



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

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
		RM'000	RM'000	RM'000	RM'000
Group					
Interest income	A8	2,549,276	2,316,884	5,037,028	4,547,319
Interest expense	A9	(1,559,919)	(1,424,180)	(3,121,694)	(2,770,577)
Net interest income		989,357	892,704	1,915,334	1,776,742
Other operating income	A10	603,161	314,852	1,107,262	785,292
Income from Islamic Banking business	A31(b)	519,403	671,904	1,177,535	1,225,151
Net income		2,111,921	1,879,460	4,200,131	3,787,185
Other operating expenses	A11	(986,961)	(943,442)	(1,946,114)	(1,799,950)
Operating profit before allowances		1,124,960	936,018	2,254,017	1,987,235
Allowance for credit losses on financial assets	A12	(144,960)	131,506	(359,950)	85,470
		980,000	1,067,524	1,894,067	2,072,705
Share of results of associates		(5,744)	(4,434)	(9,650)	(4,433)
Profit before taxation and zakat		974,256	1,063,090	1,884,417	2,068,272
Taxation and zakat	B5	(251,470)	(253,391)	(430,281)	(495,944)
Net profit for the financial period		722,786	809,699	1,454,136	1,572,328
Attributable to:					
- Equity holders of the Bank		722,308	808,700	1,452,478	1,570,368
- Non-controlling interests		478	999	1,658	1,960
		722,786	809,699	1,454,136	1,572,328
Earnings per share (sen):					
- Profit attributable to equity holders of the Bank					
- Basic	B11	16.71	18.95	33.74	36.88
- Diluted	B11	16.67	18.93	33.67	36.85

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 SIX MONTHS ENDED 30 JUNE 2024

	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
Group		RM'000	RM'000	RM'000	RM'000
Net profit for the financial period		722,786	809,699	1,454,136	1,572,328
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)
(b) Equity instruments designated at fair value through other comprehensive income ('FVOCI')					
- Net loss on disposal		-	(270)	-	(270)
- Unrealised net gain on revaluation		46,010	32,758	46,922	32,871
(ii) Items that will be reclassified subsequently to profit or loss:					
(a) Foreign currency translation reserves					
- Currency translation differences		(31,998)	181,033	25,528	220,069
- Recycled to income statements on disposal of a subsidiary	B6(a)	1,047	-	1,047	-
(b) Debt instruments measured at FVOCI					
- Unrealised net gain/(loss) on revaluation		(37,984)	54,369	79,955	527,607
- Net transfer to income statements on disposal		(41,080)	(29,662)	(103,725)	(47,787)
- Changes in expected credit losses and exchange differences		(5,322)	(10,210)	(2,597)	(10,325)
Income tax relating to components of other comprehensive loss/(income)		18,983	(5,929)	5,545	(115,372)
Other comprehensive income/(loss), net of tax, for the financial period		(50,344)	222,089	52,672	606,269
Total comprehensive income for the financial period		672,442	1,031,788	1,506,808	2,178,597
Total comprehensive income attributable to:					
- Equity holders of the Bank		672,038	1,030,668	1,505,231	2,176,446
- Non-controlling interests		404	1,120	1,577	2,151
		672,442	1,031,788	1,506,808	2,178,597

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

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024

	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
		RM'000	RM'000	RM'000	RM'000
Bank					
Interest income	A8	2,502,815	2,315,505	4,962,035	4,552,545
Interest expense	A9	(1,526,150)	(1,385,684)	(3,058,338)	(2,695,346)
Net interest income		976,665	929,821	1,903,697	1,857,199
Other operating income	A10	391,758	326,769	1,101,168	909,020
Income from Islamic Banking business	A31(b)	(4,638)	(5,200)	(8,258)	(10,833)
Net income		1,363,785	1,251,390	2,996,607	2,755,386
Other operating expenses	A11	(648,180)	(631,324)	(1,301,762)	(1,254,039)
Operating profit before allowances		715,605	620,066	1,694,845	1,501,347
Allowance for credit losses on financial assets	A12	(77,213)	55,891	(226,292)	22,490
Profit before taxation		638,392	675,957	1,468,553	1,523,837
Taxation	B5	(160,668)	(160,202)	(273,908)	(300,514)
Net profit for the financial period		477,724	515,755	1,194,645	1,223,323

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 SIX MONTHS ENDED 30 JUNE 2024

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Net profit for the financial period	477,724	515,755	1,194,645	1,223,323
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	42,875	30,695	43,690	30,755
(ii) Items that will be reclassified subsequently to profit or loss:				
(a) Foreign currency translation reserves				
- Currency translation differences	(13,562)	67,165	(2,573)	87,624
(b) Debt instruments measured at FVOCI				
- Unrealised net gain/(loss) on revaluation	(37,647)	26,622	61,677	423,733
- Net transfer to income statements on disposal	(37,830)	(24,575)	(89,584)	(38,646)
- Changes in expected credit losses and exchange differences	(5,560)	(6,503)	(2,426)	(7,048)
Income tax relating to components of other comprehensive loss/(income)	18,115	(491)	6,698	(92,421)
Other comprehensive income/(loss), net of tax, for the financial period	(33,609)	92,913	17,482	403,997
Total comprehensive income for the financial period	444,115	608,668	1,212,127	1,627,320

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 30 JUNE 2024**

	Note	Group		Bank	
		As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds		6,770,111	14,145,414	7,299,282	10,306,573
Securities purchased under resale agreements		61,511	-	58,688	369,585
Deposits and placements with banks and other financial institutions		667,165	888,940	7,783,566	8,798,866
Investment account due from designated financial institutions	A13	-	-	5,188,399	6,258,830
Financial assets at fair value through profit or loss ('FVTPL')	A14	4,316,747	3,718,491	1,557,902	1,327,294
Financial assets at fair value through other comprehensive income ('FVOCI')	A15	49,007,109	47,976,929	41,169,932	41,527,907
Financial investments at amortised cost	A16	30,993,396	28,214,643	20,472,993	18,083,039
Loans, advances and financing	A17	225,017,015	219,562,603	132,871,433	127,848,563
Clients' and brokers' balances		918,289	1,203,013	-	-
Insurance/reinsurance contract assets		442,694	573,036	-	-
Other assets	A18	2,714,875	1,640,091	2,703,799	3,114,931
Derivative assets	B8	1,766,886	1,675,723	1,771,471	1,699,427
Statutory deposits		4,085,463	3,911,810	2,184,194	1,947,787
Tax recoverable		80,740	104,249	-	12,292
Deferred tax assets		338,467	344,872	247,391	249,249
Investments in subsidiaries		-	-	4,796,309	4,674,312
Investments in associates		69,380	56,036	98,000	74,000
Right-of-use assets		143,449	142,763	84,701	88,389
Property, plant and equipment		1,050,692	1,066,201	790,148	802,429
Goodwill		2,649,307	2,654,122	1,714,913	1,714,913
Intangible assets		813,253	813,175	717,796	708,508
TOTAL ASSETS		331,906,549	328,692,111	231,510,917	229,606,894
LIABILITIES					
Deposits from customers	A19/B7(a)	240,308,957	245,083,070	150,781,429	148,641,495
Deposits and placements of banks and other financial institutions	A20/B7(a)	20,443,085	17,022,398	24,396,384	27,223,482
Obligations on securities sold under repurchase agreements		12,786,314	8,970,584	13,399,308	10,415,735
Investment accounts	A21	571,756	507,774	-	-
Bills and acceptances payable		446,625	810,216	437,615	800,375
Clients' and brokers' balances		958,551	1,285,362	-	-
Insurance/reinsurance contract liabilities		1,118,702	1,185,982	-	-
Other liabilities	A22	5,693,885	3,903,762	3,736,055	2,961,127
Derivative liabilities	B8	1,583,317	1,787,728	1,571,836	1,795,186
Recourse obligation on loans sold to Cagamas Berhad ('Cagamas')		4,331,439	4,332,027	2,719,903	2,720,286
Provision for taxation and zakat		86,496	53,691	8,453	-
Deferred tax liabilities		33,085	30,196	-	-
Lease liabilities		153,958	151,417	87,118	89,982
Borrowings	B7(b)	2,387,788	2,261,224	1,350,153	1,337,921
Senior debt securities	B7(c)	5,915,448	7,018,453	5,915,448	7,018,453
Subordinated obligations	B7(d)	3,377,085	3,377,163	2,521,747	2,521,693
TOTAL LIABILITIES		300,196,491	297,781,047	206,925,449	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 30 JUNE 2024

	Note	Group		Bank	
		As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
EQUITY					
Share capital		8,687,255	8,330,324	8,687,255	8,330,324
Reserves		22,984,729	22,544,243	15,898,213	15,750,835
Equity attributable to holders of the Bank		31,671,984	30,874,567	24,585,468	24,081,159
Non-controlling interests ('NCI')		38,074	36,497	-	-
TOTAL EQUITY		31,710,058	30,911,064	24,585,468	24,081,159
TOTAL LIABILITIES AND EQUITY		331,906,549	328,692,111	231,510,917	229,606,894
COMMITMENTS AND CONTINGENCIES	A27(a)	330,420,296	246,063,350	329,914,480	239,349,087
NET ASSETS PER SHARE ATTRIBUTABLE TO EQUITY HOLDERS OF THE BANK (RM)		7.27	7.20		

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RHB BANK BERHAD

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**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

Group	Note	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					
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
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		-	-	-	-	-	-	-	1,452,478	1,452,478	1,658	1,454,136
Foreign currency translation reserves:												
- Currency translation differences		-	3,037	-	-	22,574	-	(4)	-	25,607	(79)	25,528
- Recycled to income statements on disposal of a subsidiary	B6(a)	-	-	-	-	1,047	-	-	-	1,047	-	1,047
Financial assets measured at FVOCI:												
- Equity instruments												
- Unrealised net gain on revaluation		-	-	-	46,922	-	-	-	-	46,922	-	46,922
- Debt instruments												
- Unrealised net gain on revaluation		-	-	-	79,955	-	-	-	-	79,955	-	79,955
- Net transfer to income statements on disposal		-	-	-	(103,725)	-	-	-	-	(103,725)	-	(103,725)
- Changes in expected credit losses and exchange differences		-	-	-	(2,597)	-	-	-	-	(2,597)	-	(2,597)
Actuarial loss on defined benefit plan of subsidiaries		-	-	-	-	-	-	-	(3)	(3)	-	(3)
Income tax relating to components of other comprehensive loss/(income)		-	-	-	5,721	-	-	-	(174)	5,547	(2)	5,545
Other comprehensive income/(loss), net of tax, for the financial period		-	3,037	-	26,276	23,621	-	(4)	(177)	52,753	(81)	52,672
Total comprehensive income/(loss) for the financial period		-	3,037	-	26,276	23,621	-	(4)	1,452,301	1,505,231	1,577	1,506,808
Dividends paid		-	-	-	-	-	-	-	(1,071,587)	(1,071,587)	-	(1,071,587)
Shares issued pursuant to Dividend Reinvestment Plan ('DRP')		356,931	-	-	-	-	-	-	-	356,931	-	356,931
Share-based payment expenses		-	-	-	-	-	-	6,842	-	6,842	-	6,842
Transfer to regulatory reserves		-	-	86,711	-	-	-	-	(86,711)	-	-	-
Balance as at 30 June 2024		8,687,255	118,944	1,867,077	133,972	891,476	25,975	23,943	19,923,342	31,671,984	38,074	31,710,058

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 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	-	-	-	-	-	-	-	1,570,368	1,570,368	1,960	1,572,328
Foreign currency translation reserves:											
- Currency translation differences	-	6,404	-	-	213,452	-	8	-	219,864	205	220,069
Financial assets measured at FVOCI:											
- Equity instruments											
- Net loss on disposal	-	-	-	-	-	-	-	(270)	(270)	-	(270)
- Unrealised net gain on revaluation	-	-	-	32,871	-	-	-	-	32,871	-	32,871
- Debt instruments											
- Unrealised net gain on revaluation	-	-	-	527,607	-	-	-	-	527,607	-	527,607
- Net transfer to income statements on disposal	-	-	-	(47,787)	-	-	-	-	(47,787)	-	(47,787)
- Changes in expected credit losses and exchange differences	-	-	-	(10,325)	-	-	-	-	(10,325)	-	(10,325)
Actuarial loss on defined benefit plan of subsidiaries	-	-	-	-	-	-	-	(511)	(511)	(13)	(524)
Income tax relating to components of other comprehensive income	-	-	-	(115,293)	-	-	-	(78)	(115,371)	(1)	(115,372)
Other comprehensive income/(loss), net of tax, for the financial period	-	6,404	-	387,073	213,452	-	8	(859)	606,078	191	606,269
Total comprehensive income for the financial period	-	6,404	-	387,073	213,452	-	8	1,569,509	2,176,446	2,151	2,178,597
Dividends paid	-	-	-	-	-	-	-	(1,061,843)	(1,061,843)	-	(1,061,843)
Shares issued pursuant to DRP	184,739	-	-	-	-	-	-	-	184,739	-	184,739
Share-based payment expenses	-	-	-	-	-	-	4,186	-	4,186	-	4,186
Transfer to regulatory reserves	-	-	422,495	-	-	-	-	(422,495)	-	-	-
Liquidation of a subsidiary	-	-	-	-	-	2,644	-	(2,644)	-	-	-
Balance as at 30 June 2023	8,330,324	117,607	1,304,640	(159,639)	896,943	25,975	8,531	19,511,529	30,035,910	34,266	30,070,176

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 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	-	-	-	-	-	1,194,645	1,194,645
Foreign currency translation reserves:							
- Currency translation differences	-	-	-	(2,573)	-	-	(2,573)
Financial assets measured at FVOCI:							
- Equity instruments							
- Unrealised net gain on revaluation	-	-	43,690	-	-	-	43,690
- Debt instruments							
- Unrealised net gain on revaluation	-	-	61,677	-	-	-	61,677
- Net transfer to income statements on disposal	-	-	(89,584)	-	-	-	(89,584)
- Changes in expected credit losses and exchange differences	-	-	(2,426)	-	-	-	(2,426)
Income tax relating to components of other comprehensive loss	-	-	6,698	-	-	-	6,698
Other comprehensive income/(loss), net of tax, for the financial period	-	-	20,055	(2,573)	-	-	17,482
Total comprehensive income/(loss) for the financial period	-	-	20,055	(2,573)	-	1,194,645	1,212,127
Dividends paid	-	-	-	-	-	(1,071,587)	(1,071,587)
Shares issued pursuant to DRP	356,931	-	-	-	-	-	356,931
Share-based payment expenses	-	-	-	-	6,838	-	6,838
Transfer from regulatory reserves	-	(1,760)	-	-	-	1,760	-
Balance as at 30 June 2024	8,687,255	941,037	124,164	521,250	23,943	14,287,819	24,585,468

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INTERIM FINANCIAL STATEMENTS

UNAUDITED STATEMENTS OF CHANGES IN EQUITY (CONTINUED)

FOR THE SIX MONTHS ENDED 30 JUNE 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	-	-	-	-	-	1,223,323	1,223,323
Foreign currency translation reserves:							
- Currency translation differences	-	-	-	87,624	-	-	87,624
Financial assets measured at FVOCI:							
- Equity instruments							
- Unrealised net gain on revaluation	-	-	30,755	-	-	-	30,755
- Debt instruments							
- Unrealised net gain on revaluation	-	-	423,733	-	-	-	423,733
- Net transfer to income statements on disposal	-	-	(38,646)	-	-	-	(38,646)
- Changes in expected credit losses and exchange differences	-	-	(7,048)	-	-	-	(7,048)
Income tax relating to components of other comprehensive income	-	-	(92,421)	-	-	-	(92,421)
Other comprehensive income, net of tax, for the financial period	-	-	316,373	87,624	-	-	403,997
Total comprehensive income for the financial period	-	-	316,373	87,624	-	1,223,323	1,627,320
Dividends paid	-	-	-	-	-	(1,061,843)	(1,061,843)
Shares issued pursuant to DRP	184,739	-	-	-	-	-	184,739
Share-based payment expenses	-	-	-	-	4,194	-	4,194
Transfer to regulatory reserves	-	197,585	-	-	-	(197,585)	-
Balance as at 30 June 2023	8,330,324	759,239	(154,792)	508,757	8,531	14,171,765	23,623,824

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RHB BANK BERHAD

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

Group	Six Months Ended	
	30 June 2024	30 June 2023
	RM'000	RM'000
Cash flows from operating activities		
Profit before taxation and zakat	1,884,417	2,068,272
Adjustments for:		
Allowance for credit losses on loans, advances and financing	564,918	107,014
Allowance for credit losses on other financial assets	(1,210)	(11,125)
Property, plant and equipment:		
- Depreciation	76,345	73,529
- Gain on disposal	(383)	(872)
- Written off	184	14
Intangible assets:		
- Amortisation	93,344	86,466
- Written off	721	-
Right-of-use assets:		
- Depreciation	35,910	32,504
- Gain on modification	(1,047)	(215)
Share-based payment expenses	6,842	4,186
Net allowance made/(written back) on financial assets at FVOCI and financial investments at amortised cost	665	(27,012)
Share of results of associates	9,650	4,433
Net gain on financial instruments	(406,009)	(279,799)
Dividend income from financial assets at FVTPL and financial assets at FVOCI	(29,592)	(47,413)
Gain on disposal of a subsidiary	(33,596)	-
Interest expense on borrowings, senior debt securities, subordinated obligations and lease liabilities	228,758	153,470
Other non-cash items	(524,010)	(1,099,291)
Operating profit before working capital changes	1,905,907	1,064,161
(Increase)/Decrease in operating assets:		
Securities purchased under resale agreements	(61,511)	101,258
Deposits and placements with banks and other financial institutions	297,395	24,143
Financial assets at FVTPL	(418,986)	(1,699,547)
Loans, advances and financing	(5,811,880)	(2,593,272)
Clients' and brokers' balances	279,064	201
Other assets	(846,734)	(1,308,706)
Statutory deposits	(161,801)	(222,064)
	(6,724,453)	(5,697,987)
Increase/(Decrease) in operating liabilities:		
Deposits from customers	(5,063,995)	1,704,630
Deposits and placements of banks and other financial institutions	3,413,905	(441,076)
Obligations on securities sold under repurchase agreements	3,812,207	962,848
Investment accounts	63,982	(473,791)
Bills and acceptances payable	(367,216)	28,031
Clients' and brokers' balances	(326,993)	35,189
Other liabilities	1,551,119	(108,574)
Recourse obligation on loans sold to Cagamas	(588)	(616)
	3,082,421	1,706,641

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 CASH FLOWS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	Six Months Ended	
	30 June 2024	30 June 2023
Group	RM'000	RM'000
Cash flows from operating activities (continued)		
Cash used in operations	(1,736,125)	(2,927,185)
Interest paid	(306,551)	(131,300)
Net tax and zakat paid	(352,393)	(580,409)
Net cash used in operating activities	<u>(2,395,069)</u>	<u>(3,638,894)</u>
Cash flows from investing activities		
Net purchase of financial assets at FVOCI and financial investments at amortised cost	(4,408,090)	(6,066,590)
Property, plant and equipment:		
- Purchase	(62,551)	(64,939)
- Proceeds from disposal	758	1,234
Intangible assets:		
- Purchase	(92,313)	(123,357)
Financial assets at FVOCI and financial investments at amortised cost:		
- Interest income received	1,092,807	933,251
- Investment income received	227,563	195,767
Dividend income received from financial assets at FVTPL and financial assets at FVOCI	29,592	47,413
Net cash outflow from disposal of a subsidiary	(11,067)	-
Net capital injection/redemption in associates	(23,979)	(40,000)
Net cash used in investing activities	<u>(3,247,280)</u>	<u>(5,117,221)</u>
Cash flows from financing activities		
Net drawdown/(repayment) of borrowings	99,513	(170,137)
Proceeds from issuance of subordinated notes	500,000	500,000
Proceeds from issuance of senior debt securities	230,654	1,500,000
Redemption of subordinated notes	(500,000)	-
Redemption of senior debt securities	(1,378,970)	-
Dividends paid to equity holders of the Bank	(714,656)	(877,104)
Principal lease payments	(35,590)	(35,310)
Net cash (used in)/generated from financing activities	<u>(1,799,049)</u>	<u>917,449</u>
Net decrease in cash and cash equivalents	(7,441,398)	(7,838,666)
Effects of exchange rate differences	66,095	90,093
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>6,770,111</u>	<u>11,386,262</u>
Cash and cash equivalents comprise the following:		
- Cash and short-term funds	<u>6,770,111</u>	<u>11,386,262</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

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	Six Months Ended	
	30 June 2024	30 June 2023
	<u>RM'000</u>	<u>RM'000</u>
Bank		
Cash flows from operating activities		
Profit before taxation	1,468,553	1,523,837
Adjustments for:		
Allowance for credit losses on loans, advances and financing	400,747	136,792
Allowance for credit losses on other financial assets	(1,190)	(3,977)
Property, plant and equipment:		
- Depreciation	64,240	60,906
- Gain on disposal	(32)	(2)
- Written off	3	7
Intangible assets:		
- Amortisation	79,588	73,228
Right-of-use assets:		
- Depreciation	27,679	25,775
- Loss/(Gain) on modification	17	(191)
Share-based payment expenses	4,716	2,964
Net allowance written back on financial assets at FVOCI and financial investments at amortised cost	(1,580)	(18,203)
Net gain on financial instruments	(262,727)	(181,869)
Loss on liquidation of a subsidiary	-	14
Dividend income from financial assets at FVOCI	(3,360)	(2,760)
Dividend income from subsidiaries	(283,545)	(302,014)
Interest expense on borrowings, senior debt securities, subordinated obligations and lease liabilities	178,644	131,690
Other non-cash items	(112,821)	(779,090)
Operating profit before working capital changes	<u>1,558,932</u>	<u>667,107</u>
 (Increase)/Decrease in operating assets:		
Securities purchased under resale agreements	310,897	524,421
Deposits and placements with banks and other financial institutions	1,022,231	1,309,488
Investment account due from designated financial institutions	1,070,431	988,575
Financial assets at FVTPL	(174,941)	(1,169,398)
Loans, advances and financing	(5,548,585)	(607,508)
Other assets	577,408	(2,118,772)
Statutory deposits	(236,398)	(106,110)
	<u>(2,978,957)</u>	<u>(1,179,304)</u>
 Increase/(Decrease) in operating liabilities:		
Deposits from customers	2,125,237	996,332
Deposits and placements of banks and other financial institutions	(2,794,925)	(1,766,963)
Obligations on securities sold under repurchase agreements	2,983,557	353,586
Bills and acceptances payable	(362,773)	23,940
Other liabilities	575,084	(184,855)
Recourse obligation on loans sold to Cagamas	(383)	(405)
	<u>2,525,797</u>	<u>(578,365)</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

Registration No. 196501000373 (6171-M)

**INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

	Six Months Ended	
	30 June 2024	30 June 2023
	RM'000	RM'000
Bank		
Cash flows from operating activities (continued)		
Cash generated from/(used in) operations	1,105,772	(1,090,562)
Interest paid	(254,362)	(110,639)
Net tax paid	(243,770)	(395,856)
Net cash generated from/(used in) operating activities	<u>607,640</u>	<u>(1,597,057)</u>
Cash flows from investing activities		
Net purchase of financial assets at FVOCI and financial investments at amortised cost	(2,830,243)	(2,432,409)
Property, plant and equipment:		
- Purchase	(52,062)	(47,153)
- Proceeds from disposal	33	13
Intangible assets:		
- Purchase	(88,912)	(116,747)
Interest received from financial assets at FVOCI and financial investments at amortised cost	1,070,617	920,519
Dividend income received from subsidiaries	284,669	302,986
Dividend income received from financial assets at FVOCI	3,360	2,760
Proceeds received from liquidation of a subsidiary	-	1
Capital injection in an associate	(24,000)	(40,000)
Capital injection in a subsidiary	(119,875)	-
Net cash used in investing activities	<u>(1,756,413)</u>	<u>(1,410,030)</u>
Cash flows from financing activities		
Proceeds from issuance of subordinated notes	-	500,000
Proceeds from issuance of senior debt securities	230,654	1,500,000
Redemption of senior debt securities	(1,378,970)	-
Dividends paid to equity holders of the Bank	(714,656)	(877,104)
Principal lease payments	(27,805)	(27,942)
Net cash (used in)/generated from financing activities	<u>(1,890,777)</u>	<u>1,094,954</u>
Net decrease in cash and cash equivalents	(3,039,550)	(1,912,133)
Effects of exchange rate differences	32,259	136,267
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>7,299,282</u>	<u>9,719,040</u>
Cash and cash equivalents comprise the following:		
- Cash and short-term funds	<u>7,299,282</u>	<u>9,719,040</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 SIX MONTHS ENDED 30 JUNE 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 six months ended 30 June 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 six months ended 30 June 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 six months ended 30 June 2024, other than as disclosed below:

(a) Share Capital

- (i) The Bank had on 16 May 2024 increased its issued and paid up share capital from RM8,330,324,313 to RM8,687,254,584 via the issuance of 73,141,449 new ordinary shares at RM4.88 per share arising from the DRP relating to the second interim single-tier dividend of 25.0 sen per share in respect of the financial year ended 31 December 2023, of which the shareholders may elect to reinvest up to 10.0 sen per RHB Bank Share. The new ordinary shares issued during the financial period rank *pari passu* in all respects with the existing shares of the Bank.



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

A6. Changes In Debt and Equity Securities (continued)

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 six months ended 30 June 2024, other than as disclosed below (continued):

(b) Borrowings

- (i) The Bank had on 20 February 2024 fully redeemed its existing USD300 million senior unsecured notes in nominal value issued under its USD5 billion (or its equivalent in other currencies) Euro Medium Term Note Programme on 19 February 2019;
- (ii) The Bank had on 16 April 2024 issued AUD75 million senior unsecured notes ('AUD Senior Notes') under its USD5 billion (or its equivalent in other currencies) Euro Medium Term Note Programme. The AUD Senior Notes is issued for a tenure of 2 years with a fixed coupon rate of 4.831% per annum, payable semi-annually in arrears throughout the entire tenure;
- (iii) RHB Islamic Bank Berhad ('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 its RM5.0 billion Subordinated Sukuk Murabahah 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
- (iv) 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.

A7. Dividends Paid/Declared

- (a) 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 has been declared by the Board of Directors. This second interim dividend consists of cash portion of 15.0 sen per share and an electable portion of 10.0 sen per share which can be elected to be reinvested into new ordinary shares in accordance with the DRP. The reinvestment rate subsequent to the completion of the DRP was 83.3% and the total cash dividend of RM714,656,000 was paid on 16 May 2024; and
- (b) The Board of Directors have declared a single-tier interim cash dividend of 15.0 sen per share in respect of the financial year ending 31 December 2024, amounting to RM653,923,000. The payment date for this interim dividend will be determined later.



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

A8. Interest Income

Group	2nd Quarter Ended		Six Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Loans and advances	1,845,829	1,701,884	3,667,987	3,324,506
Money at call and deposits and placements with banks and other financial institutions	56,717	69,958	102,332	166,386
Securities purchased under resale agreements	2,735	533	4,059	1,173
Financial assets at FVTPL	22,653	12,820	38,475	20,583
Financial assets at FVOCI - debt instruments	389,112	323,285	772,460	622,971
Financial investments at amortised cost	215,492	199,161	420,781	390,164
Others	16,738	9,243	30,934	21,536
	2,549,276	2,316,884	5,037,028	4,547,319
Of which:				
Interest income accrued on impaired financial assets	20,627	23,693	44,928	43,454
Bank				
Loans and advances	1,704,596	1,578,469	3,381,000	3,084,182
Money at call and deposits and placements with banks and other financial institutions	132,298	132,340	265,407	288,994
Investment account due from designated financial institutions	42,197	74,674	94,648	151,006
Securities purchased under resale agreements	1,247	3,373	2,130	8,523
Financial assets at FVTPL	22,190	12,592	37,673	20,355
Financial assets at FVOCI - debt instruments	384,157	321,760	761,904	619,356
Financial investments at amortised cost	202,673	185,512	394,757	363,578
Others	13,457	6,785	24,516	16,551
	2,502,815	2,315,505	4,962,035	4,552,545
Of which:				
Interest income accrued on impaired financial assets	20,272	22,855	44,285	41,673



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

A9. Interest Expense

Group	2nd Quarter Ended		Six Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	178,343	177,557	358,240	376,715
Deposits from customers	1,141,945	1,040,778	2,310,017	2,004,567
Obligations on securities sold under repurchase agreements	98,506	84,054	172,385	153,271
Recourse obligation on loans sold to Cagamas	24,899	26,890	49,745	53,484
Subordinated obligations	24,899	24,437	49,798	48,415
Senior debt securities	45,937	30,975	96,597	54,876
Borrowings	19,257	16,399	37,488	31,782
Others	26,133	23,090	47,424	47,467
	1,559,919	1,424,180	3,121,694	2,770,577
Bank				
Deposits and placements of banks and other financial institutions	248,107	270,882	558,663	574,969
Deposits from customers	1,036,176	910,026	2,036,348	1,732,727
Obligations on securities sold under repurchase agreements	105,443	85,360	190,509	157,979
Recourse obligation on loans sold to Cagamas	24,899	26,890	49,745	53,484
Subordinated obligations	23,793	23,791	47,586	46,206
Senior debt securities	45,937	30,975	96,597	54,876
Borrowings	16,497	15,535	33,112	29,385
Others	25,298	22,225	45,778	45,720
	1,526,150	1,385,684	3,058,338	2,695,346



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

A10. Other Operating Income

Group	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
		RM'000	RM'000	RM'000	RM'000
Fee income					
- Service charges and fees		50,244	44,818	91,823	78,421
- Commission		56,795	40,460	121,593	89,869
- Guarantee fees		10,274	9,311	21,730	18,506
- Commitment fees		9,381	9,824	19,841	19,595
- Brokerage income		62,954	38,922	118,718	85,585
- Fund management fees		54,259	56,686	107,312	112,780
- Unit trust fee income		12,374	6,150	24,588	13,781
- Corporate advisory fees		6,692	7,943	11,797	13,294
- Underwriting and arrangement fees		642	1,706	1,909	2,758
- Other fee income		16,255	16,254	33,596	30,596
		<u>279,870</u>	<u>232,074</u>	<u>552,907</u>	<u>465,185</u>
- Fee and commission expenses		(33,269)	(28,766)	(65,620)	(59,424)
		<u>246,601</u>	<u>203,308</u>	<u>487,287</u>	<u>405,761</u>
Net gain arising from financial assets at FVTPL					
- Net gain on disposal		52,472	11,435	77,511	23,641
- Unrealised net gain on revaluation		1,548	19,671	55,061	39,305
- Dividend income		11,343	14,274	25,964	44,392
		<u>65,363</u>	<u>45,380</u>	<u>158,536</u>	<u>107,338</u>
Net gain on revaluation of derivatives		71,405	120,278	145,158	153,243
Net gain/(loss) on fair value hedges		(250)	(744)	1,678	532
Net gain/(loss) arising from derecognition of financial investments at amortised cost		51	(21)	53	(21)
Net gain arising from financial assets at FVOCI					
- Net gain on debt instruments on disposal		38,040	24,992	89,958	39,196
- Dividend income		3,628	2,021	3,628	3,021
		<u>41,668</u>	<u>27,013</u>	<u>93,586</u>	<u>42,217</u>
Other income					
Net foreign exchange gain/(loss)		133,522	(98,029)	154,250	43,587
Net insurance service/finance results	(a)	4,470	8,032	17,960	17,597
Gain on disposal of property, plant and equipment		309	85	383	872
Gain on disposal of a subsidiary	B6(a)	33,596	-	33,596	-
Gain/(Loss) on modification of right-of-use assets		(8)	196	1,047	225
Rental income		746	667	1,158	1,072
Other operating income		5,055	4,664	7,207	8,403
Other non-operating income		633	4,023	5,363	4,466
		<u>178,323</u>	<u>(80,362)</u>	<u>220,964</u>	<u>76,222</u>
		<u>603,161</u>	<u>314,852</u>	<u>1,107,262</u>	<u>785,292</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 SIX MONTHS ENDED 30 JUNE 2024**

A10. Other Operating Income (continued)

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Bank	RM'000	RM'000	RM'000	RM'000
Fee income				
- Service charges and fees	41,162	40,255	81,281	70,915
- Commission	64,760	45,936	136,066	100,317
- Guarantee fees	10,231	9,244	21,665	18,238
- Commitment fees	9,469	9,522	19,019	18,955
- Corporate advisory fees	1,040	1,944	1,678	2,117
- Underwriting and arrangement fees	-	843	316	843
- Other fee income	5,077	4,619	9,903	9,632
	131,739	112,363	269,928	221,017
Net gain arising from financial assets at FVTPL				
- Net gain on disposal	12,851	13,468	16,089	32,966
- Unrealised net gain/(loss) on revaluation	(4,853)	(789)	1,905	(6,817)
	7,998	12,679	17,994	26,149
Net gain on revaluation of derivatives	60,066	107,063	153,418	116,677
Net gain/(loss) on fair values hedges	(250)	(775)	1,678	418
Net gain/(loss) arising from derecognition of financial investments at amortised cost	51	(21)	53	(21)
Net gain arising from financial assets at FVOCI				
- Net gain on debt instruments on disposal	37,830	24,575	89,584	38,646
- Dividend income	3,360	1,760	3,360	2,760
	41,190	26,335	92,944	41,406
Dividend income from subsidiaries	-	11,000	283,545	302,014
Other income				
Net foreign exchange gain	142,865	51,077	267,378	186,141
Gain on disposal of property, plant and equipment	4	-	32	2
Loss/(Gain) on modification of right-of-use assets	(8)	191	(17)	191
Rental income	2,998	3,037	6,082	5,982
Loss on liquidation of a subsidiary	-	(14)	-	(14)
Other operating income	4,253	1,149	5,208	5,700
Other non-operating income	852	2,685	2,925	3,358
	150,964	58,125	281,608	201,360
	391,758	326,769	1,101,168	909,020



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
FOR THE SIX MONTHS ENDED 30 JUNE 2024**

A11. Other Operating Expenses

Group	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
		RM'000	RM'000	RM'000	RM'000
Personnel costs					
- Salaries, allowances and bonuses		478,607	461,613	936,693	855,207
- Defined contribution plan		68,523	66,578	133,932	131,319
- Share-based expenses	(a)	3,534	2,011	6,544	4,058
- Other staff related costs		48,256	48,541	99,014	93,801
		598,920	578,743	1,176,183	1,084,385
Establishment costs					
- Property, plant and equipment:					
- Depreciation		37,180	36,192	75,648	72,729
- Written off		182	6	184	14
- Intangible assets:					
- Amortisation		45,281	42,827	90,905	84,118
- Written off		-	-	721	-
- Right-of-use assets:					
- Depreciation		16,791	15,753	34,866	31,296
- Rental of premises		5,958	5,351	11,462	10,487
- Rental of equipment		3,192	3,836	6,077	6,352
- Insurance		12,372	9,781	22,536	20,175
- Water and electricity		7,472	7,405	13,606	12,925
- Repair and maintenance		8,121	7,928	15,927	17,374
- Security and escorting expenses		14,631	13,094	29,793	25,442
- Information technology expenses		85,822	76,029	169,557	150,209
- Others		2,843	1,421	5,374	2,879
		239,845	219,623	476,656	434,000
Marketing expenses					
- Sales commission		37,828	18,033	69,323	38,106
- Advertisement and publicity		15,361	11,010	26,827	19,380
- Others		16,478	20,703	37,226	42,184
		69,667	49,746	133,376	99,670
Administration and general expenses					
- Communication expenses		34,162	39,640	71,313	84,373
- Legal and professional fees		10,217	12,959	20,763	22,430
- Others		34,150	42,731	67,823	75,092
		78,529	95,330	159,899	181,895
		986,961	943,442	1,946,114	1,799,950



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A11. Other Operating Expenses (continued)

	Note	2nd Quarter Ended		Six Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
Bank		RM'000	RM'000	RM'000	RM'000
Personnel costs					
- Salaries, allowances and bonuses		397,063	379,209	785,889	760,287
- Defined contribution plan		59,795	58,044	116,838	113,202
- Share-based expenses	(a)	2,660	1,468	4,716	2,964
- Other staff related costs		37,749	42,698	77,169	77,880
		497,267	481,419	984,612	954,333
Establishment costs					
- Property, plant and equipment:					
- Depreciation		31,323	30,489	64,240	60,906
- Written off		1	4	3	7
- Intangible assets:					
- Amortisation		39,610	37,314	79,588	73,228
- Right-of-use assets:					
- Depreciation		13,959	13,026	27,679	25,775
- Rental of premises		5,085	4,346	9,803	8,739
- Rental of equipment		3,177	3,824	6,051	6,329
- Insurance		11,633	9,428	20,992	19,545
- Water and electricity		4,777	4,676	9,377	8,788
- Repair and maintenance		6,297	5,860	12,507	13,554
- Security and escorting expenses		15,151	13,867	30,976	27,471
- Information technology expenses		70,638	60,700	138,156	119,118
		201,651	183,534	399,372	363,460
Marketing expenses					
- Sales commission		32,886	14,042	59,376	30,102
- Advertisement and publicity		14,266	8,390	23,673	14,980
- Others		13,036	16,408	31,838	32,972
		60,188	38,840	114,887	78,054
Administration and general expenses					
- Communication expenses		25,306	28,572	52,896	58,871
- Legal and professional fees		12,989	12,813	24,017	24,995
- Others		24,659	32,390	44,958	55,335
		62,954	73,775	121,871	139,201
Operating expenses allocated to subsidiaries		(173,880)	(146,244)	(318,980)	(281,009)
		648,180	631,324	1,301,762	1,254,039



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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

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Group	RM'000	RM'000	RM'000	RM'000
<u>Charge/(Writeback)</u>				
Loans, advances and financing:				
- Net charge/(writeback)	199,385	(91,128)	418,239	(8,205)
- Bad debts recovered	(110,107)	(69,462)	(204,423)	(154,347)
- Bad debts written off	58,087	58,385	146,679	115,219
	147,365	(102,205)	360,495	(47,333)
Financial assets at FVOCI	(5,263)	(10,446)	(2,568)	(10,660)
Financial investments at amortised cost	2,901	(13,244)	3,233	(16,352)
Other financial assets	(43)	(5,611)	(1,210)	(11,125)
	144,960	(131,506)	359,950	(85,470)
Bank				
<u>Charge/(Writeback)</u>				
Loans, advances and financing:				
- Net charge/(writeback)	135,072	(21,142)	289,949	47,260
- Bad debts recovered	(98,639)	(61,073)	(171,685)	(137,102)
- Bad debts written off	45,328	41,575	110,798	89,532
	81,761	(40,640)	229,062	(310)
Financial assets at FVOCI	(5,501)	(6,738)	(2,397)	(7,383)
Financial investments at amortised cost	1,539	(8,889)	817	(10,820)
Other financial assets	(586)	376	(1,190)	(3,977)
	77,213	(55,891)	226,292	(22,490)



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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 30 June 2024	As at 31 December 2023
	RM'000	RM'000
<u>Principal</u>		
Personal financing	1,000,000	1,000,000
Other term financing	2,833,064	4,037,480
Short-term funds	250,000	129,000
Unquoted securities	1,004,023	1,004,023
	5,087,087	6,170,503

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

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 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	687,412	399,510	682,821	395,321
Malaysian Government Investment Issues	464,329	672,045	359,034	507,003
Bank Negara Malaysia Monetary Notes	259,966	316,971	129,983	314,335
Other foreign government securities	9	-	9	-
<u>Quoted securities:</u>				
In Malaysia				
Shares, exchange traded funds and warrants	363,070	132,769	-	-
Unit trusts	38,427	55,955	-	-
Corporate bond/sukuk	1,361	1,395	1,361	1,395
Outside Malaysia				
Shares, exchange traded funds and warrants	117,808	55,647	6,165	-
<u>Unquoted securities:</u>				
In Malaysia				
Corporate bond/sukuk	1,085,286	1,107,905	102,283	102,152
Unit trusts	240,601	235,871	-	-
Commercial paper	243,932	-	243,932	-
Outside Malaysia				
Corporate bond/sukuk	32,314	7,088	32,314	7,088
Private equity funds	782,232	733,335	-	-
	4,316,747	3,718,491	1,557,902	1,327,294



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

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
At fair value	RM'000	RM'000	RM'000	RM'000
(a) Debt instruments	48,185,132	47,201,673	40,397,128	40,798,615
(b) Equity instruments	821,977	775,256	772,804	729,292
	49,007,109	47,976,929	41,169,932	41,527,907
(a) Debt instruments				
<u>Money market instruments:</u>				
Malaysian Government Securities	5,124,205	4,528,876	4,963,587	4,468,470
Malaysian Government Investment Issues	10,814,765	9,437,643	7,870,369	7,369,220
Cagamas bonds	1,573,330	1,574,912	1,014,623	1,014,817
Khazanah bonds	72,599	71,018	72,599	71,018
Other foreign government investment issues	96,828	96,024	96,828	96,024
Other foreign government securities	7,775	7,732	7,775	7,732
Singapore Government Treasury Bills	413,870	513,092	413,870	513,092
Singapore Government Securities	1,476,273	1,860,195	1,476,273	1,860,195
Singapore Central Bank Bills	-	1,349,949	-	1,349,949
Thailand Government Securities	728,058	638,519	728,058	638,519
Singapore Housing Development Board	504,615	514,439	504,615	514,439
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Corporate bond/sukuk	15,756,452	16,467,747	11,632,169	12,753,613
<u>Outside Malaysia</u>				
Corporate bond/sukuk	11,616,362	10,141,527	11,616,362	10,141,527
	48,185,132	47,201,673	40,397,128	40,798,615
(b) Equity instruments				
<u>Quoted securities:</u>				
<u>Outside Malaysia</u>				
Shares	3,122	2,820	-	-
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Shares	816,316	769,814	772,802	729,290
<u>Outside Malaysia</u>				
Shares	2,539	2,622	2	2
	821,977	775,256	772,804	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 RM7,265,000,000 (31 December 2023: RM6,220,000,000) and RM7,265,000,000 (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
30 June 2024				
Balance as at the beginning of the financial period	31,187	-	-	31,187
Changes in credit risk	(2,168)	-	-	(2,168)
Purchases and origination	5,471	-	-	5,471
Derecognition and disposal	(5,871)	-	-	(5,871)
Exchange differences	(29)	-	-	(29)
Balance as at the end of the financial period	<u>28,590</u>	<u>-</u>	<u>-</u>	<u>28,590</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				
30 June 2024				
Balance as at the beginning of the financial period	29,025	-	-	29,025
Changes in credit risk	(2,194)	-	-	(2,194)
Purchases and origination	5,143	-	-	5,143
Derecognition and disposal	(5,346)	-	-	(5,346)
Exchange differences	(29)	-	-	(29)
Balance as at the end of the financial period	<u>26,599</u>	<u>-</u>	<u>-</u>	<u>26,599</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 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
At amortised cost	RM'000	RM'000	RM'000	RM'000
<u>Money market instruments:</u>				
Malaysian Government Securities	4,920,361	4,296,854	4,486,162	3,862,417
Malaysian Government Investment Issues	4,639,730	4,104,379	2,325,689	2,285,777
Cagamas bonds	1,751,186	1,857,419	1,247,393	1,353,571
Khazanah bonds	184,763	181,134	127,353	124,896
Bank Negara Malaysia Monetary Notes	-	853,733	-	-
Singapore Government Treasury Bills	2,443,497	1,588,608	2,443,497	1,588,608
Singapore Government Securities	67,456	66,652	67,456	66,652
Singapore Central Bank Bills	3,534,647	2,460,843	3,534,647	2,460,843
Thailand Government Bonds	191,212	144,515	191,212	144,515
Sukuk (Brunei) Incorporation	30,924	53,564	30,924	53,564
Brunei Central Bank Bills	6,954	-	6,954	-
<u>Unquoted securities:</u>				
<u>In Malaysia</u>				
Corporate bond/sukuk	13,825,085	13,203,960	6,585,354	6,713,894
Corporate loan stocks	21,402	21,505	-	-
<u>Outside Malaysia</u>				
Corporate bond/sukuk	56,120	57,031	25,710	26,614
	31,673,337	28,890,197	21,072,351	18,681,351
Fair value changes arising from fair value hedges	(4,182)	(3,276)	-	-
	31,669,155	28,886,921	21,072,351	18,681,351
Allowance for credit losses	(675,759)	(672,278)	(599,358)	(598,312)
	30,993,396	28,214,643	20,472,993	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 RM6,260,000,000 (31 December 2023: RM3,671,000,000) and RM6,910,000,000 (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 30 June 2024, gross exposure to RA financing funded by investors at the Group is RM434,971,000 (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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 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	33,774	66,412	-	-
Derecognition	(104)	(2,656)	-	(605)
Exchange differences	229	359	229	359
Balance as at the end of the financial period/year	<u>1,392,663</u>	<u>1,358,764</u>	<u>56,024</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 RM434,971,000 (31 December 2023: RM421,166,000).

(b) 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
	30 June 2024			
Balance as at the beginning of the financial period	13,183	1,192	657,903	672,278
Changes in credit risk	4,097	(120)	(103)	3,874
Purchases and origination	943	-	-	943
Derecognition	(512)	(1,072)	-	(1,584)
Exchange differences	19	-	229	248
Balance as at the end of the financial period	<u>17,730</u>	<u>-</u>	<u>658,029</u>	<u>675,759</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
30 June 2024				
Balance as at the beginning of the financial period	6,963	1,191	590,158	598,312
Changes in credit risk	1,440	(120)	-	1,320
Purchases and origination	929	-	-	929
Derecognition	(361)	(1,071)	-	(1,432)
Exchange differences	-	-	229	229
Balance as at the end of the financial period	<u>8,971</u>	<u>-</u>	<u>590,387</u>	<u>599,358</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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
At amortised cost				
Overdrafts	5,783,508	5,792,478	3,844,106	3,968,487
Term loans/financing:				
- Housing loans/financing	87,824,406	84,380,612	52,169,158	50,920,867
- Syndicated term loans/financing	16,053,640	15,926,831	12,208,197	11,448,100
- Hire purchase receivables/financing	11,709,157	10,986,011	252,473	256,126
- Other term loans/financing	79,258,322	79,351,472	45,613,531	43,653,965
Bills receivables	4,611,870	4,531,450	3,992,355	4,106,201
Trust receipts	1,529,614	1,282,926	1,482,327	1,197,366
Claims on customers under acceptance credits	5,191,799	4,968,542	3,857,957	3,656,830
Share margin financing	2,398,880	2,258,304	410,297	373,801
Staff loans/financing	87,155	85,999	59,378	64,813
Credit/charge card receivables	2,378,574	2,361,046	1,993,821	1,994,047
Revolving credits/financing	11,084,772	10,489,934	8,994,079	8,137,560
Gross loans, advances and financing	227,911,697	222,415,605	134,877,679	129,778,163
Fair value changes arising from fair value hedges	(66,947)	(70,407)	(12,223)	(13,083)
	227,844,750	222,345,198	134,865,456	129,765,080
Less: Allowance for credit losses	(2,827,735)	(2,782,595)	(1,994,023)	(1,916,517)
Net loans, advances and financing	225,017,015	219,562,603	132,871,433	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 RM4,160,173,000 (31 December 2023: RM4,207,022,000) and RM2,520,398,000 (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 30 June 2024, gross exposure to UA financing funded by investors at the Group is RM43,662,000 (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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Domestic non-bank financial institutions	3,180,465	3,497,812	1,117,900	1,357,342
Domestic business enterprises:				
- Small and medium enterprises	33,865,013	33,378,955	23,742,805	23,076,329
- Others	27,974,726	28,386,968	17,515,631	16,524,514
Government and statutory bodies	6,473,413	6,479,611	-	-
Individuals	116,284,914	112,596,745	58,968,974	58,304,201
Other domestic entities	154,161	156,950	23,898	25,395
Foreign entities	39,979,005	37,918,564	33,508,471	30,490,382
	227,911,697	222,415,605	134,877,679	129,778,163

(c) By geographical distribution

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Malaysia	190,180,572	186,315,513	103,479,663	101,000,194
Labuan Offshore	2,410,214	3,331,226	-	-
Singapore	29,897,506	27,124,830	29,897,506	27,124,830
Thailand	1,489,569	1,668,034	1,293,719	1,435,674
Brunei	206,791	217,465	206,791	217,465
Cambodia	3,485,570	3,509,124	-	-
Lao	88,972	95,006	-	-
Indonesia	152,503	138,474	-	-
Vietnam	-	15,933	-	-
	227,911,697	222,415,605	134,877,679	129,778,163



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A17. Loans, Advances and Financing (continued)

(d) By interest/profit rate sensitivity

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Fixed rate:				
- Housing loans/financing	238,855	126,396	172,874	70,940
- Hire purchase receivables/financing	518,483	619,730	252,481	256,126
- Other fixed rate loans/financing	21,269,411	21,384,624	9,461,086	9,502,075
Variable rate:				
- Base lending/financing rate/base rate plus	136,402,680	132,547,302	75,146,688	74,663,959
- Cost-plus	47,906,824	47,719,609	30,367,958	28,145,186
- Other variable rates	21,575,444	20,017,944	19,476,592	17,139,877
	227,911,697	222,415,605	134,877,679	129,778,163

(e) By economic sector

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Agriculture, hunting, forestry and fishing	4,613,017	4,468,055	2,334,587	2,392,183
Mining and quarrying	277,030	267,896	170,086	162,462
Manufacturing	11,982,257	11,826,760	8,683,859	8,199,341
Electricity, gas and water	964,049	2,179,393	584,180	603,849
Construction	10,640,572	10,689,894	7,750,622	8,055,514
Wholesale and retail trade and restaurant and hotel	25,292,421	24,426,148	19,207,401	18,804,546
Transport, storage and communication	4,541,627	5,512,901	1,722,315	1,567,874
Finance, insurance, real estate and business services	35,275,862	32,517,332	26,003,729	22,408,177
Education, health and others	9,506,516	9,496,435	2,820,823	2,844,959
Household sector	124,218,596	120,456,394	65,237,681	64,434,607
Others	599,750	574,397	362,396	304,651
	227,911,697	222,415,605	134,877,679	129,778,163



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A17. Loans, Advances and Financing (continued)

(f) By purpose

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Purchase of securities	11,648,344	11,992,304	4,551,373	4,757,102
Purchase of transport vehicles	11,669,511	10,959,997	151,099	166,995
Purchase of landed property:				
- Residential	86,998,724	83,444,972	52,315,730	50,847,520
- Non-residential	29,280,524	27,258,291	22,995,609	20,984,877
Purchase of property, plant and equipment other than land and building	1,266,486	1,355,284	646,214	697,550
Personal use	12,881,571	12,731,438	6,682,934	6,792,935
Credit card	2,378,574	2,361,046	1,993,821	1,994,047
Purchase of consumer durables	5,983	6,840	5,983	6,840
Construction	7,539,289	6,704,555	6,085,604	5,347,029
Working capital	54,078,503	54,680,824	36,959,267	35,609,155
Merger and acquisition	730,837	1,341,026	622,697	631,864
Other purposes	9,433,351	9,579,028	1,867,348	1,942,249
	227,911,697	222,415,605	134,877,679	129,778,163

(g) By remaining contractual maturities

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Maturity within one year	40,008,712	41,424,260	29,627,086	28,634,221
One year to three years	12,354,553	11,429,962	8,960,437	7,906,636
Three years to five years	23,169,134	21,640,604	14,578,002	12,820,693
Over five years	152,379,298	147,920,779	81,712,154	80,416,613
	227,911,697	222,415,605	134,877,679	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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 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)	(40,413)	(85,149)	(24,509)	(55,694)
Transfer to lifetime ECL not credit impaired (Stage 2)	(231,941)	(198,876)	(131,204)	(126,982)
Transfer to lifetime ECL credit impaired (Stage 3)	1,244,086	1,910,235	821,436	1,305,845
Purchases and origination	514,271	969,466	134,968	483,569
Derecognition	(827,834)	(428,774)	(378,840)	(302,717)
Amount written off	(507,072)	(1,676,981)	(405,123)	(712,541)
Exchange differences	(5,466)	66,788	(13,656)	24,315
Other movements	(8,472)	33,837	4,691	16,151
Balance as at the end of the financial period/year	4,016,436	3,879,277	2,321,424	2,313,661

(ii) By economic sector

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Agriculture, hunting, forestry and fishing	39,936	49,276	35,750	45,635
Mining and quarrying	20,598	20,314	15,690	15,066
Manufacturing	298,183	261,355	237,600	208,511
Electricity, gas and water	7,720	7,833	1,931	2,040
Construction	558,999	551,833	465,179	450,578
Wholesale and retail trade and restaurant and hotel	755,350	658,465	505,703	447,956
Transport, storage and communication	531,653	508,776	60,001	44,377
Finance, insurance, real estate and business services	442,804	522,427	348,678	439,128
Education, health and others	129,118	141,733	34,794	46,946
Household sector	1,175,636	1,104,119	616,098	613,424
Others	56,439	53,146	-	-
	4,016,436	3,879,277	2,321,424	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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Purchase of securities	25,547	18,875	20,977	17,640
Purchase of transport vehicles	54,305	67,209	2,406	5,221
Purchase of landed property:				
- Residential	950,038	880,286	503,763	499,518
- Non-residential	611,509	629,457	280,519	311,416
Purchase of property, plant and equipment other than land and building	28,539	27,760	25,690	24,964
Personal use	147,214	161,657	103,880	125,541
Credit card	25,675	23,747	21,513	20,047
Purchase of consumer durables	666	611	666	611
Construction	111,686	107,215	108,072	107,107
Working capital	1,842,122	1,725,221	1,135,655	1,060,418
Other purposes	219,135	237,239	118,283	141,178
	4,016,436	3,879,277	2,321,424	2,313,661

(iv) By geographical distribution

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Malaysia	2,998,967	2,882,420	1,697,664	1,665,567
Singapore	254,521	299,194	254,521	299,194
Thailand	367,997	344,852	364,971	344,852
Brunei	4,268	4,048	4,268	4,048
Cambodia	385,391	342,842	-	-
Lao	5,292	5,921	-	-
	4,016,436	3,879,277	2,321,424	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
30 June 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)	126,762	(112,909)	(13,853)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(32,307)	102,041	(69,734)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(5,470)	(73,410)	78,880	-
	88,985	(84,278)	(4,707)	-
Changes in credit risk	(89,703)	77,019	442,654	429,970
Purchases and origination	79,660	33,686	6,638	119,984
Derecognition	(20,574)	(30,606)	(80,535)	(131,715)
Bad debts written off	-	-	(353,592)	(353,592)
Exchange differences	(705)	(1,745)	(8,585)	(11,035)
Other movements	-	-	(8,472)	(8,472)
Balance as at the end of the financial period	748,923	700,465	1,378,347	2,827,735
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	Note	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
30 June 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)		65,222	(57,661)	(7,561)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)		(23,430)	63,289	(39,859)	-
- Transferred to lifetime ECL credit impaired (Stage 3)		(4,822)	(54,542)	59,364	-
		36,970	(48,914)	11,944	-
Changes in credit risk		(58,838)	40,684	313,500	295,346
Purchases and origination		62,022	24,504	6,281	92,807
Derecognition		(16,315)	(23,781)	(58,108)	(98,204)
Transfer from deferred expenses	(a)	-	-	81,789	81,789
Bad debts written off		-	-	(287,421)	(287,421)
Exchange differences		(608)	(2,220)	(8,674)	(11,502)
Other movements		-	-	4,691	4,691
Balance as at the end of the financial period		<u>453,726</u>	<u>492,555</u>	<u>1,047,742</u>	<u>1,994,023</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>

(a) The transfer of allowance for credit losses relates to RA arrangement entered into with RHB Islamic Bank during the current financial period and this is included under other receivables in Note A18.



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A18. Other Assets

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
Other receivables	1,279,960	470,558	856,157	370,885
Cash collateral in relation to derivative transactions	645,946	784,159	645,946	784,159
Deposits	40,765	41,024	30,979	31,076
Prepayments	230,351	167,793	157,602	104,837
Foreclosed properties	152,841	158,203	152,841	158,203
Amount receivable for release of units from funds	365,012	18,354	-	-
Amount due from subsidiaries	-	-	860,274	1,665,771
	2,714,875	1,640,091	2,703,799	3,114,931



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A19. Deposits from Customers

(a) By type of deposits

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Demand deposits	54,268,121	55,315,947	41,601,319	43,943,952
Savings deposits	13,363,354	13,106,922	10,411,110	10,303,710
Fixed/investment deposits	172,410,530	176,395,214	98,502,048	94,128,846
Negotiable instruments of deposits	266,952	264,987	266,952	264,987
	240,308,957	245,083,070	150,781,429	148,641,495

(b) By type of customer

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Government and statutory bodies	21,518,281	19,442,315	5,557,960	4,104,478
Business enterprises	105,432,677	116,106,187	68,575,719	69,545,339
Individuals	104,491,793	101,082,141	68,588,059	67,316,385
Others	8,866,206	8,452,427	8,059,691	7,675,293
	240,308,957	245,083,070	150,781,429	148,641,495

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

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Due within six months	130,879,684	137,058,523	75,720,249	69,531,625
Six months to one year	39,591,133	35,665,108	22,506,863	22,702,122
One year to three years	1,871,712	2,907,508	522,988	2,147,788
Three years to five years	334,953	1,029,062	18,900	12,298
	172,677,482	176,660,201	98,769,000	94,393,833



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A20. Deposits and Placements of Banks and Other Financial Institutions

	Note	Group		Bank	
		As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
		RM'000	RM'000	RM'000	RM'000
Licensed banks		14,396,646	11,413,928	17,609,274	21,547,941
Licensed Islamic banks		151,529	70,826	4,573	3,919
Licensed investment banks		-	223,227	1,691,323	952,813
BNM/Other central banks	(a)	5,574,964	5,224,305	4,900,205	4,716,767
Other financial institutions		319,946	90,112	191,009	2,042
		<u>20,443,085</u>	<u>17,022,398</u>	<u>24,396,384</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 30 June 2024	As at 31 December 2023
		RM'000	RM'000
Mudharabah Restricted Investment Account	(a)	527,941	494,174
Wakalah Unrestricted Investment Account	(b)	43,815	13,600
		<u>571,756</u>	<u>507,774</u>

(a) Mudharabah Restricted Investment Account

By type of counterparty:

- Licensed banks	<u>527,941</u>	<u>494,174</u>
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Investment asset (principal):

- Unquoted securities	<u>434,971</u>	<u>421,166</u>
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(b) Wakalah Unrestricted Investment Account

By type of counterparty:

- Business enterprises	<u>43,815</u>	<u>13,600</u>
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Investment asset (principal):

- Personal financing	8,733	2,700
- Housing financing	34,929	10,800
	<u>43,662</u>	<u>13,500</u>



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**NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS
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A22. Other Liabilities

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Other creditors and accruals	1,632,458	1,041,364	1,155,413	773,864
Amount payable for redemption units	427,660	70,734	-	-
Contract liabilities	57,766	85,675	10,551	21,051
Short-term employee benefits	184,513	366,149	140,906	284,876
Accrual for operational expenses	147,321	161,705	119,524	96,352
Cash collateral pledged for derivative transactions	256,622	239,247	254,978	239,247
Structured deposits	2,753,711	1,591,946	2,044,941	1,538,923
Remisiers' trust deposits	91,281	89,737	-	-
Puttable financial instruments	118,551	113,104	-	-
Amount payable for creation of units due to funds	24,002	144,101	-	-
Amount due to subsidiaries	-	-	9,742	6,814
	5,693,885	3,903,762	3,736,055	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.

Investment banking business in Vietnam was disposed on 28 June 2024, details as disclosed in Note B6(a).



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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)

Six months ended 30 June 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	2,099,639	1,669,362	564,979	39,386	(173,235)	-	4,200,131
Inter-segment revenue	22,729	37,926	(32,500)	(9,053)	14,022	(33,124)	-
Segment revenue	2,122,368	1,707,288	532,479	30,333	(159,213)	(33,124)	4,200,131
Other operating expenses	(1,098,260)	(543,196)	(316,391)	(153)	(21,238)	33,124	(1,946,114)
Including:							
- Depreciation of property, plant and equipment	(50,007)	(14,551)	(10,971)	-	(119)	-	(75,648)
- Depreciation of right-of-use assets	(12,757)	(10,969)	(10,836)	-	(304)	-	(34,866)
- Amortisation of intangible assets	(58,172)	(21,985)	(10,748)	-	-	-	(90,905)
Allowance for credit losses on financial assets	(175,073)	(5,361)	(179,664)	148	-	-	(359,950)
Segment profit/(loss)	849,035	1,158,731	36,424	30,328	(180,451)	-	1,894,067
Share of results of associates							(9,650)
Profit before taxation and zakat							1,884,417
Taxation and zakat							(430,281)
Net profit for the financial period							1,454,136

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



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A23. Segmental Reporting (continued)

As at 30 June 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	143,912,144	125,908,622	55,463,319	1,704,203	3,329,345	330,317,633
Investments in associates						69,380
Tax recoverable						80,740
Deferred tax assets						338,467
Unallocated assets						1,100,329
Total assets						<u>331,906,549</u>
Segment liabilities	124,753,608	113,936,162	47,050,468	1,198,009	1,239,790	288,178,037
Provision for taxation and zakat						86,496
Deferred tax liabilities						33,085
Borrowings						2,387,788
Senior debt securities						5,915,448
Subordinated obligations						3,377,085
Unallocated liabilities						218,552
Total liabilities						<u>300,196,491</u>



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A23. Segmental Reporting (continued)

Six months ended 30 June 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	2,101,143	1,225,783	481,520	48,533	(69,794)	-	3,787,185
Inter-segment revenue	17,158	57,146	(49,044)	(6,038)	14,965	(34,187)	-
Segment revenue	2,118,301	1,282,929	432,476	42,495	(54,829)	(34,187)	3,787,185
Other operating expenses	(1,039,229)	(525,523)	(282,709)	(314)	13,638	34,187	(1,799,950)
Including:							
- Depreciation of property, plant and equipment	(47,111)	(15,238)	(10,261)	-	(119)	-	(72,729)
- Depreciation of right-of-use assets	(12,802)	(9,775)	(8,668)	-	(51)	-	(31,296)
- Amortisation of intangible assets	(52,112)	(21,210)	(10,796)	-	-	-	(84,118)
Allowance for credit losses on financial assets	(62,879)	273,622	(125,617)	344	-	-	85,470
Segment profit	1,016,193	1,031,028	24,150	42,525	(41,191)	-	2,072,705
Share of results of associates							(4,433)
Profit before taxation and zakat							2,068,272
Taxation and zakat							(495,944)
Net profit for the financial period							1,572,328

* 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) RHB Investment Ltd ('RHBIL'), a wholly-owned subsidiary of the Bank, had been dissolved on 13 July 2024 pursuant to Section 180(6) of the Insolvency, Restructuring and Dissolution Act 2018. Arising therefrom, RHBIL is no longer a wholly-owned subsidiary of the Bank;
- (b) RHB Equities Sdn Bhd ('RHB Equities'), a wholly-owned subsidiary of the Bank, had been dissolved on 8 August 2024 pursuant to Section 459(5) of the Companies Act 2016. Arising therefrom, RHB Equities is no longer a wholly-owned subsidiary of the Bank; and
- (c) Utama Assets Sdn Bhd, a wholly-owned subsidiary of the Bank, had on 16 August 2024 commenced member's voluntary winding-up pursuant to Section 439(2) of the Companies Act 2016.

A26. Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the six months ended 30 June 2024, other than the following:

- (a) For the period ended 30 June 2024, the Bank had subscribed for 24.0 million additional ordinary shares in Boost Bank Berhad ('Boost Bank' and 'Boost Bank Shares') in cash to maintain its 40% equity interest in Boost Bank. The paid-up capital of Boost Bank as at 30 June 2024 is approximately RM245.0 million, comprising approximately 245.0 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 Berhad ('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 54.56% as at the end of the financial period; and
- (d) RHB Securities Vietnam Company Limited ('RHBSVN') ceased to be an indirect wholly-owned subsidiary of the Bank with effect from 28 June 2024 following the disposal by RHB Investment Bank as further disclosed in Note B6(a).



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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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Contingent liabilities				
Direct credit substitutes*	1,791,399	1,564,192	1,757,610	1,529,393
Transaction-related contingent items	2,107,933	2,048,797	1,725,961	1,667,836
Short-term self-liquidating trade-related contingencies	1,107,688	1,126,639	778,487	854,925
Obligations under an on-going underwriting agreement	91,770	-	-	-
	5,098,790	4,739,628	4,262,058	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	14,199,580	11,313,173	14,199,580	11,313,173
Forward asset purchases, forward deposits, partly paid shares and securities which represent commitments with certain drawdowns	190,078	-	190,078	-
Irrevocable commitments to extend credit:				
- Maturity less than one year	10,140,309	4,351,151	7,098,959	2,527,538
- Maturity more than one year	28,118,636	31,904,670	18,773,352	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	17,745,322	17,312,765	15,052,374	14,820,162
	70,393,925	64,881,759	55,314,343	51,227,332
Derivative financial instruments				
Foreign exchange related contracts [^] :				
- Less than one year	82,160,370	57,992,164	91,198,707	59,257,571
- One year to less than five years	6,461,411	6,647,069	7,186,205	7,466,244
- More than five years	1,087,014	967,603	1,087,014	967,603
Commodity related contracts [^] :				
- Less than one year	634,252	429,499	635,521	430,607
- One year to less than five years	662,565	584,568	664,248	586,316
Equity related contracts [^] :				
- Less than one year	992,409	707,042	886,824	707,242
- One year to less than five years	68,790	87,598	68,790	87,598
Interest rate related contracts [^] :				
- Less than one year	45,622,560	37,299,937	47,232,560	39,339,937
- One year to less than five years	103,665,608	64,863,786	108,105,608	68,363,786
- More than five years	13,572,602	6,862,697	13,272,602	6,862,697
	254,927,581	176,441,963	270,338,079	184,069,601
	330,420,296	246,063,350	329,914,480	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 30 June 2024, the Group has contingent liabilities amounting to approximately RM60 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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Authorised and contracted for property, plant and equipment	231,779	246,256	198,717	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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Common Equity Tier I ('CET I')/Tier I Capital				
Share capital	8,687,255	8,330,324	8,687,255	8,330,324
Retained profits	19,438,994	19,319,465	14,662,058	14,536,326
Other reserves	1,074,760	1,041,264	780,105	756,092
FVOCI reserves	105,364	76,491	97,354	74,870
	29,306,373	28,767,544	24,226,772	23,697,612
Less:				
Goodwill	(2,633,383)	(2,638,198)	(1,714,913)	(1,714,913)
Intangible assets (include associated deferred tax liabilities)	(668,465)	(673,518)	(602,211)	(600,974)
Deferred tax assets	(268,374)	(273,997)	(209,199)	(209,762)
55% of cumulative gains arising from change in value of FVOCI instruments	(57,950)	(42,070)	(53,545)	(41,179)
Investments in subsidiaries	(102,424)	(102,424)	(4,476,117)	(4,473,995)
Investments in associates and joint venture	(69,380)	(56,036)	(98,000)	(74,000)
Other deductions [#]	(34,890)	(29,837)	(33,194)	(29,159)
Total CET I Capital	25,471,507	24,951,464	17,039,593	16,553,630
Qualifying non-controlling interests recognised as Tier I Capital	124	167	-	-
Total Tier I Capital	25,471,631	24,951,631	17,039,593	16,553,630
Tier II Capital				
Subordinated obligations meeting all relevant criteria	2,499,482	2,499,366	2,499,482	2,499,366
Qualifying capital instruments of a subsidiary issued to third parties ⁺	459,257	448,412	-	-
Surplus eligible provisions over expected losses	564,996	547,595	409,519	394,298
General provisions [^]	452,218	434,848	312,217	305,681
Investment in capital instrument of financial and insurance/takaful entities	-	-	(94,381)	(91,932)
Total Tier II Capital	3,975,953	3,930,221	3,126,837	3,107,413
Total Capital	29,447,584	28,881,852	20,166,430	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 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	16.944%	17.266%	15.859%	16.053%
Tier I Capital Ratio	16.944%	17.266%	15.859%	16.053%
Total Capital Ratio	19.588%	19.985%	18.769%	19.067%
After proposed dividends and DRP:				
CET I Capital Ratio	16.509%	16.673% *	15.251%	15.222% *
Tier I Capital Ratio	16.509%	16.673% *	15.251%	15.222% *
Total Capital Ratio	19.153%	19.392% *	18.161%	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 RM518,301,000 (31 December 2023: RM491,381,000) and RM259,314,000 (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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 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	4,225,300	4,201,068	405,682	469,723
Other reserves	1,186	798	4,064	2,830
FVOCI reserves	(35,509)	(38,332)	41,938	38,675
	5,864,401	5,836,958	1,671,684	1,731,228
Less:				
Goodwill	-	-	(372,395)	(372,395)
Investments in subsidiaries, associates and joint venture	-	-	(683,039)	(720,372)
Intangible assets (include associated deferred tax liabilities)	(3,989)	(4,661)	(25,214)	(25,074)
Deferred tax assets	(67,084)	(70,560)	(16,905)	(17,020)
55% of cumulative gains arising from change in value of FVOCI instruments	-	-	(23,066)	(21,271)
Other deductions [#]	(1,279)	(595)	-	-
Total CET I Capital/Tier I Capital	5,792,049	5,761,142	551,065	575,096
Tier II Capital				
Subordinated sukuk	749,736	750,000	-	-
Subordinated obligations meeting all relevant criteria	-	-	100,000	100,000
Surplus eligible provisions over expected losses	156,207	154,065	-	-
General provisions [^]	83,901	80,942	11,277	7,700
Total Tier II Capital	989,844	985,007	111,277	107,700
Total Capital	6,781,893	6,746,149	662,342	682,796
<u>Capital ratios</u>				
Before proposed dividends:				
CET I Capital Ratio	15.820%	16.125%	26.764%	36.653%
Tier I Capital Ratio	15.820%	16.125%	26.764%	36.653%
Total Capital Ratio	18.524%	18.882%	32.169%	43.517%
After proposed dividends:				
CET I Capital Ratio	15.455%	15.516%	26.764%	32.446%
Tier I Capital Ratio	15.455%	15.516%	26.764%	32.446%
Total Capital Ratio	18.158%	18.273%	32.169%	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 RM68,659,000 (31 December 2023: RM68,476,000) and RM11,186,000 (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
30 June 2024				
Credit risk	130,343,499	93,230,512	32,746,494	902,154
Market risk	5,425,853	4,568,862	406,740	412,916
Operational risk	14,562,082	9,643,201	3,458,469	743,897
Total risk-weighted assets	<u>150,331,434</u>	<u>107,442,575</u>	<u>36,611,703</u>	<u>2,058,967</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 30 June 2024 RM'000	As at 31 December 2023 RM'000
Before proposed dividends:		
Solvency ratio	17.055%	17.089%
After proposed dividends:		
Solvency ratio	17.055%	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%.

A30. Credit Exposures Arising from Transactions with Connected Parties

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
Outstanding credit exposures with connected parties (RM'000)	12,959,569	12,865,646	9,179,220	9,087,841
Percentage of outstanding credit exposures with connected parties as proportion of total credit exposures (%)	4.70	4.80	5.42	5.56
Percentage of outstanding credit exposures with connected parties which is impaired or in default (%)	0.01	-	0.02	-

The credit exposures above are derived based on BNM's revised Guidelines on Credit Transactions and Exposures with Connected Parties, which are effective on 1 January 2008.



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A31. Operations of Islamic Banking

(a) Statements of Financial Position as at 30 June 2024

	Note	Group		Bank	
		As at	As at	As at	As at
		30 June 2024	31 December 2023	30 June 2024	31 December 2023
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds		1,509,045	5,800,932	-	-
Deposits and placements with banks and other financial institutions		-	92,225	-	-
Financial assets at FVTPL		232,217	167,678	-	-
Financial assets at FVOCI		6,986,962	5,937,797	-	-
Financial investments at amortised cost		9,392,295	8,978,775	-	-
Financing and advances	A31(c)	85,425,051	84,539,296	695,441	701,778
Other assets	A31(d)	605,737	618,326	496,343	498,464
Derivative assets		57,999	40,746	-	-
Statutory deposits		1,535,500	1,526,500	-	-
Deferred tax assets		77,503	82,137	-	-
Right-of-use assets		1,578	1,188	-	-
Property, plant and equipment		5,446	5,728	-	-
Intangible assets		4,783	5,186	-	-
Total assets		<u>105,834,116</u>	<u>107,796,514</u>	<u>1,191,784</u>	<u>1,200,242</u>
LIABILITIES					
Deposits from customers	A31(e)	82,833,400	82,529,407	-	-
Deposits and placements of banks and other financial institutions		2,093,251	1,792,879	1,140,250	1,140,247
Investment accounts	A21	571,756	507,774	-	-
Bills and acceptances payable		9,010	9,842	-	-
Other liabilities	A31(f)	906,880	234,700	-	-
Derivative liabilities		31,358	75,991	-	-
Recourse obligation on financing sold to Cagamas		1,611,536	1,611,741	-	-
Provision for taxation and zakat		60,319	40,888	-	-
Lease liabilities		1,585	1,186	-	-
Borrowings		830,655	809,238	-	-
Subordinated obligations		754,258	754,373	-	-
Total liabilities		<u>89,704,008</u>	<u>88,368,019</u>	<u>1,140,250</u>	<u>1,140,247</u>
Islamic Banking Funds		16,130,108	19,428,495	51,534	59,995
Total liabilities and Islamic Banking Funds		<u>105,834,116</u>	<u>107,796,514</u>	<u>1,191,784</u>	<u>1,200,242</u>
Commitments and contingencies		<u>24,047,672</u>	<u>20,456,022</u>	<u>27,148</u>	<u>22,971</u>



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A31. Operations of Islamic Banking (continued)

(b) Income Statements for the Six Months Ended 30 June 2024

	2nd Quarter Ended		Six Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group				
Income derived from investment of depositors' funds	1,114,447	1,071,863	2,234,113	2,091,422
Income derived from investment of investment account funds	70,613	115,935	153,611	241,001
Income derived from investment of shareholders' funds	80,382	228,167	288,174	300,638
Allowance for credit losses on financial assets	(60,083)	37,952	(114,930)	15,339
Total distributable income	1,205,359	1,453,917	2,560,968	2,648,400
Income attributable to depositors	(735,800)	(730,245)	(1,478,010)	(1,378,385)
Profit distributed to investment account holders	(10,239)	(13,816)	(20,353)	(29,525)
	459,320	709,856	1,062,605	1,240,490
Personnel expenses	(6,400)	(5,987)	(10,723)	(16,836)
Other overheads and expenditures	(186,555)	(163,207)	(349,204)	(319,529)
Profit before taxation and zakat	266,365	540,662	702,678	904,125
Taxation and zakat	(55,890)	(71,333)	(118,443)	(136,722)
Net profit for the financial period	210,475	469,329	584,235	767,403

Statements of Comprehensive Income for the Six Months Ended 30 June 2024

	2nd Quarter Ended		Six Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Group				
Net profit for the financial period	210,475	469,329	584,235	767,403
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	250	27,968	18,230	102,933
- Net transfer to income statements on disposal	(3,461)	(5,087)	(14,515)	(9,141)
- Changes in expected credit losses	238	(3,708)	(171)	(3,463)
Income tax relating to components of other comprehensive (income)/loss	770	(5,491)	(892)	(22,510)
Other comprehensive income/(loss), net of tax, for the financial period	(2,203)	13,682	2,652	67,819
Total comprehensive income for the financial period	208,272	483,011	586,887	835,222



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A31. Operations of Islamic Banking (continued)

(b) Income Statement for the Six Months Ended 30 June 2024

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Income derived from investment of depositors' funds	8,383	8,324	16,892	15,558
Income derived from investment of shareholders' funds	6	-	6	-
Allowance for credit losses on financial assets	(206)	(801)	(202)	(794)
Total distributable income	8,183	7,523	16,696	14,764
Income attributable to depositors	(13,027)	(13,524)	(25,156)	(26,391)
Loss before taxation	(4,844)	(6,001)	(8,460)	(11,627)
Taxation	-	-	-	-
Net loss for the financial period	(4,844)	(6,001)	(8,460)	(11,627)

Statement of Comprehensive Income for the Six Months Ended 30 June 2024

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Net loss for the financial period	(4,844)	(6,001)	(8,460)	(11,627)
Total comprehensive loss for the financial period	(4,844)	(6,001)	(8,460)	(11,627)



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A31. Operations of Islamic Banking (continued)

(c) Financing and Advances

	Group		Bank	
	As at 30 June 2024	As at 31 December 2023	As at 30 June 2024	As at 31 December 2023
	RM'000	RM'000	RM'000	RM'000
At amortised cost				
Cashline	1,600,303	1,487,173	-	-
Term financing				
- Housing financing	34,814,552	32,632,526	-	-
- Syndicated term financing	3,125,283	3,676,396	-	-
- Hire purchase receivables	11,456,684	10,729,885	-	-
- Other term financing	30,291,853	32,319,521	696,439	702,574
Bills receivables	619,515	425,249	-	-
Trust receipts	47,287	85,560	-	-
Claims on customers under acceptance credits	1,333,842	1,311,712	-	-
Share margin financing	22,050	9,431	-	-
Staff financing	23,407	16,560	-	-
Credit/charge card receivables	384,753	366,999	-	-
Revolving financing	2,307,575	2,122,084	-	-
Gross financing and advances	86,027,104	85,183,096	696,439	702,574
Less: Allowance for credit losses	(602,053)	(643,800)	(998)	(796)
Net financing and advances	85,425,051	84,539,296	695,441	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)	(15,366)	(20,603)	-	-
Transfer to lifetime ECL not credit impaired (Stage 2)	(87,482)	(71,883)	-	-
Transfer to lifetime ECL credit impaired (Stage 3)	360,820	562,957	-	-
Purchases and origination	371,433	408,648	-	-
Derecognition	(447,224)	(81,645)	-	-
Amount written off	(98,043)	(187,218)	-	-
Other movements	312	6,109	-	-
Balance as at the end of the financial year/period	1,301,303	1,216,853	-	-



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**NOTES TO UNAUDITED INTERIM FINANCIAL
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A31. 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
30 June 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)	47,158	(40,971)	(6,187)	-
- Transferred to lifetime ECL not credit impaired (Stage 2)	(8,532)	36,466	(27,934)	-
- Transferred to lifetime ECL credit impaired (Stage 3)	(637)	(17,628)	18,265	-
	37,989	(22,133)	(15,856)	-
Changes in credit risk	(41,593)	35,950	118,412	112,769
Purchases and origination	16,426	1,435	282	18,143
Derecognition	(2,546)	(3,799)	(22,386)	(28,731)
Bad debts written off	-	-	(62,537)	(62,537)
Exchange differences	86	-	-	86
Transfer to deferred income	-	-	(81,789)	(81,789)
Other movements	-	-	312	312
Balance as at the end of the financial period	121,615	182,936	297,502	602,053
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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A31. 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	(Stage 2)	(Stage 3)	RM'000
30 June 2024				
Balance as at the beginning of the financial period	796	-	-	796
Changes in credit risk	202	-	-	202
Balance as at the end of the financial period	<u>998</u>	<u>-</u>	<u>-</u>	<u>998</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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A31. Operations of Islamic Banking (continued)

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
(d) Other Assets				
Prepayments	35,607	29,303	-	-
Deposits	913	912	-	-
Other receivables	569,217	588,111	496,343	498,464
	605,737	618,326	496,343	498,464
			Group	
			As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
(e) Deposits from Customers				
Saving Deposits				
- Qard			1,365,705	1,381,073
- Commodity Murabahah			1,395,775	1,264,636
Demand Deposits				
- Qard			7,774,695	6,867,723
- Commodity Murabahah			4,669,462	4,082,360
Term Deposits				
- Commodity Murabahah			56,956,293	55,376,794
Specific Investment Account				
- Commodity Murabahah			10,671,392	13,556,744
General Investment Account				
- Mudharabah			78	77
			82,833,400	82,529,407
(f) Other Liabilities				
Sundry creditors			20,858	14,353
Contract liability			41,623	58,656
Short-term employee benefits			1,644	5,221
Accrual for operational expenses			12,906	26,601
Structured deposits			708,770	53,023
Other accruals and payables			121,079	76,846
			906,880	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 RM1,452.5 million for the first half year ended 30 June 2024, 7.5% lower from RM1,570.4 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 4.0% to RM2,827.5 million year-on-year on the back of gross loans and financing growth of 6.4%.

Non-fund based income increased by 28.5% to RM1,372.7 million, contributed by higher net gain on foreign exchange and derivatives, fee income, net trading and investment income and one-off gain on disposal of a subsidiary.

Operating expenses increased by 8.1% from a year ago to RM1,946.1 million. Cost-to-income ratio was at 46.3% compared to 47.5% a year ago.

Net allowance for credit losses charge was at RM360.0 million, primarily due to higher credit losses on loans and financing.

Total assets of the Group increased by 1.0% from December 2023 to RM331.9 billion as at 30 June 2024. Net assets per share was at RM7.27, with shareholders' equity at RM31.7 billion as at 30 June 2024.

The Group's gross loans and financing grew by 6.4% year-on-year to RM227.9 billion, mainly supported by growth in mortgage, Singapore, commercial, auto finance and SME.

Customer deposits increased by 4.8% to RM240.3 billion, mainly due to growth in CASA by 7.0% and fixed deposits and money market time deposits by 4.0%. CASA composition stood at 28.1% as at 30 June 2024.

Gross impaired loans was at RM4.0 billion as at 30 June 2024, with gross impaired loans ratio of 1.76%.



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B1. Review of Group Results (continued)

(b) Performance by Operating Segment

(i) GCB

GCB reported a pre-tax profit of RM849.0 million for the first half year ended 30 June 2024, 16.4% lower than previous year. This was mainly attributed to higher allowance 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 RM144.8 billion, 6.4% higher year-on-year, primarily driven by growth in mortgage, auto finance and SME.

Total deposits increased by 7.2% year-on-year to RM120.3 billion as at 30 June 2024, contributed by growth in fixed deposits and current account.

(ii) GWB

GWB recorded a pre-tax profit of RM1,158.7 million, an increase of 12.4% from previous year. This was on the back of higher net fund based income and non-fund based income, partially offset by higher allowance for credit losses and higher operating expenses.

Gross loans and financing increased by 0.4% year-on-year to RM48.2 billion. Total deposits decreased by 2.5% to RM82.9 billion mainly due to decline in fixed deposits, partly offset by increase in money market time deposits and current account.

(iii) Group International Business

Group International Business posted a pre-tax profit of RM36.4 million compared to a pre-tax profit of RM24.2 million in the previous year. This was mainly due to higher net fund based income and non-fund based income, partly offset by higher allowance for credit losses and operating expenses.

Gross loans and advances grew 16.0% year-on-year to RM34.9 billion, while deposits increased 15.9% to RM37.1 billion.



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B2. Current Quarter vs Previous Quarter

Net profit of the Group decreased by 1.1% to RM722.3 million from RM730.2 million recorded in the preceding quarter ended 31 March 2024. This was primarily due to higher tax expense, lower non-fund based income, higher operating expenses and higher share of loss in associates, partly offset by lower allowances for credit losses and higher net funding income.

B3. Prospects for Financial Year 2024

Malaysia's economic growth momentum is expected to remain resilient for the remainder of the year driven by both internal and external drivers. Domestic demand has shown signs of improvement, whilst investment spending is projected to remain robust backed by expansion of infrastructure projects and implementation of initiatives under the national master plan.

Outlook for the banking industry remains positive supported by strong capital and liquidity positions. In addition, banks continue to maintain healthy level of provisioning, whilst the monetary policy is expected to remain conducive to support Malaysia's economy.

Moving forward, the Group will focus on improving our asset quality, especially in our regional operations, through containment of delinquencies and intensifying our recovery efforts. The Group will remain prudent and maintaining its strong fundamentals through its TWP24 strategy, prioritising on 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

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Group				
Income tax based on profit for the financial period				
- Malaysian income tax	246,307	257,927	412,844	461,182
- Overseas tax	23,169	(2,206)	27,764	1,818
Deferred tax	(20,002)	(4,998)	12,611	27,051
	<u>249,474</u>	<u>250,723</u>	<u>453,219</u>	<u>490,051</u>
(Over)/Under provision in respect of prior financial years	(754)	668	(28,438)	893
Tax expense	<u>248,720</u>	<u>251,391</u>	<u>424,781</u>	<u>490,944</u>
Zakat	2,750	2,000	5,500	5,000
	<u>251,470</u>	<u>253,391</u>	<u>430,281</u>	<u>495,944</u>

The effective tax rate of the Group for the second quarter and six months ended 30 June 2024 was higher than the statutory tax rate mainly due to non-deductibility of certain expenses for tax purposes.

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Income tax based on profit for the financial period				
- Malaysian income tax	159,481	176,176	266,542	286,989
- Overseas tax	23,200	469	27,315	469
Deferred tax	(19,918)	(17,134)	6,726	12,365
	<u>162,763</u>	<u>159,511</u>	<u>300,583</u>	<u>299,823</u>
(Over)/Under provision in respect of prior financial years	(2,095)	691	(26,675)	691
	<u>160,668</u>	<u>160,202</u>	<u>273,908</u>	<u>300,514</u>

The effective tax rate of the Bank for the second quarter ended 30 June 2024 was higher than the statutory tax rate mainly due to non-deductibility of certain expenses for tax purposes.

The effective tax rate of the Bank for the six months ended 30 June 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) Disposal of RHBSVN

On 19 February 2024, the Bank announced that its wholly-owned subsidiary, RHB Investment Bank, had entered into a Sale and Purchase Agreement ('SPA') with Public Bank Vietnam Limited ('PBVN'), a wholly-owned subsidiary of Public Bank Berhad, in respect of the disposal of its entire equity interest in RHBSVN ('Disposal').

The Disposal is conditional and subject to the approval from the State Securities Commission of Vietnam ('SSC'). The SSC had, vide its letter dated 4 June 2024, granted its approval for the Disposal.

On 28 June 2024, the Board of the Bank announced that the SPA has been completed. With the completion of the SPA, RHBSVN has ceased to be a wholly-owned indirect subsidiary of the Bank.

The Disposal has enabled RHB Investment Bank to monetise its investment in RHBSVN to be utilised for working capital requirements of RHB Investment Bank Group.

Financial information relating to the Disposal are as follows:

(a) Cash flows and net assets of RHBSVN on completion date

	RM'000
Cash and short-term funds	479
Deposits and placements with banks and other financial institutions	10,588
Loans and advances	18,851
Other assets	548
Right-of-use assets	40
Property, plant and equipment	588
Goodwill	4,815
Intangible assets	1,090
Other liabilities	(304)
Lease liabilities	(38)
Borrowings	(2,250)
Total net assets derecognised	<u>34,407</u>
Realisation of translation reserves	1,047
Gain on disposal of a subsidiary	<u>33,596</u>
Sales consideration receivable, gross	69,050
Less: Taxation	<u>(14,429)</u>
Net sales consideration receivable in cash	54,621
Less: Net sales consideration receivable	(54,621)
Less: Cash and short-term funds of the subsidiary disposed	<u>(11,067)</u>
Estimated cash outflow on disposal of a subsidiary	<u><u>(11,067)</u></u>



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B6. Status of Corporate Proposals (continued)

(a) Disposal of RHBSVN (continued)

Financial information relating to the Disposal are as follows (continued):

(b) Financial performance and cash flow

Income Statements for the Six Months Ended 30 June 2024

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Interest income	652	686	1,280	1,367
Interest expense	(62)	(62)	(102)	(173)
Net interest income	590	624	1,178	1,194
Other operating income	167	51	212	111
Net income	757	675	1,390	1,305
Other operating expenses	(844)	(904)	(1,473)	(1,784)
Operating loss before allowances	(87)	(229)	(83)	(479)
Allowance for credit losses on financial assets	3	4	4	11
Loss before taxation	(84)	(225)	(79)	(468)
Taxation	(14,429)	-	(14,429)	-
Gain on disposal of a subsidiary	33,596	-	33,596	-
Net profit/(loss) for the financial period	19,083	(225)	19,088	(468)

Statements of Comprehensive Income for the Six Months Ended 30 June 2024

	2nd Quarter Ended		Six Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Net profit/(loss) for the financial period	19,083	(225)	19,088	(468)
Other comprehensive income in respect of:				
(i) Item that will be reclassified subsequently to profit or loss:				
- Realisation of translation reserves	1,047	-	1,047	-
Other comprehensive income, net of tax, for the financial period	1,047	-	1,047	-
Total comprehensive income/(loss) for the financial period	20,130	(225)	20,135	(468)



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B6. Status of Corporate Proposals (continued)

(a) Disposal of RHBSVN (continued)

Financial information relating to the Disposal are as follows (continued):

(b) Financial performance and cash flow (continued)

Statements of Cash Flows for the Six Months Ended 30 June 2024

	Six Months Ended	
	30 June 2024	30 June 2023
	RM'000	RM'000
Net cash generated from operating activities	2,228	1,637
Net cash used in financing activities	(2,676)	(2,006)
Net decrease in cash and cash equivalents	(448)	(369)



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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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Deposits from customers				
- One year or less	238,102,292	241,146,500	150,239,541	146,481,409
- More than one year	2,206,665	3,936,570	541,888	2,160,086
	<u>240,308,957</u>	<u>245,083,070</u>	<u>150,781,429</u>	<u>148,641,495</u>
Deposits and placements of banks and other financial institutions				
- Maturing within one year	15,218,954	12,061,098	19,505,231	22,515,704
- One year to three years	2,002,771	2,038,322	1,941,966	1,972,463
- Three years to five years	852,491	647,669	738,653	570,745
- Over five years	2,368,869	2,275,309	2,210,534	2,164,570
	<u>20,443,085</u>	<u>17,022,398</u>	<u>24,396,384</u>	<u>27,223,482</u>

(b) Borrowings

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
Unsecured				
Overdraft:				
- Vietnam Dong	-	960	-	-
Term loan:				
- United States Dollar	1,307,583	1,273,870	476,928	464,632
- Singapore Dollar	873,225	873,289	873,225	873,289
Promissory note:				
- Indonesia Rupiah	129,824	-	-	-
- Thai Baht	77,156	113,105	-	-
	<u>2,387,788</u>	<u>2,261,224</u>	<u>1,350,153</u>	<u>1,337,921</u>
Scheduled repayment of borrowings:				
- Within one year	1,080,205	987,354	873,225	873,289
- One year to three years	1,307,583	1,273,870	476,928	464,632
	<u>2,387,788</u>	<u>2,261,224</u>	<u>1,350,153</u>	<u>1,337,921</u>



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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 30 June 2024 RM'000	As at 31 December 2023 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	301,596	301,650
USD500 million 1.658% senior debt securities due in 2026	2,358,061	2,296,398
RM1,500 million 3.95% senior Sukuk Murabahah due in 2026	1,505,065	1,504,910
RM1,500 million 4.38% senior Sukuk Murabahah due in 2028	1,520,846	1,527,622
AUD75 million 4.831% senior debt securities due in 2026	236,535	-
	5,922,103	7,028,525
Fair value changes arising from fair value hedges	(6,655)	(10,072)
	5,915,448	7,018,453

(d) Subordinated obligations

	Group		Bank	
	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 2024 RM'000	As at 31 December 2023 RM'000
4.32% RM500 million Tier II Subordinated Sukuk Murabahah 2019/2029	-	502,426	-	-
3.35% RM500 million Tier II Subordinated Notes 2020/2030	501,519	501,497	501,519	501,497
3.13% RM500 million Tier II Subordinated Notes 2020/2030	501,680	501,653	501,680	501,653
3.65% RM500 million Tier II Subordinated Notes 2021/2031	503,048	503,021	503,048	503,021
4.06% RM250 million Tier II Subordinated Sukuk Murabahah 2022/2032	251,947	251,947	-	-
4.40% RM500 million Tier II Subordinated Notes 2022/2032	505,523	505,503	505,523	505,503
4.45% RM100 million Tier II Subordinated Notes 2022/2032	101,079	101,097	-	-
4.51% RM500 million Tier II Subordinated Notes 2023/2033	509,977	510,019	509,977	510,019
4.00% RM500 million Tier II Subordinated Sukuk Murabahah 2024/2034	502,312	-	-	-
	3,377,085	3,377,163	2,521,747	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 30 June 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	79,934,650	197,267	242,701	55,952,200	294,473	631,192
- Options	237,787	6,654	108	167,329	4,683	150
- Cross-currency interest rate swaps	9,536,358	258,770	396,333	9,487,307	214,501	342,373
	89,708,795	462,691	639,142	65,606,836	513,657	973,715
Interest rate related contracts						
- Swaps	151,738,237	1,047,553	738,413	98,883,695	902,400	648,042
Commodity related contracts						
- Options	1,296,817	63,221	63,221	1,014,067	51,110	51,110
Equity related contracts						
- Options	954,424	47,421	83,965	794,640	50,540	75,695
- Swaps	106,775	685	3,736	-	-	-
	1,061,199	48,106	87,701	794,640	50,540	75,695
Futures related contracts	34,163	213	941	43,295	402	129
Structured warrants	362,557	-	49,758	421,732	-	32,089
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Swaps	11,122,533	145,102	4,141	10,142,725	157,614	6,948
Total	255,324,301	1,766,886	1,583,317	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 30 June 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	88,878,606	206,365	253,520	56,689,002	303,231	627,255
- Options	237,787	6,654	108	167,329	4,683	150
- Cross-currency interest rate swaps	10,355,533	258,684	402,519	10,835,087	228,969	342,372
	<u>99,471,926</u>	<u>471,703</u>	<u>656,147</u>	<u>67,691,418</u>	<u>536,883</u>	<u>969,777</u>
Interest rate related contracts						
- Swaps	162,588,237	1,121,645	812,503	108,423,695	983,294	728,936
Commodity related contracts						
- Options	1,299,769	63,221	63,221	1,016,923	51,110	51,110
Equity related contracts						
- Options	955,614	40,021	39,695	794,840	44,940	44,895
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Swaps	6,022,533	74,881	270	6,142,725	83,200	468
Total	<u>270,338,079</u>	<u>1,771,471</u>	<u>1,571,836</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 30 June 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	82,160,370	270,007	364,226	57,992,164	309,031	708,702
- One year to three years	4,543,923	108,635	199,467	4,146,580	79,233	188,081
- More than three years	3,004,502	84,049	75,449	3,468,092	125,393	76,932
	89,708,795	462,691	639,142	65,606,836	513,657	973,715
Interest rate related contracts						
- Less than one year	41,886,149	146,232	83,621	35,102,731	109,450	95,832
- One year to three years	62,062,152	355,378	293,191	30,078,492	333,407	223,939
- More than three years	47,789,936	545,943	361,601	33,702,472	459,543	328,271
	151,738,237	1,047,553	738,413	98,883,695	902,400	648,042
Commodity related contracts						
- Less than one year	634,252	29,643	14,071	429,499	11,542	11,542
- One year to three years	349,761	28,877	40,250	243,739	11,515	11,515
- More than three years	312,804	4,701	8,900	340,829	28,053	28,053
	1,296,817	63,221	63,221	1,014,067	51,110	51,110
Equity related contracts						
- Less than one year	992,409	46,715	86,819	707,042	49,043	74,248
- One year to three years	68,790	1,391	882	87,598	1,497	1,447
	1,061,199	48,106	87,701	794,640	50,540	75,695
Futures related contracts						
- Less than one year	34,163	213	941	43,295	402	129
	34,163	213	941	43,295	402	129
Structured warrants						
- Less than one year	362,557	-	49,758	421,732	-	32,089
	362,557	-	49,758	421,732	-	32,089
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Less than one year	3,736,411	18,767	1,033	2,197,206	4,820	1,754
- One year to three years	3,369,122	63,806	3,078	3,210,519	48,525	5,021
- More than three years	4,017,000	62,529	30	4,735,000	104,269	173
	11,122,533	145,102	4,141	10,142,725	157,614	6,948
Total	255,324,301	1,766,886	1,583,317	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 30 June 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	91,198,707	279,154	375,045	59,257,571	317,790	704,764
- One year to three years	5,268,717	108,500	205,653	4,965,755	93,700	188,081
- More than three years	3,004,502	84,049	75,449	3,468,092	125,393	76,932
	99,471,926	471,703	656,147	67,691,418	536,883	969,777
Interest rate related contracts						
- Less than one year	44,456,149	152,608	89,383	37,642,731	111,203	97,585
- One year to three years	66,928,152	396,023	334,450	32,078,492	346,709	237,242
- More than three years	51,203,936	573,014	388,670	38,702,472	525,382	394,109
	162,588,237	1,121,645	812,503	108,423,695	983,294	728,936
Commodity related contracts						
- Less than one year	635,521	29,643	14,071	430,607	11,542	11,542
- One year to three years	352,136	28,877	40,250	256,620	11,515	11,515
- More than three years	312,112	4,701	8,900	329,696	28,053	28,053
	1,299,769	63,221	63,221	1,016,923	51,110	51,110
Equity related contracts						
- Less than one year	886,824	38,630	38,813	707,242	43,443	43,448
- One year to three years	68,790	1,391	882	87,598	1,497	1,447
	955,614	40,021	39,695	794,840	44,940	44,895
<u>Fair Value Hedging Derivatives:</u>						
Interest rate related contracts						
- Less than one year	2,776,411	13,252	172	1,697,206	4,820	1
- One year to three years	1,046,122	26,141	98	2,210,519	39,776	467
- More than three years	2,200,000	35,488	-	2,235,000	38,604	-
	6,022,533	74,881	270	6,142,725	83,200	468
Total	270,338,079	1,771,471	1,571,836	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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**NOTES TO UNAUDITED INTERIM FINANCIAL 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
30 June 2024				
<u>Financial assets</u>				
Financial assets at FVTPL:	520,666	3,013,849	782,232	4,316,747
- Money market instruments	-	1,411,716	-	1,411,716
- Quoted securities	520,666	-	-	520,666
- Unquoted securities	-	1,602,133	782,232	2,384,365
Financial assets at FVOCI:	3,122	48,185,132	818,855	49,007,109
- Money market instruments	-	20,812,318	-	20,812,318
- Quoted securities	3,122	-	-	3,122
- Unquoted securities	-	27,372,814	818,855	28,191,669
Derivative assets	-	1,766,886	-	1,766,886
	523,788	52,965,867	1,601,087	55,090,742
<u>Financial liabilities</u>				
Derivative liabilities	49,758	1,533,559	-	1,583,317
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
30 June 2024				
<u>Financial assets</u>				
Financial assets at FVTPL:	7,526	1,550,376	-	1,557,902
- Money market instruments	-	1,171,847	-	1,171,847
- Quoted securities	7,526	-	-	7,526
- Unquoted securities	-	378,529	-	378,529
Financial assets at FVOCI:	-	40,397,128	772,804	41,169,932
- Money market instruments	-	17,148,597	-	17,148,597
- Unquoted securities	-	23,248,531	772,804	24,021,335
Derivative assets	-	1,771,471	-	1,771,471
	<u>7,526</u>	<u>43,718,975</u>	<u>772,804</u>	<u>44,499,305</u>
<u>Financial liabilities</u>				
Derivative liabilities	-	1,571,836	-	1,571,836
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
	<u>1,395</u>	<u>43,823,941</u>	<u>729,292</u>	<u>44,554,628</u>
<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 30 June 2024 RM'000	As at 31 December 2023 RM'000	As at 30 June 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	37,658	60,801	-	16,531
Purchases	4,017	35,390	-	-
Settlement/distribution	(12,330)	(97,810)	-	(31,889)
Exchange differences	19,552	30,112	-	-
Balance as at the end of the financial period/year	<u>782,232</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	46,680	32,275	43,690	30,268
Purchases	-	2,238	-	-
Settlement/disposal	(178)	-	(178)	-
Exchange differences	(83)	(19)	-	-
Balance as at the end of the financial period/year	<u>818,855</u>	<u>772,436</u>	<u>772,804</u>	<u>729,292</u>



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B10. Dividends

Dividend declared during the current financial period ended 30 June 2024:

- (a) Amount per share: Single-tier interim cash dividend of 15.0 sen per share
- (b) Previous corresponding period: Single-tier interim cash dividend of 15.0 sen per share
- (c) Entitlement date: To be determined later
- (d) Payment date: To be determined later

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.

	2nd Quarter Ended		Six Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
Profit attributable to equity holders of the Bank (RM'000)	<u>722,308</u>	<u>808,700</u>	<u>1,452,478</u>	<u>1,570,368</u>
Weighted average number of ordinary shares in issue ('000)	<u>4,323,321</u>	<u>4,267,503</u>	<u>4,304,834</u>	<u>4,257,494</u>
Basic EPS (sen)	<u>16.71</u>	<u>18.95</u>	<u>33.74</u>	<u>36.88</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.



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B11. Earnings per Share ('EPS') (continued)

(b) Diluted EPS (continued)

	2nd Quarter Ended		Six Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
Profit attributable to equity holders of the Bank (RM'000)	722,308	808,700	1,452,478	1,570,368
Weighted average number of ordinary shares in issue ('000)	4,323,321	4,267,503	4,304,834	4,257,494
Effect of dilution ('000)	8,797	4,482	8,797	4,482
Adjusted weighted average number of ordinary shares in issue ('000)	4,332,118	4,271,985	4,313,631	4,261,976
Diluted EPS (sen)	16.67	18.93	33.67	36.85

BY ORDER OF THE BOARD

AZMAN SHAH MD YAMAN

(License No. LS0006901)

Company Secretary

27 August 2024