

**CIMB GROUP HOLDINGS BERHAD**

(Company Number 195601000197)

**CONDENSED INTERIM FINANCIAL STATEMENTS**

**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022**

	Note	The Group		The Company	
		31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<b>ASSETS</b>					
Cash and short-term funds	A8	44,008,860	45,669,511	474,259	93,674
Reverse repurchase agreements/reverse Collateralised Commodity Murabahah		9,751,262	5,885,498	-	-
Deposits and placements with banks and other financial institutions	A8	3,096,482	4,613,720	-	-
Financial investments at fair value through profit or loss	A9	33,200,263	40,279,244	-	-
Debt instruments at fair value through other comprehensive income	A10	58,375,661	60,119,486	1,737,110	1,778,168
Equity instruments at fair value through other comprehensive income	A11	300,669	323,105	-	-
Debt instruments at amortised cost	A12	64,533,424	56,006,340	7,813,401	6,798,814
Derivative financial instruments	A26	18,072,158	11,989,597	-	-
Loans, advances and financing	A13	394,557,180	364,684,772	-	-
Other assets	A14	13,601,102	11,256,072	83,364	84,101
Amount due from a subsidiary		-	-	209	183
Tax recoverable		339,068	674,935	185,361	185,354
Deferred tax assets		1,910,929	1,670,475	-	-
Statutory deposits with central banks		10,905,070	4,676,200	-	-
Investment in subsidiaries		-	-	34,666,619	32,873,956
Investment in associates and joint ventures		2,467,007	2,952,146	-	-
Property, plant and equipment		2,055,881	2,068,976	266	413
Right-of-use assets		600,402	679,582	430	430
Investment properties		-	-	327	345
Goodwill		6,382,440	6,444,100	-	-
Intangible assets		1,798,512	1,857,470	-	-
		<b>665,956,370</b>	<b>621,851,229</b>	<b>44,961,346</b>	<b>41,815,438</b>
Non-current assets held for sale		764,855	55,829	-	3,768
<b>TOTAL ASSETS</b>		<b>666,721,225</b>	<b>621,907,058</b>	<b>44,961,346</b>	<b>41,819,206</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A15	432,949,983	422,418,092	-	-
Investment accounts of customers	A16	13,684,632	10,427,167	-	-
Deposits and placements of banks and other financial institutions	A17	34,189,249	30,701,895	-	-
Repurchase agreements/Collateralised Commodity Murabahah		35,923,201	29,184,383	-	-
Financial liabilities designated at fair value through profit or loss	A18	11,063,853	6,856,782	-	-
Derivative financial instruments	A26	17,460,533	10,895,455	-	-
Bills and acceptances payable		2,002,427	2,035,009	-	-
Other liabilities	A19	25,160,638	15,830,825	12,762	3,158
Lease liabilities		500,138	575,805	-	-
Recourse obligation on loans and financing sold to Cagamas		650,667	998,246	-	-
Amount due to subsidiaries		-	-	531	13,389
Provision for taxation and zakat		109,651	214,336	-	-
Deferred tax liabilities		44,852	44,149	3	227
Bonds, Sukuk and debentures	B5(i)	9,918,209	13,379,042	-	-
Other borrowings	B5(ii)	8,264,785	8,108,472	3,956,970	4,707,895
Subordinated obligations	B5(iii)	11,014,515	10,128,585	10,627,596	9,609,761
		<b>602,937,333</b>	<b>561,798,243</b>	<b>14,597,862</b>	<b>14,334,430</b>
Non-current liabilities held for sale		39	67	-	-
<b>TOTAL LIABILITIES</b>		<b>602,937,372</b>	<b>561,798,310</b>	<b>14,597,862</b>	<b>14,334,430</b>
Ordinary share capital		29,094,547	27,099,681	29,094,547	27,099,681
Reserves		33,397,265	31,764,188	1,268,980	385,138
Less: Shares held under trust		(563)	(563)	-	-
Treasury shares, at cost		(43)	(43)	(43)	(43)
		<b>62,491,206</b>	<b>58,863,263</b>	<b>30,363,484</b>	<b>27,484,776</b>
Perpetual preference shares		200,000	200,000	-	-
Non-controlling interests		1,092,647	1,045,485	-	-
<b>TOTAL EQUITY</b>		<b>63,783,853</b>	<b>60,108,748</b>	<b>30,363,484</b>	<b>27,484,776</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>666,721,225</b>	<b>621,907,058</b>	<b>44,961,346</b>	<b>41,819,206</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A27	<b>1,371,423,297</b>	<b>1,213,155,193</b>	<b>-</b>	<b>-</b>
<b>Net assets per share attributable to owners of the Parent (RM)</b>		<b>5.86</b>	<b>5.76</b>	<b>2.85</b>	<b>2.69</b>

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

**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	The Group			
		4th quarter ended 31 December 2022	31 December 2021	Twelve months ended 31 December 2022	31 December 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	5,368,078	3,880,120	17,847,429	15,588,087
Interest income for financial assets at fair value through profit or loss	A20(b)	257,049	142,605	791,617	569,677
Interest expense	A21, A32	<u>(2,517,760)</u>	<u>(1,284,595)</u>	<u>(7,016,125)</u>	<u>(5,221,273)</u>
Net interest income (before modification loss)		3,107,367	2,738,130	11,622,921	10,936,491
Modification (loss)/gain	A22	<u>(153)</u>	<u>(11,374)</u>	<u>6,707</u>	<u>(62,078)</u>
Net interest income (after modification loss)		3,107,214	2,726,756	11,629,628	10,874,413
Income from Islamic Banking operations	A31(c), A32	1,032,242	915,580	3,999,849	3,533,481
Net non-interest income	A23	<u>1,070,021</u>	<u>951,756</u>	<u>4,197,588</u>	<u>3,954,582</u>
		5,209,477	4,594,092	19,827,065	18,362,476
Gain/(loss) on disposal and deemed disposal of subsidiaries and joint venture		<u>10,186</u>	<u>(7,429)</u>	<u>10,451</u>	<u>1,150,464</u>
		5,219,663	4,586,663	19,837,516	19,512,940
Overheads	A24, A32	<u>(2,487,460)</u>	<u>(2,458,844)</u>	<u>(9,345,507)</u>	<u>(9,418,949)</u>
Profit before expected credit losses		2,732,203	2,127,819	10,492,009	10,093,991
Expected credit losses on loans, advances and financing	A25(a)	<u>(721,645)</u>	<u>(717,118)</u>	<u>(1,952,725)</u>	<u>(2,613,587)</u>
Expected credit losses written back/(made) for commitments and contingencies		8,639	(68,226)	(30,756)	(110,222)
Other expected credit losses and impairment allowances made	A25(b)	<u>(31,361)</u>	<u>(362,273)</u>	<u>(177,757)</u>	<u>(433,525)</u>
Impairment of goodwill	A25(c)	<u>-</u>	<u>-</u>	<u>-</u>	<u>(1,215,197)</u>
		1,987,836	980,202	8,330,771	5,721,460
Share of results of joint ventures		<u>(17,328)</u>	<u>(2,783)</u>	<u>(26,022)</u>	<u>64,223</u>
Share of results of associates		<u>46,121</u>	<u>3,830</u>	<u>66,261</u>	<u>3,795</u>
Profit before taxation and zakat		2,016,629	981,249	8,371,010	5,789,478
Taxation and zakat	B3	<u>(661,460)</u>	<u>(99,568)</u>	<u>(2,778,079)</u>	<u>(1,396,853)</u>
Profit for the financial period/year		<u>1,355,169</u>	<u>881,681</u>	<u>5,592,931</u>	<u>4,392,625</u>
Profit for the financial period/year attributable to :					
Owners of the Parent		1,324,952	854,511	5,439,863	4,295,334
Non-controlling interests		<u>30,217</u>	<u>27,170</u>	<u>153,068</u>	<u>97,291</u>
		<u>1,355,169</u>	<u>881,681</u>	<u>5,592,931</u>	<u>4,392,625</u>
Earnings per share (sen):					
- Basic	B7(a)	12.49	8.37	52.18	42.86
- Fully diluted	B7(b)	12.47	8.37	52.09	42.86

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

**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED**  
**31 DECEMBER 2022**

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
Profit for the financial period/year	1,355,169	881,681	5,592,931	4,392,625
Other comprehensive income/(expense):				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of post employment benefits obligation	917	26,119	2,419	28,044
- Actuarial (loss)/gain	(1,123)	28,487	361	27,635
- Income tax effects	767	(1,044)	767	(1,044)
- Currency translation difference	1,273	(1,324)	1,291	1,453
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	72,755	(26,203)	(154,013)	(72,510)
- Net gain/(loss) from change in fair value attributable to own credit risk	61,326	(24,846)	(160,499)	(74,787)
- Currency translation difference	11,429	(1,357)	6,486	2,277
Equity instruments at fair value through other comprehensive income	7,861	(3,474)	(21,044)	22,689
- Net gain/(loss) from change in fair value	4,029	(1,786)	(16,343)	29,275
- Income tax effects	16	(1,822)	(11)	(4,979)
- Currency translation difference	3,816	134	(4,690)	(1,607)
	81,533	(3,558)	(172,638)	(21,777)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	597,197	(158,136)	(886,883)	(1,038,852)
- Net gain/(loss) from change in fair value	734,298	(117,401)	(1,097,535)	(739,202)
- Realised loss/(gain) transferred to statement of income on disposal	15,069	(68,724)	16,558	(511,806)
- Changes in expected credit losses	13,260	(16,191)	(25,068)	(35,067)
- Income tax effects	(175,139)	44,313	209,486	241,479
- Currency translation difference	9,709	(133)	9,676	5,744
Net investment hedge	165,096	13,612	(295,066)	(180,083)
Hedging reserve - cash flow hedge	17,325	(2,223)	(1,256)	(16,162)
- Net gain/(loss) from change in fair value	20,284	(2,713)	(1,654)	(19,557)
- Income tax effects	(2,959)	490	398	3,395
Deferred hedging cost	(13,847)	(8,437)	21,353	59,600
- Net (loss)/gain from change in fair value	(13,001)	(8,795)	20,122	63,977
- Income tax effects	(846)	358	1,231	(4,377)
Exchange fluctuation reserve	(1,166,034)	14,490	35,719	79,232
Share of other comprehensive income/(expense) of associates and joint ventures	6,069	4,951	10,436	(6,720)
	(394,194)	(135,743)	(1,115,697)	(1,102,985)
Total other comprehensive expense for the financial period/year, net of tax	(312,661)	(139,301)	(1,288,335)	(1,124,762)
Total comprehensive income for the financial period/year	1,042,508	742,380	4,304,596	3,267,863
Total comprehensive income for the financial period/year attributable to:				
Owners of the Parent	1,058,500	712,516	4,211,208	3,190,291
Non-controlling interests	(15,992)	29,864	93,388	77,572
	1,042,508	742,380	4,304,596	3,267,863

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

**CIMB GROUP HOLDINGS BERHAD**  
*(Company Number 195601000197)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	Note	The Company			
		4th quarter ended		Twelve months ended	
		31 December 2022	31 December 2021	31 December 2022	31 December 2021
		RM'000	RM'000	RM'000	RM'000
Interest income	A20(a)	<b>109,478</b>	96,125	<b>388,181</b>	405,633
Interest expense	A21	<b>(151,886)</b>	(140,551)	<b>(556,391)</b>	(583,304)
Net interest expense		<b>(42,408)</b>	(44,426)	<b>(168,210)</b>	(177,671)
Net non-interest income	A23	<b>102,315</b>	(89)	<b>3,137,107</b>	584,188
Gain on disposal of a subsidiary	A5(a)	<b>59,907</b>	(44,515)	<b>2,968,897</b>	406,517
		-	-	<b>581,774</b>	-
Overheads	A24	<b>59,907</b>	(44,515)	<b>3,550,671</b>	406,517
		<b>(7,231)</b>	(10,523)	<b>(30,839)</b>	(36,054)
Profit/(loss) before expected credit losses		<b>52,676</b>	(55,038)	<b>3,519,832</b>	370,463
Other expected credit losses and impairment allowances written back/(made)	A25(b)	<b>3,802</b>	34,457	<b>(2,553)</b>	20,659
Profit/(loss) before taxation		<b>56,478</b>	(20,581)	<b>3,517,279</b>	391,122
Taxation	B3	<b>(763)</b>	(61)	<b>(1,560)</b>	469
Profit/(loss) for the financial period/year		<b>55,715</b>	(20,642)	<b>3,515,719</b>	391,591

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	The Company			
	4th quarter ended		Twelve months ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Profit/(loss) for the financial period/year	<b>55,715</b>	(20,642)	<b>3,515,719</b>	391,591
Other comprehensive income/(expense):				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	<b>(3,475)</b>	5,613	<b>(41,762)</b>	(75,286)
- Net (loss)/gain from change in fair value	<b>(3,424)</b>	16,379	<b>(40,906)</b>	(61,667)
- Changes in expected credit losses	<b>(51)</b>	(10,766)	<b>(856)</b>	(13,619)
Other comprehensive (expense)/income	<b>(3,475)</b>	5,613	<b>(41,762)</b>	(75,286)
Total comprehensive income/(expense) for the financial period/year	<b>52,240</b>	(15,029)	<b>3,473,957</b>	316,305

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**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

Attributable to owners of the Parent

The Group  
31 December 2022

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

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

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**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

Attributable to owners of the Parent

The Group  
31 December 2021

	Ordinary share capital RM'000	Statutory reserve RM'000	Capital reserve RM'000	Exchange fluctuation reserve RM'000	Shares held under trust RM'000	Treasury shares RM'000	Debt instruments at fair value through other comprehensive income RM'000	Equity instruments at fair value through other comprehensive income RM'000	Other reserves RM'000	Share-based payment reserve RM'000	Regulatory reserve * RM'000	Retained earnings RM'000	Total RM'000	Perpetual preference shares RM'000	Non-controlling interests RM'000	Total RM'000
<b>At 1 January 2021</b>	25,843,808	148,117	207,419	421,265	(563)	(43)	465,293	(248,084)	(1,171,120)	75,612	233,441	29,950,496	55,925,641	200,000	1,048,481	57,174,122
Profit for the financial period	-	-	-	-	-	-	-	-	-	-	-	4,295,334	4,295,334	-	97,291	4,392,625
Other comprehensive (expense)/income (net of tax)	-	(25)	-	75,816	-	-	(1,021,824)	22,369	(181,712)	339	(6)	-	(1,105,043)	-	(19,719)	(1,124,762)
- debt instruments at fair value through other comprehensive income	-	-	-	-	-	-	(1,021,827)	-	-	-	-	-	(1,021,827)	-	(17,025)	(1,038,852)
- equity instruments at fair value through other comprehensive income	-	-	-	-	-	-	-	22,369	-	-	-	-	22,369	-	320	22,689
- fair value changes on financial liabilities designated at fair value relating to own credit risk	-	-	-	-	-	-	-	-	(70,240)	-	-	-	(70,240)	-	(2,270)	(72,510)
- net investment hedge	-	-	-	-	-	-	-	-	(180,083)	-	-	-	(180,083)	-	-	(180,083)
- hedging reserve - cash flow hedge	-	-	-	-	-	-	-	-	(15,191)	-	-	-	(15,191)	-	(971)	(16,162)
- deferred hedging cost	-	-	-	-	-	-	-	-	59,600	-	-	-	59,600	-	-	59,600
- remeasurement of post employment benefits obligations	-	-	-	-	-	-	-	-	26,554	-	-	-	26,554	-	1,490	28,044
- currency translation difference	-	-	-	81,672	-	-	-	-	(1,517)	340	-	-	80,495	-	(1,263)	79,232
- share of other comprehensive (expense)/ income of associates and joint ventures	-	(25)	-	(5,856)	-	-	3	-	(835)	(1)	(6)	-	(6,720)	-	-	(6,720)
Total comprehensive (expense)/income for the financial period	-	(25)	-	75,816	-	-	(1,021,824)	22,369	(181,712)	339	(6)	4,295,334	3,190,291	-	77,572	3,267,863
Dividend for the financial year ended 31 December 2020	-	-	-	-	-	-	-	-	-	-	-	(477,295)	(477,295)	-	-	(477,295)
- single tier interim dividend	-	-	-	-	-	-	-	-	-	-	-	(477,295)	(477,295)	-	-	(477,295)
Dividend for the financial year ended 31 December 2021	-	-	-	-	-	-	-	-	-	-	-	(1,045,481)	(1,045,481)	-	-	(1,045,481)
- single tier first interim dividend	-	-	-	-	-	-	-	-	-	-	-	(1,045,481)	(1,045,481)	-	-	(1,045,481)
Non-controlling interests share of dividend	-	-	-	-	-	-	-	-	-	-	-	-	-	(33,609)	(33,609)	
Transfer to statutory reserve	-	4,905	-	-	-	-	-	-	-	-	-	(4,905)	-	-	-	
Transfer from regulatory reserve	-	-	-	-	-	-	-	-	-	-	(104,152)	104,152	-	-	-	
Disposal and deemed disposal of subsidiaries	-	-	-	(34)	-	-	-	-	-	(2,858)	-	-	(2,892)	-	(46,923)	(49,815)
Right issues of a subsidiary	-	-	-	-	-	-	-	-	-	-	-	-	-	2	2	
Disposal of joint ventures	-	-	-	(34,147)	-	-	-	245	1,747	478	3	-	(31,674)	-	-	(31,674)
Non-controlling interests share of subsidiary treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	-	60	60	
Share-based payment expense	-	-	-	-	-	-	-	-	-	82,459	-	-	82,459	-	-	82,459
Shares released under employee benefit schemes	-	-	-	-	-	-	-	-	64,053	(69,435)	-	-	(5,382)	-	(98)	(5,480)
Purchase of shares in relation to Equity Ownership Plan	-	-	-	-	-	-	-	-	(28,277)	-	-	-	(28,277)	-	-	(28,277)
Issuance of shares through dividend reinvestment scheme	1,255,873	-	-	-	-	-	-	-	-	-	-	-	1,255,873	-	-	1,255,873
Transfer of realised loss upon disposal of equity investments at fair value through other comprehensive income to retained earnings	-	-	-	-	-	-	-	7,925	-	-	-	(7,925)	-	-	-	-
<b>At 31 December 2021</b>	<b>27,099,681</b>	<b>152,997</b>	<b>207,419</b>	<b>462,900</b>	<b>(563)</b>	<b>(43)</b>	<b>(556,531)</b>	<b>(217,545)</b>	<b>(1,315,309)</b>	<b>86,595</b>	<b>129,286</b>	<b>32,814,376</b>	<b>58,863,263</b>	<b>200,000</b>	<b>1,045,485</b>	<b>60,108,748</b>

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

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

**CIMB GROUP HOLDINGS BERHAD**  
(Company Number 195601000197)  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

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

	← Non-distributable →				Distributable		Total RM'000
	Ordinary share capital RM'000	Capital reserve RM'000	Treasury shares RM'000	Fair value reserve - debt instruments at fair value through other comprehensive income RM'000	Share-based payment reserve RM'000	Retained earnings RM'000	
<b>The Company</b>							
<b>At 1 January 2021</b>	25,843,808	55,982	(43)	103,514	-	1,398,626	27,401,887
Profit for the financial year	-	-	-	-	-	391,591	391,591
Other comprehensive expense (net of tax)	-	-	-	(75,286)	-	-	(75,286)
- Debt instruments at fair value through other comprehensive income	-	-	-	(75,286)	-	-	(75,286)
Total comprehensive (expense)/income for the financial period	-	-	-	(75,286)	-	391,591	316,305
Dividend for the financial year ended 31 December 2020	-	-	-	-	-	(477,295)	(477,295)
- single tier interim dividend	-	-	-	-	-	(477,295)	(477,295)
Dividend for the financial year ended 31 December 2021	-	-	-	-	-	(1,045,481)	(1,045,481)
- single tier first interim dividend	-	-	-	-	-	(1,045,481)	(1,045,481)
Issuance of shares through dividend reinvestment scheme	1,255,873	-	-	-	-	-	1,255,873
Capital contribution to subsidiaries	-	-	-	-	33,487	-	33,487
<b>At 31 December 2021</b>	<b>27,099,681</b>	<b>55,982</b>	<b>(43)</b>	<b>28,228</b>	<b>33,487</b>	<b>267,441</b>	<b>27,484,776</b>

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

**CIMB GROUP HOLDINGS BERHAD**  
*(Company Number 195601000197)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	The Group		The Company	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Profit before taxation and zakat	8,371,010	5,789,478	3,517,279	391,122
Adjustments for non-operating and non-cash items	(738,743)	1,288,394	(3,539,703)	(422,144)
Operating profit/(loss) before changes in working capital	7,632,267	7,077,872	(22,424)	(31,022)
Net changes in operating assets	(34,714,430)	(9,628,830)	1,069,696	12,190
Net changes in operating liabilities	37,652,145	27,468,288	10,639	(3,022)
	2,937,715	17,839,458	1,080,335	9,168
Cash flows generated from/(used in) operations	10,569,982	24,917,330	1,057,911	(21,854)
Taxation paid	(2,474,389)	(1,745,098)	(1,791)	(1,009)
Net cash flows generated from/(used in) operating activities	8,095,593	23,172,232	1,056,120	(22,863)
Cash flows from investing activities				
Dividend income from subsidiaries	-	-	3,131,843	582,565
Interest income received from financial investments	3,874,580	3,541,875	362,436	409,410
Net (purchase)/disposal of financial investments	(8,980,694)	(14,586,408)	(1,000,000)	1,400,000
Net purchase from disposal of property, plant and equipment	(305,212)	56,644	-	-
Net purchase of intangible assets	(548,803)	(624,254)	-	-
Other investing activities	(175,785)	(379,964)	(2,229,719)	(461,892)
Net cash flows (used in)/generated from investing activities	(6,135,914)	(11,992,107)	264,560	1,930,083
Cash flows from financing activities				
Dividend paid to shareholders	(649,579)	(266,902)	(649,579)	(266,902)
Interest paid on bonds, Sukuk and debentures	(309,729)	(242,529)	-	-
Interest paid on subordinated obligations	(403,636)	(464,145)	(411,244)	(457,757)
Interest paid on term loan facility and other borrowings	(86,346)	(138,948)	-	(72,675)
Proceeds from issuance of bonds, Sukuk and debentures	5,619,953	3,423,493	-	100,000
Proceeds from issuance of subordinated obligations	2,500,000	350,000	2,500,000	-
Proceeds from term loan facility and other borrowings	4,449,409	598,473	-	3,000,000
Redemption of bonds, Sukuk and debentures	(9,116,594)	(2,577,405)	-	-
Redemption of subordinated obligations	(1,493,556)	(2,924,239)	(1,500,000)	(1,400,000)
Repayment of term loan facility and other borrowings	(3,675,958)	(6,006,900)	-	(3,000,000)
Other financing activities	(1,485,644)	1,661,859	(878,589)	(60,815)
Net cash flows used in financing activities	(4,651,680)	(6,587,243)	(939,412)	(2,158,149)
Net (decrease)/increase in cash and cash equivalents during the financial year	(2,692,001)	4,592,882	381,268	(250,929)
Effects of exchange rate changes	309,843	319,689	(683)	-
Cash and cash equivalents at beginning of the financial year	46,106,715	41,194,144	93,674	344,603
	43,724,557	46,106,715	474,259	93,674
Monies held in trust	(685,485)	(680,986)	-	-
<b>Cash and cash equivalents at end of the financial year</b>	<b>43,039,072</b>	<b>45,425,729</b>	<b>474,259</b>	<b>93,674</b>
<b>Cash and cash equivalents comprise:</b>				
Cash and short-term funds	44,008,860	45,669,511	474,259	93,674
Deposits and placements with banks and other financial institutions	3,096,482	4,613,720	-	-
	47,105,342	50,283,231	474,259	93,674
Less: Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(3,380,785)	(4,176,516)	-	-
Monies held in trust	(685,485)	(680,986)	-	-
Cash and cash equivalents at end of financial year	43,039,072	45,425,729	474,259	93,674

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



## **PART A - EXPLANATORY NOTES**

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

(a) The unaudited condensed interim financial statements for the financial year ended 31 December 2022 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, debt instruments at fair value through other comprehensive income, equity instruments at fair value through other comprehensive income, derivative financial instruments and non-current assets/disposal groups held for sale and financial liabilities designated at fair value through profit or loss, that have been measured at fair value.

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

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

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

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

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

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

(b) Global economic activity is expected to be cautious in 2023 in view of on-going political tensions, uncertainty in Covid-19 cases and possibility of a global recession. Inflationary pressures are likely to remain as governments will likely continue tightening fiscal and monetary policies. This may be partially offset by the relaxation of China's strict pandemic controls which signals a recovery of the Chinese economy, which should translate to a pick-up in global travel activity and consumer spending.

The Group had supported customers impacted by the pandemic by providing targeted assistance programs. Most customers have since migrated out of these programs. Various prevailing uncertainties will continue to be monitored and the Group will continue to keep track of asset quality.

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

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

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

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

Other than detailed below, there were no other new shares issuance, repayment of debt securities, share buy backs and share cancellations, or resale of shares held as treasury shares during the financial year ended 31 December 2022:-

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

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

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

The entitlement date pursuant to Single Tier First Interim Dividend for financial year ended 31 December 2022 and the corresponding DRS was fixed for 29 September 2022. The Group had, on 28 October 2022, issued and allotted 190,848,383 New CIMB Shares. The New CIMB Shares were listed and quoted on the Main Market of Bursa Securities with effect from 9.00 a.m., Monday, 31 October 2022. With the listing of the New Shares, the enlarged issued and paid-up share capital of CIMBGH is 10,665,106,608 shares.

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

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

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

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

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

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

(i) On 10 June 2022, CIMBGH redeemed its RM750 million iMTN issued under the existing Conventional and Islamic Medium Term Notes Programmes, which has a combined limit of RM6.0 billion in nominal value.

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

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

(l) CIMB Thai issued various unsecured structured debentures with tenures ranging between 2 months to 3 years from the respective issuance dates. It bears variable interest rates, payable at respective maturity dates.

During the financial year, CIMB Thai Bank has redeemed unsecured short term debentures amounted to THB9.1 billion.

(m) CIMB Thai issued various unsecured short term debentures with tenures ranging between 4 to 8 months. The debentures carry fixed interest rates ranging between 0.9% to 1.15%, payable at respective maturity dates.

During the financial year, CIMB Thai Bank has redeemed unsecured short term debentures amounted to THB27.5 billion.

(n) On 21 August 2022, CIMB Niaga redeemed its Series B Sukuk amounted to IDR936,000 million.

(o) On 23 August 2022, CIMB Niaga redeemed its Series C Bond amounted to IDR822,000 million.

(p) On 8 September 2022, the Company issued RM1.5 billion 10 years non-callable 5 years Tier 2 Sukuk Wakalah bearing a periodic distribution rate of 4.40% per annum, payable on a semi-annual basis. The said Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM1.5 billion Tier 2 Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

(q) On 2 November 2022, CIMB Niaga redeemed its Series C Bond amounted to IDR843,000 million.

(r) On 10 November 2022, the Company completed the capital injection of RM801.9 million into new ordinary shares of CIMB Bank.

(s) On 15 November 2022, CIMB Bank redeemed its USD40 million 5-year floating rate notes issued under its USD5 billion Euro Medium Term Note Programme established on 15 August 2014.

(t) On 28 November 2022, CIMB Islamic issued RM300 million Tier 2 Junior Sukuk under its RM5.0 billion Tier 2 Junior Sukuk Programme. The Sukuk, which bears a coupon rate of 4.90% per annum payable semi-annually, will mature on 26 November 2032, with first call date on 29 November 2027.

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

u) On 30 November 2022, CIMB Bank redeemed its existing RM1.5 billion Tier 2 Subordinated Debt issued under RM10.0 billion Tier 2 Subordinated Debt Programme on the first call date.

v) On 30 November 2022, the Company redeemed its existing RM1.5 billion Tier 2 Subordinated Debt issued under RM10.0 billion Tier 2 Subordinated Debt Programme on the first call date.

w) On 2 December 2022, the Company issued RM1.0 billion 10 years non-callable 5 years Tier 2 Sustainability Sukuk Wakalah bearing a periodic distribution rate of 4.95% per annum, payable on a semi-annual basis. The said Sustainability Sukuk Wakalah was issued out of the RM15.0 billion Sukuk Wakalah programme. The proceeds from the issuance were used to subscribe to the RM1.0 billion Tier 2 Sustainability Sukuk Wakalah issued by CIMB Bank on the same day, based on similar terms.

x) On 19 December 2022, CIMB Niaga redeemed its Series B Sukuk amounted to IDR1,066,000 million.

y) On 28 December 2022, CIMB Islamic redeemed its existing RM300 million Tier 2 Junior Sukuk issued under RM5.0 billion Tier 2 Junior Sukuk Programme from CIMB Bank Berhad on the first call date.

z) Subsequent to the financial year, CIMB Thai issued various unsecured structured debentures amounted to THB60.0 million with tenures ranges between 1 month to 3 months from respective issuance dates. It bears variable interest rates depending on the movement of the price per fund unit of the Reference Fund, payable at respective maturity dates. CIMB Thai had also issued various unsecured short term debentures amounted to THB12.3 billion with maturity of 6 months from respective issuance dates. The short term debentures carry fixed interest rates ranges from 1.15% - 1.34%, payable at respective maturity dates. CIMB Thai had also redeemed various unsecured structured debentures and unsecured short term debentures amounting to THB185.4 million and THB325.2 million respectively.

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

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

A single-tier first interim dividend of 13.00 sen per ordinary share, on 10,474,253,317 ordinary shares amounting to RM1,361,652,931 in respect of the financial year ended 31 December 2022 was approved by the Board of Directors on 28 July 2022. The single-tier first interim dividend of 13.00 sen consists of a cash portion of 2.60 sen per ordinary share and an electable portion of 10.40 sen per ordinary share which can be elected to be reinvested in new ordinary shares in accordance with the DRS. Following the completion of DRS, a total cash dividend of RM451,306,144 was paid on 28 October 2022.

The Directors have proposed a single-tier second interim dividend of 13.00 sen per ordinary share, on 10,665,072,687 ordinary shares amounting to RM1,386 million in respect of the financial year ended 31 December 2022.

### **A5. STATUS OF CORPORATE PROPOSAL**

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

### **A6. EVENTS DURING THE REPORTING PERIOD**

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

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

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

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

There is no significant events that had occurred between 31 December 2022 and the date of this announcement, other than those disclosed under Issuance and Repayment of Debts and Equity Securities.

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

As at 31 December 2022, the expected credit losses in deposit placements maturing within one month and deposits and placements with banks and other financial institutions are RM2,528,000 (2021: RM2,484,000) and RM2,361,000 (2021: RM1,963,000) respectively. The 12-month expected credit losses made in the income statement during the financial year is amounting to RM137,000 (written back in 2021: RM517,000).

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

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
<b>Money market instruments:</b>		
<b>Unquoted</b>		
Malaysian Government Securities	3,141,965	2,063,110
Cagamas bonds	1,021,901	865,744
Khazanah bonds	1,987	63,381
Malaysian Government treasury bills	1,265,864	151,173
Bank Negara Malaysia monetary notes	1,094,640	2,290,759
Negotiable instruments of deposit	193,586	3,909,653
Other Government securities	3,022,373	5,405,014
Government Investment Issues	3,080,842	2,611,716
Other Government treasury bills	10,370,577	9,884,399
Commercial papers	24,753	1,479,300
Promissory Notes	295,529	398,711
	<b>23,514,017</b>	<b>29,122,960</b>
<b>Quoted securities:</b>		
<i><u>In Malaysia:</u></i>		
Shares	988,048	1,115,967
<i><u>Outside Malaysia:</u></i>		
Shares	352,026	290,468
	<b>1,340,074</b>	<b>1,406,435</b>
<b>Unquoted securities:</b>		
<i><u>In Malaysia:</u></i>		
Corporate bond and Sukuk	3,103,138	3,030,818
Shares	1,054,046	1,001,003
Unit trusts	93,128	85,627
<i><u>Outside Malaysia:</u></i>		
Corporate bond	1,535,979	3,822,467
Shares	3,385	1,960
Private equity funds	139,499	175,649
Other Government bonds	2,416,997	1,632,325
	<b>8,346,172</b>	<b>9,749,849</b>
	<b>33,200,263</b>	<b>40,279,244</b>

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

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Fair value</b>				
<b>Money market instruments:</b>				
<b>Unquoted</b>				
Malaysian Government Securities	5,107,076	4,832,000	-	-
Cagamas bonds	396,349	270,955	-	-
Negotiable instruments of deposit	232,584	470,384	-	-
Other Government securities	7,618,254	5,114,067	-	-
Government investment Issues	6,427,540	5,712,395	-	-
Other Government treasury bills	140,102	-	-	-
	<b>19,921,905</b>	<b>16,399,801</b>	<b>-</b>	<b>-</b>
<b>Unquoted securities:</b>				
<i>In Malaysia:</i>				
Corporate bond and Sukuk	20,139,108	21,951,483	1,737,110	1,778,168
<i>Outside Malaysia:</i>				
Corporate bond and Sukuk	9,618,028	10,371,627	-	-
Bank Indonesia certificates	-	194,652	-	-
Other Government bonds	8,696,620	11,201,923	-	-
	<b>38,453,756</b>	<b>43,719,685</b>	<b>1,737,110</b>	<b>1,778,168</b>
	<b>58,375,661</b>	<b>60,119,486</b>	<b>1,737,110</b>	<b>1,778,168</b>

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

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

	The Group			
	Lifetime			Total
	12-month	expected credit	Lifetime expected	
	expected credit	losses - not	credit losses	
losses	impaired	- credit impaired		
	(Stage 1)	(Stage 2)	(Stage 3)	
	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2022</b>	<b>41,798</b>	<b>1,748</b>	<b>20,849</b>	<b>64,395</b>
Changes in expected credit losses due to transfer within stages:	(54)	54	-	-
Transferred to Stage 1	116	(116)	-	-
Transferred to Stage 2	(170)	170	-	-
<b>Total charge to Statement of Income:</b>	<b>(3,645)</b>	<b>(574)</b>	<b>(20,849)</b>	<b>(25,068)</b>
New financial assets purchased	29,665	-	-	29,665
Financial assets that have been derecognised	(5,712)	(7)	-	(5,719)
Writeback in respect of full recoveries	-	-	(20,849)	(20,849)
Change in credit risk	(27,598)	(567)	-	(28,165)
Exchange fluctuation	1,889	1	-	1,890
<b>At 31 December 2022</b>	<b>39,988</b>	<b>1,229</b>	<b>-</b>	<b>41,217</b>
<b>At 1 January 2021</b>	<b>40,076</b>	<b>24,223</b>	<b>20,849</b>	<b>85,148</b>
Changes in expected credit losses due to transfer within stages:	(527)	527	-	-
Transferred to Stage 2	(527)	527	-	-
<b>Total charge to Statement of Income:</b>	<b>(11,698)</b>	<b>(23,369)</b>	<b>-</b>	<b>(35,067)</b>
New financial assets purchased	105,563	-	-	105,563
Financial assets that have been derecognised	(28,081)	(24,584)	-	(52,665)
Change in credit risk	(89,180)	1,215	-	(87,965)
Exchange fluctuation	13,947	367	-	14,314
<b>At 31 December 2021</b>	<b>41,798</b>	<b>1,748</b>	<b>20,849</b>	<b>64,395</b>

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

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

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

	<b>The Company</b>			<b>Total RM'000</b>
	<b>12-month expected credit losses (Stage 1) RM'000</b>	<b>Lifetime</b>		
		<b>expected credit losses - not credit impaired (Stage 2) RM'000</b>	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	
<b>At 1 January 2022</b>	12,328	-	-	12,328
<b>Total charge to Statement of Income:</b>	(856)	-	-	(856)
Change in credit risk	(856)	-	-	(856)
<b>At 31 December 2022</b>	<b>11,472</b>	-	-	<b>11,472</b>
<b>At 1 January 2021</b>	25,947	-	-	25,947
<b>Total charge to Statement of Income:</b>	(13,619)	-	-	(13,619)
Change in credit risk	(13,619)	-	-	(13,619)
<b>At 31 December 2021</b>	<b>12,328</b>	-	-	<b>12,328</b>

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

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

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

	<b>The Group</b>	
	<b>31 December 2022 RM'000</b>	<b>31 December 2021 RM'000</b>
<b>Quoted securities</b>		
<i><u>In Malaysia</u></i>		
Shares	22,264	30,039
<i><u>Outside Malaysia</u></i>		
Shares	1,860	1,981
Property fund	-	5,492
	<b>24,124</b>	<b>37,512</b>
<b>Unquoted securities</b>		
<i><u>In Malaysia</u></i>		
Shares	265,578	265,418
Property funds	189	189
<i><u>Outside Malaysia</u></i>		
Shares	10,705	12,759
Private equity funds	73	7,227
	<b>276,545</b>	<b>285,593</b>
	<b>300,669</b>	<b>323,105</b>

**A12. DEBT INSTRUMENTS AT AMORTISED COST**

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>Money market instruments:</b>				
<b>Unquoted</b>				
Malaysian Government securities	9,262,963	7,086,208	-	-
Cagamas bonds	503,023	245,668	-	-
Other Government treasury bills	5,144,798	3,834,187	-	-
Other Government securities	3,535,311	2,022,944	-	-
Malaysian Government investment issue	16,658,815	15,617,821	-	-
Khazanah bonds	202,027	235,345	-	-
Negotiable instruments of deposit	-	127,679	-	-
	<b>35,306,937</b>	<b>29,169,852</b>	<b>-</b>	<b>-</b>
<b>Unquoted securities</b>				
<i>In Malaysia</i>				
Corporate bond and Sukuk	19,812,585	18,195,695	7,864,777	6,846,781
<i>Outside Malaysia</i>				
Corporate bond and Sukuk	4,208,523	4,166,266	-	-
Other Government bonds	5,757,420	5,091,327	-	-
	<b>29,778,528</b>	<b>27,453,288</b>	<b>7,864,777</b>	<b>6,846,781</b>
Total	<b>65,085,465</b>	<b>56,623,140</b>	<b>7,864,777</b>	<b>6,846,781</b>
Amortisation of premium, net of accretion of discount	32,998	30,445	-	-
Less : Expected credit losses	(585,039)	(647,245)	(51,376)	(47,967)
	<b>64,533,424</b>	<b>56,006,340</b>	<b>7,813,401</b>	<b>6,798,814</b>

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

	The Group			Total
	12-month	Lifetime	Lifetime	
	expected credit losses	expected credit losses - not credit impaired	expected credit losses - credit impaired	
(Stage 1)	(Stage 2)	(Stage 3)		
RM'000	RM'000	RM'000	RM'000	
<b>At 1 January 2022</b>	<b>1,878</b>	<b>31,265</b>	<b>614,102</b>	<b>647,245</b>
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	1,275	(1,275)	-	-
Transferred to Stage 2	(292)	292	-	-
<b>Total charge to Statement of Income:</b>	<b>2,294</b>	<b>(26,093)</b>	<b>(78,158)</b>	<b>(101,957)</b>
New financial assets purchased	12,829	-	-	12,829
Financial assets that have been derecognised	(1,295)	(52)	-	(1,347)
Change in credit risk	(9,240)	(26,041)	(78,158)	(113,439)
Exchange fluctuation	323	(14)	(154)	155
Other movements	-	-	39,596	39,596
<b>At 31 December 2022</b>	<b>5,478</b>	<b>4,175</b>	<b>575,386</b>	<b>585,039</b>
<b>At 1 January 2021</b>	<b>9,096</b>	<b>735,922</b>	<b>11,471</b>	<b>756,489</b>
Changes in expected credit losses due to transfer within stages:				
Transferred to Stage 1	228	(228)	-	-
Transferred to Stage 2	(144)	144	-	-
Transferred to Stage 3	-	(453,524)	453,524	-
<b>Total charge to Statement of Income:</b>	<b>(7,363)</b>	<b>39,210</b>	<b>156,042</b>	<b>187,889</b>
New financial assets purchased	12,819	-	-	12,819
Financial assets that have been derecognised	(615)	-	-	(615)
Change in credit risk	(19,567)	39,210	156,042	175,685
Write-offs	-	-	(7,020)	(7,020)
Exchange fluctuation	61	-	85	146
Other movements	-	(290,259)	-	(290,259)
<b>At 31 December 2021</b>	<b>1,878</b>	<b>31,265</b>	<b>614,102</b>	<b>647,245</b>

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

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

	<b>The Company</b>			<b>Total RM'000</b>
	<b>12-month expected credit losses (Stage 1) RM'000</b>	<b>expected credit losses - not credit impaired (Stage 2) RM'000</b>	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	
<b>At 1 January 2022</b>	47,967	-	-	47,967
<b>Total charge to Statement of Income:</b>	<b>3,409</b>	<b>-</b>	<b>-</b>	<b>3,409</b>
Change in credit risk	3,409	-	-	3,409
<b>At 31 December 2022</b>	<b>51,376</b>	<b>-</b>	<b>-</b>	<b>51,376</b>
<b>At 1 January 2021</b>	55,022	-	-	55,022
<b>Total charge to Statement of Income:</b>	<b>(7,055)</b>	<b>-</b>	<b>-</b>	<b>(7,055)</b>
Change in credit risk	(7,055)	-	-	(7,055)
<b>At 31 December 2021</b>	<b>47,967</b>	<b>-</b>	<b>-</b>	<b>47,967</b>

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

	<b>The Group</b>	
	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2022</b>	1,231,144	1,231,144
Other changes in debts instruments	31,094	31,094
Exchange fluctuation	23,987	23,987
<b>At 31 December 2022</b>	<b>1,286,225</b>	<b>1,286,225</b>
<b>At 1 January 2021</b>	11,471	11,471
Transfer within stages	1,226,546	1,226,546
Write-offs	(7,020)	(7,020)
Other changes in debts instruments	5,578	5,578
Exchange fluctuation	(5,431)	(5,431)
<b>At 31 December 2021</b>	<b>1,231,144</b>	<b>1,231,144</b>



### A13. LOANS, ADVANCES AND FINANCING

#### (i) By type

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
<b>At amortised cost</b>		
Overdrafts	4,941,495	4,745,193
Term loans/financing		
- Housing loans/financing	131,209,391	121,680,843
- Syndicated term loans	21,904,930	17,205,940
- Hire purchase receivables	26,064,935	24,098,907
- Lease receivables	217,887	149,074
- Factoring receivables	193,113	108,698
- Other term loans/financing	154,908,116	150,407,952
Bills receivable	6,761,901	6,884,735
Trust receipts	2,683,230	2,701,349
Claims on customers under acceptance credits	4,105,031	3,463,342
Staff loans *	1,761,101	1,710,211
Credit card receivables	9,334,399	8,379,069
Revolving credits	42,813,681	36,075,522
Share margin financing	50,346	63,946
Gross loans, advances and financing at amortised cost	406,949,556	377,674,781
Fair value changes arising from fair value hedges	(99,907)	(24,781)
	406,849,649	377,650,000
Less:		
- Expected credit losses	(12,400,021)	(13,323,081)
Net loans, advances and financing at amortised cost	394,449,628	364,326,919
<b>At fair value through profit or loss</b>		
Term loans/financing		
- Syndicated term loan	107,552	357,853
Gross loans, advances and financing at fair value through profit or loss	107,552	357,853
<b>Total net loans, advances and financing</b>	394,557,180	364,684,772
<b>Total gross loans, advances and financing:</b>		
- At amortised cost	406,949,556	377,674,781
- At fair value through profit or loss	107,552	357,853
	407,057,108	378,032,634

\* Included in staff loans of the Group are loans to Directors amounting to RM2,970,659 (2021: RM3,062,694).

(a) Included in the Group's loans, advances and financing balances are RM21,919,000 (2021: RM23,684,000) of reinstated loans which were previously impaired and written off prior to 2005. The reinstatement of these loans has been approved by BNM on 5 February 2010 and were done selectively on the basis of either full settlement of arrears or upon regularised payments of rescheduled loan repayments.

(b) The Group has undertaken fair value hedge on the interest rate risk of loans, advances and financing with RM1,786,866,000 (2021: RM1,353,719,000), using interest rate swaps.

(c) Included in the loans, advances and financing of the Group at 31 December 2022 are financing which are disclosed as "Restricted Agency Investment Account" ("RAIA") in the financial statements of CIMB Islamic amounting to RM11,280,429,000 (2021: RM10,248,755,000). RAIA arrangement is with CIMB Bank's wholly owned subsidiary, CIMB Islamic, and the contract is based on the Wakalah principle where CIMB Bank solely provide the funds, whilst the assets are managed by CIMB Islamic (as the Wakeel or agent). In the arrangement, CIMB Islamic has transferred substantially all the risk and rewards of ownership of the Investment (i.e the financing facility) to CIMB Bank. Accordingly, the underlying assets (including the undisbursed portion of the financing commitment) and expected credit losses arising thereon, if any, are recognised and accounted for by CIMB Bank.

#### (ii) By type of customers

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
Domestic banking institutions	353,649	331,689
Domestic non-bank financial institutions		
- Stockbroking companies	390,700	8,005
- Others	5,931,557	5,757,202
Domestic business enterprises		
- Small medium enterprises	52,961,537	50,591,611
- Others	63,842,297	61,916,846
Government and statutory bodies	11,813,303	10,043,045
Individuals	214,310,312	199,982,760
Other domestic entities	15,980,825	11,877,650
Foreign entities	41,472,928	37,523,826
Gross loans, advances and financing	407,057,108	378,032,634

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate		
- Housing loans/financing	6,748,169	5,318,245
- Hire-purchase receivables	19,711,850	18,920,957
- Other fixed rate loans	50,868,798	43,301,652
Variable rate		
- BLR plus/BFR plus	122,277,864	125,868,417
- Cost plus	57,474,041	49,707,733
- Other variable rates	149,976,386	134,915,630
Gross loans, advances and financing	<b>407,057,108</b>	<b>378,032,634</b>

**(iv) By economic purpose**

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Personal use	21,261,070	22,018,829
Credit card	9,334,399	8,379,069
Purchase of consumer durables	671,284	242,000
Construction	12,851,633	14,039,720
Residential property (Housing)	132,022,436	122,156,586
Non-residential property	34,488,187	31,956,554
Purchase of fixed assets other than land and building	15,231,052	12,641,424
Mergers and acquisitions	2,301,167	3,164,943
Purchase of securities	22,653,271	23,610,624
Purchase of transport vehicles	26,262,111	24,085,306
Working capital	99,188,624	85,909,439
Other purposes	30,791,874	29,828,140
Gross loans, advances and financing	<b>407,057,108</b>	<b>378,032,634</b>

**(v) By geographical distribution**

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysia	253,322,993	238,014,490
Indonesia	60,073,967	56,576,930
Thailand	33,022,208	30,727,520
Singapore	37,060,832	33,079,131
United Kingdom	4,667,221	3,799,797
Hong Kong	1,516,160	1,309,610
China	3,325,093	3,310,490
Other countries	14,068,634	11,214,666
Gross loans, advances and financing	<b>407,057,108</b>	<b>378,032,634</b>

**(vi) By economic sector**

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	11,487,021	10,138,258
Mining and quarrying	4,826,294	4,768,308
Manufacturing	29,975,693	27,183,545
Electricity, gas and water supply	5,835,764	6,435,297
Construction	13,109,378	12,740,224
Transport, storage and communications	14,003,587	11,374,141
Education, health and others	19,456,379	18,447,390
Wholesale and retail trade, and restaurants and hotels	32,946,738	32,730,035
Finance, insurance/takaful, real estate and business activities	51,280,780	45,592,524
Household	201,360,134	188,211,528
Others	22,775,340	20,411,384
Gross loans, advances and financing	<b>407,057,108</b>	<b>378,032,634</b>

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

**(vii) By residual contractual maturity**

	The Group	
	31 December 2022	31 December 2021
	RM'000	RM'000
Within one year	88,412,486	87,723,465
One year to less than three years	30,915,249	24,148,032
Three years to less than five years	43,465,298	36,701,434
Five years and more	244,264,075	229,459,703
Gross loans, advances and financing	<b>407,057,108</b>	<b>378,032,634</b>

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

	The Group	
	31 December 2022	31 December 2021
	RM'000	RM'000
Personal use	515,312	444,434
Credit card	176,297	210,939
Purchase of consumer durables	2,005	2,490
Construction	392,766	1,464,882
Residential property (Housing)	3,104,913	1,791,582
Non-residential property	708,347	579,525
Purchase of fixed assets other than land and building	1,105,457	1,217,569
Mergers and acquisitions	-	308,533
Purchase of securities	53,934	185,663
Purchase of transport vehicles	313,452	285,425
Working capital	6,156,858	6,162,103
Other purpose	791,558	639,390
Gross credit impaired loans, advances and financing	<b>13,320,899</b>	<b>13,292,535</b>

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

	The Group	
	31 December 2022	31 December 2021
	RM'000	RM'000
Malaysia	5,308,929	5,060,265
Indonesia	5,006,066	4,652,460
Thailand	1,321,615	1,288,608
Singapore	736,184	1,515,551
United Kingdom	8,700	7,658
Hong Kong	142,284	9
China	4,546	5,429
Other countries	792,575	762,555
Gross credit impaired loans, advances and financing	<b>13,320,899</b>	<b>13,292,535</b>

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

	The Group	
	31 December 2022	31 December 2021
	RM'000	RM'000
Primary agriculture	171,606	139,674
Mining and quarrying	1,177,565	1,418,398
Manufacturing	1,999,683	1,280,355
Electricity, gas and water supply	111	250,530
Construction	206,583	249,330
Transport, storage and communications	792,157	1,637,326
Education, health and others	173,114	207,436
Wholesale and retail trade, and restaurants and hotels	2,363,447	3,167,724
Finance, insurance/takaful, real estate and business activities	1,043,193	1,079,208
Household	3,982,303	2,489,810
Others	1,411,137	1,372,744
Gross credit impaired loans, advances and financing	<b>13,320,899</b>	<b>13,292,535</b>

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

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

	The Group				Total RM'000
	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - credit impaired (Stage 3) RM'000	Purchased credit impaired RM'000	
<b><u>Loans, advances and financing at amortised cost</u></b>					
<b>At 1 January 2022</b>	1,534,517	4,063,053	7,722,465	3,046	13,323,081
Changes in expected credit losses due to transfer within stages:	586,278	(1,608,928)	1,022,650	-	-
Transferred to Stage 1	1,034,679	(939,786)	(94,893)	-	-
Transferred to Stage 2	(439,574)	909,904	(470,330)	-	-
Transferred to Stage 3	(8,827)	(1,579,046)	1,587,873	-	-
<b>Total charge to Statement of Income:</b>	(702,900)	1,199,606	2,098,251	-	2,594,957
New financial assets originated	959,284	112,225	84,772	-	1,156,281
Financial assets that have been derecognised	(464,774)	(281,159)	-	-	(745,933)
Writeback in respect of full recoveries	-	-	(216,375)	-	(216,375)
Change in credit risk	(1,197,410)	1,368,540	2,229,854	-	2,400,984
Write-offs	(923)	(3,763)	(3,601,539)	(1,320)	(3,607,545)
Disposal of loans, advances and financing	-	-	(412,103)	-	(412,103)
Exchange fluctuation	7,888	(22,007)	52,845	45	38,771
Other movements	721	1,535	460,604	-	462,860
<b>At 31 December 2022</b>	1,425,581	3,629,496	7,343,173	1,771	12,400,021

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

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

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

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

A13. LOANS, ADVANCES AND FINANCING (Continued)

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

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

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3)	Purchased credit impaired	Total
	RM'000	RM'000	RM'000
<b>At 1 January 2022</b>	13,285,278	7,257	13,292,535
Transfer within stages	4,600,745	-	4,600,745
New financial assets originated	171,714	-	171,714
Write-offs	(3,609,463)	(1,320)	(3,610,783)
Amount fully recovered	(609,045)	-	(609,045)
Other changes in loans, advances and financing	(197,420)	(96)	(197,516)
Disposal of loans, advances and financing	(466,527)	-	(466,527)
Exchange fluctuation	139,669	107	139,776
<b>At 31 December 2022</b>	<b>13,314,951</b>	<b>5,948</b>	<b>13,320,899</b>

	The Group		
	Lifetime expected credit losses - credit impaired (Stage 3)	Purchased credit impaired	Total
	RM'000	RM'000	RM'000
<b>At 1 January 2021</b>	13,019,243	7,816	13,027,059
Transfer within stages	3,523,772	-	3,523,772
New financial assets originated	292,748	-	292,748
Write-offs	(1,668,494)	-	(1,668,494)
Amount fully recovered	(783,341)	-	(783,341)
Other changes in loans, advances and financing	(153,527)	(49)	(153,576)
Disposal of loans, advances and financing	(1,033,755)	-	(1,033,755)
Exchange fluctuation	88,632	(510)	88,122
<b>At 31 December 2021</b>	<b>13,285,278</b>	<b>7,257</b>	<b>13,292,535</b>

	The Group	
	31 December 2022	31 December 2021
Ratio of credit impaired loans to total gross loans, advances and financing	<b>3.27%</b>	3.52%

**A14. OTHER ASSETS**

	The Group		The Company	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
Due from brokers	10,377	146,389	-	-
Other debtors net of expected credit losses of RM701,401,000 (2021: RM522,551,000), deposits and prepayments	3,390,389	3,155,487	83,364	84,101
Settlement accounts	1,242,400	442,105	-	-
Treasury related receivables	2,027,697	1,702,413	-	-
Due from joint ventures	2,897,175	2,120,975	-	-
Structured financing	553,415	601,812	-	-
Foreclosed assets net of allowance for impairment losses of RM73,312,000 (2021: RM63,307,000)	210,116	188,909	-	-
Collateral pledged for derivative transactions	3,269,533	2,897,982	-	-
	<b>13,601,102</b>	<b>11,256,072</b>	<b>83,364</b>	<b>84,101</b>

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

**A15. DEPOSITS FROM CUSTOMERS**

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
<u>By type of deposit</u>		
Demand deposits	108,507,497	113,715,182
Savings deposits	73,784,622	72,337,231
Fixed deposits	165,541,568	151,957,865
Negotiable instruments of deposit	648,944	517,515
Others	84,467,352	83,890,299
	<b>432,949,983</b>	<b>422,418,092</b>

By type of customer

Government and statutory bodies	15,005,285	12,260,870
Business enterprises	166,281,466	160,383,062
Individuals	181,284,793	174,607,407
Others	70,378,439	75,166,753
	<b>432,949,983</b>	<b>422,418,092</b>

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

Due within six months	127,698,171	125,376,609
Six months to less than one year	30,874,784	25,724,027
One year to less than three years	6,685,799	1,286,007
Three years to five years	931,758	88,737
More than five years	-	-
	<b>166,190,512</b>	<b>152,475,380</b>

**A16. INVESTMENT ACCOUNTS OF CUSTOMERS**

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
Unrestricted investment accounts	13,684,632	10,427,167

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

	The Group	
	31 December 2022	31 December 2021
	RM'000	RM'000
Licensed banks	26,849,917	24,391,150
Licensed finance companies	2,619,660	2,387,433
Licensed investment banks	665,768	426,340
Bank Negara Malaysia	1,270,997	1,452,698
Other financial institutions	2,782,907	2,044,274
	<b>34,189,249</b>	<b>30,701,895</b>

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

Due within six months	31,178,062	27,059,164
Six months to less than one year	1,015,042	1,618,555
One year to less than three years	695,664	423,543
Three years to less than five years	652,571	158,580
Five years and more	647,910	1,442,053
	<b>34,189,249</b>	<b>30,701,895</b>

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

	The Group	
	31 December 2022	31 December 2021
	RM'000	RM'000
Deposits from customers - structured investments	8,371,927	4,632,373
Debentures	655,323	-
Bills payable	2,036,603	2,224,409
	<b>11,063,853</b>	<b>6,856,782</b>

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

The carrying amount of financial liabilities designated at fair value of the Group at 31 December 2022 were RM419,865,000 (2021: RM129,118,000) lower than the contractual amount at maturity for the structured investments, RM9,259,000 (2021: RM Nil) higher than the contractual amount at maturity for the debentures and RM280,465,000 (2021: RM366,350,000) higher than the contractual amount at maturity for the bills payable.

**A19. OTHER LIABILITIES**

	The Group		The Company	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
Due to brokers	6,172	24,579	-	-
Expenditure payable	3,288,500	2,956,183	12,192	3,089
Provision for legal claims	51,355	51,384	-	-
Sundry creditors	1,435,198	1,088,366	570	69
Treasury related payables	2,077,477	1,673,213	-	-
Structured deposits	6,041,649	3,810,335	-	-
Post employment benefit obligations	418,861	470,116	-	-
Credit card expenditure payable	265,135	168,065	-	-
Collateral pledged for derivative transactions	6,200,556	3,028,037	-	-
Expected credit losses for loan commitments and financial guarantee contracts	(a) 816,365	781,501	-	-
Prepayment	552,426	539,312	-	-
Others	4,006,944	1,239,734	-	-
	<b>25,160,638</b>	<b>15,830,825</b>	<b>12,762</b>	<b>3,158</b>



**A19. OTHER LIABILITIES** (Continued)

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

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

  

	12-month expected credit losses (Stage 1) RM'000	Lifetime expected credit losses - not credit impaired (Stage 2) RM'000	Lifetime expected credit losses - Credit impaired (Stage 3) RM'000	Total RM'000		
	<b>At 1 January 2021</b>	364,382	137,978		166,261	668,621
	Changes in expected credit losses due to transfer within stages:	124,233	(132,434)		8,201	-
	Transferred to Stage 1	170,005	(150,110)		(19,895)	-
Transferred to Stage 2	(45,348)	75,082	(29,734)	-		
Transferred to Stage 3	(424)	(57,406)	57,830	-		
<b>Total charge to Statement of Income:</b>	(91,734)	166,077	35,879	110,222		
New exposures	218,156	4,272	931	223,359		
Exposures derecognised or matured	(133,971)	(34,739)	(8,502)	(177,212)		
Change in credit risk	(175,919)	196,544	43,450	64,075		
Exchange fluctuation	1,626	(2,809)	(6,311)	(7,494)		
Other movements	9,594	725	(167)	10,152		
<b>At 31 December 2021</b>	408,101	169,537	203,863	781,501		

As at 31 December 2022, the gross exposures of loan commitments and financial guarantee contracts that are credit impaired is RM501,338,000 (2021: RRM479,523,000) .

**A20(a). INTEREST INCOME**

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Loans, advances and financing				
- Interest income other than recoveries	3,897,440	2,897,960	13,109,045	11,764,893
- Unwinding income <sup>^</sup>	44,190	35,931	196,075	154,626
Money at call and deposit placements with financial institutions	311,869	79,596	701,794	329,551
Reverse repurchase agreements	81,355	22,486	197,172	94,382
Debt instruments at fair value through other comprehensive income	545,841	489,607	2,040,550	1,838,211
Debt instruments at amortised cost	492,039	421,948	1,834,030	1,703,664
Others	44,144	31,831	102,486	56,063
	<b>5,416,878</b>	<b>3,979,359</b>	<b>18,181,152</b>	<b>15,941,390</b>
Accretion of discounts less amortisation of premiums	(48,800)	(99,239)	(333,723)	(353,303)
	<b>5,368,078</b>	<b>3,880,120</b>	<b>17,847,429</b>	<b>15,588,087</b>
<b>The Company</b>				
Money at call and deposit placements with financial institutions	4,009	1,262	7,902	3,295
Debt instruments at fair value through other comprehensive income	20,618	25,199	81,800	125,718
Debt instruments at amortised cost	84,851	69,664	298,479	276,619
	<b>109,478</b>	<b>96,125</b>	<b>388,181</b>	<b>405,632</b>
Accretion of discounts less amortisation of premiums	-	-	-	1
	<b>109,478</b>	<b>96,125</b>	<b>388,181</b>	<b>405,633</b>

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

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Financial investments at fair value through profit or loss	171,642	157,401	673,733	643,404
Loan, advances and financing at fair value through profit or loss	5,169	3,741	12,063	15,226
	<b>176,811</b>	<b>161,142</b>	<b>685,796</b>	<b>658,630</b>
Accretion of discounts, net of amortisation of premiums	80,238	(18,537)	105,821	(88,953)
	<b>257,049</b>	<b>142,605</b>	<b>791,617</b>	<b>569,677</b>

**A21. INTEREST EXPENSE**

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Deposits and placements of banks and other financial institutions	265,320	44,387	548,348	178,041
Deposits from customers	1,562,022	874,498	4,452,565	3,507,997
Repurchase agreements	245,616	76,568	606,163	306,938
Bonds, Sukuk and debentures	112,881	73,548	364,114	285,978
Subordinated obligations	120,756	93,766	403,779	438,418
Financial liabilities designated at fair value through profit or loss	79,836	5,701	246,998	26,382
Negotiable certificates of deposits	8,996	6,612	28,561	13,621
Other borrowings	71,381	44,322	226,121	201,535
Recourse obligation on loan and financing sold to Cagamas	7,226	6,299	26,454	42,516
Structured deposits	34,774	51,395	74,996	186,643
Lease liabilities	4,581	4,811	18,845	20,708
Others	4,371	2,688	19,181	12,496
	<b>2,517,760</b>	<b>1,284,595</b>	<b>7,016,125</b>	<b>5,221,273</b>
<b>The Company</b>				
Subordinated obligations	117,769	107,163	429,079	450,809
Other borrowings	34,117	33,388	127,312	132,495
	<b>151,886</b>	<b>140,551</b>	<b>556,391</b>	<b>583,304</b>

## A22. MODIFICATION LOSS

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

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

## A23. NET NON-INTEREST INCOME

	4th quarter ended		Twelve months ended	
	31 December 2022	31 December 2021	31 December 2022	31 December 2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
(a) Net fee income and commission income:				
Commissions	317,495	312,853	1,176,787	1,256,815
Fee on loans, advances and financing	177,136	153,956	669,976	485,498
Service charges and fees	187,959	154,977	684,341	542,386
Corporate advisory and arrangement fees	14,822	9,320	30,489	33,775
Guarantee fees	22,609	20,856	82,269	81,310
Other fee income	72,936	54,046	254,700	222,598
Placement fees	2,707	5,736	8,141	14,605
Underwriting commission	8,418	9,167	41,549	35,038
Fee and commission income	804,082	720,911	2,948,252	2,672,025
Fee and commission expense	(234,092)	(157,631)	(742,265)	(604,759)
Net fee and commission income	569,990	563,280	2,205,987	2,067,266
(b) Gross dividend income from:				
<i>In Malaysia</i>				
- Financial investments at fair value through profit or loss	9,128	10,456	48,574	57,746
- Equity instruments at fair value through other comprehensive income	-	-	1,019	1,000
<i>Outside Malaysia</i>				
- Equity instruments at fair value through other comprehensive income	490	303	1,717	1,614
	9,618	10,759	51,310	60,360
(c) Net gain/(loss) arising from financial investments at fair value through profit or loss	302,995	(182,222)	(1,136,052)	(1,038,542)
- Realised	(245,676)	(204,111)	(1,067,080)	(367,525)
- Unrealised	548,671	21,889	(68,972)	(671,017)
(d) Net (loss)/gain arising from derivative financial instruments	(1,215,868)	570,647	4,809,023	3,682,862
- Realised	989,258	1,014,352	5,327,351	2,591,840
- Unrealised	(2,205,126)	(443,705)	(518,328)	1,091,022
(e) Net (loss)/gain arising from financial liability designated at fair value through profit or loss	(98,342)	14,181	338,666	82,852
- Realised	4,466	(13,625)	(17,495)	(128,296)
- Unrealised	(102,808)	27,806	356,161	211,148
(f) Net (loss)/gain arising from hedging activities	(6,567)	(1,984)	32,266	5,206
(g) Net (loss)/gain from sale of investment in debt instruments at fair value through other comprehensive income	(15,080)	64,388	(32,936)	450,247
(h) Net gain from redemption of debt instruments at amortised cost	-	-	12,740	7,020
(i) Net (loss)/gain arising from loans, advances and financing at fair value through profit or loss:				
- Unrealised	(54)	(800)	(1,208)	1,482
	(54)	(800)	(1,208)	1,482
(j) Income from assets management and securities services	4,575	5,568	19,871	23,952
(k) Brokerage income	255	660	1,167	2,066
(l) Other non-interest income:				
Foreign exchange loss	1,493,975	(155,138)	(2,307,061)	(1,546,225)
Rental income	6,259	6,200	28,755	29,106
(Loss)/gain on disposal of property, plant and equipment/ assets held for sale	(991)	32,619	27,215	42,671
Gain on disposal of loans, advances and financing	155	760	37,170	32,251
(Loss)/gain on disposal of foreclosed assets	(9,304)	3,771	(6,514)	313
Other non-operating income	28,405	19,067	117,189	51,695
	1,518,499	(92,721)	(2,103,246)	(1,390,189)
	1,070,021	951,756	4,197,588	3,954,582

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Company</b>				
(a) Gross dividend income from:				
<u>In Malaysia</u>				
- Subsidiary	103,000	-	3,131,843	582,565
(b) Other non-interest income:				
Foreign exchange (loss)/gain	(755)	(58)	663	413
Rental income	70	(31)	280	230
Gain on disposal of assets held for sale	-	-	4,232	-
Other non-operating income	-	-	89	980
	(685)	(89)	5,264	1,623
	102,315	(89)	3,137,107	584,188

**A24. OVERHEADS**

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Personnel costs				
- Salaries, allowances and bonus	1,105,384	1,064,443	4,431,555	4,245,665
- Pension cost	113,048	116,057	466,850	468,569
- Share-based expense <sup>1</sup>	15,778	13,956	54,330	33,487
- Overtime	5,299	3,848	19,117	14,419
- Staff incentives and other staff payments	83,197	96,126	291,129	399,943
- Medical expenses	20,379	21,548	80,829	81,532
- Others	55,986	40,384	195,594	184,785
	1,399,071	1,356,362	5,539,404	5,428,400
Establishment costs				
- Depreciation of property, plant and equipment	76,103	72,667	300,917	276,272
- Depreciation of right-of-use assets	52,477	57,798	215,723	231,948
- Amortisation of intangible assets	121,362	190,212	595,649	714,578
- Intangible assets written off	121	8,683	1,632	65,904
- Rental	36,345	29,698	112,022	107,989
- Repair and maintenance	223,172	202,344	778,922	747,065
- Outsourced services	3,884	(4,564)	18,409	22,274
- Security expenses	24,570	26,474	93,368	107,770
- Others	93,518	71,315	293,437	281,378
	631,552	654,627	2,410,079	2,555,178
Marketing expenses				
- Advertisement	63,355	50,417	177,079	142,214
- Others	34,048	14,881	70,943	32,288
	97,403	65,298	248,022	174,502
Administration and general expenses				
- Legal and professional fees	137,848	100,066	323,213	286,003
- Stationery	6,451	10,078	22,057	31,387
- Postage	10,767	9,980	37,079	40,636
- Communication	24,382	22,660	95,644	87,260
- Incidental expenses on banking operations	14,010	15,979	90,843	75,819
- Others	165,976	223,794	579,166	739,764
	359,434	382,557	1,148,002	1,260,869
	2,487,460	2,458,844	9,345,507	9,418,949

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

**A24. OVERHEADS (CONTINUED)**

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Company</b>				
Establishment costs				
- Depreciation of property, plant and equipment	37	111	147	554
- Depreciation of investment properties	4	4	18	18
- Depreciation of right-of-use assets	-	2	-	10
- Repair and maintenance	70	110	232	270
- Others	-	7	36	54
	<b>111</b>	<b>234</b>	<b>433</b>	<b>906</b>
Marketing expenses				
- Others	27	-	27	17
	<b>27</b>	<b>-</b>	<b>27</b>	<b>17</b>
Administration and general expenses				
- Legal and professional fees	2,624	4,013	6,989	12,057
- Communication	-	-	-	51
- Insurance	896	843	3,595	3,471
- Others	3,573	5,433	19,795	19,552
	<b>7,093</b>	<b>10,289</b>	<b>30,379</b>	<b>35,131</b>
	<b>7,231</b>	<b>10,523</b>	<b>30,839</b>	<b>36,054</b>

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Expected credit losses on loans, advances and financing at amortised cost	862,470	908,229	2,594,957	3,268,570
Credit impaired loans, advances and financing:				
- Recovered	(144,163)	(195,226)	(658,282)	(665,633)
- Written off	3,338	4,115	16,050	10,650
	<b>721,645</b>	<b>717,118</b>	<b>1,952,725</b>	<b>2,613,587</b>

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>The Group</b>				
Other expected credit losses and impairment allowances made/(written back):				
- Debt instrument at fair value through other comprehensive income	13,260	(16,191)	(25,068)	(35,067)
- Debt instrument at amortised cost	1,651	119,399	(101,957)	187,889
- Money at call and deposits and placements with banks and other financial institutions	144	1,567	137	(517)
Other impairment allowances made:				
- Other assets	16,314	236,799	305,376	260,521
- Intangible assets	-	614	-	614
- Property, plant and equipment	-	1,783	-	1,783
- Right-of-use assets	(8)	18,302	(731)	18,302
	<b>31,361</b>	<b>362,273</b>	<b>177,757</b>	<b>433,525</b>

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

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

	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
The Company	RM'000	RM'000	RM'000	RM'000
Other expected credit losses and impairment allowances (written back)/made:				
- Debt instrument at fair value through other comprehensive income	(51)	(10,766)	(856)	(13,619)
- Debt instrument at amortised cost	(3,751)	(23,706)	3,409	(7,055)
Other impairment allowances made:				
- Other assets	-	15	-	15
	<b>(3,802)</b>	<b>(34,457)</b>	<b>2,553</b>	<b>(20,659)</b>

**A25(c). IMPAIRMENT OF GOODWILL**

Goodwill is tested for impairment annually or more frequently if events or changes in circumstances indicate that it might be impaired. The pervasive macroeconomic deterioration in 2021 caused by the COVID-19 pandemic, and the consequent effects on the operations and earnings of CIMB Thai (“the CGU”) is mainly arising from the implementation of a more focused strategy by reshaping its portfolio. Therefore this has then triggered testing of the carrying amount of the related goodwill for impairment during the financial period ended 30 September 2021. The interim impairment test was performed by comparing the estimated recoverable amount of CIMB Thai CGU carrying goodwill, determined by a Value-In-Use (“VIU”) calculation, with its carrying amount. The impairment test resulted in a goodwill impairment of RM1,215 million. No asset other than goodwill was impaired.

The assumptions used in performing the interim impairment test have been updated to reflect budgeted earnings in 2022-2025 and a delay in the return to the pre-crisis levels of earnings and profitability.

The recoverable amount of CIMB Thai was based on its VIU, calculated based on the cash flow projections derived from the financial budgets and business plans prepared by management that was updated to reflect the most recent developments as at the interim reporting date. In view of the uncertainty in the economic outlook as a result of COVID-19, the VIU estimated during the financial period ended 30 September 2021 was based on the discounted cash flow (“DCF”) method with multiple cash flow projections taking into consideration assumed probabilities of different future events and/or scenarios. In the interim impairment testing, management has considered using 3 scenarios to reflect a representative sample of possible outcomes, namely the best case scenario, base case scenario and worst case scenario. The best case scenario reflects the budgeted earnings without any hair-cut to the cash flow projections, base case scenario with 10% hair-cut and worst case scenario with 20% hair-cut.

The goodwill impairment charge to the Group's Statements of Income is a non-cash item. The impairment charge will not have an impact to regulatory capital ratios and future earnings.

## A26. DERIVATIVE FINANCIAL INSTRUMENTS

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

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

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

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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



A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

## A26. DERIVATIVE FINANCIAL INSTRUMENTS (Continued)

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

### **Market Risk**

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

### **Credit Risk**

Credit risk arises when counterparties to derivative contracts, such as interest rate swaps, are not able to or willing to fulfil their obligation to pay the Group the positive fair value or receivable resulting from the execution of contract terms. As at 31 December 2022, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM18,072,158,000 (2021: RM11,989,597,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

### **Liquidity Risk**

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

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

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Bank's credit ratings. As at 31 December 2022, the Group has posted cash collateral of RM3,269,533,000 (2021: RM2,897,982,000) on their derivative contracts.

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

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

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

## A27. COMMITMENTS AND CONTINGENCIES

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

	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>Principal Amount RM'000</b>	<b>Principal Amount RM'000</b>
<b>The Group</b>		
<u>Credit-related</u>		
Direct credit substitutes	6,897,580	7,032,364
Certain transaction-related contingent items	7,132,974	6,652,316
Short-term self-liquidating trade-related contingencies	4,151,626	3,315,027
Obligations under underwriting agreement	87,500	14,044
Irrevocable commitments to extend credit		
- maturity not exceeding one year	86,747,649	72,060,271
- maturity exceeding one year	38,062,217	33,989,202
Miscellaneous commitments and contingencies	748,588	2,010,717
Total credit-related commitments and contingencies	<b>143,828,134</b>	<b>125,073,941</b>
<u>Treasury-related</u>		
<u>Foreign exchange related contracts</u>		
- less than one year	522,454,397	549,441,109
- one year to five years	76,218,188	68,560,764
- more than five years	17,149,682	17,857,482
	<b>615,822,267</b>	<b>635,859,355</b>
<u>Interest rate related contracts</u>		
- less than one year	281,469,683	148,707,460
- one year to five years	257,983,649	219,275,894
- more than five years	62,724,504	64,057,666
	<b>602,177,836</b>	<b>432,041,020</b>
<u>Equity related contracts</u>		
- less than one year	2,314,152	3,447,303
- one year to five years	646,020	448,589
- more than five years	93,297	90,002
	<b>3,053,469</b>	<b>3,985,894</b>
<u>Credit related contracts</u>		
- less than one year	12,642	338,534
- one year to five years	2,258,816	3,170,347
- more than five years	241,979	76,176
	<b>2,513,437</b>	<b>3,585,057</b>
<u>Commodity related contracts</u>		
- less than one year	1,246,341	9,549,646
- one year to five years	-	27,100
	<b>1,246,341</b>	<b>9,576,746</b>
<u>Bond contracts</u>		
- less than one year	882,451	1,178,155
- one year to five years	1,899,362	1,825,025
- more than five years	-	30,000
	<b>2,781,813</b>	<b>3,033,180</b>
Total treasury-related commitments and contingencies	<b>1,227,595,163</b>	<b>1,088,081,252</b>
	<b>1,371,423,297</b>	<b>1,213,155,193</b>
Included under irrevocable commitments to extend credit are the amount related to the Restricted Agency Investment Account (refer to Note A13(i) (c) for more details), as follows:		
Irrevocable commitments to extend credit :		
- maturity not exceeding one year	<b>3,000,000</b>	<b>2,500,000</b>

## A28. CAPITAL ADEQUACY

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

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

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

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

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

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

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

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

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

**A28. CAPITAL ADEQUACY (Continued)****31 December 2022**

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

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

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

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

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

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

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

	<b>The Group</b> <b>RM'000</b>
<b>Common Equity Tier 1 capital</b>	
Ordinary share capital	29,094,547
Other reserves	33,396,659
Qualifying non-controlling interests	484,612
Less: Proposed dividends	<u>(1,386,459)</u>
Common Equity Tier 1 capital before regulatory adjustments	61,589,359
<u>Less: Regulatory adjustments</u>	
Goodwill	(6,382,440)
Intangible assets	(1,798,512)
Deferred tax assets	(1,866,077)
Investment in capital instruments of unconsolidated financial and insurance/takaful entities	(3,062,743)
Regulatory reserve	(417,993)
Others	236,434
Common Equity Tier 1 capital after regulatory adjustments	<u>48,298,028</u>
<b>Additional Tier 1 capital</b>	
Perpetual subordinated capital securities	2,750,000
Qualifying capital instruments held by third parties	72,768
	<u>2,822,768</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Additional Tier 1 capital instruments	-
Additional Tier 1 capital after regulatory adjustments	<u>2,822,768</u>
<b>Total Tier 1 capital</b>	<u>51,120,796</u>

**A28. CAPITAL ADEQUACY (Continued)**

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

	<b>The Group RM'000</b>
<b>Tier 2 capital</b>	
Subordinated notes	7,800,000
Qualifying capital instruments held by third parties	71,903
Surplus eligible provisions over expected loss	1,024,699
General provisions √	1,407,065
Tier 2 capital before regulatory adjustments	<u>10,303,667</u>
<u>Less: Regulatory adjustments</u>	
Investments in own Tier 2 capital instruments	<u>-</u>
<b>Total Tier 2 capital</b>	<u>10,303,667</u>
<b>Total capital</b>	<u>61,424,463</u>

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

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

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

√ Total Capital of CIMB Group as at 31 December 2022 has excluded general provisions restricted from Tier 2 capital of RM1,369 million.

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

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

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

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

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

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

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

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

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

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



**A28. CAPITAL ADEQUACY (Continued)**

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

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

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

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

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

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

## A29. SEGMENTAL REPORT

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

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

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

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

### Business segment reporting

#### Definition of segments:

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

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

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

#### **Commercial Banking**

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

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

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

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

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

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

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

**A29. SEGMENTAL REPORT** (Continued)

***Wholesale Banking*** (Continued)

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

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

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

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

**A29. SEGMENTAL REPORT** (Continued)

	<b>Consumer Banking RM'000</b>	<b>Commercial Banking RM'000</b>	<b>Wholesale Banking RM'000</b>	<b>CIMB Digital Assets &amp; Group Funding RM'000</b>	<b>Total RM'000</b>
<b>31 December 2022</b>					
Net interest income - after modification loss					
- external income	5,169,814	1,815,321	3,209,566	1,434,927	11,629,628
- inter-segment (expense)/income	(167,271)	537,217	(156,909)	(213,037)	-
	5,002,543	2,352,538	3,052,657	1,221,890	11,629,628
Income from Islamic Banking operations	1,974,780	881,114	653,947	490,008	3,999,849
Net non-interest income	1,707,124	540,666	1,764,287	185,511	4,197,588
Gain on disposal and deemed disposal of subsidiaries, joint venture and associates	-	-	-	10,451	10,451
Net income	8,684,447	3,774,318	5,470,891	1,907,860	19,837,516
Overheads	(4,663,024)	(1,793,850)	(2,216,199)	(672,434)	(9,345,507)
of which:					
- Depreciation of property, plant and equipment	(110,764)	(5,076)	(15,408)	(169,669)	(300,917)
- Amortisation of intangible assets	(137,682)	(14,109)	(74,243)	(369,615)	(595,649)
Profit before expected credit losses	4,021,423	1,980,468	3,254,692	1,235,426	10,492,009
Expected credit losses made on loans, advances and financing	(1,001,330)	(494,844)	(323,798)	(132,753)	(1,952,725)
Expected credit losses written back/(made) for commitments and contingencies	82,456	756	(113,979)	11	(30,756)
Other expected credit losses and impairment allowances (made)/written back	(370,037)	(9,929)	207,739	(5,530)	(177,757)
Segment results	2,732,512	1,476,451	3,024,654	1,097,154	8,330,771
Share of results of joint ventures	16,749	-	-	(42,771)	(26,022)
Share of results of associates	-	-	24,567	41,694	66,261
Profit before taxation and zakat	2,749,261	1,476,451	3,049,221	1,096,077	8,371,010
% of profit before taxation and zakat	32.9	17.6	36.4	13.1	100.0
Taxation and zakat					(2,778,079)
<b>Profit for the financial year</b>					<b>5,592,931</b>

**A29. SEGMENTAL REPORT (Continued)**

	<b>Consumer Banking RM'000</b>	<b>Commercial Banking RM'000</b>	<b>Wholesale Banking RM'000</b>	<b>CIMB Digital Assets &amp; Group Funding RM'000</b>	<b>Total RM'000</b>
<b>31 December 2021</b>					
Net interest income - after net modification gain					
- external income	4,686,084	1,923,938	3,057,384	1,207,007	10,874,413
- inter-segment income/(expense)	61,742	334,599	89,423	(485,764)	-
	4,747,826	2,258,537	3,146,807	721,243	10,874,413
Income from Islamic Banking operations	1,585,484	740,759	642,133	565,105	3,533,481
Net non-interest income	1,681,649	502,838	1,432,664	337,431	3,954,582
Gain on disposal and deemed disposal of subsidiaries and joint ventures	-	-	-	1,150,464	1,150,464
Net income	8,014,959	3,502,134	5,221,604	2,774,243	19,512,940
Overheads	(4,431,517)	(1,757,672)	(2,016,810)	(1,212,950)	(9,418,949)
of which:					
- Depreciation of property, plant and equipment	(107,463)	(4,824)	(15,935)	(148,050)	(276,272)
- Amortisation of intangible assets	(102,306)	(7,159)	(55,476)	(549,637)	(714,578)
Profit before expected credit losses	3,583,442	1,744,462	3,204,794	1,561,293	10,093,991
Expected credit losses made back on loans, advances and financing	(1,159,812)	(672,932)	(733,523)	(47,320)	(2,613,587)
Expected credit losses (made)/written back for commitments and contingencies	(113,106)	4,022	(1,149)	11	(110,222)
Other expected credit losses and impairment allowances (made)/written back	(392,919)	(3,453)	(78,601)	41,448	(433,525)
Impairment of goodwill	(397,339)	(259,652)	(462,737)	(95,469)	(1,215,197)
Segment results	1,520,266	812,447	1,928,784	1,459,963	5,721,460
Share of results of joint ventures	10,999	-	79,641	(26,417)	64,223
Share of results of associates	-	-	3,758	37	3,795
Profit before taxation and zakat	1,531,265	812,447	2,012,183	1,433,583	5,789,478
% of profit before taxation and zakat	26.4	14.0	34.8	24.8	100.0
Taxation and zakat					(1,396,853)
<b>Profit for the financial year</b>					<b>4,392,625</b>

A29. SEGMENTAL REPORT (Continued)

	Consumer Banking RM'000	Commercial Banking RM'000	Wholesale Banking RM'000	CIMB Digital Assets & Group Funding RM'000	Total RM'000
<b>31 December 2022</b>					
<b>Group</b>					
Segment assets	211,410,483	64,077,857	274,118,958	97,299,275	646,906,573
Investment in associates and joint ventures	162,906	-	-	2,304,101	2,467,007
	<u>211,573,389</u>	<u>64,077,857</u>	<u>274,118,958</u>	<u>99,603,376</u>	<u>649,373,580</u>
Unallocated assets	-	-	-	-	17,347,645
<b>Total assets</b>	<b>211,573,389</b>	<b>64,077,857</b>	<b>274,118,958</b>	<b>99,603,376</b>	<b>666,721,225</b>
Segment liabilities	170,804,101	84,449,789	271,298,915	50,590,077	577,142,882
Unallocated liabilities	-	-	-	-	25,794,490
<b>Total liabilities</b>	<b>170,804,101</b>	<b>84,449,789</b>	<b>271,298,915</b>	<b>50,590,077</b>	<b>602,937,372</b>
<b>Other segment items</b>					
Capital expenditure	315,777	19,759	91,596	473,369	900,501
Investment in joint ventures	162,906	-	-	2,262,315	2,425,221
Investment in associates	-	-	-	41,786	41,786

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

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

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

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

The fair value hierarchy has the following levels:

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

Level 2 - Inputs to the valuation methodology include:

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

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

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

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

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

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

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

#### Valuation Model Review and Approval

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

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

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

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

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

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

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



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

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

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

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

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

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

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

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

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

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

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

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

Investment properties (Recurring)

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

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

In accordance with MFRS 5, the non-current assets held for sales were stated at the lower of carrying amount and fair value less cost to sell. As at 31 December 2022, the property plant and equipment held for sale of the Group that were stated at fair value less cost to sell was RM7,471,000 (2021: RM17,195,000). This is a non-recurring fair value which has been measured using observable inputs under sales comparison approach performed by independent valuers. Sales prices of comparable land and building in close proximity are adjusted for differences in key attributes such as property size. Therefore, it is within level 2 of the fair value hierarchy.

### A31. OPERATIONS OF ISLAMIC BANKING

#### A31a. UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 31 DECEMBER 2022

		The Group	
		31 December 2022	31 December 2021
	Note	RM'000	RM'000
<b>ASSETS</b>			
Cash and short-term funds		18,777,000	15,576,658
Reverse Collateralised Commodity Murabahah		503,206	-
Deposits and placements with banks and other financial institutions		197,875	1,263,401
Financial investments at fair value through profit or loss		2,075,001	5,254,902
Debt instruments at fair value through other comprehensive income		5,917,142	7,082,534
Debt instruments at amortised cost		10,395,507	10,118,573
Islamic derivative financial instruments		532,332	264,327
Financing, advances and other financing/loans	A31d	123,903,093	103,797,100
Other assets		4,701,865	2,718,901
Deferred tax assets		190,837	166,320
Tax recoverable		6,170	1,761
Amount due from conventional operations		13,615,714	8,953,813
Statutory deposits with central banks		2,338,788	915,756
Property, plant and equipment		4,400	3,765
Right-of-use assets		2,788	3,956
Goodwill		136,000	136,000
Intangible assets		3,965	22,661
<b>TOTAL ASSETS</b>		<b>183,301,683</b>	<b>156,280,428</b>
<b>LIABILITIES AND ISLAMIC BANKING</b>			
<b>CAPITAL FUNDS</b>			
Deposits from customers	A31e	118,028,859	112,433,852
Investment accounts of customers	A31f	13,684,632	10,427,167
Deposits and placements of banks and other financial institutions		11,689,317	4,444,554
Collateralised Commodity Murabahah		2,191,011	328,821
Investment accounts due to designated financial institutions	A31g	3,576,590	3,919,753
Financial liabilities designated at fair value through profit or loss	A31h	2,857,004	799,686
Islamic derivative financial instruments		777,653	292,760
Bills and acceptances payable		39,069	26,397
Other liabilities		14,451,682	8,267,790
Lease liabilities		2,261	4,398
Amount due to conventional operations		1,703,718	2,024,744
Provision for taxation		30	51,434
Sukuk		312,978	600,044
Subordinated Sukuk		1,109,342	1,108,045
<b>TOTAL LIABILITIES</b>		<b>170,424,146</b>	<b>144,729,445</b>
Ordinary share capital		1,000,000	1,000,000
Islamic banking funds		55,696	55,696
Perpetual preference shares		350,000	420,000
Reserves		11,313,906	9,946,608
		12,719,602	11,422,304
Non-controlling interests		157,935	128,679
<b>TOTAL ISLAMIC BANKING CAPITAL FUNDS</b>		<b>12,877,537</b>	<b>11,550,983</b>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS</b>		<b>183,301,683</b>	<b>156,280,428</b>
<b>RESTRICTED AGENCY INVESTMENT ACCOUNT(*)</b>		<b>14,280,429</b>	<b>12,748,755</b>
<b>TOTAL ISLAMIC BANKING ASSETS</b>		<b>197,582,112</b>	<b>169,029,183</b>

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

**A31b. UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL YEAR ENDED  
31 DECEMBER 2022**

	The Group			
	4th quarter ended 31 December 2022 RM'000	31 December 2021 RM'000	Twelve months ended 31 December 2022 RM'000	31 December 2021 RM'000
Income derived from investment of depositors' funds and others	<b>1,738,384</b>	1,138,734	<b>5,217,522</b>	4,538,709
Income derived from investment of investment account	<b>195,157</b>	143,594	<b>738,920</b>	401,384
Net income derived from investment of shareholders' funds	<b>3,542</b>	189,957	<b>796,945</b>	773,401
Modification loss (Note A22)	<b>(1)</b>	(22,558)	<b>(2,845)</b>	(95,749)
Expected credit losses made on financing, advances and other financing/loans	<b>(164,886)</b>	(1,275)	<b>(538,185)</b>	(303,947)
Expected credit losses written back/(made) for commitments and contingencies	<b>29,126</b>	2,903	<b>48,668</b>	(25,989)
Other expected credit losses and impairment allowances written back/(made)	<b>4,677</b>	(515)	<b>(14,085)</b>	(1,693)
Total distributable income	<b>1,805,999</b>	1,450,840	<b>6,246,940</b>	5,286,116
Income attributable to depositors and others	<b>(861,947)</b>	(492,021)	<b>(2,531,197)</b>	(2,012,344)
Profit distributed to investment account holder	<b>(108,877)</b>	(72,181)	<b>(379,556)</b>	(208,489)
Total net income	<b>835,175</b>	886,638	<b>3,336,187</b>	3,065,283
Other operating expenses	<b>(362,858)</b>	(248,141)	<b>(1,263,191)</b>	(1,175,087)
Profit before taxation and zakat	<b>472,317</b>	638,497	<b>2,072,996</b>	1,890,196
Taxation and zakat	<b>(129,896)</b>	(128,976)	<b>(504,499)</b>	(315,674)
Profit for the financial period/year	<b>342,421</b>	509,521	<b>1,568,497</b>	1,574,522
Profit for the financial period/year attributable to:				
Owners of the Parent	<b>335,974</b>	499,066	<b>1,532,838</b>	1,535,795
Non-controlling interests	<b>6,447</b>	10,455	<b>35,659</b>	38,727
	<b>342,421</b>	509,521	<b>1,568,497</b>	1,574,522

**A31c. UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 DECEMBER 2022**

	<b>The Group</b>			
	<b>4th quarter ended</b>		<b>Twelve months ended</b>	
	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>	<b>31 December</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Profit for the financial period/year	<b>342,421</b>	509,521	<b>1,568,497</b>	1,574,522
Other comprehensive income/(expense):				
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Fair value changes on financial liabilities designated at fair value attributable to own credit risk	<b>59</b>	(2)	<b>115</b>	(4)
	<b>59</b>	(2)	<b>115</b>	(4)
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	<b>60,317</b>	(14,971)	<b>(96,662)</b>	(107,399)
- Net gain/(loss) from change in fair value	<b>78,218</b>	(19,908)	<b>(106,151)</b>	(100,143)
- Realised gain transferred to statement of income on disposal	<b>(37)</b>	(525)	<b>(7,735)</b>	(46,269)
- Changes in expected credit losses	<b>18</b>	(42)	<b>(2,090)</b>	1,232
- Income tax effects	<b>(17,882)</b>	5,504	<b>19,314</b>	37,781
Hedging reserve - Cash flow hedge	<b>326</b>	-	<b>326</b>	-
- Net gain from change in fair value	<b>326</b>	-	<b>326</b>	-
Exchange fluctuation reserve	<b>(159,902)</b>	(369)	<b>(61,726)</b>	37,658
	<b>(99,259)</b>	(15,340)	<b>(158,062)</b>	(69,741)
Other comprehensive income/(expense) for the financial period/year, net of tax	<b>(99,200)</b>	(15,342)	<b>(157,947)</b>	(69,745)
Total comprehensive income for the financial period/year	<b>243,221</b>	494,179	<b>1,410,550</b>	1,504,777
Total comprehensive income for the financial period/year attributable to:				
Owners of the Parent	<b>249,286</b>	483,863	<b>1,381,294</b>	1,463,722
Non-controlling interests	<b>(6,065)</b>	10,316	<b>29,256</b>	41,055
	<b>243,221</b>	494,179	<b>1,410,550</b>	1,504,777
<u>Income from Islamic operations (per page 2)</u>				
Total net income	<b>835,175</b>	886,638	<b>3,336,187</b>	3,065,283
Add: Expected credit losses made on financing, advances and other financing/loans	<b>164,886</b>	1,275	<b>538,185</b>	303,947
Add: Expected credit losses (written back)/made for commitments and contingencies	<b>(29,126)</b>	(2,903)	<b>(48,668)</b>	25,989
Add: Other expected credit losses and impairment allowances (written back)/made	<b>(4,677)</b>	515	<b>14,085</b>	1,693
	<b>966,258</b>	885,525	<b>3,839,789</b>	3,396,912
Elimination for transaction with conventional operations	<b>65,984</b>	30,055	<b>160,060</b>	136,569
	<b>1,032,242</b>	915,580	<b>3,999,849</b>	3,533,481

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

(i) By type and Shariah contract

31 December 2022

## The Group

	Sale-based contracts					Lease-based contracts			Profit sharing contracts		Loan contract	Others		Total
	Murabahah	Bai' Bithaman Ajil	Bai' al-'Inah	Bai' al-Dayn	Tawarruq	Bai' Salam	Ijarah Muntahiah Bi al-Tamlik *	Al-Ijarah Thumma al-Bai' #	Mudharabah	Musharakah	Qard	Ujrah	Kafalah	
At amortised cost	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
Cash line <sup>^</sup>	-	165	659	-	1,364,944	-	-	-	-	-	12,917	-	-	1,378,685
Term financing														
House Financing	172,793	4,043,521	-	-	34,524,609	-	1,072,578	-	-	5,500,082	-	-	-	45,313,583
Syndicated Financing	-	-	-	-	2,241,328	-	-	-	423	-	-	-	-	2,241,751
Hire purchase receivables	615,257	-	-	-	-	-	-	15,267,838	-	-	-	-	-	15,883,095
Other term financing	199,549	882,650	1,342,309	-	41,220,216	602,649	36,010	-	71,916	6,053,277	67,186	-	-	50,475,762
Lease receivable	-	-	-	-	-	-	217,495	-	-	-	-	-	-	217,495
Bills receivable	771,892	-	-	362,735	-	-	-	-	-	-	-	-	-	1,134,627
Islamic Trust receipts	21,616	-	-	-	-	-	-	-	-	-	20,502	-	-	42,118
Claims on customers under acceptance credits	855,198	-	-	142,288	-	-	-	-	-	-	-	-	39,069	1,036,555
Staff financing	-	-	-	-	268,330	-	-	-	-	27,561	-	-	-	295,891
Revolving credits	-	-	-	-	7,107,893	-	-	-	-	205,509	-	-	-	7,313,402
Credit card receivables	-	-	-	-	-	-	-	-	-	-	366,582	190,087	-	556,669
Gross financing, advances and other financing/loans, at amortised cost	2,636,305	4,926,336	1,342,968	505,023	86,727,320	602,649	1,326,083	15,267,838	72,339	11,786,429	467,187	190,087	39,069	125,889,633
Fair value changes arising from fair value hedge														(1,832)
														125,887,801
Less: Expected credit losses														(1,984,708)
<b>Net financing, advances and other financing/loans</b>														<b>123,903,093</b>



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

(i) By type and Shariah contract (Continued)

31 December 2021

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

^ Includes current account in excess

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

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

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Gross financing, advances and other financing/loans		
- At amortised cost	<b>125,889,633</b>	105,369,174

(a) During the financial year, the Group has undertaken fair value hedges on RM52,610,000 (2021: RM65,935,000) financing using profit rate swaps.

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

As At 31 December 2022, the gross exposure and expected credit losses relating to RPSIA financing are RM3,577,694,000 (2021: RM3,952,201,000) and RM748,000 (2021: RM1,506,000) respectively, which are recognised in the Financial Statements of CIMB Bank Berhad.

## c) Movement of Qard financing

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
At 1 January	<b>346,469</b>	254,869
New disbursement	<b>295,412</b>	182,685
Repayment	<b>(156,123)</b>	(97,265)
Exchange fluctuation	<b>(18,571)</b>	6,180
At 31 December	<b>467,187</b>	346,469
Sources of Qard fund:		
Depositors' fund	<b>466,307</b>	345,921
Shareholders' fund	<b>880</b>	548
	<b>467,187</b>	346,469
Uses of Qard fund:		
Personal use	<b>455,018</b>	338,513
Business use	<b>12,169</b>	7,956
	<b>467,187</b>	346,469

**(ii) By geographical distribution**

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysia	<b>109,096,313</b>	91,821,666
Indonesia	<b>14,038,964</b>	10,910,334
Singapore	<b>2,297,658</b>	1,615,488
Hong Kong	<b>4,346</b>	-
China	<b>338,615</b>	292,999
Other countries	<b>113,737</b>	728,687
Gross financing, advances and other financing/loans	<b>125,889,633</b>	105,369,174

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	4,759,011	3,398,745
Mining and quarrying	916,512	847,692
Manufacturing	5,522,387	4,406,354
Electricity, gas and water supply	1,507,678	1,450,378
Construction	3,672,041	2,770,811
Transport, storage and communications	4,958,507	2,242,568
Education, health and others	2,759,560	2,263,923
Wholesale and retail trade, and restaurants and hotels	7,031,551	4,861,994
Finance, insurance/takaful, real estate and business activities	11,431,534	10,765,315
Household	76,477,473	66,685,002
Others	6,853,379	5,676,392
	<b>125,889,633</b>	<b>105,369,174</b>

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Malaysia	1,411,589	645,986
Indonesia	273,893	249,749
Singapore	16,992	11,662
Gross impaired financing, advances and other financing/loans	<b>1,702,474</b>	<b>907,397</b>

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Primary agriculture	25,706	21,506
Mining and quarrying	2,251	4,868
Manufacturing	15,253	57,800
Construction	29,701	20,267
Transport, storage and communications	9,608	12,759
Education, health and others	62,074	6,268
Wholesale and retail trade, and restaurants and hotels	169,268	116,376
Finance, insurance/takaful, real estate and business activities	74,233	69,087
Household	1,144,620	470,782
Others	169,760	127,684
	<b>1,702,474</b>	<b>907,397</b>

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

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

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

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

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

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

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

	<b>The Group</b>	
	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2022</b>	<b>907,397</b>	<b>907,397</b>
Transfer within stages	1,179,170	1,179,170
New financial assets originated	30,187	30,187
Write-offs	(232,246)	(232,246)
Amount fully recovered	(168,110)	(168,110)
Other changes in financing, advances and other financing/loans	(8,767)	(8,767)
Exchange fluctuation	(5,157)	(5,157)
<b>At 31 December 2022</b>	<b>1,702,474</b>	<b>1,702,474</b>
	<b>The Group</b>	
	<b>Lifetime expected credit losses - credit impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>At 1 January 2021</b>	1,621,340	1,621,340
Transfer within stages	(362,570)	(362,570)
New financial assets originated	193,876	193,876
Write-offs	(197,986)	(197,986)
Amount fully recovered	(335,549)	(335,549)
Other changes in financing, advances and other financing/loans	(14,341)	(14,341)
Exchange fluctuation	2,627	2,627
<b>At 31 December 2021</b>	<b>907,397</b>	<b>907,397</b>
	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
Ratio of credit impaired financing to total financing, advances and other financing	<b>1.35%</b>	<b>0.86%</b>

### A31e. DEPOSITS FROM CUSTOMERS

#### (i) By type of deposits

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
Savings deposit	11,151,960	10,773,162
Wadiah	817,990	847,570
Mudharabah	2,531,044	2,312,875
Commodity Murabahah (via Tawarruq arrangement) *	7,802,926	7,612,717
Demand deposit	22,309,286	21,200,735
Wadiah	1,488,856	1,120,097
Qard	15,020,156	14,512,297
Mudharabah	1,155,818	305,352
Commodity Murabahah (via Tawarruq arrangement) *	4,644,456	5,262,989
Term deposit	78,922,360	72,629,090
Commodity Murabahah Deposits-i (via Tawarruq arrangement)	47,017,544	45,604,331
Fixed Return Income Account-i (via Tawarruq arrangement)*	31,309,442	26,576,472
Negotiable Islamic Debt Certificate (NIDC)		
Hybrid (Bai Bithamin Ajil (BBA) and Bai al-Dayn)	595,374	448,287
Fixed Deposit-i	5,439,716	7,683,047
Wadiah	148	123
Mudharabah	5,439,568	7,682,924
Specific investment account	100,638	99,600
Mudharabah	100,638	99,600
Others	104,899	48,218
Qard	104,899	48,218
	<b>118,028,859</b>	<b>112,433,852</b>

\*Included Qard contract of RM5,066,445,000 (2021: RM4,314,834,000)

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

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
Due within six months	74,111,010	69,969,746
Six months to less than one year	9,095,615	10,268,016
One year to less than three years	378,318	144,843
Three years to less than five years	852,999	5,473
Five years and more	24,772	23,659
	<b>84,462,714</b>	<b>80,411,737</b>

#### (iii) By type of customer

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
Government and statutory bodies	7,050,474	4,880,194
Business enterprises	45,908,468	44,663,839
Individuals	37,416,362	33,810,686
Others	27,653,555	29,079,133
	<b>118,028,859</b>	<b>112,433,852</b>

**A31f. INVESTMENT ACCOUNTS OF CUSTOMERS**

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Unrestricted investment accounts (Mudharabah)		
- without maturity		
Special Mudharabah Investment Account	1,252,671	892,710
- with maturity		
Term Investment Account-i	11,902,747	9,023,282
Unrestricted investment accounts (Wakalah)		
- without maturity		
Daily Investment Account-i	27,548	48,844
Restricted investment accounts (Mudharabah)		
- with maturity		
Restricted Profit Sharing Investment Account (RPSIA)	501,666	462,331
	<b>13,684,632</b>	<b>10,427,167</b>

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

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Restricted investment accounts		
Mudharabah	3,576,590	3,919,753
By type of counterparty		
Licensed banks	3,576,590	3,919,753

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

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

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits from customers - structured investments	2,857,004	799,686

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

The carrying amount of the financial liabilities designated at fair value of the Group as at 31 December 2022 was RM222,678,000 (2021: RM39,988,000) lower than the contractual amount at maturity. The fair value changes of the financial liabilities that are attributable to the changes in own credit risk are not significant.

**A32. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES**

	<b>The Group</b>	
	<b>31 December 2022</b>	<b>31 December 2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Outstanding credit exposures with connected parties	<b>12,549,205</b>	9,154,794
Percentage of outstanding credit exposures to connected parties as a proportion of total credit exposures	<b>2.3%</b>	1.8%
Percentage of outstanding credit exposures to connected parties which is impaired or in default	<b>0.0%</b>	0.0%



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

**B1. GROUP PERFORMANCE REVIEW**

**(i) CIMB Group 4Q22 Y-o-Y Performance**

	31 December	The Group		Variance	%
	2022	31 December	2021		
	RM'mil	RM'mil	RM'mil		
<b>Key Profit or Loss Items:</b>					
Operating income	19,838	18,372 <sup>aa</sup>	1,466	8.0	
Profit before taxation and zakat	8,492 <sup>**</sup>	6,345 <sup>a</sup>	2,147	33.8	
Net profit for the financial year attributable to Owners of the Parent	6,206 <sup>*</sup>	4,648 <sup>a</sup>	1,558	33.5	

<sup>\*\*</sup> Excludes exceptional expenses of RM121 million before taxation

<sup>\*</sup> Excludes exceptional expenses of RM101 million net of taxation and cukai makmur of RM665 million

<sup>aa</sup> Excludes Gain on deconsolidation of Touch 'n Go Digital of RM1.16 billion and RM17 million loss on disposal of a 25% stake in

CGS-CIMB Securities (CGS-CIMB Securities International Pte Ltd and CGS-CIMB Holdings Sdn Bhd)

<sup>a</sup> Excludes Gain on deconsolidation of Touch 'n Go Digital of RM1.16 billion and exceptional expenses of RM1.7 billion before taxation, and RM471 million net of taxation and cukai makmur of RM118 million

CIMB Group Holdings Berhad (“CIMB Group” or “the Group”) announced strong financial performance with a core profit before tax (“PBT”) of RM8.49 billion for the financial year ended 31 December 2022 (“FY22”), a 33.8% increase year-on-year (“YoY”). Core net profit increased by 33.5% to RM6.21 billion, translating to core earnings per share (“EPS”) of 59.5 sen with core annualised return on average equity (“ROE”) improving to 10.2% from 8.1% recorded in the previous financial year ended 31 December 2021 (“FY21”) Core figures exclude all one-off non-recurring exceptional items.

The strong performance was driven by stronger operating income from robust loan growth and net interest margin (“NIM”) expansion, stringent cost management, and lower provisions from prudent risk management, recoveries and portfolio de-risking.

Accordingly, the Group proposed an all-cash second interim dividend of 13.00 sen per share, bringing the total proposed annual dividend to 26.00 sen per share for a payout ratio of 50.5% based on reported net profit, in line with the Group’s dividend policy.

FY22 core operating income rose 8.0% YoY to RM19.84 billion, with net interest income (“NII”) growth of 8.6% driven by strong loan growth and improved NIM. Core non-interest income (“NOII”) also strengthened, growing by 6.0% YoY to RM4.68 billion from stronger fee income and higher asset recoveries.

CIMB’s total gross loan growth momentum continued, rising 7.7% YoY driven by stronger demand across key markets and segments, whilst total deposits grew by 4.6%. However, total CASA contracted slightly by 1.8% YoY from expected attrition in line with post-pandemic economic activity growth, leading to a CASA ratio of 39.9% as at Dec-22.

Core operating expenses rose by only 3.2% YoY to RM9.23 billion, enabling core cost-to-income ratio (“CIR”) to improve by 210 bps YoY to a record low of 46.5% in FY22. Accordingly, the Group’s core pre-provisioning operating profit (“PPOP”) grew strongly by 12.5% to RM10.61 billion from the positive JAW. The Group’s total provisions also declined significantly by 31.5% YoY due to lower COVID-19 related provisions, macroeconomic factors (“MEF”) and overlays, as well as higher writebacks.

On a reported basis, which includes one-off non-recurring exceptional items, CIMB Group achieved a PBT of RM8.37 billion in FY22, an increase of 44.6%. Similarly, reported net profit rose by 26.7% to RM5.44 billion. For FY22, the exceptional items, which primarily comprised of the impact of Cukai Makmur, intangible assets write-off and accelerated amortisation, amounted to RM766 million. This is in comparison to the RM556 million in exceptional items recorded in FY21 relating to goodwill impairment and intangible assets write-off as well as accelerated amortisation that was partially offset by a gain on the deconsolidation of Touch 'n Go Digital.

This performance translates to a reported annualised FY22 ROE of 9.0%, higher than the 7.5% recorded for FY21.

For the fourth quarter ended 31 December 2022 (“4Q22”), the Group saw 86.9% growth YoY in core PBT to RM2.02 billion and 82.1% growth in core net profit YoY to RM1.48 billion. Similarly, on a reported basis which includes one-off non-recurring exceptional items, CIMB achieved 105.6% growth YoY in quarterly PBT to RM2.02 billion and 55.0% growth in net profit YoY to RM1.33 billion. The strong profit rebound in 4Q22 was supported by reported operating income growth of 13.8% YoY, as well as significantly lower provisions.

Accordingly, CIMB Group’s FY22 performance exceeded targets across all profitability metrics, including ROE and CIR. The Group continues to be well capitalised as its Common Equity Tier 1 (“CET1”) ratio remained strong at 14.5%<sup>^</sup> as at Dec-22, exceeding its target.

CIMB Group is extremely pleased with the FY22 results. The strong performance is a testament to the progress made under its mid-term Forward23+ strategic plan, where the Group has been reshaping its portfolio and making focused investments into profitable areas. The Group achieved meaningful profit growth in Consumer, Commercial, Wholesale and CIMB Digital Assets & Group Funding segments, as well as key markets of Malaysia, Indonesia, Singapore and Thailand.

Accordingly, the Group was able to exceed all financial targets for the year, delivering strong PBT growth as well as lowest CIR for the Group. It has also made significant strides in strengthening technology and operational resiliency, investing heavily into this area to further enhance the banking experience and deliver greater digital platform stability.

<sup>^</sup> Post CIMBGH’s second interim dividend.

## B1. GROUP PERFORMANCE REVIEW (CONTINUED)

### (i) CIMB Group 4Q22 Y-o-Y Performance (Continued)

As a purpose-driven organisation, the Group has been actively driving its ESG agenda in line with its aspiration to be an ASEAN sustainability leader. In 2022, CIMB Group doubled its sustainable finance target to RM60 billion by 2024, after achieving the earlier commitment of RM30 billion two years ahead of plan and committed RM30 billion in financing to accelerate the revitalisation and continued growth of SMEs by 2024. The Group has also invested close to RM30 million into CSR initiatives as it strives to make positive impacts across the region.

CIMB Group's FY22 total gross loans increased by 7.7% to RM407.1 billion YoY whilst total deposits grew by 4.6% to RM460.6 billion. The Group registered a loan-to-deposit ("LDR") ratio of 88.4% as at Dec-22, compared to 89.9% in the preceding quarter. Total CASA contracted slightly by 1.8% YoY, with a CASA ratio of 39.9% as at Dec-22.

Total provisions decreased by 31.5% YoY in FY22 to RM2.16 billion. This was due to lower COVID-19 related provisions, macroeconomic factors ("MEF") and overlays, as well as higher writebacks.

This led to an improved FY22 annualised loan loss charge ("LLC") of 51bps, significantly lower than the 73bps registered in FY21. The Group's loan loss allowance coverage stood at 93.1%, with a gross impaired loans ("GIL") ratio of 3.3%.

The Group remains well-capitalised with its CET1 ratio remaining steady at 14.5%^ as at Dec-22. Total capital ratio stood at 18.5%^ as at Dec-22. The liquidity coverage ratio ("LCR") remains well above the regulatory requirement of 100% for all banking entities within the Group.

Group Consumer Banking FY22 operating income grew by 8.3% YoY whilst PBT grew by 42.5% driven by loan growth and NIM expansion. NII and NOII increased by 9.7% and 4.2% respectively YoY. Consumer loans grew by 7.2% YoY driven by all core markets, while deposits grew by 7.3% YoY from higher fixed deposits.

Group Commercial Banking FY22 operating income grew by 7.8% YoY whilst PBT improved by 37.7% due to higher operating income and lower provisions. NII increased by 7.1% from loan growth, higher NIM and strong CASA franchise performance, whilst NOII increased by 11.3% from higher fees and commissions in Malaysia, Singapore and Thailand. Commercial loans grew by 6.1%, while deposits grew by 11.6% contributed by strong CASA growth.

Group Wholesale Banking FY22 operating income increased by 4.8% YoY while PBT grew by 23.2% driven by improved corporate banking performance and fee income along with lower COVID-19 related provisions. The 3.3% contraction in NII was outpaced by 25.2% growth in NOII. Wholesale loans recorded a 9.3% increase, while deposits were flat YoY.

CIMB Digital Assets & Group Funding FY22 core operating income rose by 17.1% YoY, whilst core PBT rose by 40.2% from better CIMB Digital Assets performance. NII strengthened by 42.9% driven by the Group's digital banks in the Philippines and Vietnam, offsetting weaker NOII from lower realised gains from the fixed income portfolio in line with rising bond yields. The Group's digital businesses continue to grow strongly as TNG Digital reached 9.2 million annual transacting users ("ATU"), a 22.7% increase, and 727,000 merchants as at Dec-22. GO+ investors reached 2.8 million with total assets under management ("AUM") of RM350 million. CIMB Philippines also continues to grow strongly, reaching 6.5 million customers as at Dec-22, up 27.5% YoY, and a deposit book of RM1.68 billion, up 30.3% YoY.

<sup>^</sup> Post CIMBGGH's second interim dividend.

### (ii) CIMB Group 4Q22 vs. 4Q21 Performance

	The Group 4th quarter ended			
	31 December 2022 RM'mil	31 December 2021 RM'mil	Variance RM'mil	%
<b>Key Profit or Loss Items:</b>				
Operating income	5,220	4,604 <sup>^^^</sup>	616	13.4
Profit before taxation and zakat	2,024 <sup>**</sup>	1,083 <sup>^^</sup>	941	86.9
Net profit for the financial period attributable to Owners of the Parent	1,477 <sup>*</sup>	811 <sup>^</sup>	666	82.1

<sup>\*\*</sup> Excludes exceptional expenses of RM7 million before taxation

<sup>\*</sup> Excludes exceptional expenses of RM6 million net of taxation and cukai makmur of RM146 million

<sup>^^^</sup> Excludes non-cash accounting gain of RM17 million from loss on disposal of a 25% stake in CGS-CIMB Securities (CGS-CIMB

Securities International Pte Ltd and CGS-CIMB Holdings Sdn Bhd

<sup>^^</sup> Excludes exceptional expenses of RM102 million before taxation

<sup>^</sup> Excludes exceptional expenses of RM74 million net of taxation and cukai makmur of RM118 million

On a YoY basis, the 4Q22 operating income of RM5.22 billion was 13.4% higher on the back of a stronger PPOP attributable to the improvement in both NII and NOII. Consumer Banking 4Q22 PBT improved 85.8% YoY from stronger NII and lower provisions. Commercial Banking recorded 7.3% PBT growth YoY driven by improved NII from loan growth and NIM expansion. Wholesale Banking PBT was 106.2% higher YoY as NOII from fee and trading income expanded, coupled with lower Corporate provisions. CIMB Digital Assets & Group Funding PBT improved 220.0% YoY from better NII from the Philippines and Vietnam, as well as lower operating expenses. As a result, the Group's 4Q22 PBT and net profit was 86.9% and 82.1% higher YoY, respectively.

## B1. GROUP PERFORMANCE REVIEW (CONTINUED)

### (iii) CIMB Group 4Q22 vs. 3Q22 Performance

	The Group Quarter ended			
	31 December 2022 RM'mil	30 September 2022 RM'mil	Variance RM'mil	%
<b>Key Profit or Loss Items:</b>				
Operating income	5,220	4,997	223	4.5
Profit before taxation and zakat	2,024 **	2,210 @@	(186)	(8.4)
Net profit for the financial period attributable to Owners of the Parent	1,477 *	1,632 @	(155)	(9.5)

\*\* Excludes exceptional expenses of RM7 million before taxation

\* Excludes exceptional expenses of RM6 million net of taxation and cukai makmur of RM146 million

@ Excludes exceptional expenses of RM9 million before taxation

@ Excludes exceptional expenses of RM6 million net of taxation and cukai makmur of RM219 million

4Q22 operating income grew 4.5% QoQ to RM5.22 billion from RM5.00 billion in 3Q22 from higher NII driven by NIM expansion in Indonesia, as well as robust NOII growth from strong Wholesale fee and trading income. Consumer Banking Profit Before Tax ("PBT") was 38.4% lower at RM483 million compared to RM784 million in 3Q22 attributable to weaker NOII and higher provisions from an uptick in overlays and macroeconomic factor adjustments ("MEF") in Malaysia and Singapore. Commercial Banking PBT grew 9.2% due to higher NII from loan growth, NIM expansion as well as lower provisions. Wholesale banking PBT fell 8.9% QoQ due to higher funding cost and higher provisions from Singapore and Indonesia. CIMB Digital Assets & Group Funding PBT expanded 41.0% QoQ from investment gains and lower central costs. The uptick in Group provisions from higher overlays and MEF resulted in the 4Q22 PBT and net profit declining 8.4% and 9.5% QoQ, respectively.

#### CIMB Islamic

CIMB Islamic FY22 operating income grew by 13.1% YoY while PBT also improved by 9.0%. Net financing income ("NFI") grew by 14.2% due to sustained financing growth while non-financing income ("NOFI") rose by 5.8% from stronger fee income. Islamic financing and deposits grew strongly by 19.4% and 9.0% respectively YoY.

## B2. PROSPECTS FOR THE CURRENT FINANCIAL YEAR

The Group is approaching 2023 with cautious optimism in line with expectations of continued economic growth within our key operating countries and segments. The Group is cognisant of uncertainties brought about by global headwinds in terms of elevated inflation, further monetary policy tightening in major economies, sustained political tensions, still-prevalent Covid-19 threats and a possible global recession. The execution of Forward23+ strategies will continue to guide the Group's direction with focus on sustainable business, strong credit risk management, cost controls and strengthening the deposit/CASA proposition in view of intensified deposit competition. The Group expects continue positive financial performance going into 2023 with prudent loan growth, controlled loan loss provisions and stringent cost management.

CIMB Malaysia is optimistic on continuing its growth momentum driven by loan growth, CASA accumulation, improved credit conditions, Preferred and wealth management expansion and intensifying digital transformation. Prospects for CIMB Niaga remains positive as it is expected to grow in tandem with the industry trajectory given its leadership in digital banking, improved credit cost and completion of its portfolio recalibration. The outlook for CIMB Singapore should track the regional economic direction, while CIMB Thai's realigned portfolio will likely bring about an improved performance.

### B3. TAXATION AND ZAKAT

	4th quarter ended		Twelve months ended	
	31 December 2022 RM'000	31 December 2021 RM'000	31 December 2022 RM'000	31 December 2021 RM'000
<b>The Group</b>				
Major components of tax expense and zakat:				
Current tax expense	689,316	225,895	2,814,074	1,794,351
Deferred tax income	(46,509)	(136,893)	(40,425)	(438,565)
Under/(over) provision in prior years	9,293	10,566	(4,902)	36,007
	<b>652,100</b>	<b>99,568</b>	<b>2,768,747</b>	<b>1,391,793</b>
Zakat	9,360	-	9,332	5,060
	<b>661,460</b>	<b>99,568</b>	<b>2,778,079</b>	<b>1,396,853</b>
<b>Reconciliation</b>				
Profit before taxation and zakat	2,016,629	981,249	8,371,010	5,789,478
Less: Share of results of joint venture	17,328	2,783	26,022	(64,223)
Share of results of associates	(46,121)	(3,830)	(66,261)	(3,795)
	<b>1,987,836</b>	<b>980,202</b>	<b>8,330,771</b>	<b>5,721,460</b>
Tax at statutory income tax rate of 24% on chargeable income below and equal RM100.0 million and 33% on chargeable income above RM100.0 million (2021: 24%)	751,399	117,020	2,656,102	1,254,922
Effect of different tax rates in other countries and change in tax rates	(1,099)	6,130	(59,148)	(36,490)
Due to expenses not deductible for tax purposes and income not subject to income tax	(107,493)	(34,148)	176,695	137,354
Under/(over) provision in prior years	9,293	10,566	(4,902)	36,007
Tax expenses	<b>652,100</b>	<b>99,568</b>	<b>2,768,747</b>	<b>1,391,793</b>

#### The Company

Major components of tax expense:

Current tax expense/(income)	764	61	1,655	(172)
Deferred tax income	(1)	-	(224)	(147)
Under/(over) provision in prior years	-	-	129	(150)
	<b>763</b>	<b>61</b>	<b>1,560</b>	<b>(469)</b>

#### Reconciliation

Profit before taxation	56,478	(20,581)	3,517,279	391,122
Tax at statutory income tax rate of 24%	13,555	(4,940)	844,147	93,869
Due to expenses not deductible for tax purposes and income not subject to income tax	(12,792)	5,001	(842,716)	(94,188)
Under/(over) provision in prior years	-	-	129	(150)
Tax expenses	<b>763</b>	<b>61</b>	<b>1,560</b>	<b>(469)</b>

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

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

### B5. BORROWINGS AND DEBT SECURITIES

	The Group	
	31 December 2022 RM'000	31 December 2021 RM'000
<b>(i) Bonds, sukuk and debentures</b>		
<b>Unsecured</b>		
One year or less (short term)		
- USD	-	2,339,057
- RM	-	1,010,887
- IDR	114,295	1,079,511
- THB	235,130	1,405,920
More than one year (medium/long term)		
- USD	2,766,145	741,990
- RM	2,474,531	2,622,017
- HKD	3,848,289	3,680,298
- IDR	367,706	499,362
- THB	112,113	-
	<b>9,918,209</b>	<b>13,379,042</b>

## B5. BORROWINGS AND DEBT SECURITIES (Continued)

	The Group		The Company	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b>(ii) Other borrowing</b>				
<b>Unsecured</b>				
One year or less (short term)				
- USD	6,816	2,713,798	-	-
- RM	350,598	751,546	350,598	751,546
- IDR	225,147	266,453	-	-
- KHR	15,359	104,404	-	-
More than one year (medium/long term)				
- RM	3,606,372	3,956,347	3,606,372	3,956,349
- USD	3,251,616	3,131	-	-
- IDR	742,335	311,315	-	-
- KHR	66,542	1,478	-	-
	<b>8,264,785</b>	<b>8,108,472</b>	<b>3,956,970</b>	<b>4,707,895</b>
<b>(iii) Subordinated obligations</b>				
<b>Unsecured</b>				
One year or less (short term)				
- RM	3,515,649	3,035,363	1,718,984	1,506,444
- IDR	21,249	-	-	-
More than one year (medium/long term)				
- RM	7,433,898	7,026,490	8,908,612	8,103,317
- IDR	43,719	66,732	-	-
	<b>11,014,515</b>	<b>10,128,585</b>	<b>10,627,596</b>	<b>9,609,761</b>

## B6. MATERIAL LITIGATION

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

## B7. COMPUTATION OF EARNINGS PER SHARE (EPS)

### a) Basic EPS

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

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Net profit for the financial period/year				
after non-controlling interests (RM'000)	1,324,952	854,511	5,439,863	4,295,334
Weighted average number of ordinary shares in issue ('000)	10,600,794	10,158,370	10,425,806	10,022,287
Basic earnings per share (expressed in sen per share)	12.49	8.37	52.18	42.86

### b) Diluted EPS

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

The Group has no dilution in its earnings per ordinary share in the financial year ended 31 December 2021 as there are no dilutive potential ordinary shares.

	The Group			
	4th quarter ended		Twelve months ended	
	31 December	31 December	31 December	31 December
	2022	2021	2022	2021
Net profit for the financial period after non-controlling interests	1,324,952	854,511	5,439,863	4,295,334
Weighted average number of ordinary shares in issue ('000)				
- during the period	10,600,794	10,158,370	10,425,806	10,022,287
- effect of dilutive of potential ordinary shares <sup>1</sup>	18,485	-	17,467	-
Weighted average number of ordinary shares for diluted EPS	10,619,279	10,158,370	10,443,273	10,022,287
Diluted EPS (expressed in sen per share)	12.47	8.37	52.09	42.86

<sup>1</sup> The dilutive potential ordinary shares is arising from Shares Grant Plan.