

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

**UNAUDITED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	Notes	The Group	
		30 September 2024 RM'000	31 December 2023 RM'000
<b>Assets</b>			
Cash and short-term funds		285,595	273,247
Deposits and placements with banks and other financial institutions		10	10
Debt instruments at fair value through other comprehensive income	A7	182,837	182,936
Equity instruments at fair value through other comprehensive income	A8	1,099	824
Debt instruments at amortised cost	A9	118,364	118,624
Other assets	A10	368,379	48,255
Amount due from ultimate holding company		29	137
Amount due from related companies		7,207	33,560
Tax recoverable		1,954	12,000
Deferred taxation		8,905	11,598
Investment in associates		5,408	4,627
Property, plant and equipment		2,322	1,522
Right-of-use assets		968	1,982
Goodwill	A4	39,542	-
Intangible assets		30,827	30,668
<b>Total assets</b>		<b>1,053,446</b>	<b>719,990</b>
<b>Liabilities</b>			
Deposits from customers	A11	4,773	6,442
Deposits and placements of banks and other financial institutions	A12	1,850	-
Other liabilities	A13	400,482	87,722
Borrowings		2,534	-
Lease liabilities		988	2,182
Amount due to related companies		9	200
Provision for taxation		57	-
<b>Total liabilities</b>		<b>410,693</b>	<b>96,546</b>
<b>Capital and reserves attributable to equity holder of the Parent</b>			
Ordinary share capital		100,000	100,000
Redeemable preference shares		10	10
Reserves		542,743	523,434
<b>Total equity</b>		<b>642,753</b>	<b>623,444</b>
<b>Total equity and liabilities</b>		<b>1,053,446</b>	<b>719,990</b>
<b>Net assets per ordinary share (RM)</b>		<b>6.43</b>	<b>6.23</b>

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

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**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2024**

	Notes	The Bank	
		30 September 2024 RM'000	31 December 2023 RM'000
<b>Assets</b>			
Cash and short-term funds		<b>192,893</b>	268,904
Debt instruments at fair value through other comprehensive income	A7	<b>182,837</b>	182,936
Debt instruments at amortised cost	A9	<b>118,364</b>	118,624
Other assets	A10	<b>56,171</b>	47,447
Amount due from ultimate holding company		<b>29</b>	137
Amount due from related companies		<b>7,207</b>	33,560
Tax recoverable		<b>1,953</b>	11,989
Deferred taxation		<b>8,354</b>	11,598
Investment in subsidiaries		<b>144,736</b>	30
Property, plant and equipment		<b>1,595</b>	1,522
Right-of-use assets		<b>708</b>	1,982
Intangible assets		<b>27,077</b>	30,668
<b>Total assets</b>		<b>741,924</b>	709,397
<b>Liabilities</b>			
Deposits from customers	A11	<b>4,773</b>	6,442
Deposits and placements of banks and other financial institutions	A12	<b>1,850</b>	-
Other liabilities	A13	<b>100,487</b>	87,706
Lease liabilities		<b>767</b>	2,182
Amount due to subsidiaries		<b>9,318</b>	-
Amount due to related companies		<b>5</b>	172
<b>Total liabilities</b>		<b>117,200</b>	96,502
<b>Capital and reserves attributable to equity holder of the Parent</b>			
Ordinary share capital		<b>100,000</b>	100,000
Redeemable preference shares		<b>10</b>	10
Reserves		<b>524,714</b>	512,885
<b>Total equity</b>		<b>624,724</b>	612,895
<b>Total equity and liabilities</b>		<b>741,924</b>	709,397
<b>Net assets per ordinary share (RM)</b>		<b>6.25</b>	6.13

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

**UNAUDITED CONSOLIDATED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Notes	The Group			
		3rd quarter ended		Nine months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
		RM'000	RM'000	RM'000	RM'000
Interest income	A14	4,844	4,433	13,826	11,105
Interest expense	A15	(111)	(32)	(457)	(128)
Net interest income		4,733	4,401	13,369	10,977
Income from Islamic Banking operations	A21b	7,410	20,317	17,190	37,834
Fee and commission income	A16(a)	112,126	39,630	239,794	131,030
Fee and commission expense	A16(b)	(5,447)	(1,586)	(9,171)	(9,787)
Net fee and commission income		106,679	38,044	230,623	121,243
Other non-interest income	A16(c)	(618)	1,965	4,719	5,864
Net income		118,204	64,727	265,901	175,918
Overheads	A17	(74,035)	(53,422)	(188,154)	(156,372)
Profit before expected credit losses		44,169	11,305	77,747	19,546
Other expected credit losses and impairment allowances written back	A18	(273)	964	56	1,068
		43,896	12,269	77,803	20,614
Share of results of associates		191	314	781	825
Profit before taxation		44,087	12,583	78,584	21,439
Taxation		(9,434)	(2,927)	(18,575)	(5,765)
<b>Profit for the financial period, attributable to owner of the Parent</b>		<b>34,653</b>	<b>9,656</b>	<b>60,009</b>	<b>15,674</b>
<b>Basic and diluted earnings per share (sen), attributable to owner of the Parent</b>	B3	<b>34.65</b>	<b>9.66</b>	<b>60.01</b>	<b>15.67</b>

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

**UNAUDITED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	The Group			
	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the financial period</b>	<b>34,653</b>	9,656	<b>60,009</b>	15,674
<b>Other comprehensive income:</b>				
<b><i>Items that will not be reclassified to profit or loss</i></b>				
Equity instruments at fair value through other comprehensive income	275	-	275	-
- Net gain from change in fair value	275	-	275	-
<b><i>Items that may be reclassified subsequently to profit or loss</i></b>				
Debt instruments at fair value through other comprehensive income/ (expense)	1,060	-	30	-
- Net gain from change in fair value	1,957	-	3,009	-
- Realised gain transferred to statement of income on disposal	(562)	-	(2,547)	-
- Income tax effect	(335)	-	(432)	-
Other comprehensive income for the financial period, net of tax	1,335	-	305	-
<b>Total comprehensive income for the financial period, attributable to owner of the Parent</b>	<b>35,988</b>	9,656	<b>60,314</b>	15,674

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	Notes	The Bank			
		3rd quarter ended		Nine months ended	
		30 September 2024	30 September 2023	30 September 2024	30 September 2023
		RM'000	RM'000	RM'000	RM'000
Interest income	A14	4,030	4,407	11,807	11,030
Interest expense	A15	(66)	(32)	(202)	(128)
Net interest income		3,964	4,375	11,605	10,902
Income from Islamic Banking operations	A21b	7,410	20,317	17,190	37,834
Fee and commission income	A16(a)	86,741	39,630	195,140	131,030
Fee and commission expense	A16(b)	(5,447)	(1,586)	(9,171)	(9,787)
Net fee and commission income		81,294	38,044	185,969	121,243
Other non-interest income	A16(c)	1,826	1,965	7,555	5,864
Net income		94,494	64,701	222,319	175,843
Overheads	A17	(55,371)	(53,412)	(153,056)	(156,338)
Profit before expected credit losses		39,123	11,289	69,263	19,505
Other expected credit losses and impairment allowances (made)/written back	A18	(273)	964	56	1,068
Profit before taxation		38,850	12,253	69,319	20,573
Taxation		(8,205)	(2,922)	(16,515)	(5,754)
<b>Profit for the financial period</b>		<b>30,645</b>	<b>9,331</b>	<b>52,804</b>	<b>14,819</b>
<b>Basic and diluted earnings per share (sen)</b>	B3	<b>30.65</b>	<b>9.33</b>	<b>52.80</b>	<b>14.82</b>

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

**CIMB INVESTMENT BANK BERHAD**  
*Registration No: 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**

**UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	The Bank			
	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>Profit for the financial period</b>	<b>30,645</b>	9,331	<b>52,804</b>	14,819
<b>Other comprehensive income:</b>				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Debt instruments at fair value through other comprehensive income	<b>1,060</b>	-	<b>30</b>	-
- Net gain from change in fair value	<b>1,957</b>	-	<b>3,009</b>	-
- Realised gain transferred to statement of income on disposal	<b>(562)</b>	-	<b>(2,547)</b>	-
- Income tax effect	<b>(335)</b>	-	<b>(432)</b>	-
Other comprehensive income for the financial period, net of tax	<b>1,060</b>	-	<b>30</b>	-
<b>Total comprehensive income for the financial period</b>	<b>31,705</b>	9,331	<b>52,834</b>	14,819

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

**CIMB INVESTMENT BANK BERHAD**  
**Registration No: 197401001266 (18417-M)**  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

The Group 30 September 2024	← Attributable to Owner of the Parent →							Total RM'000
	Ordinary share capital RM'000	Redeemable preference shares RM'000	Fair value reserve		Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained profits 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 2024</b>	100,000	10	1,336	(6,011)	226	3,978	523,905	623,444
Profit for the financial period	-	-	-	-	-	-	60,009	60,009
Other comprehensive income, net of tax	-	-	30	275	-	-	-	305
- debt instruments at fair value through other comprehensive income	-	-	30	-	-	-	-	30
- equity instruments at fair value through other comprehensive income	-	-	-	275	-	-	-	275
<b>Total comprehensive income for the financial period</b>	-	-	30	275	-	-	60,009	60,314
Share-based payment expense	-	-	-	-	471	(130)	-	341
Shares released under Equity Ownership Plan	-	-	-	-	(246)	-	-	(246)
Interim dividend paid in respect of financial year ended 31 December 2023	-	-	-	-	-	-	(41,100)	(41,100)
<b>At 30 September 2024</b>	<b>100,000</b>	<b>10</b>	<b>1,366</b>	<b>(5,736)</b>	<b>451</b>	<b>3,848</b>	<b>542,814</b>	<b>642,753</b>

The Group 30 September 2023	← Attributable to Owner of the Parent →							Total RM'000
	Ordinary share capital RM'000	Redeemable preference shares RM'000	Fair value reserve		Share-based payment reserve RM'000	Capital contribution by ultimate holding company RM'000	Retained profits 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 2023</b>	100,000	10	-	(6,011)	126	2,282	499,345	595,752
Net profit/total comprehensive income for the financial period	-	-	-	-	-	-	15,674	15,674
Share-based payment expense	-	-	-	-	189	1,272	-	1,461
Shares released under Equity Ownership Plan	-	-	-	-	(108)	-	-	(108)
Interim dividend paid in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(17,720)	(17,720)
<b>At 30 September 2023</b>	<b>100,000</b>	<b>10</b>	<b>-</b>	<b>(6,011)</b>	<b>207</b>	<b>3,554</b>	<b>497,299</b>	<b>595,059</b>

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.

**CIMB INVESTMENT BANK BERHAD**  
*Registration No: 197401001266 (18417-M)*  
**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENTS OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	← Non-distributable →					← Distributable →			
	Fair value reserve					Share-based payment reserve	Capital contribution by ultimate holding company	Retained profits	Total
The Bank	Ordinary share capital	Redeemable preference shares	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income					
30 September 2024	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2024</b>	100,000	10	1,336	(6,331)	226	3,978	513,676	612,895	
Profit for the financial period	-	-	-	-	-	-	52,804	52,804	
Other comprehensive income, net of tax	-	-	30	-	-	-	-	30	
- debt instruments at fair value through other comprehensive income	-	-	30	-	-	-	-	30	
<b>Total comprehensive income for the financial period</b>	-	-	30	-	-	-	52,804	52,834	
Share-based payment expense	-	-	-	-	471	(130)	-	341	
Shares released under Equity Ownership Plan	-	-	-	-	(246)	-	-	(246)	
Interim dividend paid in respect of financial year ended 31 December 2023	-	-	-	-	-	-	(41,100)	(41,100)	
<b>At 30 September 2024</b>	<b>100,000</b>	<b>10</b>	<b>1,366</b>	<b>(6,331)</b>	<b>451</b>	<b>3,848</b>	<b>525,380</b>	<b>624,724</b>	

	← Non-distributable →					← Distributable →			
	Fair value reserve					Share-based payment reserve	Capital contribution by ultimate holding company	Retained profits	Total
The Bank	Ordinary share capital	Redeemable preference shares	Debt instruments at fair value through other comprehensive income	Equity instruments at fair value through other comprehensive income					
30 September 2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	
<b>At 1 January 2023</b>	100,000	10	-	(6,331)	126	2,282	490,213	586,300	
Net profit/total comprehensive income for the financial period	-	-	-	-	-	-	14,819	14,819	
Share-based payment expense	-	-	-	-	189	1,272	-	1,461	
Share released under Equity Ownership Plan	-	-	-	-	(108)	-	-	(108)	
Interim dividend paid in respect of financial year ended 31 December 2022	-	-	-	-	-	-	(17,720)	(17,720)	
<b>At 30 September 2023</b>	<b>100,000</b>	<b>10</b>	<b>-</b>	<b>(6,331)</b>	<b>207</b>	<b>3,554</b>	<b>487,312</b>	<b>584,752</b>	

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.



**CIMB INVESTMENT BANK BERHAD**  
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**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 30 SEPTEMBER 2024**

	The Group		The Bank	
	30 September 2024	30 September 2023	30 September 2024	30 September 2023
	RM'000	RM'000	RM'000	RM'000
<b>Operating activities</b>				
Profit before taxation	78,584	21,439	69,319	20,573
Adjustments for non-operating and non-cash items	(4,897)	6,338	(5,340)	7,163
Cash flow from operating profit before changes in working capital	73,687	27,777	63,979	27,736
Net changes in operating assets	(243,316)	58,358	8,063	58,373
Net changes in operating liabilities	255,668	3,042,761	22,111	3,042,762
Cash flows generated from operating activities	86,039	3,128,896	94,153	3,128,871
Taxation paid	(2,644)	(13)	(3,665)	-
Net cash flows generated from operating activities	83,395	3,128,883	90,488	3,128,871
<b>Cash flows from investing activities</b>				
Net purchase of property, plant and equipment	(1,154)	(482)	(725)	(482)
Net purchase of intangible assets	(8,383)	(4,423)	(6,587)	(4,423)
Net proceeds from sale of debt instruments at fair value through other comprehensive	6,490	-	6,490	-
Net purchase of right-of-use assets	(330)	-	(89)	-
Interest income on debt instruments at fair value through other comprehensive income	1,605	-	1,605	-
Interest income on debt instruments at amortised cost	3,815	-	3,815	-
Acquisition of a subsidiary (Note A4)	(35,327)	(14,794)	(129,912)	(14,794)
Proceeds from disposal of intangible assets	398	-	398	-
Net cash flows used in investing activities	(32,886)	(19,699)	(125,005)	(19,699)
<b>Cash flows from financing activities</b>				
Net repayment of lease liabilities	(2,019)	(1,556)	(1,447)	(1,556)
Interest paid on borrowings	(245)	-	-	-
Net drawdown on borrowings	5,758	-	-	-
Net repayment on borrowings	(3,224)	-	-	-
Dividends paid	(41,100)	(17,720)	(41,100)	(17,720)
Net cash flows used in financing activities	(40,830)	(19,276)	(42,547)	(19,276)
Net increase/(decrease) in cash and cash equivalents during the financial period	9,679	3,089,908	(77,064)	3,089,896
<b>Cash and cash equivalents at the beginning of the financial period</b>	<b>273,247</b>	<b>308,043</b>	<b>268,904</b>	<b>303,737</b>
<b>Effects of exchange rate changes</b>	<b>2,669</b>	<b>(1,502)</b>	<b>1,053</b>	<b>(1,502)</b>
<b>Cash and cash equivalents at the end of the financial period</b>	<b>285,595</b>	<b>3,396,449</b>	<b>192,893</b>	<b>3,392,131</b>
<b>Cash and cash equivalents comprise:</b>				
Cash and short-term funds	285,595	3,396,449	192,893	3,392,131
Deposits and placements with banks and other financial institutions	10	10	-	-
	285,605	3,396,459	192,893	3,392,131
Less : Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months	(10)	(10)	-	-
<b>Cash and cash equivalents at the end of the financial period</b>	<b>285,595</b>	<b>3,396,449</b>	<b>192,893</b>	<b>3,392,131</b>

*The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2023.*

## **PART A - EXPLANATORY NOTES**

### **A1. Basis of preparation**

The unaudited condensed interim financial statements for the financial period ended 30 September 2024 have been prepared under the historical cost convention, except for debt instruments at fair value through other comprehensive income and equity instruments at fair value through other comprehensive income, which are measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 Interim Financial Reporting issued by the Malaysian Accounting Standards Board and IAS 34 Interim Financial Reporting issued by the International Accounting Standards Board.

The unaudited condensed interim financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group and of the Bank since the financial year ended 31 December 2023.

The material accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited financial statements for the financial year ended 31 December 2023, except for adoption of the following amendments to the Malaysian Financial Reporting Standards ("MFRS") which are effective for annual periods beginning on or after 1 January 2024:

- Amendments to MFRS 101 "Classification of liabilities as current or non-current"
- Amendments to MFRS 101 "Non-current Liabilities with Covenants"
- Amendments to MFRS 16 "Lease Liability in a Sale and Leaseback"

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

The unaudited condensed interim financial statements include those activities relating to the Islamic banking business which have been undertaken by the Group. Islamic banking business refers generally to the provision of investment banking and related financial services which comply with Shariah principles.

The preparation of unaudited condensed interim financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of income and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and Bank'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 in estimates during the quarter ended 30 September 2024.

### **A3. Dividends paid and proposed**

On 24 January 2024, the Board of Directors declared a single-tier interim dividend of 41.10 sen per share on 100,000,000 ordinary shares amounting to RM41,100,000 in respect of the financial year ended 31 December 2023. The dividend was paid on 15 March 2024.

No dividend has been proposed during the financial period ended 30 September 2024.

## **PART A - EXPLANATORY NOTES**

### **A4. Status of Corporate Proposal**

#### **Acquisition of 80,000,000 ordinary shares in CIMB Securities Sdn Bhd (formerly known as KAF Equities Sdn Bhd) (“CIMB Securities”), representing 100% equity interest in CIMB Securities (“Acquisition”)**

On 8 February 2024, the Bank completed the acquisition of the entire equity interest in KAF Equities Sdn Bhd ("KESB"), from KAF-Seagrott & Campbell Berhad ("KAFSC" or "Seller"), for an adjusted final purchase consideration of RM144,706,000. This Acquisition is part of the Bank's strategy to expand its in-house capabilities which complements CIMB Group's Wholesale Banking business in Malaysia.

Following the completion of the Acquisition, KESB became a wholly owned subsidiary of the Bank. On 11 March 2024, KESB changed its name to CIMB Securities.

The Group has accounted for the Acquisition in accordance with MFRS 3 'Business Combination' and the following are the accounting effects of the Acquisition:

	<b>RM '000</b>
Provisional fair value of identifiable net assets and liabilities acquired	105,164
Goodwill (provisional)	39,542
Purchase consideration	<u>144,706</u>
Less : cash and cash equivalents acquired	<u>(94,585)</u>
Net cash outflow on acquisition	50,121
Less : Deposit in relation to the Acquisition paid in the previous financial year (Note A10)	<u>(14,794)</u>
Net cash outflow on acquisition during the financial period	<u>35,327</u>

The fair value of net assets and goodwill as disclosed above are provisional and will be adjusted, where applicable, upon completion of the purchase price allocation as allowed under MFRS 3.

### **A5. Significant events during the financial period**

There were no other significant events that had occurred other than disclosed under Status of Corporate Proposal.

### **A6. Significant events after the financial period**

There were no significant events that had occurred between 30 September 2024 and the date of this announcement.

## PART A - EXPLANATORY NOTES (CONTINUED)

### A7. Debt instruments at fair value through other comprehensive income

	<b>The Group and the Bank</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>At fair value</u></b>		
<b>Money market instruments:</b>		
<i>Unquoted:</i>		
Malaysian Government Securities	50,935	61,055
Government Investment Issues	-	31,217
	<b>50,935</b>	<b>92,272</b>
<i>Unquoted securities:</i>		
<i>In Malaysia:</i>		
Corporate bond and sukuk	131,902	90,664
	<b>182,837</b>	<b>182,936</b>

### A8. Equity instruments at fair value through other comprehensive income

	<b>The Group</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>At fair value</u></b>		
<i>Unquoted securities :</i>		
<i>Outside Malaysia</i>		
Shares	1,099	824

### A9. Debt instruments at amortised cost

	<b>The Group and the Bank</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<i>Unquoted securities:</i>		
<i>In Malaysia:</i>		
Corporate bond and sukuk	118,508	118,639
Amortisation of premium, net of accretion of discount	(144)	(15)
	<b>118,364</b>	<b>118,624</b>

**PART A - EXPLANATORY NOTES (CONTINUED)**

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A10. Other assets</b>				
Due from brokers and clients	<b>284,630</b>	-	-	-
Trade and other receivables, net of expected credit losses of RM8,229,000 (2023: RM9,376,000)	<b>51,671</b>	28,911	<b>51,636</b>	28,911
Deposits, prepayments and others #	<b>32,078</b>	19,344	<b>4,535</b>	18,536
	<b>368,379</b>	48,255	<b>56,171</b>	47,447

# Included within deposits, prepayment and others in the previous financial year was a deposit of RM14,794,000 paid by the Bank to an escrow account in relation to the Acquisition. Following the completion of the Acquisition on 8 February 2024, the deposit in the escrow account was released to the Seller on the same day.

	<b>The Group and the Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>A11. Deposits from customers</b>		
<u>(i) By type of deposits</u>		
Short term money market deposits	<b>4,773</b>	6,442
<u>(ii) By type of customers</u>		
Business enterprises	<b>4,773</b>	6,442

	<b>The Group and the Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>A12. Deposits and placements of banks and other financial institutions</b>		
Licensed banks	<b>1,850</b>	-
<u>The maturity structure of deposits and placements of banks and other financial institutions is as follows:</u>		
Due within six months	<b>1,850</b>	-

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A13. Other liabilities</b>				
Due to brokers and clients	<b>283,796</b>	-	-	-
Trade and sundry creditors	<b>60,394</b>	26,967	<b>46,333</b>	26,967
Expenditure payable	<b>47,510</b>	51,073	<b>47,495</b>	51,057
Others	<b>8,782</b>	9,682	<b>6,659</b>	9,682
	<b>400,482</b>	87,722	<b>100,487</b>	87,706

**PART A - EXPLANATORY NOTES (CONTINUED)**

	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A14. Interest income</b>				
<b><u>The Group</u></b>				
Money at call and deposits placements with banks and other financial institutions	<b>1,928</b>	3,065	<b>4,712</b>	6,996
Reverse repurchase agreements	-	1,368	-	4,109
Debt instruments at fair value through other comprehensive income	<b>1,708</b>	-	<b>4,962</b>	-
Debt instruments at amortised cost	<b>1,237</b>	-	<b>3,684</b>	-
Others	-	-	<b>575</b>	-
	<b>4,873</b>	4,433	<b>13,933</b>	11,105
Amortisation of premium, net of accretion of discount	<b>(29)</b>	-	<b>(107)</b>	-
	<b>4,844</b>	4,433	<b>13,826</b>	11,105
<b><u>The Bank</u></b>				
Money at call and deposits placements with banks and other financial institutions	<b>1,114</b>	3,039	<b>2,693</b>	6,921
Reverse repurchase agreements	-	1,368	-	4,109
Debt instruments at fair value through other comprehensive income	<b>1,708</b>	-	<b>4,962</b>	-
Debt instruments at amortised cost	<b>1,237</b>	-	<b>3,684</b>	-
Others	-	-	<b>575</b>	-
	<b>4,059</b>	4,407	<b>11,914</b>	11,030
Amortisation of premium, net of accretion of discount	<b>(29)</b>	-	<b>(107)</b>	-
	<b>4,030</b>	4,407	<b>11,807</b>	11,030
<b>A15. Interest expense</b>				
<b><u>The Group</u></b>				
Deposits and placements of banks and other financial institutions	<b>29</b>	12	<b>79</b>	58
Deposits from customers	<b>30</b>	-	<b>92</b>	-
Borrowings	<b>41</b>	-	<b>243</b>	-
Lease liabilities	<b>11</b>	20	<b>43</b>	70
	<b>111</b>	32	<b>457</b>	128
<b><u>The Bank</u></b>				
Deposits and placements of banks and other financial institutions	<b>29</b>	12	<b>79</b>	58
Deposits from customers	<b>30</b>	-	<b>92</b>	-
Lease liabilities	<b>7</b>	20	<b>31</b>	70
	<b>66</b>	32	<b>202</b>	128

**PART A - EXPLANATORY NOTES (CONTINUED)**

	3rd quarter ended		Nine months ended	
	30 September 2024 RM'000	30 September 2023 RM'000	30 September 2024 RM'000	30 September 2023 RM'000
<b>A16. Net non-interest income</b>				
<b><u>The Group</u></b>				
a) <b>Fee and commission income</b>				
Commissions	17,344	8,213	44,222	23,510
Service charges and fees	24,140	26,395	68,383	65,458
Advisory and arrangement fees	8,500	1,656	22,575	16,927
Placement, book running and related fees	41,588	617	62,405	18,385
Net brokerage income	16,915	-	35,698	-
Other fee income	3,639	2,749	6,511	6,750
	<b>112,126</b>	<b>39,630</b>	<b>239,794</b>	<b>131,030</b>
b) <b>Fee and commission expense</b>				
Less : Fee and commission expense and other direct expenses	(5,447)	(1,586)	(9,171)	(9,787)
Net fee and commission income	<b>106,679</b>	<b>38,044</b>	<b>230,623</b>	<b>121,243</b>
c) <b>Other non-interest income</b>				
(i) <b>Net gain arising from derivative financial instrument:</b>				
- realised (loss)/gain	(2)	-	16	8
(ii) <b>Net gain from sale of investment in debt instruments at fair value through other comprehensive income</b>	<b>562</b>	<b>-</b>	<b>2,547</b>	<b>-</b>
(iii) <b>Other income:</b>				
Income from securities services	1,967	1,839	5,555	4,859
Foreign exchange (loss)/gain and other non-operating income	(3,145)	126	(3,399)	997
	<b>(1,178)</b>	<b>1,965</b>	<b>2,156</b>	<b>5,856</b>
Total other non-interest income	<b>(618)</b>	<b>1,965</b>	<b>4,719</b>	<b>5,864</b>
<b>Total net non-interest income</b>	<b>106,061</b>	<b>40,009</b>	<b>235,342</b>	<b>127,107</b>

**PART A - EXPLANATORY NOTES (CONTINUED)**

	3rd quarter ended		Nine months ended	
	30 September	30 September	30 September	30 September
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<b>A16. Net non-interest income (continued)</b>				
<b><u>The Bank</u></b>				
a) <b>Fee and commission income</b>				
Commissions	17,344	8,213	44,222	23,510
Service charges and fees	24,140	26,395	68,383	65,458
Advisory and arrangement fees	8,500	1,656	22,575	16,927
Placement, book running and related fees	34,353	617	55,170	18,385
Other fee income	2,404	2,749	4,790	6,750
	<b>86,741</b>	<b>39,630</b>	<b>195,140</b>	<b>131,030</b>
b) <b>Fee and commission expense</b>				
Less : Fee and commission expense and other direct expenses	(5,447)	(1,586)	(9,171)	(9,787)
Net fee and commission income	<b>81,294</b>	<b>38,044</b>	<b>185,969</b>	<b>121,243</b>
c) <b>Other non-interest income</b>				
(i) <b>Net gain arising from derivative financial instrument:</b>				
- realised (loss)/gain	(2)	-	16	8
(ii) <b>Net gain from sale of investment in debt instruments at fair value through other comprehensive income</b>	<b>562</b>	<b>-</b>	<b>2,547</b>	<b>-</b>
(iii) <b>Other income:</b>				
Income from securities services	1,967	1,839	5,555	4,859
Foreign exchange (loss)/gain and other non-operating income	(701)	126	(563)	997
	<b>1,266</b>	<b>1,965</b>	<b>4,992</b>	<b>5,856</b>
Total other non-interest income	<b>1,826</b>	<b>1,965</b>	<b>7,555</b>	<b>5,864</b>
<b>Total net non-interest income</b>	<b>83,120</b>	<b>40,009</b>	<b>193,524</b>	<b>127,107</b>



**PART A - EXPLANATORY NOTES (CONTINUED)****A17. Overheads**

	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>	30 September	<b>30 September</b>	30 September
	<b>2024</b>	2023	<b>2024</b>	2023
<b><u>The Group</u></b>	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Personnel costs</b>				
- Salaries, allowances and bonus	<b>42,857</b>	29,898	<b>103,787</b>	86,881
- Pension cost (defined contribution plan)	<b>3,334</b>	2,972	<b>10,153</b>	9,464
- Share-based expenses <sup>1</sup>	<b>158</b>	424	<b>(130)</b>	1,272
- Others	<b>2,770</b>	1,744	<b>6,332</b>	5,261
	<b>49,119</b>	35,038	<b>120,142</b>	102,878
<b>Establishment costs</b>				
- Depreciation of property, plant and equipment	<b>269</b>	1,203	<b>768</b>	3,634
- Depreciation of right-of-use assets	<b>912</b>	467	<b>2,136</b>	1,398
- Amortisation of intangible assets	<b>1,008</b>	1,192	<b>2,737</b>	3,778
- Equipment and other rental	<b>1,547</b>	1,288	<b>4,792</b>	3,601
- Others	<b>7,450</b>	2,175	<b>14,483</b>	6,356
	<b>11,186</b>	6,325	<b>24,916</b>	18,767
<b>Marketing expenses</b>				
- Advertisement and entertainment expenses	<b>526</b>	495	<b>1,748</b>	1,723
- Others	<b>391</b>	216	<b>930</b>	568
	<b>917</b>	711	<b>2,678</b>	2,291
<b>Administration and general expenses</b>				
- Legal and professional fees	<b>561</b>	379	<b>1,298</b>	890
- Service expenses	<b>9,040</b>	8,939	<b>25,530</b>	24,617
- Others	<b>3,212</b>	2,030	<b>13,590</b>	6,929
	<b>12,813</b>	11,348	<b>40,418</b>	32,436
Total overhead expenses	<b>74,035</b>	53,422	<b>188,154</b>	156,372

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

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A17. Overheads (Continued)**

	3rd quarter ended		Nine months ended	
	30 September 2024 RM'000	30 September 2023 RM'000	30 September 2024 RM'000	30 September 2023 RM'000
<b>The Bank</b>				
<b>Personnel costs</b>				
- Salaries, allowances and bonus	32,647	29,898	87,357	86,881
- Pension cost (defined contribution plan)	2,747	2,972	8,742	9,464
- Share-based expenses <sup>1</sup>	158	424	(130)	1,272
- Others	2,329	1,744	5,574	5,261
	<b>37,881</b>	<b>35,038</b>	<b>101,543</b>	<b>102,878</b>
<b>Establishment costs</b>				
- Depreciation of property, plant and equipment	219	1,203	652	3,634
- Depreciation of right-of-use assets	463	467	1,385	1,398
- Amortisation of intangible assets	925	1,192	2,635	3,778
- Equipment and other rental	1,070	1,288	3,545	3,601
- Others	2,473	2,175	7,672	6,356
	<b>5,150</b>	<b>6,325</b>	<b>15,889</b>	<b>18,767</b>
<b>Marketing expenses</b>				
- Advertisement and entertainment expenses	377	495	1,429	1,723
- Others	378	216	901	568
	<b>755</b>	<b>711</b>	<b>2,330</b>	<b>2,291</b>
<b>Administration and general expenses</b>				
- Legal and professional fees	212	375	871	880
- Service expenses	9,036	8,933	25,509	24,593
- Others	2,337	2,030	6,914	6,929
	<b>11,585</b>	<b>11,338</b>	<b>33,294</b>	<b>32,402</b>
Total overhead expenses	<b>55,371</b>	<b>53,412</b>	<b>153,056</b>	<b>156,338</b>

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

**A18. Other expected credit losses and impairment allowances**

	3rd quarter ended		Nine months ended	
	30 September 2024 RM'000	30 September 2023 RM'000	30 September 2024 RM'000	30 September 2023 RM'000
<b>The Group and the Bank</b>				
Other expected credit losses and impairment allowances made/(written back) :				
- Other assets	273	(964)	(56)	(1,068)

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A19. Capital Adequacy**

The capital adequacy ratios of the Group and the Bank are calculated based on BNM's Capital Adequacy Framework (Capital Components) of which the latest revision was issued on 14 June 2024. The revised guidelines took effect on 14 June 2024. The revised guideline sets up the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

The risk-weighted assets of the Group and the Bank are computed in accordance with the Capital Adequacy Framework (Basel II - Risk Weighted Assets) of which the latest revision was issued on 18 December 2023.

The Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk.

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

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
<b>Before deducting proposed dividend</b>				
Common Equity Tier 1 ("CET") ratio	<b>74.537%</b>	106.562%	<b>70.607%</b>	105.998%
Tier 1 ratio	<b>74.537%</b>	106.562%	<b>70.607%</b>	105.998%
Total capital ratio	<b>74.537%</b>	106.562%	<b>70.607%</b>	105.998%
<b>After deducting proposed dividend</b>				
CET 1 ratio	<b>74.537%</b>	98.955%	<b>70.607%</b>	98.363%
Tier 1 ratio	<b>74.537%</b>	98.955%	<b>70.607%</b>	98.363%
Total capital ratio	<b>74.537%</b>	98.955%	<b>70.607%</b>	98.363%

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

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Credit risk	<b>151,862</b>	94,580	<b>78,882</b>	92,778
Market risk	<b>26,299</b>	12,607	<b>14,782</b>	12,607
Operational risk	<b>488,563</b>	433,078	<b>461,202</b>	432,947
Total RWAs	<b>666,724</b>	540,265	<b>554,866</b>	538,332

c) Components of the Group and the Bank capital are as follows :

	<b>The Group</b>		<b>The Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>CET 1 capital</b>				
Ordinary share capital	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Other reserves	<b>482,734</b>	523,434	<b>471,910</b>	512,885
Less : Proposed dividends	-	(41,100)	-	(41,100)
CET 1 capital before regulatory adjustments	<b>582,734</b>	582,334	<b>571,910</b>	571,785
<b>Less: Regulatory adjustments</b>				
Goodwill	<b>(39,542)</b>	-	-	-
Intangible assets	<b>(26,475)</b>	(27,150)	<b>(22,726)</b>	(27,150)
Deferred tax assets	<b>(13,257)</b>	(15,116)	<b>(12,706)</b>	(15,116)
Investments in capital instruments of unconsolidated financial and insurance/takaful entities	<b>(6,506)</b>	(5,449)	<b>(144,706)</b>	-
<b>CET 1 capital/Total Tier 1 Capital</b>	<b>496,954</b>	534,619	<b>391,772</b>	529,519
<b>Total capital</b>	<b>496,954</b>	534,619	<b>391,772</b>	529,519

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A20. 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 valuations incorporate 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 rate 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 Group Market and Conduct Risks Committee ("GMCRC") 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 GMCRC;
- 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.

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A20. FAIR VALUE ESTIMATION (CONTINUED)**

The following table represents the Group's and the Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 September 2024 and 31 December 2023.

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Group</u></b>				
<b>30 September 2024</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	50,935	-	50,935
- Unquoted securities	-	131,902	-	131,902
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	1,099	1,099
<b>Total</b>	<b>-</b>	<b>182,837</b>	<b>1,099</b>	<b>183,936</b>

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Group</u></b>				
<b>31 December 2023</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	92,272	-	92,272
- Unquoted securities	-	90,664	-	90,664
Equity instruments at fair value through other comprehensive income				
- Unquoted securities	-	-	824	824
<b>Total</b>	<b>-</b>	<b>182,936</b>	<b>824</b>	<b>183,760</b>

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A20. FAIR VALUE ESTIMATION (CONTINUED)**

The following table represents the Group's and the Bank's financial assets measured at fair value and classified by level with the following fair value measurement hierarchy as at 30 September 2024 and 31 December 2023. (Continued)

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Bank</u></b>				
<b>30 September 2024</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	50,935	-	50,935
- Unquoted securities	-	131,902	-	131,902
<b>Total</b>	-	182,837	-	182,837

	Fair Value			Carrying amount RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b><u>The Bank</u></b>				
<b>31 December 2023</b>				
<i>Recurring fair value measurement</i>				
<b><u>Financial assets</u></b>				
Debt instruments at fair value through other comprehensive income				
- Money market instruments	-	92,272	-	92,272
- Unquoted securities	-	90,664	-	90,664
<b>Total</b>	-	182,936	-	182,936

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A20. FAIR VALUE ESTIMATION (CONTINUED)**

The following represents the changes in Level 3 instruments for the financial period ended 30 September 2024 and financial year ended 31 December 2023 for the Group.

<b>The Group</b>	<b>Financial Investments -</b>	
	<b>Equity instruments at fair value through other comprehensive income</b>	<b>Total</b>
<b><u>30 September 2024</u></b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2024	824	824
Total gain recognised in other comprehensive income	275	275
At 30 September 2024	<b>1,099</b>	<b>1,099</b>

<b>The Group</b>	<b>Financial Investments -</b>	
	<b>Equity instruments at fair value through other comprehensive income</b>	<b>Total</b>
<b><u>31 December 2023</u></b>	<b>RM'000</b>	<b>RM'000</b>
At 1 January 2023/31 December 2023	824	824

**PART A - EXPLANATORY NOTES (CONTINUED)**

**A21. The operations of Islamic Banking**

**A21a. Unaudited Statements of Financial Position as at 30 September 2024**

	<b>The Group and the Bank</b>	
	<b>30 September</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>		
Cash and short-term funds	<b>77,002</b>	94,573
Other assets	<b>5,232</b>	6,810
Amount due from ultimate holding company	<b>34</b>	-
Amount due from related companies	<b>39</b>	180
Deferred tax assets	<b>192</b>	229
<b>Total assets</b>	<b>82,499</b>	101,792
<b>Liabilities and Islamic Banking capital funds</b>		
Other liabilities	<b>827</b>	869
Amount due to related companies	<b>80</b>	1,418
<b>Total liabilities</b>	<b>907</b>	2,287
Islamic Banking capital funds	<b>55,000</b>	55,000
Reserves	<b>26,592</b>	44,505
<b>Total Islamic Banking capital funds</b>	<b>81,592</b>	99,505
	<b>82,499</b>	101,792



**PART A - EXPLANATORY NOTES (CONTINUED)**

**A21. The operations of Islamic Banking (Continued)**

**A21a. Unaudited Statements of Comprehensive Income for the financial period ended 30 September 2024**

	<b>The Group and the Bank</b>			
	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>	<b>30 September</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income derived from investment of shareholder's funds	<b>7,410</b>	20,317	<b>17,190</b>	37,834
Expected credit losses made	<b>(34)</b>	(608)	<b>(37)</b>	(933)
<b>Total net income</b>	<b>7,376</b>	19,709	<b>17,153</b>	36,901
Personnel expenses	-	(18)	-	(114)
Other overheads and expenditures	<b>(3,792)</b>	(4,606)	<b>(7,451)</b>	(12,420)
<b>Profit before taxation</b>	<b>3,584</b>	15,085	<b>9,702</b>	24,367
Taxation	<b>(856)</b>	(3,705)	<b>(2,365)</b>	(5,985)
<b>Profit and total comprehensive income for the financial period</b>	<b>2,728</b>	11,380	<b>7,337</b>	18,382
<u>Income from Islamic operations (per page 3 and page 5)</u>				
<b>Total net income</b>	<b>7,376</b>	19,709	<b>17,153</b>	36,901
Less : Expected credit losses made	<b>34</b>	608	<b>37</b>	933
<b>Income from Islamic operations</b>	<b>7,410</b>	20,317	<b>17,190</b>	37,834

## **PART A - EXPLANATORY NOTES (CONTINUED)**

### **A21c. Capital Adequacy**

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

	<b>The Group and the Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
<b>Before deducting proposed dividend</b>		
CET 1 Ratio	<b>87.940%</b>	110.345%
Tier 1 ratio	<b>87.940%</b>	110.345%
Total capital ratio	<b>87.940%</b>	110.345%
<b>After deducting proposed dividend</b>		
CET 1 Ratio	<b>87.940%</b>	82.279%
Tier 1 ratio	<b>87.940%</b>	82.279%
Total capital ratio	<b>87.940%</b>	82.279%

(b) The breakdown of RWAs by each major risk category is as follows:

	<b>The Group and the Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Credit risk	<b>14,418</b>	18,301
Operational risk	<b>69,802</b>	71,668
Total RWAs	<b>84,220</b>	89,969

c) Components of capital for the Group and the Bank are as follows :

	<b>The Group and the Bank</b>	
	<b>30 September 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Tier 1 capital</b>		
Islamic Banking capital funds	<b>55,000</b>	55,000
Other reserves	<b>19,255</b>	44,505
Less : Proposed dividends	<b>-</b>	(25,250)
CET 1 capital before regulatory adjustments	<b>74,255</b>	74,255
<u>Less: Regulatory adjustments</u>		
Deferred Tax Assets	<b>(192)</b>	(229)
CET 1 capital / Total Tier 1 capital	<b>74,063</b>	74,026
Total capital base	<b>74,063</b>	74,026

## **PART B - EXPLANATORY NOTES**

### **B1. Performance Review**

The Group reported a profit before taxation of RM78.6 million for the financial period ended 30 September 2024, 267.3% increase from the RM21.4 million reported in the previous corresponding period ended 30 September 2023. The increase in profit before tax was primarily due to higher net income of RM265.9 million, which grew by RM90 million or 51.2% from the previous corresponding period. This growth was driven by strong performance in the Group's Investment Banking business due to increased activities in equity capital markets ("ECM"), debt capital markets ("DCM") and mergers and acquisitions ("M&A"), higher net new monies generated from its Private Banking business and contributions from the Securities business. The increase in net income was partially offset by higher overhead expenses during the current period.

### **B2. Prospects for the Current Financial Year**

The Group remains cautious in view of the geopolitical tensions, economic uncertainty in China, potential global political shifts and monetary easing following the US Fed interest rate cut. Nonetheless, domestic growth prospects remain positive, driven by strong spending, export recovery and increased investment activity. The Group will continue to drive the "One Bank" strategy by offering innovative, tailored and complete Wholesale Banking solutions to our clients.

### **B3. COMPUTATION OF EARNINGS PER SHARE (EPS)**

#### **a) Basic EPS**

Basic earnings per share of the Group and the Bank are calculated by dividing the net profit attributable to owners of the Group and the Bank by the weighted average number of ordinary shares issued during the financial period.

	<b>The Group</b>			
	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September 2024</b>	<b>30 September 2023</b>	<b>30 September 2024</b>	<b>30 September 2023</b>
Net profit (RM '000)	<b>34,653</b>	9,656	<b>60,009</b>	15,674
Weighted average number of ordinary shares in issue ( '000)	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Total basic earnings per share for profit attributable to owner of the Parent (expressed in sen per share)	<b>34.65</b>	9.66	<b>60.01</b>	15.67

**PART B - EXPLANATORY NOTES (CONTINUED)**

**B3. COMPUTATION OF EARNINGS PER SHARE (EPS) (Continued)**

**a) Basic EPS (Continued)**

Basic earnings per share of the Group and the Bank are calculated by dividing the net profit attributable to owners of the Group and the Bank by the weighted average number of ordinary shares issued during the financial period. (Continued)

	<b>The Bank</b>			
	<b>3rd quarter ended</b>		<b>Nine months ended</b>	
	<b>30 September 2024</b>	<b>30 September 2023</b>	<b>30 September 2024</b>	<b>30 September 2023</b>
Net profit (RM '000)	<u>30,645</u>	<u>9,331</u>	<u>52,804</u>	<u>14,819</u>
Weighted average number of ordinary shares in issue ( '000)	<b>100,000</b>	100,000	<b>100,000</b>	100,000
Total basic earnings per share for profit attributable to owner of the Parent (expressed in sen per share)	<u>30.65</u>	<u>9.33</u>	<u>52.80</u>	<u>14.82</u>

**b) Diluted EPS**

There were no dilutive potential ordinary shares outstanding as at 30 September 2024 and 30 September 2023 respectively.