bursa Securities had vide its letter dated on 22 March 2024, approved the listing and quotation of up to 119,396,883 new ordinary shares to be issued pursuant to the DRP subject to the following conditions:

- (i) The Bank and RHB Investment Bank must fully comply with the relevant provisions under the Main Market Listing Requirements of Bursa Securities pertaining to the implementation of the DRP;
- (ii) The Bank and RHB Investment Bank to inform Bursa Securities upon completion of the DRP;
- (iii) The Bank to furnish Bursa Securities with a written confirmation of its compliance with the terms and conditions of Bursa Securities' approval once the DRP is completed;
- (iv) The Bank to furnish Bursa Securities with a certified true copy of the resolution passed by shareholders at the next general meeting for the issuance of shares pursuant to the DRP in the event that the existing authority has expired prior to the full implementation of the DRP; and
- (v) Payment of additional listing fee, if any, based on the final issue price together with a copy of the details of the computation of the amount of listing fees payable.

On 3 April 2024, the issue price of the new ordinary shares in the Bank ('RHB Bank Shares') to be issued pursuant to the DRP ('DRP Shares') for the second interim dividend has been fixed at RM4.88 per DRP Share. On even date, the book closure date pursuant to the second interim dividend and the DRP has been fixed on 19 April 2024.

On 14 May 2024, RHB Investment Bank, on behalf of the Bank, announced that the Bank would be issuing 73,141,449 DRP Shares, representing 83.29% of 87,812,350 new DRP Shares that would have been issued pursuant to the DRP for the second interim dividend, had all the entitled shareholders elected to reinvest the electable portion into DRP Shares.

The new DRP Shares arising from the DRP for the second interim dividend has been allotted and issued on 16 May 2024, and are listed on the Main Market of Bursa Securities on 17 May 2024.



RHB BANK BERHAD

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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A8. Interest Income

Group	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Loans and advances	1,822,158	1,622,622	1,822,158	1,622,622
Money at call and deposits and placements with banks and other financial institutions	45,615	96,428	45,615	96,428
Securities purchased under resale agreements	1,324	640	1,324	640
Financial assets at FVTPL	15,822	7,763	15,822	7,763
Financial assets at FVOCI - debt instruments	383,348	299,686	383,348	299,686
Financial investments at amortised cost	205,289	191,003	205,289	191,003
Others	14,196	12,293	14,196	12,293
	2,487,752	2,230,435	2,487,752	2,230,435
Of which:				
Interest income accrued on impaired financial assets	24,013	19,002	24,013	19,002
Bank				
Loans and advances	1,676,404	1,505,713	1,676,404	1,505,713
Money at call and deposits and placements with banks and other financial institutions	133,109	156,654	133,109	156,654
Investment account due from designated financial institutions	52,451	76,332	52,451	76,332
Securities purchased under resale agreements	883	5,150	883	5,150
Financial assets at FVTPL	15,483	7,763	15,483	7,763
Financial assets at FVOCI - debt instruments	377,747	297,596	377,747	297,596
Financial investments at amortised cost	192,084	178,066	192,084	178,066
Others	11,059	9,766	11,059	9,766
	2,459,220	2,237,040	2,459,220	2,237,040
Of which:				
Interest income accrued on impaired financial assets	24,013	18,818	24,013	18,818



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A9. Interest Expense

Group	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	179,897	199,158	179,897	199,158
Deposits from customers	1,168,072	963,789	1,168,072	963,789
Obligations on securities sold under repurchase agreements	73,879	69,217	73,879	69,217
Recourse obligation on loans sold to Cagamas	24,846	26,594	24,846	26,594
Subordinated obligations	24,899	23,978	24,899	23,978
Senior debt securities	50,660	23,901	50,660	23,901
Borrowings	18,231	15,383	18,231	15,383
Others	21,291	24,377	21,291	24,377
	1,561,775	1,346,397	1,561,775	1,346,397
Bank				
Deposits and placements of banks and other financial institutions	310,556	304,087	310,556	304,087
Deposits from customers	1,000,172	822,701	1,000,172	822,701
Obligations on securities sold under repurchase agreements	85,066	72,619	85,066	72,619
Recourse obligation on loans sold to Cagamas	24,846	26,594	24,846	26,594
Subordinated obligations	23,793	22,415	23,793	22,415
Senior debt securities	50,660	23,901	50,660	23,901
Borrowings	16,615	13,850	16,615	13,850
Others	20,480	23,495	20,480	23,495
	1,532,188	1,309,662	1,532,188	1,309,662



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A10. Other Operating Income

Group	Note	1st Quarter Ended		Three Months Ended	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
		RM'000	RM'000	RM'000	RM'000
Fee income					
- Service charges and fees		41,579	33,603	41,579	33,603
- Commission		64,798	49,409	64,798	49,409
- Guarantee fees		11,456	9,195	11,456	9,195
- Commitment fees		10,460	9,771	10,460	9,771
- Brokerage income		55,764	46,663	55,764	46,663
- Fund management fees		53,053	56,094	53,053	56,094
- Unit trust fee income		12,214	7,631	12,214	7,631
- Corporate advisory fees		5,105	5,351	5,105	5,351
- Underwriting and arrangement fees		1,267	1,052	1,267	1,052
- Other fee income		17,341	14,342	17,341	14,342
		<u>273,037</u>	<u>233,111</u>	<u>273,037</u>	<u>233,111</u>
- Fee and commission expenses		(32,351)	(30,658)	(32,351)	(30,658)
		<u>240,686</u>	<u>202,453</u>	<u>240,686</u>	<u>202,453</u>
Net gain arising from financial assets at FVTPL					
- Net gain on disposal		25,039	12,206	25,039	12,206
- Unrealised net gain on revaluation		53,513	19,634	53,513	19,634
- Dividend income		14,621	30,118	14,621	30,118
		<u>93,173</u>	<u>61,958</u>	<u>93,173</u>	<u>61,958</u>
Net gain on revaluation of derivatives		73,753	32,965	73,753	32,965
Net gain on fair value hedges		1,928	1,276	1,928	1,276
Net gain arising from derecognition of financial investments at amortised cost		2	-	2	-
Net gain arising from financial assets at FVOCI					
- Net gain on debt instruments on disposal		51,918	14,204	51,918	14,204
- Dividend income		-	1,000	-	1,000
		<u>51,918</u>	<u>15,204</u>	<u>51,918</u>	<u>15,204</u>
Other income					
Net foreign exchange gain		20,728	141,616	20,728	141,616
Net insurance service/finance results	(a)	13,490	9,565	13,490	9,565
Gain on disposal of property, plant and equipment		74	787	74	787
Gain on modification of right-of-use assets		1,055	29	1,055	29
Rental income		412	405	412	405
Other operating income		2,152	3,739	2,152	3,739
Other non-operating income		4,730	443	4,730	443
		<u>42,641</u>	<u>156,584</u>	<u>42,641</u>	<u>156,584</u>
		<u>504,101</u>	<u>470,440</u>	<u>504,101</u>	<u>470,440</u>

(a) After netting off insurance service/reinsurance expenses which includes depreciation and amortisation of property, plant and equipment, intangible assets and right-of-use assets.



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A10. Other Operating Income (continued)

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Bank	RM'000	RM'000	RM'000	RM'000
Fee income				
- Service charges and fees	40,119	30,660	40,119	30,660
- Commission	71,306	54,381	71,306	54,381
- Guarantee fees	11,434	8,994	11,434	8,994
- Commitment fees	9,550	9,433	9,550	9,433
- Corporate advisory fees	638	173	638	173
- Underwriting and arrangement fees	316	-	316	-
- Other fee income	4,826	5,013	4,826	5,013
	138,189	108,654	138,189	108,654
Net gain arising from financial assets at FVTPL				
- Net gain on disposal	3,238	19,498	3,238	19,498
- Unrealised net gain/(loss) on revaluation	6,758	(6,028)	6,758	(6,028)
	9,996	13,470	9,996	13,470
Net gain on revaluation of derivatives	93,352	9,614	93,352	9,614
Net gain on fair values hedges	1,928	1,193	1,928	1,193
Net gain arising from derecognition of financial investments at amortised cost	2	-	2	-
Net gain arising from financial assets at FVOCI				
- Net gain on debt instruments on disposal	51,754	14,071	51,754	14,071
- Dividend income	-	1,000	-	1,000
	51,754	15,071	51,754	15,071
Dividend income from subsidiaries	283,545	291,014	283,545	291,014
Other income				
Net foreign exchange gain	124,513	135,064	124,513	135,064
Gain on disposal of property, plant and equipment	28	2	28	2
Loss on modification of right-of-use assets	(9)	-	(9)	-
Rental income	3,084	2,945	3,084	2,945
Other operating income	955	4,551	955	4,551
Other non-operating income	2,073	673	2,073	673
	130,644	143,235	130,644	143,235
	709,410	582,251	709,410	582,251



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A11. Other Operating Expenses

Group	Note	1st Quarter Ended		Three Months Ended	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
		RM'000	RM'000	RM'000	RM'000
Personnel costs					
- Salaries, allowances and bonuses		458,086	393,594	458,086	393,594
- Defined contribution plan		65,409	64,741	65,409	64,741
- Share-based expenses	(a)	3,010	2,047	3,010	2,047
- Other staff related costs		50,758	45,260	50,758	45,260
		<u>577,263</u>	<u>505,642</u>	<u>577,263</u>	<u>505,642</u>
Establishment costs					
- Property, plant and equipment:					
- Depreciation		38,468	36,537	38,468	36,537
- Written off		2	8	2	8
- Intangible assets:					
- Amortisation		45,624	41,291	45,624	41,291
- Written off		721	-	721	-
- Right-of-use assets:					
- Depreciation		18,075	15,543	18,075	15,543
- Rental of premises		5,504	5,136	5,504	5,136
- Rental of equipment		2,885	2,516	2,885	2,516
- Insurance		10,164	10,394	10,164	10,394
- Water and electricity		6,134	5,520	6,134	5,520
- Repair and maintenance		7,806	9,446	7,806	9,446
- Security and escorting expenses		15,162	12,348	15,162	12,348
- Information technology expenses		83,735	74,180	83,735	74,180
- Others		2,531	1,458	2,531	1,458
		<u>236,811</u>	<u>214,377</u>	<u>236,811</u>	<u>214,377</u>
Marketing expenses					
- Sales commission		31,495	20,073	31,495	20,073
- Advertisement and publicity		11,466	8,370	11,466	8,370
- Others		20,748	21,481	20,748	21,481
		<u>63,709</u>	<u>49,924</u>	<u>63,709</u>	<u>49,924</u>
Administration and general expenses					
- Communication expenses		37,151	44,733	37,151	44,733
- Legal and professional fees		10,546	9,471	10,546	9,471
- Others		33,673	32,361	33,673	32,361
		<u>81,370</u>	<u>86,565</u>	<u>81,370</u>	<u>86,565</u>
		<u>959,153</u>	<u>856,508</u>	<u>959,153</u>	<u>856,508</u>



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A11. Other Operating Expenses (continued)

	Note	1st Quarter Ended		Three Months Ended	
		31 March 2024	31 March 2023	31 March 2024	31 March 2023
Bank		RM'000	RM'000	RM'000	RM'000
Personnel costs					
- Salaries, allowances and bonuses		388,826	381,078	388,826	381,078
- Defined contribution plan		57,043	55,158	57,043	55,158
- Share-based expenses	(a)	2,056	1,496	2,056	1,496
- Other staff related costs		39,420	35,182	39,420	35,182
		487,345	472,914	487,345	472,914
Establishment costs					
- Property, plant and equipment:					
- Depreciation		32,917	30,417	32,917	30,417
- Written off		2	3	2	3
- Intangible assets:					
- Amortisation		39,978	35,914	39,978	35,914
- Right-of-use assets:					
- Depreciation		13,720	12,749	13,720	12,749
- Rental of premises		4,718	4,393	4,718	4,393
- Rental of equipment		2,874	2,505	2,874	2,505
- Insurance		9,359	10,117	9,359	10,117
- Water and electricity		4,600	4,112	4,600	4,112
- Repair and maintenance		6,210	7,694	6,210	7,694
- Security and escorting expenses		15,825	13,604	15,825	13,604
- Information technology expenses		67,518	58,418	67,518	58,418
		197,721	179,926	197,721	179,926
Marketing expenses					
- Sales commission		26,490	16,060	26,490	16,060
- Advertisement and publicity		9,407	6,590	9,407	6,590
- Others		18,802	16,564	18,802	16,564
		54,699	39,214	54,699	39,214
Administration and general expenses					
- Communication expenses		27,590	30,299	27,590	30,299
- Legal and professional fees		11,028	12,182	11,028	12,182
- Others		20,299	22,945	20,299	22,945
		58,917	65,426	58,917	65,426
Operating expenses allocated to subsidiaries		(145,100)	(134,765)	(145,100)	(134,765)
		653,582	622,715	653,582	622,715



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A11. Other Operating Expenses (continued)

- (a) The Share Grant Scheme ('SGS') was established and implemented by the Group and the Bank in June 2022. The SGS is intended to motivate employees, attract talents and retain key employees through the grant of the ordinary shares in the Bank of up to 2% of the total number of issued shares of the Bank (excluding treasury shares, if any) at any point in time during the duration of the SGS for employees and Executive Directors of the Bank and its subsidiaries (excluding subsidiaries which are dormant) who fulfil the eligibility criteria ('Eligible Employees'). The SGS which is to be administered by the Board Nominating and Remuneration Committee ('BNRC') comprising such persons as may be appointed by the Board from time to time, shall be in force for a period of nine years commencing from the effective implementation date of the SGS, and the vesting period for each grant offered will be 3 years from the offer date.

A12. Allowance for Credit Losses on Financial Assets

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Group	RM'000	RM'000	RM'000	RM'000
<u>Charge/(Writeback)</u>				
Loans, advances and financing:				
- Net charge	218,854	82,923	218,854	82,923
- Bad debts recovered	(94,316)	(84,885)	(94,316)	(84,885)
- Bad debts written off	88,592	56,834	88,592	56,834
	213,130	54,872	213,130	54,872
Financial assets at FVOCI	2,695	(214)	2,695	(214)
Financial investments at amortised cost	332	(3,108)	332	(3,108)
Other financial assets	(1,167)	(5,514)	(1,167)	(5,514)
	214,990	46,036	214,990	46,036
Bank				
<u>Charge/(Writeback)</u>				
Loans, advances and financing:				
- Net charge	154,877	68,402	154,877	68,402
- Bad debts recovered	(73,046)	(76,029)	(73,046)	(76,029)
- Bad debts written off	65,470	47,957	65,470	47,957
	147,301	40,330	147,301	40,330
Financial assets at FVOCI	3,104	(645)	3,104	(645)
Financial investments at amortised cost	(722)	(1,931)	(722)	(1,931)
Other financial assets	(604)	(4,353)	(604)	(4,353)
	149,079	33,401	149,079	33,401



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A13. Investment Account Due From Designated Financial Institutions

This investment account which is exposure to Restricted Profit Sharing Investment Account ('RPSIA'), is an arrangement by the Bank with its wholly-owned subsidiary, RHB Islamic Bank Berhad ('RHB Islamic Bank').

The underlying assets of RHB Islamic Bank for the RPSIA are as follows:

	Bank	
	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000
<u>Principal</u>		
Personal financing	1,000,000	1,000,000
Other term financing	3,147,422	4,037,480
Short-term funds	-	129,000
Unquoted securities	1,004,023	1,004,023
	5,151,445	6,170,503

A14. Financial Assets at Fair Value Through Profit or Loss ('FVTPL')

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Mandatory measured at fair value				
<u>Money market instruments:</u>				
Malaysian Government Securities	484,695	399,510	478,312	395,321
Malaysian Government Investment Issues	709,121	672,045	585,127	507,003
Bank Negara Malaysia Monetary Notes	429,801	316,971	279,854	314,335
Other foreign government securities	9,341	-	9,341	-
<u>Quoted securities:</u>				
<u>In Malaysia</u>				
Shares, exchange traded funds and warrants	309,574	132,769	-	-
Unit trusts	37,626	55,955	-	-
Corporate bond/sukuk	1,413	1,395	1,413	1,395
<u>Outside Malaysia</u>				
Shares, exchange traded funds and warrants	55,588	55,647	12,563	-
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Corporate bond/sukuk	1,139,039	1,107,905	187,247	102,152
Unit trusts	238,632	235,871	-	-
Commercial paper	208,909	-	208,909	-
<u>Outside Malaysia</u>				
Corporate bond/sukuk	26,210	7,088	26,210	7,088
Private equity funds	771,553	733,335	-	-
	4,421,502	3,718,491	1,788,976	1,327,294



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A15. Financial Assets at Fair Value Through Other Comprehensive Income ('FVOCI')

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
At fair value	RM'000	RM'000	RM'000	RM'000
(a) Debt instruments	47,439,037	47,201,673	40,241,188	40,798,615
(b) Equity instruments	776,196	775,256	730,107	729,292
	48,215,233	47,976,929	40,971,295	41,527,907
(a) Debt instruments				
<u>Money market instruments:</u>				
Malaysian Government Securities	4,200,247	4,528,876	4,139,250	4,468,470
Malaysian Government Investment Issues	10,648,584	9,437,643	7,841,149	7,369,220
Cagamas bonds	1,586,112	1,574,912	1,023,648	1,014,817
Khazanah bonds	72,993	71,018	72,993	71,018
Other foreign government investment issues	97,877	96,024	97,877	96,024
Other foreign government securities	7,746	7,732	7,746	7,732
Singapore Government Treasury Bills	659,822	513,092	659,822	513,092
Singapore Government Securities	1,511,233	1,860,195	1,511,233	1,860,195
Singapore Central Bank Bills	699,889	1,349,949	699,889	1,349,949
Thailand Government Securities	724,194	638,519	724,194	638,519
Singapore Housing Development Board	512,931	514,439	512,931	514,439
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Corporate bond/sukuk	16,113,088	16,467,747	12,346,135	12,753,613
<u>Outside Malaysia</u>				
Corporate bond/sukuk	10,604,321	10,141,527	10,604,321	10,141,527
	47,439,037	47,201,673	40,241,188	40,798,615
(b) Equity instruments				
<u>Quoted securities:</u>				
<u>Outside Malaysia</u>				
Shares	2,951	2,820	-	-
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Shares	770,629	769,814	730,105	729,290
<u>Outside Malaysia</u>				
Shares	2,616	2,622	2	2
	776,196	775,256	730,107	729,292

Included in financial investments at FVOCI of the Group and the Bank are corporate bond/sukuk, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to RM4,187,000,000 (31 December 2023: RM6,220,000,000) and RM5,470,000,000 (31 December 2023: RM6,546,000,000) respectively.



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A15. Financial Assets at Fair Value Through Other Comprehensive Income ('FVOCI') (continued)

(a) Movement in allowance for credit losses recognised in FVOCI reserves

Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
31 March 2024				
Balance as at the beginning of the financial period	31,187	-	-	31,187
Changes in credit risk	1,507	-	-	1,507
Purchases and origination	3,965	-	-	3,965
Derecognition and disposal	(2,777)	-	-	(2,777)
Exchange differences	30	-	-	30
Balance as at the end of the financial period	<u>33,912</u>	<u>-</u>	<u>-</u>	<u>33,912</u>
31 December 2023				
Balance as at the beginning of the financial year	48,615	3,376	-	51,991
Transfer to 12-month ECL (Stage 1)	3,376	(3,376)	-	-
Changes in credit risk	(10,785)	664	-	(10,121)
Purchases and origination	6,486	-	-	6,486
Changes to model methodologies	(6,953)	(664)	-	(7,617)
Derecognition and disposal	(10,138)	-	-	(10,138)
Exchange differences	586	-	-	586
Balance as at the end of the financial year	<u>31,187</u>	<u>-</u>	<u>-</u>	<u>31,187</u>
Bank				
31 March 2024				
Balance as at the beginning of the financial period	29,025	-	-	29,025
Changes in credit risk	1,576	-	-	1,576
Purchases and origination	3,858	-	-	3,858
Derecognition and disposal	(2,330)	-	-	(2,330)
Exchange differences	30	-	-	30
Balance as at the end of the financial period	<u>32,159</u>	<u>-</u>	<u>-</u>	<u>32,159</u>
31 December 2023				
Balance as at the beginning of the financial year	42,517	3,376	-	45,893
Transfer to 12-month ECL (Stage 1)	3,376	(3,376)	-	-
Changes in credit risk	(8,221)	664	-	(7,557)
Purchases and origination	5,674	-	-	5,674
Changes to model methodologies	(5,765)	(664)	-	(6,429)
Derecognition and disposal	(9,142)	-	-	(9,142)
Exchange differences	586	-	-	586
Balance as at the end of the financial year	<u>29,025</u>	<u>-</u>	<u>-</u>	<u>29,025</u>



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A16. Financial Investments at Amortised Cost

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
<u>Money market instruments:</u>				
Malaysian Government Securities	4,562,676	4,296,854	4,125,925	3,862,417
Malaysian Government Investment Issues	4,477,102	4,104,379	2,379,915	2,285,777
Cagamas bonds	1,768,263	1,857,419	1,262,959	1,353,571
Khazanah bonds	182,940	181,134	126,119	124,896
Bank Negara Malaysia Monetary Notes	-	853,733	-	-
Singapore Government Treasury Bills	2,040,773	1,588,608	2,040,773	1,588,608
Singapore Government Securities	67,557	66,652	67,557	66,652
Singapore Central Bank Bills	3,490,174	2,460,843	3,490,174	2,460,843
Thailand Government Bonds	193,517	144,515	193,517	144,515
Sukuk (Brunei) Incorporation	30,858	53,564	30,858	53,564
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Corporate bond/sukuk	13,236,721	13,203,960	6,639,818	6,713,894
Corporate loan stocks	21,402	21,505	-	-
<u>Outside Malaysia</u>				
Corporate bond/sukuk	56,960	57,031	26,139	26,614
	30,128,943	28,890,197	20,383,754	18,681,351
Fair value changes arising from fair value hedges	(5,036)	(3,276)	-	-
	30,123,907	28,886,921	20,383,754	18,681,351
Allowance for credit losses	(672,874)	(672,278)	(597,834)	(598,312)
	29,451,033	28,214,643	19,785,920	18,083,039

- (i) Included in financial investments at amortised cost of the Group and the Bank are corporate bond/sukuk, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to RM4,870,000,000 (31 December 2023: RM3,671,000,000) and RM5,420,000,000 (31 December 2023: RM4,920,000,000) respectively.
- (ii) Included in financial investments at amortised cost of the Group are exposures to Restricted Investment Account ('RA'), as part of the arrangement between RHB Islamic Bank and other investors based on Mudharabah concept. The investors will provide capital and the business venture is managed solely by RHB Islamic Bank. The profit of the business venture will be shared based on pre-agreed ratios with RHB Islamic Bank as Mudharib (manager or manager of funds), and losses shall be borne solely by investors. As at 31 March 2024, gross exposure to RA financing funded by investors at the Group is RM428,152,000 (31 December 2023: RM421,166,000). The portfolio expected credit losses for financial investments at amortised cost relating to RA is borne solely by the investors.



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A16. Financial investments at amortised cost (continued)

(a) Movement in credit impaired financial investments at amortised cost

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Balance as at the beginning of the financial period/year	1,358,764	1,294,649	55,795	56,041
Purchases and origination	16,958	66,412	-	-
Derecognition	(103)	(2,656)	-	(605)
Exchange differences	244	359	244	359
Balance as at the end of the financial period/year	<u>1,375,863</u>	<u>1,358,764</u>	<u>56,039</u>	<u>55,795</u>

The credit impaired financial investments at amortised cost relate to certain exposures to RA, of which exposure with other investors amounted to RM428,152,000 (31 December 2023: RM421,166,000).

(b) Movement in allowance for credit losses

Group	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
31 March 2023				
Balance as at the beginning of the financial period	13,183	1,192	657,903	672,278
Changes in credit risk	1,508	-	(103)	1,405
Purchases and origination	168	-	-	168
Derecognition	(170)	(1,071)	-	(1,241)
Exchange differences	20	-	244	264
Balance as at the end of the financial period	<u>14,709</u>	<u>121</u>	<u>658,044</u>	<u>672,874</u>
31 December 2023				
Balance as at the beginning of the financial year	35,582	5,371	660,199	701,152
Transfer to 12-month ECL (Stage 1)	2,153	(2,153)	-	-
Changes in credit risk	(18,115)	(245)	-	(18,360)
Purchases and origination	3,464	-	-	3,464
Changes to model methodologies	(5,232)	(1,705)	-	(6,937)
Derecognition	(4,732)	(76)	(2,656)	(7,464)
Exchange differences	63	-	360	423
Balance as at the end of the financial year	<u>13,183</u>	<u>1,192</u>	<u>657,903</u>	<u>672,278</u>



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A16. Financial investments at amortised cost (continued)

(b) Movement in allowance for credit losses (continued)

Bank	12-month ECL (Stage 1)	Lifetime ECL not credit impaired (Stage 2)	Lifetime ECL credit impaired (Stage 3)	Total
	RM'000	RM'000	RM'000	RM'000
31 March 2024				
Balance as at the beginning of the financial period	6,963	1,191	590,158	598,312
Changes in credit risk	228	-	-	228
Purchases and origination	157	-	-	157
Derecognition	(36)	(1,071)	-	(1,107)
Exchange differences	-	-	244	244
Balance as at the end of the financial period	<u>7,312</u>	<u>120</u>	<u>590,402</u>	<u>597,834</u>
31 December 2023				
Balance as at the beginning of the financial year	17,587	3,217	590,403	611,207
Changes in credit risk	(7,016)	(859)	-	(7,875)
Purchases and origination	856	-	-	856
Changes to model methodologies	(2,579)	(1,091)	-	(3,670)
Derecognition	(1,885)	(76)	(605)	(2,566)
Exchange differences	-	-	360	360
Balance as at the end of the financial year	<u>6,963</u>	<u>1,191</u>	<u>590,158</u>	<u>598,312</u>



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A17. Loans, Advances and Financing

(a) By type

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
At amortised cost				
Overdrafts	5,763,634	5,792,478	3,881,638	3,968,487
Term loans/financing:				
- Housing loans/financing	86,011,593	84,380,612	51,495,778	50,920,867
- Syndicated term loans/financing	15,633,430	15,926,831	11,427,453	11,448,100
- Hire purchase receivables/financing	11,346,551	10,986,011	259,784	256,126
- Other term loans/financing	79,594,885	79,351,472	45,117,410	43,653,965
Bills receivables	4,875,189	4,531,450	4,286,471	4,106,201
Trust receipts	1,364,696	1,282,926	1,317,314	1,197,366
Claims on customers under acceptance credits	5,103,124	4,968,542	3,850,454	3,656,830
Share margin financing	2,320,891	2,258,304	329,714	373,801
Staff loans/financing	86,292	85,999	62,764	64,813
Credit/charge card receivables	2,354,610	2,361,046	1,979,786	1,994,047
Revolving credits/financing	10,463,762	10,489,934	8,078,435	8,137,560
Gross loans, advances and financing	224,918,657	222,415,605	132,087,001	129,778,163
Fair value changes arising from fair value hedges	(72,536)	(70,407)	(14,085)	(13,083)
	224,846,121	222,345,198	132,072,916	129,765,080
Less: Allowance for credit losses	(2,886,588)	(2,782,595)	(1,977,922)	(1,916,517)
Net loans, advances and financing	221,959,533	219,562,603	130,094,994	127,848,563

(i) Included in loans, advances and financing are housing loans/financing sold to Cagamas with recourse to the Group and the Bank amounting to RM4,175,000,000 (31 December 2023: RM4,207,022,000) and RM2,530,145,000 (31 December 2023: RM2,547,499,000) respectively.

(ii) Included in loans, advances and financing of the Group are exposures to Unrestricted Investment Account ('UA'), as part of the arrangement between RHB Islamic Bank and other investors based on Wakalah concept, a trust-based contract in which a party (muwakkil) appoints another party as his agent (wakil) to perform a particular task, in matters that may be delegated, either voluntarily or with imposition of a fee. The fee shall be recognised based on agreement. Profit generated/losses incurred is based on net distributable income calculated. Net distributable income is derived after deducting Wakalah fee, direct expenses and provisions (if any). Losses (if any) will be borne solely by the investors unless such losses are due to RHB Islamic Bank's misconduct, negligence or breach of specified terms in the contract between the investors and RHB Islamic Bank. As at 31 March 2024, gross exposure to UA financing funded by investors at the Group is RM15,665,000 (31 December 2023: RM13,500,000). The portfolio expected credit losses for financing and advances relating to UA is borne solely by the investors.



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A17. Loans, Advances and Financing (continued)

(b) By type of customer

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Domestic non-bank financial institutions	3,171,120	3,497,812	1,078,834	1,357,342
Domestic business enterprises:				
- Small and medium enterprises	33,163,122	33,378,955	23,110,141	23,076,329
- Others	28,524,458	28,386,968	17,182,723	16,524,514
Government and statutory bodies	6,530,418	6,479,611	18,010	-
Individuals	114,101,900	112,596,745	58,560,959	58,304,201
Other domestic entities	154,741	156,950	24,518	25,395
Foreign entities	39,272,898	37,918,564	32,111,816	30,490,382
	224,918,657	222,415,605	132,087,001	129,778,163

(c) By geographical distribution

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Malaysia	187,857,651	186,315,513	102,002,457	101,000,194
Labuan Offshore	2,889,589	3,331,226	-	-
Singapore	28,429,367	27,124,830	28,429,367	27,124,830
Thailand	1,675,865	1,668,034	1,444,495	1,435,674
Brunei	210,682	217,465	210,682	217,465
Cambodia	3,568,081	3,509,124	-	-
Lao	94,589	95,006	-	-
Indonesia	172,605	138,474	-	-
Vietnam	20,228	15,933	-	-
	224,918,657	222,415,605	132,087,001	129,778,163



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A17. Loans, Advances and Financing (continued)

(d) By interest/profit rate sensitivity

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Fixed rate:				
- Housing loans/financing	130,305	126,396	70,421	70,940
- Hire purchase receivables/financing	568,611	619,730	259,784	256,126
- Other fixed rate loans/financing	21,239,897	21,384,624	9,350,111	9,502,075
Variable rate:				
- Base lending/financing rate/base rate plus	134,337,259	132,547,302	74,978,317	74,663,959
- Cost-plus	47,939,912	47,719,609	29,355,333	28,145,186
- Other variable rates	20,702,673	20,017,944	18,073,035	17,139,877
	224,918,657	222,415,605	132,087,001	129,778,163

(e) By economic sector

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Agriculture, hunting, forestry and fishing	4,567,399	4,468,055	2,382,407	2,392,183
Mining and quarrying	276,605	267,896	175,487	162,462
Manufacturing	12,228,786	11,826,760	8,599,448	8,199,341
Electricity, gas and water	963,194	2,179,393	585,795	603,849
Construction	10,603,713	10,689,894	7,889,002	8,055,514
Wholesale and retail trade and restaurant and hotel	25,404,128	24,426,148	19,414,677	18,804,546
Transport, storage and communication	5,340,633	5,512,901	1,556,003	1,567,874
Finance, insurance, real estate and business services	33,279,433	32,517,332	23,506,157	22,408,177
Education, health and others	9,614,530	9,496,435	2,927,239	2,844,959
Household sector	122,077,388	120,456,394	64,731,145	64,434,607
Others	562,848	574,397	319,641	304,651
	224,918,657	222,415,605	132,087,001	129,778,163



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A17. Loans, Advances and Financing (continued)

(f) By purpose

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Purchase of securities	11,544,527	11,992,304	4,476,278	4,757,102
Purchase of transport vehicles	11,327,783	10,959,997	166,406	166,995
Purchase of landed property:				
- Residential	85,005,962	83,444,972	51,390,398	50,847,520
- Non-residential	28,209,889	27,258,291	21,866,776	20,984,877
Purchase of property, plant and equipment other than land and building	1,327,508	1,355,284	693,283	697,550
Personal use	12,799,027	12,731,438	6,766,556	6,792,935
Credit card	2,354,610	2,361,046	1,979,786	1,994,047
Purchase of consumer durables	6,874	6,840	6,874	6,840
Construction	7,379,146	6,704,555	5,972,419	5,347,029
Working capital	54,462,351	54,680,824	36,273,955	35,609,155
Merger and acquisition	1,337,275	1,341,026	627,366	631,864
Other purposes	9,163,705	9,579,028	1,866,904	1,942,249
	224,918,657	222,415,605	132,087,001	129,778,163

(g) By remaining contractual maturities

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Maturity within one year	40,658,825	41,424,260	28,758,879	28,634,221
One year to three years	11,733,325	11,429,962	8,398,176	7,906,636
Three years to five years	23,970,187	21,640,604	14,815,433	12,820,693
Over five years	148,556,320	147,920,779	80,114,513	80,416,613
	224,918,657	222,415,605	132,087,001	129,778,163



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A17. Loans, Advances and Financing (continued)

(h) Impaired loans, advances and financing

**(i) Movement in impaired loans, advances
and financing**

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Balance as at the beginning of the financial period/year	3,879,277	3,288,731	2,313,661	1,681,715
Transfer to 12-month ECL (Stage 1)	(30,927)	(85,149)	(19,748)	(55,694)
Transfer to lifetime ECL not credit impaired (Stage 2)	(184,187)	(198,876)	(102,959)	(126,982)
Transfer to lifetime ECL credit impaired (Stage 3)	893,946	1,910,235	625,994	1,305,845
Purchases and origination	500,507	969,466	130,688	483,569
Derecognition	(746,495)	(428,774)	(326,656)	(302,717)
Amount written off	(215,794)	(1,676,981)	(160,412)	(712,541)
Exchange differences	1,771	66,788	(7,301)	24,315
Other movements	17,322	33,837	7,498	16,151
Balance as at the end of the financial period/year	4,115,420	3,879,277	2,460,765	2,313,661

(ii) By economic sector

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Agriculture, hunting, forestry and fishing	56,761	49,276	52,727	45,635
Mining and quarrying	20,304	20,314	15,108	15,066
Manufacturing	317,810	261,355	249,757	208,511
Electricity, gas and water	7,668	7,833	1,877	2,040
Construction	557,699	551,833	450,105	450,578
Wholesale and retail trade and restaurant and hotel	819,918	658,465	581,439	447,956
Transport, storage and communication	526,212	508,776	56,832	44,377
Finance, insurance, real estate and business services	488,155	522,427	396,017	439,128
Education, health and others	140,906	141,733	45,503	46,946
Household sector	1,123,154	1,104,119	611,400	613,424
Others	56,833	53,146	-	-
	4,115,420	3,879,277	2,460,765	2,313,661



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A17. Loans, Advances and Financing (continued)

(h) Impaired loans, advances and financing (continued)

(iii) By purpose

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Purchase of securities	17,921	18,875	16,440	17,640
Purchase of transport vehicles	56,256	67,209	2,454	5,221
Purchase of landed property:				
- Residential	900,111	880,286	497,976	499,518
- Non-residential	653,724	629,457	317,069	311,416
Purchase of property, plant and equipment other than land and building	27,775	27,760	24,982	24,964
Personal use	151,261	161,657	111,455	125,541
Credit card	25,618	23,747	21,827	20,047
Purchase of consumer durables	602	611	602	611
Construction	123,954	107,215	120,498	107,107
Working capital	1,897,741	1,725,221	1,189,628	1,060,418
Other purposes	260,457	237,239	157,834	141,178
	4,115,420	3,879,277	2,460,765	2,313,661

(iv) By geographical distribution

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Malaysia	3,000,320	2,882,420	1,749,006	1,665,567
Singapore	291,893	299,194	291,893	299,194
Thailand	415,642	344,852	415,642	344,852
Brunei	4,224	4,048	4,224	4,048
Cambodia	397,824	342,842	-	-
Lao	5,517	5,921	-	-
	4,115,420	3,879,277	2,460,765	2,313,661



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A17. Loans, Advances and Financing (continued)

(h) Impaired loans, advances and financing (continued)

(v) Movement in allowance for credit losses

Group	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
31 March 2024				
Balance as at the beginning of the financial period	691,260	706,389	1,384,946	2,782,595
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	84,408	(75,807)	(8,601)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(26,704)	82,920	(56,216)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(1,928)	(61,423)	63,351	-
	55,776	(54,310)	(1,466)	-
Changes in credit risk	(51,185)	32,318	262,433	243,566
Purchases and origination	35,679	17,370	4,518	57,567
Derecognition	(12,634)	(16,572)	(53,073)	(82,279)
Bad debts written off	-	-	(126,902)	(126,902)
Exchange differences	512	(694)	(5,099)	(5,281)
Other movements	-	-	17,322	17,322
Balance as at the end of the financial period	719,408	684,501	1,482,679	2,886,588
31 December 2023				
Balance as at the beginning of the financial year	846,101	1,055,527	1,808,374	3,710,002
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	184,876	(159,840)	(25,036)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(34,939)	86,407	(51,468)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(11,531)	(123,915)	135,446	-
	138,406	(197,348)	58,942	-
Changes in credit risk	(328,330)	(154,670)	912,730	429,730
Purchases and origination	127,406	95,457	66,119	288,982
Changes to model methodologies	(49,488)	(20,304)	761	(69,031)
Derecognition	(45,551)	(72,541)	(101,813)	(219,905)
Bad debts written off	-	-	(1,433,361)	(1,433,361)
Exchange differences	2,716	268	39,357	42,341
Other movements	-	-	33,837	33,837
Balance as at the end of the financial year	691,260	706,389	1,384,946	2,782,595



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A17. Loans, Advances and Financing (continued)

(h) Impaired loans, advances and financing (continued)

(v) Movement in allowance for credit losses (continued)

Bank	12-month ECL (Stage 1) RM'000	Lifetime ECL not credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
31 March 2024				
Balance as at the beginning of the financial period	430,495	502,282	983,740	1,916,517
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	44,509	(39,706)	(4,803)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(20,015)	50,274	(30,259)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(1,737)	(46,529)	48,266	-
	22,757	(35,961)	13,204	-
Changes in credit risk	(40,826)	21,562	187,720	168,456
Purchases and origination	29,048	14,563	4,504	48,115
Derecognition	(9,598)	(13,105)	(38,991)	(61,694)
Bad debts written off	-	-	(94,498)	(94,498)
Exchange differences	218	(1,239)	(5,451)	(6,472)
Other movements	-	-	7,498	7,498
Balance as at the end of the financial period	<u>432,094</u>	<u>488,102</u>	<u>1,057,726</u>	<u>1,977,922</u>
31 December 2023				
Balance as at the beginning of the financial year	554,551	620,951	786,707	1,962,209
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	121,490	(103,386)	(18,104)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(28,084)	58,986	(30,902)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(10,585)	(81,338)	91,923	-
	82,821	(125,738)	42,917	-
Changes in credit risk	(242,217)	(18,620)	684,752	423,915
Purchases and origination	97,320	81,315	57,272	235,907
Changes to model methodologies	(31,090)	(5,465)	(5,379)	(41,934)
Derecognition	(33,938)	(49,274)	(77,605)	(160,817)
Bad debts written off	-	-	(529,039)	(529,039)
Exchange differences	3,048	(887)	7,964	10,125
Other movements	-	-	16,151	16,151
Balance as at the end of the financial year	<u>430,495</u>	<u>502,282</u>	<u>983,740</u>	<u>1,916,517</u>



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A18. Other Assets

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Other receivables	1,349,976	470,558	927,035	370,885
Cash collateral in relation to derivative transactions	597,912	784,159	597,912	784,159
Deposits	40,874	41,024	30,990	31,076
Prepayments	227,914	167,793	155,704	104,837
Foreclosed properties	154,475	158,203	154,475	158,203
Amount receivable for release of units from funds	103,226	18,354	-	-
Amount due from subsidiaries	-	-	416,585	1,665,771
	2,474,377	1,640,091	2,282,701	3,114,931



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A19. Deposits from Customers

(a) By type of deposits

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Demand deposits	56,894,770	55,315,947	41,401,061	43,943,952
Savings deposits	13,511,283	13,106,922	10,484,004	10,303,710
Fixed/investment deposits	172,262,747	176,395,214	95,944,241	94,128,846
Negotiable instruments of deposits	265,903	264,987	265,903	264,987
	242,934,703	245,083,070	148,095,209	148,641,495

(b) By type of customer

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Government and statutory bodies	24,032,221	19,442,315	5,186,091	4,104,478
Business enterprises	107,334,705	116,106,187	66,886,765	69,545,339
Individuals	103,111,131	101,082,141	68,269,362	67,316,385
Others	8,456,646	8,452,427	7,752,991	7,675,293
	242,934,703	245,083,070	148,095,209	148,641,495

(c) By maturity structure of fixed/investment deposits and negotiable instruments of deposits

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Due within six months	132,003,513	137,058,523	71,418,717	69,531,625
Six months to one year	37,914,881	35,665,108	23,917,178	22,702,122
One year to three years	1,567,946	2,907,508	860,700	2,147,788
Three years to five years	1,042,310	1,029,062	13,549	12,298
	172,528,650	176,660,201	96,210,144	94,393,833



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A20. Deposits and Placements of Banks and Other Financial Institutions

	Note	Group		Bank	
		As at	As at	As at	As at
		31 March	31 December	31 March	31 December
		2024	2023	2024	2023
		RM'000	RM'000	RM'000	RM'000
Licensed banks		14,629,979	11,413,928	20,245,055	21,547,941
Licensed Islamic banks		153,678	70,826	4,429	3,919
Licensed investment banks		-	223,227	1,247,201	952,813
BNM/Other central banks	(a)	5,955,643	5,224,305	5,518,775	4,716,767
Other financial institutions		88,972	90,112	2,586	2,042
		<u>20,828,272</u>	<u>17,022,398</u>	<u>27,018,046</u>	<u>27,223,482</u>

(a) Included in deposits and placements by BNM/other central banks are amounts received under the Government scheme as part of the COVID-19 relief measures for the purpose of lending/financing to SMEs at a concessionary rate and with maturity period ranging between two to nine years.

A21. Investment Accounts

	Note	Group	
		As at	As at
		31 March	31 December
		2024	2023
		RM'000	RM'000
Mudharabah Restricted Investment Account	(a)	511,135	494,174
Wakalah Unrestricted Investment Account	(b)	15,738	13,600
		<u>526,873</u>	<u>507,774</u>

(a) Mudharabah Restricted Investment Account

By type of counterparty:

- Licensed banks	<u>511,135</u>	<u>494,174</u>
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Investment asset (principal):

- Unquoted securities	<u>428,152</u>	<u>421,166</u>
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(b) Wakalah Unrestricted Investment Account

By type of counterparty:

- Business enterprises	<u>15,738</u>	<u>13,600</u>
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Investment asset (principal):

- Personal financing	3,133	2,700
- Housing financing	12,532	10,800
	<u>15,665</u>	<u>13,500</u>



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A22. Other Liabilities

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Other creditors and accruals	1,664,705	1,041,364	1,079,461	773,864
Amount payable for redemption units	125,521	70,734	-	-
Contract liabilities	71,723	85,675	15,801	21,051
Short-term employee benefits	107,102	366,149	79,292	284,876
Accrual for operational expenses	152,759	161,705	115,201	96,352
Cash collateral pledged for derivative transactions	318,564	239,247	318,564	239,247
Structured deposits	1,848,329	1,591,946	1,746,602	1,538,923
Remisiers' trust deposits	88,396	89,737	-	-
Puttable financial instruments	114,987	113,104	-	-
Amount payable for creation of units due to funds	37,369	144,101	-	-
Amount due to subsidiaries	-	-	2,458	6,814
	4,529,455	3,903,762	3,357,379	2,961,127



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A23. Segmental Reporting

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

The Group's business segments can be organised into the following main segments reflecting the Group's internal reporting structure:

(a) Group Community Banking ('GCB')

GCB comprise Group Retail Banking and Group Small and Medium Enterprises ('SME's) Banking.

Group Retail Banking focuses on providing products and services to individual customers. The products and services offered to customers include credit facilities (mortgages, non-residential mortgages, hire purchase, purchase of securities, credit cards and other personal loans and financing), remittances, deposits collection, investment related products, and bancassurance/bancatakaful products.

Group SME Banking focuses on providing financing solutions to SMEs and family-owned enterprises, as well as trade and cash management solutions for SMEs.

(b) Group Wholesale Banking ('GWB')

GWB comprise the following key business portfolio/functional group:

I. Group Treasury & Global Markets; and

II. Group Corporate Banking and Investment Banking ('Group CBIB') which consist of Group Corporate Banking, Group Investment Banking, Group Asset Management, Group Commercial Banking, Group Transaction Banking and Group Economics.

(i) Group Treasury and Global Markets offers a comprehensive suite of treasury products and solutions including foreign exchange ('FX'), derivatives, capital markets, structured products, money market investments and Islamic Treasury products catering to the hedging and investment needs of our diverse customers in Malaysia, Singapore and Thailand. This segment is also responsible for the overall management of the liquidity and funding needs of the Group as well as for investing excess capital and funds to enhance the returns for the Group.

(ii) Group Corporate Banking provides a comprehensive suite of conventional and Shariah-compliant financing solutions to corporate clients whose shares are listed on stock exchanges locally and/or abroad, multinational companies, government and government agencies and government-linked companies. Financial solutions provided include working capital funding, trade financing, foreign currency hedging, project financing and syndication, as well as funding of corporate exercises.

(iii) Group Investment Banking offers a full range of investment banking products and services covering primary markets, such as advisory (corporate and debt restructuring, mergers and acquisitions, takeovers), fundraising via both equity and debt instruments, and secondary markets including securities trading for both institutional and retail clients. This segment leverages on the Group's regional platforms to provide cross-border transactional services to clients across ASEAN.

This segment also offers stockbroking and investment banking products and services to the Group's regional customers in Indonesia, Thailand, Cambodia and Vietnam.



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A23. Segmental Reporting (continued)

The Group's business segments can be organised into the following main segments reflecting the Group's internal reporting structure (continued):

(b) Group Wholesale Banking ('GWB') (continued)

- (iv) Group Asset Management manages a full set of investment services and offerings including management of unit trust funds, investment management advisory, private mandates, product development and trustee services.
- (v) Group Commercial Banking offers a wide range of business solutions ranging from financing, deposits, cash management solutions, trade finance, FX and remittance among others for Commercial customers (Mid-size to Large-Size Private Companies).
- (vi) Group Transaction Banking offers a wide range of business solutions ranging from cash management solutions, trade finance and services including supply chain financing solutions among others for SME, Commercial & Large corporates.
- (vii) Group Economics which includes Foreign Exchange and Fixed Income Strategy, provides expert advice on Macroeconomic developments as well as local economic and sectoral trends. This segment is also responsible for engaging with corporate and institutional clients to provide advice on economic developments and trends.

(c) Group International Business

Group International Business primarily focuses on providing commercial and investment banking related products and services tailored to the specific needs of the customers in foreign countries in which the Group has operations. The Group currently has foreign presences in Singapore, Thailand, Brunei, Cambodia and Lao.

(d) Insurance

RHB Insurance Berhad provides general insurance for retail, SME, commercial and corporate customers.

(e) Support Center and Others

Support Center and Others comprise results from other business segments in the Group (nominee services, property investment and rental of premises and other related financial services). The results of these other businesses are not material to the Group and therefore do not render a separate disclosure and are reported in aggregate in the financial statements.

The business segment results are prepared based on the Group's internal management reporting, which reflects the organisation's management reporting structure. Internal allocation of costs, for example, back office support, centralised cost, funding center and the application of transfer pricing, where appropriate, has been used in preparing the segmental reporting.



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A23. Segmental Reporting (continued)

Three months ended 31 March 2024

	Group Community Banking RM'000	Group Wholesale Banking RM'000	Group International Business RM'000	Insurance* RM'000	Support Center and Others RM'000	Inter- Segment Elimination RM'000	Total RM'000
External revenue	1,054,916	837,355	263,799	17,998	(85,858)	-	2,088,210
Inter-segment revenue	-	3,407	301	4,628	2,994	(11,330)	-
Segment revenue	1,054,916	840,762	264,100	22,626	(82,864)	(11,330)	2,088,210
Other operating expenses	(551,361)	(258,962)	(150,126)	(221)	(9,813)	11,330	(959,153)
Including:							
- Depreciation of property, plant and equipment	(25,553)	(7,462)	(5,392)	-	(61)	-	(38,468)
- Depreciation of right-of-use assets	(6,441)	(5,513)	(6,097)	-	(24)	-	(18,075)
- Amortisation of intangible assets	(28,950)	(11,286)	(5,388)	-	-	-	(45,624)
Allowance for credit losses on financial assets	(132,416)	(3,189)	(79,642)	250	7	-	(214,990)
Segment profit/(loss)	371,139	578,611	34,332	22,655	(92,670)	-	914,067
Share of results of associates							(3,906)
Profit before taxation and zakat							910,161
Taxation and zakat							(178,811)
Net profit for the financial period							731,350

* All depreciation and amortisation relating to Insurance are netted against revenue under MFRS 17.



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A23. Segmental Reporting (continued)

As at 31 March 2024

	Group Community Banking	Group Wholesale Banking	Group International Business	Insurance	Support Center and Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	141,691,185	126,456,978	54,239,604	1,652,445	3,251,932	327,292,144
Investments in associates						63,132
Tax recoverable						144,780
Deferred tax assets						301,316
Unallocated assets						1,455,590
Total assets						<u>329,256,962</u>
Segment liabilities	123,133,101	113,935,247	45,951,659	1,147,309	1,189,071	285,356,387
Provision for taxation and zakat						67,784
Deferred tax liabilities						33,204
Borrowings						2,370,082
Senior debt securities						5,723,534
Subordinated obligations						3,387,703
Unallocated liabilities						569,679
Total liabilities						<u>297,508,373</u>



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A23. Segmental Reporting (continued)

Three months ended 31 March 2023

	Group Community Banking RM'000	Group Wholesale Banking RM'000	Group International Business RM'000	Insurance* RM'000	Support Center and Others RM'000	Inter- Segment Elimination RM'000	Total RM'000
External revenue	1,070,481	636,604	204,694	17,243	(21,297)	-	1,907,725
Inter-segment revenue	-	6,230	(185)	4,842	3,858	(14,745)	-
Segment revenue	1,070,481	642,834	204,509	22,085	(17,439)	(14,745)	1,907,725
Other operating expenses	(509,799)	(253,352)	(127,505)	(417)	19,820	14,745	(856,508)
Including:							
- Depreciation of property, plant and equipment	(23,754)	(7,536)	(5,189)	-	(58)	-	(36,537)
- Depreciation of right-of-use assets	(6,008)	(5,384)	(4,125)	-	(26)	-	(15,543)
- Amortisation of intangible assets	(25,734)	(10,283)	(5,274)	-	-	-	(41,291)
Allowance for credit losses on financial assets	(64,505)	28,981	(10,510)	(2)	-	-	(46,036)
Segment profit	496,177	418,463	66,494	21,666	2,381	-	1,005,181
Share of results of associates							1
Profit before taxation and zakat							1,005,182
Taxation and zakat							(242,553)
Net profit for the financial period							762,629

* All depreciation and amortisation relating to Insurance are netted against revenue under MFRS 17.



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A23. Segmental Reporting (continued)

As at 31 December 2023

	Group Community Banking	Group Wholesale Banking	Group International Business	Insurance	Support Center and Others	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Segment assets	140,035,817	130,639,719	51,783,160	1,785,791	3,281,994	327,526,481
Investments in associates						56,036
Tax recoverable						104,249
Deferred tax assets						344,872
Unallocated assets						660,473
Total assets						<u>328,692,111</u>
Segment liabilities	118,787,273	119,122,075	44,178,772	1,285,940	1,316,300	284,690,360
Provision for taxation and zakat						53,691
Deferred tax liabilities						30,196
Borrowings						2,261,224
Senior debt securities						7,018,453
Subordinated obligations						3,377,163
Unallocated liabilities						349,960
Total liabilities						<u>297,781,047</u>



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A24. Valuation of Property, Plant and Equipment

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

A25. Events Subsequent to Balance Sheet Date

There were no significant events subsequent to the balance sheet date that have not been reflected in the financial statements other than the following:

- (a) Additional subscription of shares in Boost Bank Berhad ('Boost Bank') as disclosed in Note A26(a);
- (b) RHB Islamic Bank, a wholly-owned subsidiary of the Bank, had on 15 May 2024 issued Subordinated Sukuk Murabahah of RM500 million in nominal value under a RM5.0 billion programme. The Subordinated Sukuk Murabahah is issued for a tenure of 10 non-callable 5 years with a fixed profit rate of 4.00% per annum, payable semi-annually in arrears throughout the entire tenure; and
- (c) RHB Islamic Bank, had on 21 May 2024 fully redeemed its existing RM500 million in nominal value of Subordinated Sukuk Murabahah issued on 21 May 2019.

A26. Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the three months ended 31 March 2024, other than the following:

- (a) For the quarter ended 31 March 2024, the Bank had subscribed for the following additional ordinary shares in Boost Bank ('Boost Bank Shares') to maintain its 40% equity interest in Boost Bank:
 - (i) Additional 8.6 million Boost Bank Shares on 16 February 2024 for a cash consideration of RM8.6 million; and
 - (ii) Additional 3.4 million Boost Bank Shares on 15 March 2024 for a cash consideration of RM3.4 million.

The paid-up capital of Boost Bank as at 31 March 2024 is approximately RM215.0 million, comprising approximately 215.0 million Boost Bank Shares.

Subsequent to the quarter end, the Bank has further on 15 April 2024 and 17 May 2024 subscribed for additional 7.6 million Boost Bank Shares for a total cash consideration of RM7.6 million to maintain its 40% equity share capital in Boost Bank.

Upon completion of the additional issuance of share capital in April and May 2024, the paid-up capital of Boost Bank is approximately RM234.0 million, comprising approximately 234.0 million Boost Bank Shares.

The purpose of the additional issuances of share capital by Boost Bank is for it to fund its operating and capital expenditure for the first half of 2024 and to continue meeting the minimum capital funds as required by BNM.

- (b) The Bank has on 20 February 2024 injected additional capital of USD25 million (equivalent to RM120 million) into its wholly-owned subsidiary, RHB Bank (L) Ltd ('RHBBL'). As a result, the issued share capital of RHBBL increased from USD54 million to USD79 million.
- (c) In February 2024, RHB Asset Management Sdn Bhd ('RHBAM'), a wholly owned subsidiary of RHB Investment Bank, has gained effective control in RHB GoldenLife 2030 ('RGL3') by virtue of its holdings in the units issued by RGL3. The Group has consolidated RGL3 in accordance with MFRS 10 'Consolidated Financial Statements' as an indirect subsidiary of the Group with effective equity interest of 52.79% as at the end of the financial period.



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A27. Changes In Contingent Liabilities Since The Last Annual Statements Of Financial Position

(a) Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incurs certain contingent liabilities with legal recourse to its customers. Apart from the allowance for commitments and contingencies already made in the interim financial statements, no material losses are anticipated as a result of these transactions.

The commitments and contingencies comprise the following:

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Contingent liabilities				
Direct credit substitutes*	1,688,577	1,564,192	1,654,510	1,529,393
Transaction-related contingent items	1,978,176	2,048,797	1,580,841	1,667,836
Short-term self-liquidating trade-related contingencies	1,095,176	1,126,639	762,146	854,925
	4,761,929	4,739,628	3,997,497	4,052,154
Commitments				
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions, and commitment to buy-back Islamic securities under Sell and Buy Back Agreement transactions	10,704,308	11,313,173	10,940,005	11,313,173
Forward asset purchases, forward deposits, partly paid shares and securities which represent commitments with certain drawdowns	1,049,934	-	939,790	-
Irrevocable commitments to extend credit:				
- Maturity less than one year	8,212,032	4,351,151	6,276,326	2,527,538
- Maturity more than one year	28,546,569	31,904,670	18,531,710	22,566,459
Any commitments that are unconditionally cancellable at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	17,637,540	17,312,765	15,085,117	14,820,162
	66,150,383	64,881,759	51,772,948	51,227,332
Derivative financial instruments				
Foreign exchange related contracts^:				
- Less than one year	67,871,577	57,992,164	70,975,861	59,257,571
- One year to less than five years	6,265,165	6,647,069	7,084,339	7,466,244
- More than five years	1,088,634	967,603	1,088,634	967,603
Commodity related contracts^:				
- Less than one year	434,394	429,499	436,314	430,607
- One year to less than five years	699,497	584,568	702,495	586,316
Equity related contracts^:				
- Less than one year	839,004	707,042	764,015	707,242
- One year to less than five years	47,781	87,598	47,781	87,598
Interest rate related contracts^:				
- Less than one year	39,920,175	37,299,937	41,980,175	39,339,937
- One year to less than five years	86,300,138	64,863,786	90,200,138	68,363,786
- More than five years	10,022,432	6,862,697	9,722,432	6,862,697
	213,488,797	176,441,963	223,002,184	184,069,601
	284,401,109	246,063,350	278,772,629	239,349,087

* This relates to financial guarantee contracts.

^ These derivatives are revalued on gross position basis and the unrealised gains or losses have been reflected in the income statements and statements of financial position as derivative assets or derivative liabilities.



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A27. Changes In Contingent Liabilities Since The Last Annual Statements Of Financial Position (continued)

(b) Guarantees Issued by the Group and the Bank

The Group and the Bank has given a continuing guarantee to Labuan Financial Services Authority to meet the liabilities and financial obligations and requirements of its subsidiary, RHB Bank (L) Ltd, arising from its offshore banking business in the Federal Territory of Labuan.

(c) Contingent Liabilities

- (i) As at 31 March 2024, the Group has contingent liabilities amounting to approximately RM64 million in respect of litigation. As the cases are still preliminary and the reliable exposure cannot be estimated, no provision is recognised in the financial statements.
- (ii) The Bank has given an undertaking to BNM to provide adequate funds proportionate to its shareholding in Boost Bank Berhad ('Boost Bank') at the material time, to ensure that Boost Bank has sufficient funds to satisfy all its remaining obligations and liabilities due including customer deposits, in the event Boost Bank is wound down and required to implement its exit plan during its foundational phase.

A28. Capital Commitments

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Authorised and contracted for property, plant and equipment	226,509	246,256	197,100	215,379



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A29. Capital Adequacy Ratio

BNM Guidelines on capital adequacy requires the Group, the Bank and the banking subsidiaries to maintain an adequate level of capital to withstand any losses which may result from credit and other risks associated with financing operations. The capital adequacy ratio is computed based on the eligible capital in relation to the total risk-weighted assets as determined by BNM.

RHB Bank (Cambodia) Plc ('RHB Bank Cambodia') is subject to National Bank of Cambodia's capital adequacy requirements.

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

	Group		Bank [@]	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Common Equity Tier I ('CET I')/Tier I Capital				
Share capital	8,330,324	8,330,324	8,330,324	8,330,324
Retained profits	19,214,064	19,319,465	14,545,823	14,536,326
Other reserves	1,101,954	1,041,264	791,720	756,092
FVOCI reserves	119,435	76,491	111,849	74,870
	28,765,777	28,767,544	23,779,716	23,697,612
Less:				
Goodwill	(2,638,198)	(2,638,198)	(1,714,913)	(1,714,913)
Intangible assets (include associated deferred tax liabilities)	(681,340)	(673,518)	(611,116)	(600,974)
Deferred tax assets	(252,416)	(273,997)	(192,732)	(209,762)
55% of cumulative gains arising from change in value of FVOCI instruments	(65,689)	(42,070)	(61,517)	(41,179)
Investments in subsidiaries	(102,424)	(102,424)	(4,475,097)	(4,473,995)
Investments in associates and joint venture	(63,132)	(56,036)	(86,000)	(74,000)
Other deductions [#]	(35,675)	(29,837)	(34,184)	(29,159)
Total CET I Capital	24,926,903	24,951,464	16,604,157	16,553,630
Qualifying non-controlling interests recognised as Tier I Capital	125	167	-	-
Total Tier I Capital	24,927,028	24,951,631	16,604,157	16,553,630
Tier II Capital				
Subordinated obligations meeting all relevant criteria	2,499,423	2,499,366	2,499,423	2,499,366
Qualifying capital instruments of a subsidiary issued to third parties ⁺	461,241	448,412	-	-
Surplus eligible provisions over expected losses	548,822	547,595	396,633	394,298
General provisions [^]	441,669	434,848	306,515	305,681
Investment in capital instrument of financial and insurance/takaful entities	-	-	(94,534)	(91,932)
Total Tier II Capital	3,951,155	3,930,221	3,108,037	3,107,413
Total Capital	28,878,183	28,881,852	19,712,194	19,661,043



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A29. Capital Adequacy Ratio (continued)

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

	Group		Bank [@]	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	17.062%	17.266%	15.905%	16.053%
Tier I Capital Ratio	17.062%	17.266%	15.905%	16.053%
Total Capital Ratio	19.767%	19.985%	18.882%	19.067%
After proposed dividends and DRP*:				
CET I Capital Ratio	16.476%	16.673%	15.084%	15.222%
Tier I Capital Ratio	16.476%	16.673%	15.084%	15.222%
Total Capital Ratio	19.180%	19.392%	18.061%	18.236%

[@] The capital adequacy ratios of the Bank consist of capital base and risk-weighted assets derived from the Bank and its wholly-owned offshore banking subsidiary, RHB Bank (L) Ltd.

[#] Pursuant to Basel II Market Risk para 5.19 & 5.20 - Valuation Adjustments, the Capital Adequacy Framework (Basel II - RWA) calculation shall account for the ageing, liquidity and holding back adjustments on its trading portfolio.

⁺ Qualifying subordinated sukuk that are recognised as Tier II capital instruments held by third parties as prescribed under paragraph 18.6 of the BNM's Guideline on Capital Adequacy Framework (Capital Components) which are issued by a fully consolidated subsidiary of the Bank.

[^] Pursuant to BNM's policy document on Financial Reporting and Financial Reporting for Islamic Banking Institutions, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserves, to the extent they are ascribed to non-credit impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserves of the Group and the Bank of RM525,375,000 (31 December 2023: RM491,381,000) and RM260,179,000 (31 December 2023: RM263,332,000) respectively.

^{*} The Board of Directors have declared a second interim single-tier dividend of 25.0 sen per share in respect of the financial year ended 31 December 2023, amounting RM1,071,587,000, consisting of cash portion of 15.0 sen per share and an electable portion of 10.0 sen per share. There is no irrevocable written undertaking from its shareholders, hence, the amount of the electable dividend may be reduced either by the average of the preceding 3-year take up rates or if less than 3 preceding years, the available average historical take up rates, subject to the amount being not more than 50% of the total electable portion of the dividend, in accordance with the Implementation Guidance on Capital Adequacy Framework (Capital Components) dated 9 December 2020.



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A29. Capital Adequacy Ratio (continued)

(b) The capital adequacy ratios of RHB Islamic Bank and RHB Investment Bank are as follows:

	RHB Islamic Bank		RHB Investment Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
CET I/Tier I Capital				
Share capital	1,673,424	1,673,424	1,220,000	1,220,000
Retained profits	3,976,701	4,201,068	406,695	469,723
Other reserves	992	798	3,372	2,830
FVOCI reserves	(33,068)	(38,332)	39,255	38,675
	5,618,049	5,836,958	1,669,322	1,731,228
Less:				
Goodwill	-	-	(372,395)	(372,395)
Investments in subsidiaries, associates and joint venture	-	-	(720,372)	(720,372)
Intangible assets (include associated deferred tax liabilities)	(4,103)	(4,661)	(25,482)	(25,074)
Deferred tax assets	(68,250)	(70,560)	(15,999)	(17,020)
55% of cumulative gains arising from change in value of FVOCI instruments	-	-	(21,590)	(21,271)
Other deductions [#]	(1,244)	(595)	-	-
Total CET I Capital/Tier I Capital	5,544,452	5,761,142	513,484	575,096
Tier II Capital				
Subordinated sukuk	750,000	750,000	-	-
Subordinated obligations meeting all relevant criteria	-	-	100,000	100,000
Surplus eligible provisions over expected losses	152,948	154,065	-	-
General provisions [^]	81,441	80,942	8,788	7,700
Total Tier II Capital	984,389	985,007	108,788	107,700
Total Capital	6,528,841	6,746,149	622,272	682,796
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	15.550%	16.125%	31.025%	36.653%
Tier I Capital Ratio	15.550%	16.125%	31.025%	36.653%
Total Capital Ratio	18.311%	18.882%	37.598%	43.517%
After proposed dividends:				
CET I Capital Ratio	15.550%	15.516%	31.025%	32.446%
Tier I Capital Ratio	15.550%	15.516%	31.025%	32.446%
Total Capital Ratio	18.311%	18.273%	37.598%	39.310%



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A29. Capital Adequacy Ratio (continued)

(b) The capital adequacy ratios of RHB Islamic Bank and RHB Investment Bank are as follows (continued):

- # Pursuant to Basel II Market Risk para 5.19 & 5.20 - Valuation Adjustments, the Capital Adequacy Framework (Basel II - RWA) calculation shall account for the ageing, liquidity and holding back adjustments on its trading portfolio.
- ^ Pursuant to BNM's policy document on Financial Reporting and Financial Reporting for Islamic Banking Institutions, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserves, to the extent they are ascribed to non-credit impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserves of RHB Islamic Bank and RHB Investment Bank of RM67,448,000 (31 December 2023: RM68,476,000) and RM8,701,000 (31 December 2023: RM7,611,000) respectively.

(c) The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

	Group	Bank[@]	RHB Islamic Bank	RHB Investment Bank
	RM'000	RM'000	RM'000	RM'000
31 March 2024				
Credit risk	126,803,795	90,626,682	32,006,521	703,016
Market risk	4,853,529	4,228,907	210,542	216,382
Operational risk	14,435,339	9,538,589	3,438,853	735,686
Total risk-weighted assets	<u>146,092,663</u>	<u>104,394,178</u>	<u>35,655,916</u>	<u>1,655,084</u>
31 December 2023				
Credit risk	126,053,670	90,170,895	32,152,914	616,039
Market risk	4,159,064	3,538,548	187,131	155,584
Operational risk	14,301,431	9,405,985	3,387,790	797,424
Total risk-weighted assets	<u>144,514,165</u>	<u>103,115,428</u>	<u>35,727,835</u>	<u>1,569,047</u>

[@] The capital adequacy ratios of the Bank consist of capital base and risk-weighted assets derived from the Bank and its wholly-owned offshore banking subsidiary, RHB Bank (L) Ltd.



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A29. Capital Adequacy Ratio (continued)

(c) The breakdown of risk-weighted assets in the various categories of risk-weights are as follows (continued):

The total risk-weighted assets of the Group and Bank are computed based on BNM's Guideline on Risk Weighted Capital Adequacy Framework: Internal Ratings Based Approach for Credit Risk and Standardised Approach for Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

The total risk-weighted assets of RHB Islamic Bank are computed based on BNM's Capital Adequacy Framework for Islamic Banks ('CAFIB'): Internal Ratings Based Approach for Credit and Standardised Approach for Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

The total risk-weighted assets of RHB Investment Bank are computed based on BNM's Guideline on Risk Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

(d) The capital adequacy ratios of RHB Bank Cambodia are as follows:

	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Before proposed dividends:		
Solvency ratio	17.239%	17.089%
After proposed dividends:		
Solvency ratio	17.239%	17.089%

The Solvency Ratio of RHB Bank Cambodia is the nearest equivalent regulatory compliance ratio in Cambodia computed in accordance with Prakas No. B7-00-46, B7-04-206 and B7-07-135 issued by the National Bank of Cambodia. This ratio is derived as RHB Bank Cambodia's net worth divided by its risk-weighted assets and off-balance sheet items. The minimum regulatory solvency ratio requirement in Cambodia is 15%.



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A30. Operations of Islamic Banking

(a) Statement of Financial Position as at 31 March 2024

	Note	Group		Bank	
		As at	As at	As at	As at
		31 March 2024	31 December 2023	31 March 2024	31 December 2023
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds		3,814,438	5,800,932	-	-
Deposits and placements with banks and other financial institutions		-	92,225	-	-
Financial assets at FVTPL		264,659	167,678	-	-
Financial assets at FVOCI		6,763,314	5,937,797	-	-
Financial investments at amortised cost		8,531,649	8,978,775	-	-
Financing and advances		84,589,292	84,539,296	703,075	701,778
Other assets		604,509	618,326	501,036	498,464
Derivative assets		83,236	40,746	-	-
Statutory deposits		1,552,500	1,526,500	-	-
Deferred tax assets		77,829	82,137	-	-
Right-of-use assets		1,207	1,188	-	-
Property, plant and equipment		6,233	5,728	-	-
Intangible assets		4,967	5,186	-	-
Total assets		<u>106,293,833</u>	<u>107,796,514</u>	<u>1,204,111</u>	<u>1,200,242</u>
LIABILITIES					
Deposits from customers		85,888,451	82,529,407	-	-
Deposits and placements of banks and other financial institutions		1,815,574	1,792,879	1,147,528	1,140,247
Investment accounts	A21	526,873	507,774	-	-
Bills and acceptances payable		8,959	9,842	-	-
Other liabilities		301,948	234,700	-	-
Derivative liabilities		18,460	75,991	-	-
Recourse obligation on financing sold to Cagamas		1,618,071	1,611,741	-	-
Provision for taxation and zakat		51,213	40,888	-	-
Lease liabilities		1,206	1,186	-	-
Borrowings		832,000	809,238	-	-
Subordinated obligations		762,289	754,373	-	-
Total liabilities		<u>91,825,044</u>	<u>88,368,019</u>	<u>1,147,528</u>	<u>1,140,247</u>
Islamic Banking Funds		14,468,789	19,428,495	56,583	59,995
Total liabilities and Islamic Banking Funds		<u>106,293,833</u>	<u>107,796,514</u>	<u>1,204,111</u>	<u>1,200,242</u>
Commitments and contingencies		<u>21,188,677</u>	<u>20,456,022</u>	<u>25,215</u>	<u>22,971</u>



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A30. Operations of Islamic Banking (continued)

(b) Income Statement for the Three Months Ended 31 March 2024

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds	1,119,666	1,019,559	1,119,666	1,019,559
Income derived from investment of investment account funds	82,998	125,066	82,998	125,066
Income derived from investment of shareholders' funds	207,792	72,471	207,792	72,471
Allowance for credit losses on financial assets	(54,847)	(22,613)	(54,847)	(22,613)
Total distributable income	1,355,609	1,194,483	1,355,609	1,194,483
Income attributable to depositors	(742,212)	(648,140)	(742,212)	(648,140)
Profit distributed to investment account holders	(10,112)	(15,709)	(10,112)	(15,709)
	603,285	530,634	603,285	530,634
Personnel expenses	(4,323)	(10,849)	(4,323)	(10,849)
Other overheads and expenditures	(162,649)	(156,322)	(162,649)	(156,322)
Profit before taxation and zakat	436,313	363,463	436,313	363,463
Taxation and zakat	(62,553)	(65,389)	(62,553)	(65,389)
Net profit for the financial period	373,760	298,074	373,760	298,074

Statement of Comprehensive Income for the Three Months Ended 31 March 2024

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group				
Net profit for the financial period	373,760	298,074	373,760	298,074
Other comprehensive income/(loss) in respect of: Items that will be reclassified subsequently to profit or loss:				
(a) Debt instruments measured at FVOCI				
- Unrealised net gain on revaluation	17,980	74,965	17,980	74,965
- Net transfer to income statement on disposal	(11,054)	(4,054)	(11,054)	(4,054)
- Changes in expected credit losses	(409)	245	(409)	245
Income tax relating to components of other comprehensive income	(1,662)	(17,019)	(1,662)	(17,019)
Other comprehensive income, net of tax, for the financial period	4,855	54,137	4,855	54,137
Total comprehensive income for the financial period	378,615	352,211	378,615	352,211



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A30. Operations of Islamic Banking (continued)

(b) Income Statement for the Three Months Ended 31 March 2024

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Income derived from investment of depositors' funds	8,509	7,234	8,509	7,234
Allowance for credit losses on financial assets	4	7	4	7
Total distributable income	8,513	7,241	8,513	7,241
Income attributable to depositors	(12,129)	(12,867)	(12,129)	(12,867)
Loss before taxation	(3,616)	(5,626)	(3,616)	(5,626)
Taxation	-	-	-	-
Net loss for the financial period	(3,616)	(5,626)	(3,616)	(5,626)

Statement of Comprehensive Income for the Three Months Ended 31 March 2024

	1st Quarter Ended		Three Months Ended	
	31 March	31 March	31 March	31 March
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Net loss for the financial period	(3,616)	(5,626)	(3,616)	(5,626)
Total comprehensive loss for the financial period	(3,616)	(5,626)	(3,616)	(5,626)



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

A30. Operations of Islamic Banking (continued)

(c) Financing and Advances

	Group		Bank	
	As at 31 March 2024	As at 31 December 2023	As at 31 March 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Cashline	1,524,553	1,487,173	-	-
Term financing				
- Housing financing	33,664,563	32,632,526	-	-
- Syndicated term financing	3,414,503	3,676,396	-	-
- Hire purchase receivables	11,087,240	10,729,885	-	-
- Other term financing	31,067,615	32,319,521	703,872	702,574
Bills receivables	588,329	425,249	-	-
Trust receipts	47,277	85,560	-	-
Claims on customers under acceptance credits	1,252,660	1,311,712	-	-
Share margin financing	10,404	9,431	-	-
Staff financing	18,868	16,560	-	-
Credit/charge card receivables	374,824	366,999	-	-
Revolving financing	2,195,718	2,122,084	-	-
Gross financing and advances	85,246,554	85,183,096	703,872	702,574
Less: Allowance for credit losses	(657,262)	(643,800)	(797)	(796)
Net financing and advances	84,589,292	84,539,296	703,075	701,778

(i) Movements in impaired financing and advances

Balance as at the beginning of the financial year/period	1,216,853	600,488	-	-
Transfer to 12-month ECL (Stage 1)	(10,752)	(20,603)	-	-
Transfer to lifetime ECL not credit impaired (Stage 2)	(81,228)	(71,883)	-	-
Transfer to lifetime ECL credit impaired (Stage 3)	237,961	562,957	-	-
Purchases and origination	354,368	408,648	-	-
Derecognition	(410,650)	(81,645)	-	-
Amount written off	(55,339)	(187,218)	-	-
Other movements	83	6,109	-	-
Balance as at the end of the financial year/period	1,251,296	1,216,853	-	-



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A30. Operations of Islamic Banking (continued)

(c) Financing and Advances (continued)

(ii) Movement in allowance for credit losses

Group	12-month	Lifetime ECL	Lifetime ECL	Total
	ECL	not credit	credit	
	(Stage 1)	(Stage 2)	(Stage 3)	
	RM'000	RM'000	RM'000	RM'000
31 March 2024				
Balance as at the beginning of the financial period	111,253	171,483	361,064	643,800
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	25,550	(21,826)	(3,724)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(6,438)	32,395	(25,957)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(192)	(14,195)	14,387	-
	18,920	(3,626)	(15,294)	-
Changes in credit risk	(22,836)	8,621	70,790	56,575
Purchases and origination	5,682	776	14	6,472
Derecognition	(1,660)	(1,619)	(14,039)	(17,318)
Bad debts written off	-	-	(32,362)	(32,362)
Exchange differences	12	-	-	12
Other movements	-	-	83	83
Balance as at the end of the financial period	111,371	175,635	370,256	657,262
31 December 2023				
Balance as at the beginning of the financial year	156,741	374,072	252,065	782,878
Changes due to financial assets recognised in the opening balance that have been:				
- Transferred to 12-month ECL (Stage 1)	59,298	(52,584)	(6,714)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(6,750)	27,317	(20,567)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(921)	(40,271)	41,192	-
	51,627	(65,538)	13,911	-
Changes in credit risk	(96,820)	(120,055)	229,378	12,503
Purchases and origination	22,980	4,983	3,987	31,950
Changes to model methodologies	(15,024)	(14,716)	6,141	(23,599)
Derecognition	(8,266)	(7,263)	(23,427)	(38,956)
Bad debts written off	-	-	(127,100)	(127,100)
Exchange differences	15	-	-	15
Other movements	-	-	6,109	6,109
Balance as at the end of the financial year	111,253	171,483	361,064	643,800



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**NOTES TO UNAUDITED INTERIM FINANCIAL
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A30. Operations of Islamic Banking (continued)

(c) Financing and Advances (continued)

(ii) Movement in allowance for credit losses (continued)

Bank	12-month	Lifetime ECL	Lifetime ECL	Total
	ECL	not credit	credit	
	(Stage 1)	impaired	impaired	
	RM'000	RM'000	RM'000	RM'000
31 March 2024				
Balance as at the beginning of the financial period	796	-	-	796
Changes in credit risk	(4)	-	-	(4)
Exchange differences	5	-	-	5
Balance as at the end of the financial period	<u>797</u>	<u>-</u>	<u>-</u>	<u>797</u>
31 December 2023				
Balance as at the beginning of the financial year	296	-	-	296
Changes in credit risk	485	-	-	485
Exchange differences	15	-	-	15
Balance as at the end of the financial year	<u>796</u>	<u>-</u>	<u>-</u>	<u>796</u>



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A30. Operations of Islamic Banking (continued)

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
(d) Other Assets				
Prepayments	29,402	29,303	-	-
Deposits	913	912	-	-
Other receivables	574,194	588,111	501,036	498,464
	604,509	618,326	501,036	498,464
			Group	
			As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
(e) Deposits from Customers				
Saving Deposits				
- Qard			1,394,609	1,381,073
- Commodity Murabahah			1,457,501	1,264,636
Demand Deposits				
- Qard			10,580,832	6,867,723
- Commodity Murabahah			4,679,759	4,082,360
Term Deposits				
- Commodity Murabahah			57,794,531	55,376,794
Specific Investment Account				
- Commodity Murabahah			9,981,141	13,556,744
General Investment Account				
- Mudharabah			78	77
			85,888,451	82,529,407
(f) Other Liabilities				
Sundry creditors			26,325	14,353
Contract liability			50,140	58,656
Short-term employee benefits			800	5,221
Accrual for operational expenses			25,496	26,601
Structured deposits			101,727	53,023
Other accruals and payables			97,460	76,846
			301,948	234,700



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B1. Review of Group Results

(a) Current Financial Period vs Previous Financial Period

The Group reported a net profit of RM730.2 million for the first three months ended 31 March 2024, 4.1% lower from RM761.7 million recorded a year ago. The year-on-year earnings decline was mainly due to higher allowances for credit losses, higher operating expenses and higher share of loss in associates, offset by higher non-fund based income, higher net funding income and lower tax expense.

Net fund based income increased by 0.9% to RM1,385.5 million year-on-year on the back of gross loans and financing growth of 5.4%.

Non-fund based income increased by 31.6% to RM702.7 million, contributed by higher net gain on foreign exchange and derivatives, fee income, net trading and investment income and net income from insurance business.

Operating expenses increased by 12.0% from a year ago to RM959.2 million. Cost-to-income ratio was at 45.9% compared to 44.9% a year ago.

Allowance for credit losses was at RM215.0 million compared to RM46.0 million in the previous year.

Total assets of the Group increased by 0.2% from December 2023 to RM329.3 billion as at 31 March 2024. Net assets per share was at RM7.40, with shareholders' equity at RM31.7 billion as at 31 March 2024.

The Group's gross loans and financing grew by 5.4% year-on-year to RM224.9 billion, mainly supported by growth in mortgage, Singapore and SME.

Customer deposits increased by 7.3% to RM242.9 billion, mainly due to growth in fixed deposits and money market time deposits by 6.0% and CASA by 10.5%. CASA composition stood at 29.0% as at 31 March 2024.

Gross impaired loans was at RM4.1 billion as at 31 March 2024, with gross impaired loans ratio of 1.83%.



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE THREE MONTHS ENDED 31 MARCH 2024**

B1. Review of Group Results (continued)

(b) Performance by Operating Segment

(i) GCB

GCB reported a pre-tax profit of RM371.1 million for the first three months ended 31 March 2024, 25.2% lower than previous year. This was mainly attributed to higher allowances for credit losses, higher operating expenses and lower net fund based income, partially offset by higher non-fund based income.

Gross loans and financing was at RM142.6 billion, 6.0% higher year-on-year, primarily driven by growth in mortgage and SME.

Total deposits increased by 11.5% year-on-year to RM118.9 billion as at 31 March 2024, contributed by growth in fixed deposits.

(ii) GWB

GWB recorded a pre-tax profit of RM578.6 million, an increase of 38.3% from previous year. This was on the back of higher net fund based income and non-fund based income, partially offset by higher allowances for credit losses and higher operating expenses.

Gross loans and financing decreased by 3.1% year-on-year to RM48.7 billion. Total deposits decreased by 5.1% to RM87.4 billion mainly due to decline in fixed deposits, partly offset by increase in current account and money market time deposits.

(iii) Group International Business

Group International Business posted a pre-tax profit of RM34.3 million compared to a pre-tax profit of RM66.5 million in the previous year. This was mainly due to higher allowances for credit losses and operating expenses, partly offset by higher net fund based income and non-fund based income.

Gross loans and advances grew 17.4% year-on-year to RM33.7 billion, while deposits increased 32.2% to RM36.7 billion.



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B2. Current Quarter vs Previous Quarter

Net profit of the Group increased by 24.6% to RM730.2 million from RM585.9 million recorded in the preceding quarter ended 31 December 2023. This was primarily due to higher net funding income, higher non-fund based income, lower operating expenses, lower allowances for credit losses, lower share of loss in associates and lower tax expense.

B3. Prospects for Financial Year 2024

Growth in regional economies is expected to improve in 2024. Correspondingly, Malaysia's economy is projected to be supported by improvement in external demand and manufacturing activities, as well as continued resilience in domestic demand arising from increased consumer and investment spending. Nevertheless, downside risks remain, emanating mainly from prolonged high interest rates in advanced economies and escalation of geopolitical conflicts.

For the banking industry, loan growth is expected to remain healthy, supported by robust capital and liquidity positions with strong provisioning levels. Additionally, the monetary policy is expected to remain conducive and supportive of the economy.

Against this backdrop, the Group will continue to focus on growing its business, exercising cost discipline and maintaining its prudent stance. The Group is committed to upholding its strong fundamentals and through its TWP24 strategy, aims at achieving quality growth, driving service excellence and improving efficiency.

B4. Variance of Actual Profit from Forecast Profit and Profit Guarantee

There were no profit forecast or profit guarantee issued by the Group and the Bank.



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B5. Taxation and Zakat

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RM'000	RM'000	RM'000	RM'000
Group				
Income tax based on profit for the financial period				
- Malaysian income tax	166,537	203,255	166,537	203,255
- Overseas tax	4,595	4,024	4,595	4,024
Deferred tax	32,613	32,049	32,613	32,049
	203,745	239,328	203,745	239,328
(Over)/Under provision in respect of prior financial years	(27,684)	225	(27,684)	225
Tax expense	176,061	239,553	176,061	239,553
Zakat	2,750	3,000	2,750	3,000
	178,811	242,553	178,811	242,553

The effective tax rate of the Group for the first quarter and three months ended 31 March 2024 was lower than the statutory tax rate mainly due to certain income not subject to tax.

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Income tax based on profit for the financial period				
- Malaysian income tax	107,061	110,813	107,061	110,813
- Overseas tax	4,115	-	4,115	-
Deferred tax	26,644	29,499	26,644	29,499
	137,820	140,312	137,820	140,312
Over provision in respect of prior financial years	(24,580)	-	(24,580)	-
	113,240	140,312	113,240	140,312

The effective tax rate of the Bank for the first quarter and three months ended 31 March 2024 was lower than the statutory tax rate mainly due to certain income not subject to tax.



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B6. Status of Corporate Proposals

(a) Proposed Disposal of RHB Securities Vietnam Company Limited ('RHBSVN')

On 19 February 2024, the Bank announced that its wholly-owned subsidiary, RHB Investment Bank, had on the even date, entered into a Conditional Sale and Purchase Agreement ('CSPA') with Public Bank Vietnam Limited, a wholly-owned subsidiary of Public Bank Berhad, in respect of the proposed disposal of its entire equity interest in RHBSVN ('Proposed Disposal') for a cash consideration of VND374 billion (or approximately RM73 million).

The Proposed Disposal is conditional and subject to the approval from the State Securities Commission of Vietnam ('SSC'). The application for the Proposed Disposal has been submitted to the SSC.

The Proposed Disposal will enable RHB Investment Bank to monetise its investment in RHBSVN to be utilised for working capital requirements of RHB Investment Bank Group. Accordingly, the Bank has decided to exit from the stockbroking/securities business in Vietnam to focus on its existing securities business in other regions.

As at 31 March 2024, the net assets of RHBSVN amounted to RM30,462,000.

Upon completion of the Proposed Disposal, RHBSVN will cease to be a subsidiary of RHB Investment Bank.



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B7. Deposits from Customers and Placements of Banks and Other Financial Institutions, Borrowings, Senior Debt Securities and Subordinated Obligations

(a) Deposits from customers and placements of banks and other financial institutions

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Deposits from customers				
- One year or less	240,324,447	241,146,500	147,220,960	146,481,409
- More than one year	2,610,256	3,936,570	874,249	2,160,086
	<u>242,934,703</u>	<u>245,083,070</u>	<u>148,095,209</u>	<u>148,641,495</u>
Deposits and placements of banks and other financial institutions				
- Maturing within one year	15,733,515	12,061,098	22,218,646	22,515,704
- One year to three years	2,037,201	2,038,322	1,975,404	1,972,463
- Three years to five years	732,745	647,669	641,613	570,745
- Over five years	2,324,811	2,275,309	2,182,383	2,164,570
	<u>20,828,272</u>	<u>17,022,398</u>	<u>27,018,046</u>	<u>27,223,482</u>

(b) Borrowings

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Unsecured				
Overdraft:				
- Vietnam Dong	4,884	960	-	-
Term loan:				
- United States Dollar	1,309,700	1,273,870	477,700	464,632
- Singapore Dollar	878,752	873,289	878,752	873,289
Promissory note:				
- Indonesia Rupiah	80,580	-	-	-
- Thai Baht	96,166	113,105	-	-
	<u>2,370,082</u>	<u>2,261,224</u>	<u>1,356,452</u>	<u>1,337,921</u>
Scheduled repayment of borrowings:				
- Within one year	1,060,382	987,354	878,752	873,289
- One year to three years	1,309,700	1,273,870	477,700	464,632
	<u>2,370,082</u>	<u>2,261,224</u>	<u>1,356,452</u>	<u>1,337,921</u>



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
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B7. Deposits from Customers and Placements of Banks and Other Financial Institutions, Borrowings, Senior Debt Securities and Subordinated Obligations (continued)

(c) Senior debt securities

	Group and Bank	
	As at	As at
	31 March 2024	31 December 2023
	RM'000	RM'000
USD300 million 3.766% senior debt securities due in 2024	-	1,397,945
RM300 million 2.85% senior Sukuk Murabahah due in 2025	303,790	301,650
USD500 million 1.658% senior debt securities due in 2026	2,371,494	2,296,398
RM1,500 million 3.95% senior Sukuk Murabahah due in 2026	1,519,759	1,504,910
RM1,500 million 4.38% senior Sukuk Murabahah due in 2028	1,533,095	1,527,622
	5,728,138	7,028,525
Fair value changes arising from fair value hedges	(4,604)	(10,072)
	5,723,534	7,018,453

(d) Subordinated obligations

	Group		Bank	
	As at	As at	As at	As at
	31 March 2024	31 December 2023	31 March 2024	31 December 2023
	RM'000	RM'000	RM'000	RM'000
4.32% RM500 million Tier II Subordinated Sukuk Murabahah 2019/2029	507,812	502,426	-	-
3.35% RM500 million Tier II Subordinated Notes 2020/2030	505,684	501,497	505,684	501,497
3.13% RM500 million Tier II Subordinated Notes 2020/2030	505,568	501,653	505,568	501,653
3.65% RM500 million Tier II Subordinated Notes 2021/2031	507,585	503,021	507,585	503,021
4.06% RM250 million Tier II Subordinated Sukuk Murabahah 2022/2032	254,477	251,947	-	-
4.40% RM500 million Tier II Subordinated Notes 2022/2032	500,028	505,503	500,028	505,503
4.45% RM100 million Tier II Subordinated Notes 2022/2032	102,204	101,097	-	-
4.51% RM500 million Tier II Subordinated Notes 2023/2033	504,345	510,019	504,345	510,019
	3,387,703	3,377,163	2,523,210	2,521,693

The subordinated obligations comprise unsecured liabilities of the Bank and its investment and islamic bank subsidiaries and are subordinated to the senior indebtedness in accordance with their respective terms and conditions of issuance and qualify as Tier II capital (as disclosed in Note A29) for the purpose of determining the capital adequacy ratios of the Bank and the respective subsidiaries.



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B8. Derivative Financial Instruments

Details of derivative financial instruments outstanding are as follows:

(a) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts

Group	As at 31 March 2024			As at 31 December 2023		
	Contract/ Notional Amount	Fair Value		Contract/ Notional Amount	Fair Value	
	RM'000	Assets RM'000	Liabilities RM'000	RM'000	Assets RM'000	Liabilities RM'000
By type						
<u>Trading Derivatives:</u>						
Foreign exchange related contracts						
- Forwards/swaps	65,064,247	460,401	246,239	55,952,200	294,473	631,192
- Options	504,910	8,291	939	167,329	4,683	150
- Cross-currency interest rate swaps	9,656,219	278,752	450,601	9,487,307	214,501	342,373
	<u>75,225,376</u>	<u>747,444</u>	<u>697,779</u>	<u>65,606,836</u>	<u>513,657</u>	<u>973,715</u>
Interest rate related contracts						
- Swaps	126,160,793	993,407	681,471	98,883,695	902,400	648,042
Commodity related contracts						
- Options	1,133,891	63,209	63,209	1,014,067	51,110	51,110
Equity related contracts						
- Options	811,674	49,280	82,359	794,640	50,540	75,695
- Swaps	75,111	2,012	325	-	-	-
	<u>886,785</u>	<u>51,292</u>	<u>82,684</u>	<u>794,640</u>	<u>50,540</u>	<u>75,695</u>
Futures related contracts	31,309	215	2,000	43,295	402	129
Structured warrants	340,714	-	57,064	421,732	-	32,089
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Swaps	10,081,952	155,034	4,908	10,142,725	157,614	6,948
Total	<u>213,860,820</u>	<u>2,010,601</u>	<u>1,589,115</u>	<u>176,906,990</u>	<u>1,675,723</u>	<u>1,787,728</u>



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B8. Derivative Financial Instruments (continued)

Details of derivative financial instruments outstanding are as follows: (continued)

(a) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts (continued)

Bank	As at 31 March 2024			As at 31 December 2023		
	Contract/ Notional Amount	Fair Value		Contract/ Notional Amount	Fair Value	
	RM'000	Assets RM'000	Liabilities RM'000	RM'000	Assets RM'000	Liabilities RM'000
By type						
<u>Trading Derivatives:</u>						
Foreign exchange related contracts						
- Forwards/swaps	67,624,956	462,656	248,251	56,689,002	303,231	627,255
- Options	504,910	8,291	939	167,329	4,683	150
- Cross-currency interest rate swaps	11,018,968	278,653	459,117	10,835,087	228,969	342,372
	<u>79,148,834</u>	<u>749,600</u>	<u>708,307</u>	<u>67,691,418</u>	<u>536,883</u>	<u>969,777</u>
Interest rate related contracts						
- Swaps	135,920,793	1,072,505	763,268	108,423,695	983,294	728,936
Commodity related contracts						
- Options	1,138,809	63,209	63,209	1,016,923	51,110	51,110
Equity related contracts						
- Options	811,796	41,880	41,659	794,840	44,940	44,895
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Swaps	5,981,952	80,532	313	6,142,725	83,200	468
Total	<u>223,002,184</u>	<u>2,007,726</u>	<u>1,576,756</u>	<u>184,069,601</u>	<u>1,699,427</u>	<u>1,795,186</u>



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B8. Derivative Financial Instruments (continued)

Details of derivative financial instruments outstanding are as follows: (continued)

(a) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts (continued)

Group	As at 31 March 2024			As at 31 December 2023		
	Contract/ Notional Amount	Fair Value		Contract/ Notional Amount	Fair Value	
	RM'000	Assets RM'000	Liabilities RM'000	RM'000	Assets RM'000	Liabilities RM'000
By remaining period to maturity/ next re-pricing date						
<u>Trading Derivatives:</u>						
Foreign exchange related contracts						
- Less than one year	67,871,577	474,508	427,446	57,992,164	309,031	708,702
- One year to three years	3,622,880	107,399	163,069	4,146,580	79,233	188,081
- More than three years	3,730,919	165,537	107,264	3,468,092	125,393	76,932
	75,225,376	747,444	697,779	65,606,836	513,657	973,715
Interest rate related contracts						
- Less than one year	37,497,643	104,515	85,139	35,102,731	109,450	95,832
- One year to three years	48,414,320	409,681	259,924	30,078,492	333,407	223,939
- More than three years	40,248,830	479,211	336,408	33,702,472	459,543	328,271
	126,160,793	993,407	681,471	98,883,695	902,400	648,042
Commodity related contracts						
- Less than one year	434,394	10,065	10,065	429,499	11,542	11,542
- One year to three years	353,579	19,032	19,032	243,739	11,515	11,515
- More than three years	345,918	34,112	34,112	340,829	28,053	28,053
	1,133,891	63,209	63,209	1,014,067	51,110	51,110
Equity related contracts						
- Less than one year	839,004	50,283	81,869	707,042	49,043	74,248
- One year to three years	47,781	1,009	815	87,598	1,497	1,447
	886,785	51,292	82,684	794,640	50,540	75,695
Futures related contracts						
- Less than one year	31,309	215	2,000	43,295	402	129
	31,309	215	2,000	43,295	402	129
Structured warrants						
- Less than one year	340,642	-	57,056	421,732	-	32,089
- One year to three years	72	-	8	-	-	-
	340,714	-	57,064	421,732	-	32,089
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Less than one year	2,422,532	5,174	1,286	2,197,206	4,820	1,754
- One year to three years	2,959,420	49,270	3,622	3,210,519	48,525	5,021
- More than three years	4,700,000	100,590	-	4,735,000	104,269	173
	10,081,952	155,034	4,908	10,142,725	157,614	6,948
Total	213,860,820	2,010,601	1,589,115	176,906,990	1,675,723	1,787,728



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B8. Derivative Financial Instruments (continued)

Details of derivative financial instruments outstanding are as follows: (continued)

(a) Derivative financial instruments measured at their fair values together with their corresponding contract/notional amounts (continued)

Bank	As at 31 March 2024			As at 31 December 2023		
	Contract/ Notional Amount	Fair Value		Contract/ Notional Amount	Fair Value	
	RM'000	Assets RM'000	Liabilities RM'000	RM'000	Assets RM'000	Liabilities RM'000
By remaining period to maturity/ next re-pricing date						
<u>Trading Derivatives:</u>						
Foreign exchange related contracts						
- Less than one year	70,975,861	476,763	429,459	59,257,571	317,790	704,764
- One year to three years	4,442,055	107,300	171,584	4,965,755	93,700	188,081
- More than three years	3,730,918	165,537	107,264	3,468,092	125,393	76,932
	79,148,834	749,600	708,307	67,691,418	536,883	969,777
Interest rate related contracts						
- Less than one year	40,057,643	105,801	89,125	37,642,731	111,203	97,585
- One year to three years	50,614,320	420,777	271,021	32,078,492	346,709	237,242
- More than three years	45,248,830	545,927	403,122	38,702,472	525,382	394,109
	135,920,793	1,072,505	763,268	108,423,695	983,294	728,936
Commodity related contracts						
- Less than one year	436,314	10,065	10,065	430,607	11,542	11,542
- One year to three years	367,711	19,032	19,032	256,620	11,515	11,515
- More than three years	334,784	34,112	34,112	329,696	28,053	28,053
	1,138,809	63,209	63,209	1,016,923	51,110	51,110
Equity related contracts						
- Less than one year	764,015	40,871	40,844	707,242	43,443	43,448
- One year to three years	47,781	1,009	815	87,598	1,497	1,447
	811,796	41,880	41,659	794,840	44,940	44,895
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Less than one year	1,922,532	5,174	-	1,697,206	4,820	1
- One year to three years	1,859,420	41,483	313	2,210,519	39,776	467
- More than three years	2,200,000	33,875	-	2,235,000	38,604	-
	5,981,952	80,532	313	6,142,725	83,200	468
Total	223,002,184	2,007,726	1,576,756	184,069,601	1,699,427	1,795,186



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B8. Derivative Financial Instruments (continued)

(b) Related accounting policies

Derivative financial instruments and hedge accounting

Derivatives are initially recognised at fair value on the date on which derivative contracts are entered into and are subsequently remeasured at their fair values. All derivatives are carried as assets when fair values are positive and as liabilities when fair values are negative.

The method of recognising the resulting fair value gain or loss depends on whether the derivative is designated and qualified as a hedging instrument, and if so, the nature of the item being hedged. The Group and the Bank designate certain derivatives as either: (1) hedges of the fair value of recognised assets or liabilities or firm commitments (fair value hedge); or (2) net investment hedge. Hedge accounting is used for derivatives designated in this way provided certain criteria are met.

(i) Fair value hedge

Changes in the fair value of derivatives that are designated and qualified as fair value hedges are recorded in the income statements, together with any changes in the fair value of the hedged assets or liabilities that are attributable to the hedged risk.

The Group and the Bank apply fair value hedge accounting for hedging fixed interest risk on loans, advances and financing, financial assets at FVOCI, financial investments at amortised cost and senior debt securities. The gain or loss relating to the effective portion of interest rate swaps hedging on loans, financial investments at amortised cost and senior debt securities is recognised in income statements within other operating income. The gain or loss relating to the ineffective portion is recognised in income statements within net gain or loss on fair value hedges.

For fair value hedge of financial assets designated as FVOCI, any changes in fair value of the hedged financial assets FVOCI are recycled from FVOCI reserves to income statements, while the changes in fair value of the derivatives that is related to the effective portion of the hedge is recognised in income statements within other operating income. The ineffective portion of the aforesaid hedging derivatives is recognised in income statements within net gain or loss on fair value changes of derivatives.

For financial instruments measured at amortised cost, if the hedge no longer meets the criteria for hedge accounting, the adjustment to the carrying amount of a hedged item for which the effective interest method is used is amortised to the income statements over the period to maturity and recorded as other operating income. Effective interest rate amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the income statements.

(ii) Net investment hedge

Net investment hedge is a hedge against the exposure to exchange rate fluctuations on the net assets of the Group's foreign operations/subsidiaries. Any gain or loss on the hedging instrument relating to the effective portion of the hedge is recognised directly in the foreign currency translation reserve in equity via other comprehensive income while any gain or loss relating to the ineffective portion is recognised directly in the income statements. On disposal of the foreign operations/subsidiaries, the cumulative value of any such gains or losses recognised in equity is transferred to the income statements.

(iii) Derivatives that do not qualify for hedge accounting

Certain derivative instruments do not qualify for hedge accounting. Changes in the fair value of any derivative instrument that does not qualify for hedge accounting are recognised immediately in the income statements.



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B9. Fair Value of Financial Instruments

The Group and the Bank analyses its financial instruments measured at fair value into three categories as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: Quoted prices for identical or similar instruments in markets that are not active; and model-derived valuations in which inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3: Valuations derived from valuation techniques in which significant inputs are not based on observable market data.

The table below shows financial instruments carried at fair value analysed by level within the fair value hierarchy:

Group	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
31 March 2024				
<u>Financial assets</u>				
Financial assets at FVTPL:	404,201	3,245,748	771,553	4,421,502
- Money market instruments	-	1,632,958	-	1,632,958
- Quoted securities	404,201	-	-	404,201
- Unquoted securities	-	1,612,790	771,553	2,384,343
Financial assets at FVOCI:	2,951	47,439,037	773,245	48,215,233
- Money market instruments	-	20,721,628	-	20,721,628
- Quoted securities	2,951	-	-	2,951
- Unquoted securities	-	26,717,409	773,245	27,490,654
Derivative assets	-	2,010,601	-	2,010,601
	407,152	52,695,386	1,544,798	54,647,336
<u>Financial liabilities</u>				
Derivative liabilities	57,064	1,532,051	-	1,589,115
31 December 2023				
<u>Financial assets</u>				
Financial assets at FVTPL:	245,766	2,739,390	733,335	3,718,491
- Money market instruments	-	1,388,526	-	1,388,526
- Quoted securities	245,766	-	-	245,766
- Unquoted securities	-	1,350,864	733,335	2,084,199
Financial assets at FVOCI:	2,820	47,201,673	772,436	47,976,929
- Money market instruments	-	20,592,399	-	20,592,399
- Quoted securities	2,820	-	-	2,820
- Unquoted securities	-	26,609,274	772,436	27,381,710
Derivative assets	-	1,675,723	-	1,675,723
	248,586	51,616,786	1,505,771	53,371,143
<u>Financial liabilities</u>				
Derivative liabilities	32,089	1,755,639	-	1,787,728



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B9. Fair Value of Financial Instruments (continued)

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy

Bank	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
31 March 2024				
<u>Financial assets</u>				
Financial assets at FVTPL:	13,976	1,775,000	-	1,788,976
- Money market instruments	-	1,352,634	-	1,352,634
- Quoted securities	13,976	-	-	13,976
- Unquoted securities	-	422,366	-	422,366
Financial assets at FVOCI:	-	40,241,188	730,107	40,971,295
- Money market instruments	-	17,290,732	-	17,290,732
- Unquoted securities	-	22,950,456	730,107	23,680,563
Derivative assets	-	2,007,726	-	2,007,726
	13,976	44,023,914	730,107	44,767,997
<u>Financial liabilities</u>				
Derivative liabilities	-	1,576,756	-	1,576,756
31 December 2023				
<u>Financial assets</u>				
Financial assets at FVTPL:	1,395	1,325,899	-	1,327,294
- Money market instruments	-	1,216,659	-	1,216,659
- Quoted securities	1,395	-	-	1,395
- Unquoted securities	-	109,240	-	109,240
Financial assets at FVOCI:	-	40,798,615	729,292	41,527,907
- Money market instruments	-	17,903,475	-	17,903,475
- Unquoted securities	-	22,895,140	729,292	23,624,432
Derivative assets	-	1,699,427	-	1,699,427
	1,395	43,823,941	729,292	44,554,628
<u>Financial liabilities</u>				
Derivative liabilities	-	1,795,186	-	1,795,186

There were no transfers between Level 1 and 2 during the financial period.



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B9. Fair Value of Financial Instruments (continued)

(i) Valuation techniques

Financial instruments are classified as Level 1 if their values are observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include quoted securities and unit trusts.

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determine fair value based upon valuation techniques that use market parameters including but not limited to yield curves, volatilities and foreign exchange rates as inputs. The majority of valuation techniques employ only observable market data. These would include certain bonds, government bonds, corporate debt securities and derivatives.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). This category includes unquoted shares held for socio-economic reasons, unquoted private equity funds, non-transferable and non-tradable perpetual notes/sukuk, impaired securities and unquoted corporate loan stocks. Fair values for shares held for socio-economic reasons are based on the net tangible assets of the affected companies. Fair values for unquoted private equity funds are based on enterprise valuation method where the main input include earnings before interest, taxes, depreciation and amortisation ('EBITDA'), comparable companies earning multiple and marketable discount. For unquoted corporate loan stocks, discounted cash flow analysis has been performed to determine the recoverability of the instruments.

(ii) Reconciliation of fair value movements in Level 3

The following represents the changes in Level 3 instruments for the Group and the Bank:

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
Financial assets at FVTPL				
Balance as at the beginning of the financial period/year	733,335	704,842	-	15,358
Total net gain recognised in income statements	25,742	60,801	-	16,531
Purchases	4,024	35,390	-	-
Settlement/distribution	(12,350)	(97,810)	-	(31,889)
Exchange differences	20,802	30,112	-	-
Balance as at the end of the financial period/year	<u>771,553</u>	<u>733,335</u>	<u>-</u>	<u>-</u>
Financial assets at FVOCI				
Balance as at the beginning of the financial period/year	772,436	737,942	729,292	699,024
Total net gain recognised in other comprehensive income	815	32,275	815	30,268
Purchases	-	2,238	-	-
Exchange differences	(6)	(19)	-	-
Balance as at the end of the financial period/year	<u>773,245</u>	<u>772,436</u>	<u>730,107</u>	<u>729,292</u>



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B10. Dividends

No dividend has been declared for the first quarter ended 31 March 2024.

B11. Earnings per Share ('EPS')

(a) Basic EPS

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

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Profit attributable to equity holders of the Bank (RM'000)	<u>730,170</u>	<u>761,668</u>	<u>730,170</u>	<u>761,668</u>
Weighted average number of ordinary shares in issue ('000)	<u>4,286,348</u>	<u>4,247,374</u>	<u>4,286,348</u>	<u>4,247,374</u>
Basic EPS (sen)	<u>17.03</u>	<u>17.93</u>	<u>17.03</u>	<u>17.93</u>

(b) Diluted EPS

The diluted EPS of the Group is calculated by dividing the net profit for the period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue, which has been adjusted for the number of ordinary shares that could have been issued under the SGS. In the diluted EPS calculation, it is assumed that certain number of ordinary shares under the SGS are vested and awarded to employees through issuance of additional ordinary shares, and all performance conditions are achieved. A calculation is done to determine the number of ordinary shares that could have been issued at fair value based on the monetary value of the SGS entitlement granted. This calculation serves to determine the number of dilutive shares to be added to the weighted average ordinary shares in issue for the purpose of computing the dilution. No adjustment was made to the net profit for the period.

	1st Quarter Ended		Three Months Ended	
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
Profit attributable to equity holders of the Bank (RM'000)	<u>730,170</u>	<u>761,668</u>	<u>730,170</u>	<u>761,668</u>
Weighted average number of ordinary shares in issue ('000)	<u>4,286,348</u>	<u>4,247,374</u>	<u>4,286,348</u>	<u>4,247,374</u>
Effect of dilution ('000)	<u>9,016</u>	<u>4,517</u>	<u>9,016</u>	<u>4,517</u>
Adjusted weighted average number of ordinary shares in issue ('000)	<u>4,295,364</u>	<u>4,251,891</u>	<u>4,295,364</u>	<u>4,251,891</u>
Diluted EPS (sen)	<u>17.00</u>	<u>17.91</u>	<u>17.00</u>	<u>17.91</u>

BY ORDER OF THE BOARD

AZMAN SHAH MD YAMAN

(License No. LS0006901)

Company Secretary
29 May 2024