

BASEL II PILLAR 3 DISCLOSURES FOR 30 JUNE 2024

Basel II Pillar 3 Disclosure for the period ended 30 June 2024

- **CIMB Islamic Bank Berhad**

Contents

ABBREVIATIONS..... 1

OVERVIEW 3

CAPITAL MANAGEMENT..... 3

CREDIT RISK 10

SECURITISATION 37

MARKET RISK 42

OPERATIONAL RISK..... 42

EQUITY EXPOSURES IN BANKING BOOK..... 42

RATE OF RETURN RISK IN THE BANKING BOOK..... 43

ABBREVIATIONS

A-IRB Approach	: Advanced Internal Ratings Based Approach
ALM COE	: Asset Liability Management Centre of Excellence
ASB	: Amanah Saham Bumiputra
BI	: Banking Institutions
BIA	: Basic Indicator Approach
BNM	: Bank Negara Malaysia
BRCC	: Board Risk & Compliance Committee
CAF	: Capital Adequacy Framework and, in some instances referred to as the Risk-Weighted Capital Adequacy Framework
CAFIB	: Capital Adequacy Framework for Islamic Banks
CAR	: Capital Adequacy Ratio and, in some instances referred to as the Risk-Weighted Capital Ratio
CBSM	: Capital and Balance Sheet Management
CCR	: Counterparty Credit Risk
CIMBBG	: CIMB Bank, CIMBISLG, CIMBTH, CIMB Bank PLC (Cambodia), CIMB Factorlease Berhad, CIMB Bank (Vietnam) Limited and non-financial subsidiaries
CIMBIBG	: CIMB Investment Bank Berhad and non-financial subsidiaries
CIMBISLG	: CIMB Islamic Bank Berhad, CIMB Islamic Nominees (Asing) Sdn Bhd and CIMB Islamic Nominees (Tempatan) Sdn Bhd
CIMBGH Group	: Group of Companies under CIMB Group Holdings Berhad
CIMBTH	: CIMB Thai Bank Public Company Ltd and its subsidiaries
CIMB Bank	: CIMB Bank Berhad and CIMB Bank (L) Ltd (as determined under the CAF (Capital Components) and CAFIB (Capital Components) to include its wholly owned offshore banking subsidiary company)
CIMB Group or the Group	: Collectively CIMBBG, CIMBIBG and CIMBISLG as described within this disclosure
CIMB IB	: CIMB Investment Bank Berhad
CIMB Islamic	: CIMB Islamic Bank Berhad
CRM	: Credit Risk Mitigants
CRO	: Chief Risk Officer
CSA	: Credit Support Annexes, International Swaps and Derivatives Association Agreement
DFIs	: Development Financial Institutions
EAD	: Exposure At Default
EAR	: Earnings-at-Risk
ECAIs	: External Credit Assessment Institutions
EL	: Expected Loss
EP	: Eligible Provision
EVE	: Economic Value of Equity
EWRM	: Enterprise Wide Risk Management
Group EXCO	: Group Executive Committee
GSOC	: Group Strategic Oversight Committee

ABBREVIATIONS (continued)

GSGC	: Group Sustainability and Governance Committee
F-IRB Approach	: Foundation Internal Ratings Based Approach
Fitch	: Fitch Ratings
GALCO	: Group Asset Liability Management Committee
GCC	: Group Credit Committee
GIB	: Group Islamic Banking
GMCRC	: Group Market and Conduct Risks Committee
GRCC	: Group Risk & Compliance Committee
GRD	: Group Risk Division
GUC	: Group Underwriting Committee
HPE	: Hire Purchase Exposures
IRB Approach	: Internal Ratings Based Approach
KRI	: Key Risk Indicators
LGD	: Loss Given Default
MARC	: Malaysian Rating Corporation Berhad
MDBs	: Multilateral Development Banks
Moody's	: Moody's Investors Service
MRMWG	: Model Risk Management Working Group
MTM	: Mark-to-Market and/or Mark-to-Model
ORM	: Operational Risk Management
ORMF	: Operational Risk Management Framework
OTC	: Over the Counter
PD	: Probability of Default
PSEs	: Non-Federal Government Public Sector Entities
PSIA	: Profit Sharing Investment Accounts
QRRE	: Qualifying Revolving Retail Exposures
R&I	: Rating and Investment Information, Inc
RAM	: RAM Rating Services Berhad
RAROC	: Risk Adjusted Return on Capital
RORBB	: Rate of Return Risk in the Banking Book
RRE	: Residential Real Estate
RWA	: Risk-Weighted Assets
RWCAF	: Risk-Weighted Capital Adequacy Framework and, in some instances referred to as the Capital Adequacy Framework
S&P	: Standard & Poor's
SA	: Standardised Approach
SMEs	: Small and Medium Enterprises
SNC	: Shariah Non Compliance
SRM	: Shariah Risk Management
VaR	: Value-at-Risk

OVERVIEW

The disclosures herein are formulated in accordance with the requirements of BNM's guidelines on CAFIB – Disclosure Requirements (Pillar 3). These disclosures published are for the period ended 30 June 2024.

There were also no capital deficiencies in any subsidiaries that are not included in the consolidation for regulatory purposes.

Any discrepancies between the totals and sum of the components in the tables contained in the disclosures are due to actual summation method and then rounded up to the nearest thousands.

These disclosures have been reviewed and verified by internal auditors and approved by the Board Risk Committee of CIMB Group, as delegated by the Board of Directors of CIMBGH Group.

CAPITAL MANAGEMENT

Capital Structure and Adequacy

The capital adequacy framework applicable to the Malaysian banking entities is based on the Bank Negara Malaysia ("BNM") Capital Adequacy Framework (Capital Components)/Capital Adequacy Framework for Islamic Banks (Capital Components), of which the latest revisions were issued on 14 June 2024. The revised guidelines took effect on 14 June 2024 for all banking institutions and financial holding companies and sets out the regulatory capital requirements concerning capital adequacy ratios and components of eligible regulatory capital in compliance with Basel III.

The risk-weighted assets of CIMB Islamic Bank are computed in accordance with the Capital Adequacy Framework for Islamic Banks (Basel II - Risk-Weighted Assets), of which the latest revision was issued on 18 December 2023. The IRB Approach is applied for the major credit exposures. It prescribes two approaches, the F-IRB Approach and A-IRB Approach. The remaining credit exposures and Market Risk are on the Standardised Approach while Operational Risk is based on the Basic Indicator Approach. The components of eligible regulatory capital are based on the Capital Adequacy Framework for Islamic Banks (Capital Components).

CAPITAL MANAGEMENT (continued)
Capital Structure and Adequacy (continued)

The table below presents the Capital Position of CIMB Islamic Bank Berhad.

Table 1: Capital Position for CIMB Islamic

(RM'000)	CIMB Islamic	
	30 June 2024	30 June 2023
Common Equity Tier 1 capital		
Ordinary share capital	1,000,000	1,000,000
Other reserves	8,914,903	7,787,434
Common Equity Tier 1 capital before regulatory adjustments	9,914,903	8,787,434
<u>Less: Regulatory adjustments</u>		
Goodwill	(136,000)	(136,000)
Intangible assets	(2,411)	(2,623)
Deferred tax assets	(232,931)	(261,896)
Regulatory reserve	(453,295)	(254,073)
Others	(2,455)	644
Common Equity Tier 1 capital after regulatory adjustments	9,087,811	8,133,486
Additional Tier 1 capital		
Perpetual preference shares	350,000	350,000
Total Tier 1 capital	9,437,811	8,483,486
Tier 2 capital		
Subordinated Sukuk	1,100,000	1,100,000
Surplus of eligible provision over expected loss	183,439	194,208
General provisions	83,193	86,461
Total Tier 2 capital	1,366,632	1,380,669
Total capital	10,804,443	9,864,155

CAPITAL MANAGEMENT (continued)

Capital Structure and Adequacy (continued)

Table 1: Capital Position for CIMB Islamic

(RM'000)	CIMB Islamic	
	30 June 2024	30 June 2023
RWA		
Credit risk	58,941,754	55,472,305
Market risk	896,296	684,961
Operational risk	5,485,328	5,126,617
Total RWA	65,323,378	61,283,883
Capital Adequacy Ratios		
Common Equity Tier 1 ratio	13.912%	13.272%
Tier 1 ratio	14.448%	13.843%
Total Capital ratio	16.540%	16.096%

Total Capital ratio increased in 2024 compared to 2023 mainly due to (i) higher other reserves and (ii) lower deduction in deferred tax assets; offset by (iii) higher deduction in regulatory reserve, (iv) lower surplus eligible provision over expected loss and (v) higher RWA mainly from Credit RWA.

CAPITAL MANAGEMENT (continued)

Capital Structure and Adequacy (continued)

The tables below show the RWA under various exposure classes under the relevant approach and applying the minimum regulatory capital requirement at 8% to establish the minimum capital required for each of the exposure classes:

Table 2: Disclosure on Total RWA and Minimum Capital Requirement

30 June 2024	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	24,039,505	24,039,505	-	-	-
Public Sector Entities	3,356,279	3,356,279	103,609	103,609	8,289
Banks, DFIs & MDBs	41	41	8	8	1
Takaful Operators, Securities Firms & Fund Managers	0	0	0	0	0
Corporate	4,144,862	4,082,667	2,341,162	2,139,640	171,171
Regulatory Retail	8,597,289	8,519,632	4,518,986	3,971,652	317,732
RRE Financing	514,055	514,055	255,063	228,220	18,258
Higher Risk Assets	-	-	-	-	-
Other Assets	210,246	210,246	209,248	209,248	16,740
Securitisation	15,351	15,351	3,070	3,070	246
Total for SA	40,877,627	40,737,774	7,431,146	6,655,448	532,436
Exposures under the IRB Approach					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	4,151,728	4,151,728	642,825	642,825	51,426
Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	34,674,018	34,674,018	22,820,063	20,713,973	1,657,118
RRE Financing	47,746,862	47,746,862	14,199,770	13,763,188	1,101,055
Qualifying Revolving Retail	815,015	815,015	536,061	536,061	42,885
Hire Purchase	19,072,416	19,072,416	15,855,820	7,078,764	566,301
Other Retail	29,891,378	29,891,378	6,606,832	6,591,892	527,351
Securitisation	-	-	-	-	-
Total for IRB Approach	136,351,417	136,351,417	60,661,371	49,326,704	3,946,136

CAPITAL MANAGEMENT *(continued)*

Capital Structure and Adequacy *(continued)*

Table 2: Disclosure on Total RWA and Minimum Capital Requirement *(continued)*

30 June 2024	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	177,229,044	177,089,192	71,732,200	58,941,754	4,715,340
Large Exposure Risk Requirement	-	-	-	-	-
Market Risk (SA)					
Profit Rate Risk			790,906	790,906	63,272
Foreign Currency Risk			105,389	105,389	8,431
Equity Risk			-	-	-
Commodity Risk			-	-	-
Options Risk			2	2	0
Total Market Risk			896,296	896,296	71,704
Operational Risk (BIA)			5,485,328	5,485,328	438,826
Total RWA and Capital Requirement			78,113,824	65,323,378	5,225,870

CAPITAL MANAGEMENT (continued)

Capital Structure and Adequacy (continued)

Table 2: Disclosure on Total RWA and Minimum Capital Requirement (continued)

30 June 2023	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Credit Risk					
Exposures under the SA					
Sovereign/Central Banks	26,763,095	26,763,095	-	-	-
Public Sector Entities	3,499,859	3,499,859	211,944	211,944	16,956
Banks, DFIs & MDBs	8	8	2	2	0.12
Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	3,382,585	3,331,363	1,974,396	1,896,947	151,756
Regulatory Retail	8,410,200	7,845,939	4,390,124	4,254,758	340,381
RRE Financing	419,675	419,675	209,400	151,119	12,090
Higher Risk Assets	-	-	-	-	-
Other Assets	403,037	403,037	402,081	402,081	32,166
Securitisation	-	-	-	-	-
Total for SA	42,878,457	42,262,975	7,187,946	6,916,851	553,348
Exposures under the IRB Approach					
Sovereign/Central Banks	-	-	-	-	-
Public Sector Entities	-	-	-	-	-
Banks, DFIs & MDBs	3,913,091	3,913,091	1,047,614	1,047,614	83,809
Takaful Operators, Securities Firms & Fund Managers	-	-	-	-	-
Corporate	32,371,928	32,371,928	21,014,204	18,577,989	1,486,239
RRE Financing	39,541,032	39,541,032	12,137,772	11,360,578	908,846
Qualifying Revolving Retail	396,681	396,681	250,459	250,459	20,037
Hire Purchase	16,548,658	16,548,658	12,618,637	7,452,348	596,188
Other Retail	31,766,246	31,766,246	7,129,144	7,118,045	569,444
Securitisation	-	-	-	-	-
Total for IRB Approach	124,537,636	124,537,636	54,197,830	45,807,032	3,664,563

CAPITAL MANAGEMENT *(continued)*

Capital Structure and Adequacy *(continued)*

Table 2: Disclosure on Total RWA and Minimum Capital Requirement *(continued)*

30 June 2023	CIMB Islamic				
(RM'000) Exposure Class	Gross Exposure before CRM (SA)/EAD (IRB)	Net Exposure after CRM (SA)/EAD (IRB)	RWA	Total RWA after effects of PSIA	Minimum capital requirement at 8%
Total Credit Risk (Exempted Exposures and Exposures under the IRB Approach After Scaling Factor)	167,416,094	166,800,611	64,637,646	55,472,305	4,437,784
Large Exposure Risk Requirement	-	-	-	-	-
Market Risk (SA)					
Profit Rate Risk			630,020	630,020	50,402
Foreign Currency Risk			54,941	54,941	4,395
Equity Risk			-	-	-
Commodity Risk			-	-	-
Options Risk			-	-	-
Total Market Risk			684,961	684,961	54,797
Operational Risk (BIA)			5,126,617	5,126,617	410,129
Total RWA and Capital Requirement			70,449,224	61,283,883	4,902,711

CREDIT RISK

Summary of Credit Exposures

i) Gross Credit Exposures by Geographic Distribution

The geographic distribution is based on the country in which the portfolio is geographically managed. The following tables represent CIMB Islamic 'credit exposures by geographic region:

Table 3: Geographic Distribution of Credit Exposures

30 June 2024		CIMB Islamic			
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	24,039,505	-	-	-	24,039,505
PSE	3,356,279	-	-	-	3,356,279
Bank	4,151,768	-	-	-	4,151,768
Corporate	38,818,880	-	-	-	38,818,880
RRE Financing	48,260,918	-	-	-	48,260,918
HPE	19,072,416	-	-	-	19,072,416
QRRE	815,015	-	-	-	815,015
Other Retail	38,488,667	-	-	-	38,488,667
Other Exposures	225,596	-	-	-	225,596
Total Gross Credit Exposure	177,229,044	-	-	-	177,229,044

30 June 2023		CIMB Islamic			
(RM'000) Exposure Class	Malaysia	Singapore	Thailand	Other Countries	Total
Sovereign	26,763,095	-	-	-	26,763,095
PSE	3,499,859	-	-	-	3,499,859
Bank	3,913,098	-	-	-	3,913,098
Corporate	35,754,513	-	-	-	35,754,513
RRE Financing	39,960,707	-	-	-	39,960,707
HPE	16,548,658	-	-	-	16,548,658
QRRE	396,681	-	-	-	396,681
Other Retail	40,176,445	-	-	-	40,176,445
Other Exposures	403,037	-	-	-	403,037
Total Gross Credit Exposure	167,416,094	-	-	-	167,416,094

BASEL II PILLAR 3 DISCLOSURES FOR 30 JUNE 2024
CREDIT RISK (continued)
Summary of Credit Exposures (continued)

ii) Gross Credit Exposures by Sector

The following tables represent CIMB Islamic's credit exposure analysed by sector:

Table 4: Distribution of Credit Exposures by Sector

30 June 2024	CIMB Islamic											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Islamic Finance, Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
Sovereign	-	-	-	579,043	2,829,636	-	2,175,592	8,157,159	9,159,740	-	1,138,334	24,039,505
PSE	74,806	-	-	-	-	-	-	223,339	3,058,134	-	-	3,356,279
Bank	-	-	-	-	-	-	-	4,151,768	-	-	-	4,151,768
Corporate	3,642,294	1,554,893	4,355,473	1,488,667	5,564,639	5,859,250	4,162,439	11,250,533	908,171	11,410	21,112	38,818,880
RRE	-	-	-	-	-	-	-	-	-	48,260,918	-	48,260,918
Financing	-	-	-	-	-	-	-	-	-	19,072,416	-	19,072,416
HPE	-	-	-	-	-	-	-	-	-	815,015	-	815,015
QRRE	-	-	-	-	-	-	-	-	-	-	-	-
Other Retail	95,037	17,943	1,050,658	28,105	528,836	3,406,259	331,314	1,760,982	411,747	30,848,709	9,077	38,488,667
Other Exposures	-	-	-	-	-	-	-	-	-	-	225,596	225,596
Total Gross Credit Exposure	3,812,136	1,572,835	5,406,130	2,095,815	8,923,111	9,265,509	6,669,345	25,543,781	13,537,793	99,008,469	1,394,119	177,229,044

Note: All sectors above are Shariah compliant.
**Others are exposures which are not elsewhere classified.*

BASEL II PILLAR 3 DISCLOSURES FOR 30 JUNE 2024

CREDIT RISK (continued)

Summary of Credit Exposures (continued)

ii) Gross Credit Exposures by Sector (continued)

Table 4: Distribution of Credit Exposures by Sector (continued)

30 June 2023	CIMB Islamic											
(RM'000) Exposure Class	Primary Agriculture	Mining and Quarrying	Manufacturing	Electricity, Gas and Water Supply	Construction	Wholesale and Retail Trade, and Restaurants and Hotels	Transport, Storage and Communication	Islamic Finance, Takaful, Real Estate and Business Activities	Education, Health and Others	Household	Others*	Total
Sovereign	-	-	-	553,689	2,681,839	-	1,875,972	12,122,058	8,504,152	-	1,025,385	26,763,095
PSE	-	-	-	-	-	-	-	388,192	3,111,667	-	-	3,499,859
Bank	-	-	-	-	-	-	-	3,913,098	-	-	-	3,913,098
Corporate	3,502,090	1,642,334	3,720,805	1,488,551	5,054,578	3,918,244	5,000,301	10,647,060	753,096	10,126	17,328	35,754,513
RRE	-	-	-	-	-	-	-	-	-	39,960,707	-	39,960,707
Financing	-	-	-	-	-	-	-	-	-	16,548,658	-	16,548,658
HPE	-	-	-	-	-	-	-	-	-	396,681	-	396,681
QRRE	-	-	-	-	-	-	-	-	-	33,615,438	-	33,615,438
Other Retail	98,757	14,439	950,585	25,197	478,574	2,792,733	265,935	1,592,755	331,535	33,615,438	10,497	40,176,445
Other Exposures	-	-	-	-	-	-	-	-	-	-	403,037	403,037
Total Gross Credit Exposure	3,600,847	1,656,773	4,671,391	2,067,437	8,214,991	6,710,977	7,142,208	28,663,164	12,700,450	90,531,610	1,456,246	167,416,094

Note: All sectors above are Shariah compliant.

*Others are exposures which are not elsewhere classified.

CREDIT RISK (continued)

Summary of Credit Exposures (continued)

iii) Gross Credit Exposures by Residual Contractual Maturity

The following tables represent CIMB Islamic's credit exposure analysed by residual contractual maturity:

Table 5: Distribution of Credit Exposures by Residual Contractual Maturity

30 June 2024	CIMB Islamic			
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	7,419,726	4,923,734	11,696,045	24,039,505
PSE	631,689	1,007,880	1,716,710	3,356,279
Bank	2,940,907	1,093,873	116,989	4,151,768
Corporate	10,720,362	9,948,197	18,150,320	38,818,880
RRE Financing	3,659	107,746	48,149,513	48,260,918
HPE	51,906	4,534,290	14,486,220	19,072,416
QRRE	815,015	-	-	815,015
Other Retail	116,779	1,588,849	36,783,040	38,488,667
Other Exposures	5,083	10,268	210,246	225,596
Total Gross Credit Exposure	22,705,125	23,214,836	131,309,083	177,229,044

30 June 2023	CIMB Islamic			
(RM'000) Exposure Class	Less than 1 year	1 to 5 years	More than 5 years	Total
Sovereign	11,169,198	4,347,582	11,246,314	26,763,095
PSE	388,192	1,394,911	1,716,756	3,499,859
Bank	3,294,791	504,795	113,512	3,913,098
Corporate	8,087,538	10,843,545	16,823,431	35,754,513
RRE Financing	2,624	104,224	39,853,858	39,960,707
HPE	38,416	3,724,200	12,786,043	16,548,658
QRRE	396,681	-	-	396,681
Other Retail	77,999	1,383,193	38,715,254	40,176,445
Other Exposures	-	-	403,037	403,037
Total Gross Credit Exposure	23,455,440	22,302,450	121,658,204	167,416,094

CREDIT RISK (continued)

Credit Quality of Advances & Financing

i) Past Due But Not Impaired

The following tables provide an analysis of the outstanding balances as at 30 June 2024 and 31 December 2023 which were past due but not impaired by sector and geographical respectively:

Table 6: Past Due but Not Impaired Financing, Advances and Other Financing by Sector

(RM'000)	CIMB Islamic	
	30 June 2024	31 December 2023
Primary Agriculture	3,788	4,636
Mining and Quarrying	285	78
Manufacturing	45,107	32,553
Electricity, Gas and Water Supply	5,176	1,332
Construction	92,195	38,580
Wholesale and Retail Trade, and Restaurants and Hotels	81,716	75,223
Transport, Storage and Communication	14,604	8,191
Finance, Takaful, Real Estate and Business Activities	76,751	87,018
Education, Health and Others	24,355	23,054
Household	7,577,841	7,260,034
Others*	167	323
Total	7,921,985	7,531,022

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

Table 7: Past Due but Not Impaired Financing, Advances and Other Financing by Geographic Distribution

(RM'000)	CIMB Islamic	
	30 June 2024	31 December 2023
Malaysia	7,921,985	7,531,022
Total	7,921,985	7,531,022

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

ii) Credit Impaired Financings

CREDIT RISK (continued)

Credit Quality of, Advances and Financing (continued)

ii) Credit Impaired Financings (continued)

The following tables provide an analysis of the outstanding balances as at 30 June 2024 and 31 December 2023 which were credit impaired by sector and geographical respectively:

Table 8: Credit Impaired Financing, Advances and Other Financing by Sector

(RM'000)	CIMB Islamic	
	30 June 2024	31 December 2023
Primary Agriculture	12,173	12,600
Mining and Quarrying	1	1
Manufacturing	30,046	20,072
Electricity, Gas and Water Supply	1	1
Construction	76,454	59,876
Wholesale and Retail Trade, and Restaurants and Hotels	191,044	175,589
Transport, Storage and Communication	7,022	8,390
Finance, Takaful, Real Estate and Business Activities	84,603	76,414
Education, Health and Others	22,012	17,941
Household	1,335,819	1,404,914
Others*	374	76
Total	1,759,549	1,775,874

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

Table 9: Credit Impaired Financing, Advances and Other Financing by Geographic Distribution

(RM'000)	CIMB Islamic	
	30 June 2024	31 December 2023
Malaysia	1,759,549	1,775,874
Total	1,759,549	1,775,874

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses

Table 10: Expected credit losses (Stage 1, 2 and 3) by Sector

(RM'000)	CIMB Islamic			
	30 June 2024			
	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
Primary Agriculture	1,153	193	12,136	13,482
Mining and Quarrying	185	43	1	229
Manufacturing	5,112	6,208	13,211	24,531
Electricity, Gas and Water Supply	673	136	202	1,011
Construction	3,439	3,910	58,921	66,270
Wholesale and Retail Trade, and Restaurants and Hotels	14,625	6,349	129,118	150,092
Transport, Storage and Communications	3,693	7,622	3,745	15,060
Finance, Takaful, Real Estate and Business Activities	7,996	2,947	11,593	22,536
Education, Health and Others	1,641	1,361	10,758	13,760
Household	516,754	388,779	517,522	1,423,055
Others*	15	-	160	175
Total	555,286	417,548	757,367	1,730,201

Note: All sectors above are Shariah compliant.

*Others are exposures which are not elsewhere classified.

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses (continued)

Table 10: Expected credit losses (Stage 1, 2 and 3) by Sector (continued)

(RM'000)	CIMB Islamic			
	31 December 2023			
	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
Primary Agriculture	3,134	770	12,644	16,548
Mining and Quarrying	964	660	1	1,625
Manufacturing	16,345	4,395	11,617	32,357
Electricity, Gas and Water Supply	1,097	-	-	1,097
Construction	5,975	2,767	26,848	35,590
Wholesale and Retail Trade, and Restaurants and Hotels	34,940	6,838	124,782	166,560
Transport, Storage and Communications	5,405	1,497	4,666	11,568
Finance, Takaful, Real Estate and Business Activities	15,267	4,615	16,841	36,723
Education, Health and Others	3,922	982	9,296	14,200
Household	685,022	345,571	342,851	1,373,444
Others*	41	71	34	146
Total	772,112	368,166	549,580	1,689,858

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses (continued)

Table 11: Expected credit losses (Stage 1, 2 and 3) by Geographic Distribution

(RM'000)	CIMB Islamic			
	30 June 2024			
	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
Malaysia	555,286	417,548	757,367	1,730,201
Total	555,286	417,548	757,367	1,730,201

(RM'000)	CIMB Islamic			
	2023			
	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
Malaysia	772,112	368,166	549,580	1,689,858
Total	772,112	368,166	549,580	1,689,858

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses (continued)

Table 12: Expected credit losses charges/(write back) and write-off for Stage 3

(RM'000)	CIMB Islamic	
	30 June 2024	
	Charges/(write back)	Write-off
	Lifetime expected credit losses - Credit impaired (Stage 3)	Lifetime expected credit losses - Credit impaired (Stage 3)
Primary Agriculture	(900)	-
Mining and Quarrying	-	-
Manufacturing	4,027	4,701
Electricity, Gas and Water Supply	76	-
Construction	33,573	3,796
Wholesale and Retail Trade, and Restaurants and Hotels	3,104	5,583
Transport, Storage and Communications	2,208	818
Finance, Takaful, Real Estate and Business Activities	3,999	8,681
Education, Health and Others	974	5
Household	336,520	126,313
Others*	51	-
Total	383,632	149,897

Note: All sectors above are Shariah compliant.

**Others are exposures which are not elsewhere classified.*

CREDIT RISK (CONTINUED)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses *(continued)*

Table 12: Expected credit losses charges/(write back) and write-off for Stage 3 (continued)

(RM'000)	CIMB Islamic	
	30 June 2023	
	Charges/(write back)	Write-off
	Lifetime expected credit losses - Credit impaired (Stage 3)	Lifetime expected credit losses - Credit impaired (Stage 3)
Primary Agriculture	(207)	-
Mining and Quarrying	-	-
Manufacturing	2,957	258
Electricity, Gas and Water Supply	-	-
Construction	1,029	219
Wholesale and Retail Trade, and Restaurants and Hotels	33,383	378
Transport, Storage and Communications	479	183
Finance, Takaful, Real Estate and Business Activities	3,906	26
Education, Health and Others	8,580	-
Household	172,391	119,358
Others*	277	-
Total	222,795	120,422

Note: All sectors above are Shariah compliant.

*Others are exposures which are not elsewhere classified.

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses (continued)

Table 13: Analysis of movement in the Expected Credit Losses for Financing, Advances and Other Financing

(RM'000)	CIMB Islamic			
	30 June 2024			
	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
At 1 January 2024	772,112	368,166	549,580	1,689,858
Changes in expected credit losses due to transferred within stages	87,403	(47,777)	(39,626)	-
Transferred to Stage 1	182,221	(169,842)	(12,379)	-
Transferred to Stage 2	(94,624)	287,759	(193,135)	-
Transferred to Stage 3	(194)	(165,694)	165,888	-
Total charge to Income Statement	(304,289)	96,980	383,632	176,323
New financial assets originated	53,914	1,629	862	56,405
Financial assets that have been derecognised	(36,270)	(18,390)	-	(54,660)
Write back in respect of full recoveries	-	-	(13,358)	(13,358)
Change in credit risk	(321,933)	113,741	396,128	187,936
Write-offs	-	(23)	(149,897)	(149,920)
Other movements	60	202	13,678	13,940
Total	555,286	417,548	757,367	1,730,201

CREDIT RISK (continued)

Credit Quality of Advances and Financing (continued)

iii) Expected Credit Losses (continued)

Table 13: Analysis of movement in the Expected Credit Losses for Financing, Advances and Other Financing (continued)

(RM'000)	CIMB Islamic			
	30 June 2023			
	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
At 1 January 2023	163,249	892,799	431,605	1,487,653
Changes in expected credit losses due to transferred within stages	561,107	(575,690)	14,583	-
Transferred to Stage 1	626,537	(615,662)	(10,875)	-
Transferred to Stage 2	(62,034)	220,254	(158,220)	-
Transferred to Stage 3	(3,396)	(180,282)	183,678	-
Total charge to Income Statement	(45,455)	13,368	222,795	190,708
New financial assets originated	40,414	360	7,774	48,548
Financial assets that have been derecognised	(22,980)	(15,675)	-	(38,655)
Write back in respect of full recoveries	-	-	(10,715)	(10,715)
Change in credit risk	(62,889)	28,683	225,736	191,530
Write-offs	-	-	(120,422)	(120,422)
Exchange fluctuation	38	16	-	54
Other movements	18	(100)	11,274	11,192
Total	678,957	330,393	559,835	1,569,185

Capital Treatment for Credit Risk

Details on RWA and capital requirements related to Credit Risk are disclosed separately for CIMB Islamic in Table 2. Details on the disclosure for portfolios under the SA and the IRB Approach are in the sections that followed.

BASEL II PILLAR 3 DISCLOSURES FOR 30 JUNE 2024

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the SA (continued)

Table 14: Disclosure by Risk Weight under SA

30 June 2024	CIMB Islamic											
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk- Weighted Assets
0%	24,039,505	2,910,464	-	-	136	292	-	-	998	-	26,951,394	-
20%	-	397,661	41	-	113,342	1,592,652	-	-	-	15,351	2,119,046	423,809
35%	-	-	-	-	-	-	39,119	-	-	-	39,119	13,692
50%	-	48,154	-	-	3,302,208	4,917,787	467,131	-	-	-	8,735,280	4,367,640
75%	-	-	-	-	-	1,102,770	-	-	-	-	1,102,770	827,077
100%	-	-	-	0	666,405	889,426	7,806	-	209,248	-	1,772,884	1,772,884
100% < RW < 1250%	-	-	-	-	565	16,706	-	-	-	-	17,271	25,907
1250%	-	-	-	-	11	-	-	-	-	-	11	138
Total	24,039,505	3,356,279	41	0	4,082,667	8,519,632	514,055	-	210,246	15,351	40,737,774	7,431,146
Average Risk Weight	-	3%	20%	100%	57%	53%	50%	-	100%	20%	18%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

*The total includes the portion which is deducted from Capital Base, if any.

BASEL II PILLAR 3 DISCLOSURES FOR 30 JUNE 2024

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the SA (continued)

Table 14: Disclosure by Risk Weight under SA (continued)

30 June 2023	CIMB Islamic											
(RM'000) Risk Weights	Sovereign/ Central Banks	PSEs	Banks, MDBs and DFIs	Takaful Operators, Securities Firms & Fund Managers	Corporate	Regulatory Retail	RRE Financing	Higher Risk Assets	Other Assets	Securitisation*	Total Exposures after Netting and Credit Risk Mitigation*	Total Risk- Weighted Assets
0%	26,763,095	2,533,002	-	-	-	68	-	-	956	-	29,297,122	-
20%	-	904,947	8	-	66,098	1,279,284	-	-	-	-	2,250,337	450,067
35%	-	-	-	-	-	-	22,287	-	-	-	22,287	7,800
50%	-	61,909	-	-	2,613,427	4,228,205	391,576	-	-	-	7,295,117	3,647,558
75%	-	-	-	-	-	1,276,704	-	-	-	-	1,276,704	957,528
100%	-	-	-	-	646,829	1,059,763	5,812	-	402,081	-	2,114,485	2,114,485
100% < RW < 1250%	-	-	-	-	4,998	1,916	-	-	-	-	6,913	10,370
1250%	-	-	-	-	11	-	-	-	-	-	11	138
Total	26,763,095	3,499,859	8	-	3,331,363	7,845,939	419,675	-	403,037	-	42,262,975	7,187,946
Average Risk Weight	-	6%	20%	-	59%	56%	50%	-	100%	-	17%	
Deduction from Capital Base	-	-	-	-	-	-	-	-	-	-	-	

*The total includes the portion which is deducted from Capital Base, if any.

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the SA (continued)

The following tables present the non-retail credit exposures before the effect of credit risk mitigation, according to ratings by ECAIs:

Table 15: Disclosures of Rated and Unrated Non-Retail Exposures under SA according to Ratings by ECAIs

30 June 2024		CIMB Islamic		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Public Sector Entities	-	-	3,356,279	3,356,279
Takaful Operators, Securities Firms & Fund Managers	-	-	0	0
Corporate	45	-	4,144,817	4,144,862
Sovereign/Central Banks	21,750,238	-	2,289,267	24,039,505
Banks, MDBs and DFIs	41	-	-	41
Total	21,750,323	-	9,790,362	31,540,686

30 June 2023		CIMB Islamic		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Public Sector Entities	-	-	3,499,859	3,499,859
Takaful Operators, Securities Firms & Fund Managers	-	-	-	-
Corporate	1	-	3,382,584	3,382,585
Sovereign/Central Banks	23,525,151	-	3,237,944	26,763,095
Banks, MDBs and DFIs	8	-	-	8
Total	23,525,159	-	10,120,387	33,645,546

Table 16: Disclosures of Securitisation under SA according to Ratings by ECAIs

30 June 2024		CIMB Islamic		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Securitisation	15,351	-	-	15,351

30 June 2023		CIMB Islamic		
(RM '000) Exposure Class	Investment Grade	Non-Investment Grade	No Rating	Total
On and Off-Balance-Sheet Exposures				
Securitisation	-	-	-	-

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the IRB Approach

Retail Exposures

Retail exposures covered under the A-IRB Approach include credit cards, auto financing, Xpress Cash, residential mortgages, business premises financing and ASB financing.

The following tables summarise the retail credit exposures measured under A-IRB Approach as at 30 June 2024 and 30 June 2023:

Table 17: Retail Exposures under the IRB Approach by PD Band

30 June 2024	CIMB Islamic			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
Total Retail Exposure	60,349,041	35,189,937	1,986,694	97,525,672
RRE Financing	40,143,592	6,076,990	1,526,281	47,746,862
QRRE	457,456	349,682	7,877	815,015
Hire Purchase	4,456,595	14,395,509	220,312	19,072,416
Other Retail	15,291,399	14,367,755	232,224	29,891,378
Exposure Weighted Average LGD				
RRE Financing	22%	26%	36%	
QRRE	90%	90%	90%	
Hire Purchase	44%	58%	56%	
Other Retail	24%	12%	40%	
Exposure Weighted Average Risk Weight				
RRE Financing	12%	97%	221%	
QRRE	21%	111%	642%	
Hire Purchase	53%	89%	334%	
Other Retail	22%	19%	198%	

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)

Retail Exposures (continued)

Table 17: Retail Exposures under the IRB Approach by PD Band (continued)

30 June 2023	CIMB Islamic			
(RM'000) PD Range of Retail Exposures	0% ≤ PD < 2%	2% ≤ PD < 100%	100% Or Default	Total
Total Retail Exposure	60,189,102	26,327,476	1,736,039	88,252,617
RRE Financing	33,349,254	4,914,868	1,276,910	39,541,032
QRRE	231,367	161,075	4,238	396,681
Hire Purchase	11,061,154	5,269,242	218,262	16,548,658
Other Retail	15,547,327	15,982,291	236,628	31,766,246
Exposure Weighted Average LGD				
RRE Financing	23%	27%	37%	
QRRE	90%	90%	90%	
Hire Purchase	51%	64%	56%	
Other Retail	25%	12%	38%	
Exposure Weighted Average Risk Weight				
RRE Financing	13%	99%	228%	
QRRE	20%	113%	527%	
Hire Purchase	55%	110%	366%	
Other Retail	23%	19%	194%	

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)

Retail Exposures (continued)

Table 18: Retail Exposures under the IRB Approach by Expected Loss Range

30 June 2024	CIMB Islamic			
(RM'000) EL Range of Retail Exposures	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Total Retail Exposure	76,968,725	20,483,994	72,952	97,525,672
RRE Financing	43,601,134	4,106,802	38,926	47,746,862
QRRE	403,055	411,853	106.24	815,015
Hire Purchase	6,723,055	12,334,292	15,069	19,072,416
Other Retail	26,241,481	3,631,047	18,850	29,891,378
Exposure Weighted Average LGD				
RRE Financing	22%	32%	44%	
QRRE	90%	90%	90%	
Hire Purchase	42%	62%	56%	
Other Retail	18%	26%	53%	

30 June 2023	CIMB Islamic			
(RM'000) EL Range of Retail Exposures	EL ≤ 1%	1% < EL < 100%	EL = 100%	Total
Total Retail Exposure	73,227,493	15,009,086	16,039	88,252,617
RRE Financing	35,757,707	3,781,551	1,774	39,541,032
QRRE	217,422	179,259	-	396,681
Hire Purchase	10,049,057	6,491,491	8,111	16,548,658
Other Retail	27,203,307	4,556,785	6,153	31,766,246
Exposure Weighted Average LGD				
RRE Financing	23%	33%	40%	
QRRE	90%	90%	90%	
Hire Purchase	50%	64%	56%	
Other Retail	18%	25%	63%	

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)

Non-retail Exposures

The following tables summarise CIMB Islamic’s non-retail credit exposures measured under F-IRB Approach as at 30 June 2024 and 30 June 2023:

Table 19: Credit Exposures Subject to Supervisory Risk Weight under IRB Approach

30 June 2024		CIMB Islamic				
(RM'000) Supervisory Categories	Strong	Good	Satisfactory	Weak	Default	Total
Project Finance	212,990	548,399	96,954	223	-	858,566
Object Finance	-	-	-	-	-	-
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	455,204	1,993,600	140,301	182,958	0	2,772,063
RWA	370,261	1,997,468	161,346	457,952	-	2,987,027

30 June 2023		CIMB Islamic				
(RM'000) Supervisory Categories	Strong	Good	Satisfactory	Weak	Default	Total
Project Finance	164,674	413,065	118,542	464	-	696,744
Object Finance	-	-	-	-	-	-
Commodities Finance	-	-	-	-	-	-
Income Producing Real Estate	471,584	1,673,475	128,950	164,668	0.08	2,438,678
RWA	351,064	1,604,497	284,616	412,830	-	2,653,006

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)

Non-retail Exposures (continued)

CIMB Islamic have no exposure to High Volatility Commercial Real Estate and Equities under the Supervisory Slotting Criteria.

Table 20: Non Retail Exposures under IRB Approach by Risk Grades

30 June 2024	CIMB Islamic				
(RM'000) Internal Risk Grading	1 - 7	8 - 15	16 - 25	Default	Total
Total Non-Retail Exposure	8,131,973	18,150,455	7,866,292	1,046,397	35,195,117
Bank	2,698,128	1,453,582	8	11	4,151,728
Corporate (excluding Specialised Financing)	5,433,845	16,696,874	7,866,284	1,046,386	31,043,389
Exposure Weighted Average LGD					
Bank	41%	45%	45%	45%	
Corporate (excluding Specialised Financing)	45%	40%	37%	43%	
Exposure Weighted Average Risk Weight					
Bank	13%	20%	221%	0%	
Corporate (excluding Specialised Financing)	15%	62%	110%	0%	

30 June 2023	CIMB Islamic				
(RM'000) Internal Risk Grading	1 - 7	8 - 15	16 - 25	Default	Total
Total Non-Retail Exposure	9,384,831	14,908,655	7,985,844	870,267	33,149,597
Bank	2,822,963	1,090,095	33	-	3,913,091
Corporate (excluding Specialised Financing)	6,561,868	13,818,561	7,985,810	870,267	29,236,506
Exposure Weighted Average LGD					
Bank	45%	45%	45%	-	
Corporate (excluding Specialised Financing)	45%	41%	38%	43%	
Exposure Weighted Average Risk Weight					
Bank	23%	36%	244%	0%	
Corporate (excluding Specialised Financing)	11%	67%	104%	0%	

CREDIT RISK (continued)

Credit Risk – Disclosure for Portfolios under the IRB Approach (continued)

Expected Losses versus Actual Losses by Portfolio Types

The following tables summarise the expected losses versus actual losses by portfolio type:

Table 21: Analysis of Expected Loss versus Actual Losses by Portfolio Types

CIMB Islamic				
(RM'000) Exposure Class	30 June 2024		30 June 2023	
	Regulatory Expected Losses as at 30 June 2023	Actual Losses for the period ended 30 June 2024	Regulatory Expected Losses as at 30 June 2022	Actual Losses for the period ended 30 June 2023
Sovereign	-	-	-	-
Bank	1,610	-	392	-
Corporate	204,403	82,116	186,147	81,330
RRE Financing	211,412	275,042	114,352	126,318
HPE	367,817	156,190	281,375	110,943
QRRE	11,519	5,054	7,661	3,422
Other Retail	206,054	57,034	209,709	45,630
Total	1,002,815	575,436	799,637	367,643

Actual loss refers to impairment provisions and direct write-offs, if any during the period.

On the other hand, EL measures the loss expected from non-defaulted exposures at the start of the year. It is computed based on the risk parameters of the adopted IRB Approach. While a comparison of actual losses and EL provides some insight of the predictive power of the IRB Approach models used by the Group, the two metrics are not directly comparable due to the differences in methodology.

CREDIT RISK (continued)

Off-Balance Sheet Exposures and Counterparty Credit Risk (CCR)

In the event of a one-notch downgrade of rating, based on the terms of the existing CSA and exposure as at 30 June 2024 and 30 June 2023 there was no requirement for additional collateral to be posted.

The following tables disclose the Off-Balance Sheet exposures and CCR as at 30 June 2024 and 30 June 2023:

Table 22: Disclosure on Off-Balance Sheet Exposures and CCR

30 June 2024	CIMB Islamic			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	588,185		588,185	361,829
Transaction Related Contingent Items	1,170,407		585,203	265,037
Short Term Self Liquidating Trade Related Contingencies	320,775		64,155	25,423
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	-		-	-
Commitments to buy back Islamic securities under Sales and Buy Back agreement	-		-	-
Foreign Exchange Related Contracts				
One year or less	2,054,256	13,645	36,636	37,768
Over one year to five years	11,652	11	594	752
Over five years	-	-	-	-
Profit Rate Related Contracts				
One year or less	9,011	26	152	118
Over one year to five years	1,223,792	1,557	28,395	15,016
Over five years	117,981	1,641	8,720	5,524
Commodity contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	51,380,115	60,175	856,870	201,953
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	16,239,930		14,426,526	4,874,726
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	-		-	-
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	14,658,335		-	-
Unutilised credit card lines	907,003		426,083	180,546
Off-balance sheet items for securitisation exposures	-		-	-
Total	88,681,441	77,054	17,021,519	5,968,692

CREDIT RISK (continued)

Off-Balance Sheet Exposures and CCR (continued)

Table 22: Disclosure on Off-Balance Sheet Exposures and CCR (continued)

30 June 2023	CIMB Islamic			
(RM'000) Description	Principal Amount	Positive Fair Value of Derivative Contracts	Credit Equivalent Amount	Risk-Weighted Assets
Direct Credit Substitutes	443,931		443,931	288,980
Transaction Related Contingent Items	1,046,413		523,206	305,014
Short Term Self Liquidating Trade Related Contingencies	77,466		15,493	13,049
Assets Sold With Recourse	-		-	-
Forward Asset Purchases	-		-	-
Obligations under an On-going Underwriting Agreement	-		-	-
Commitments to buy back Islamic securities under Sales and Buy Back agreement	73,333		73,333	13,047
Foreign Exchange Related Contracts				
One year or less	3,217,771	62,175	98,343	133,597
Over one year to five years	26,806	500	1,840	2,379
Over five years	-	-	-	-
Profit Rate Related Contracts				
One year or less	294,045	635	1,777	2,051
Over one year to five years	188,391	482	7,664	4,023
Over five years	10,924	-	546	516
Commodity contracts				
One year or less	-	-	-	-
Over one year to five years	-	-	-	-
Over five years	-	-	-	-
OTC derivative transactions and credit derivative contracts subject to valid bilateral netting agreements	31,267,342	284,333	650,448	175,724
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	19,391,514		17,260,498	5,509,026
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	10,248		7,686	4,240
Any commitments that are unconditionally cancellable at any time by the bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a customer's creditworthiness	9,963,900		-	-
Unutilised credit card lines	428,325		182,904	64,113
Off-balance sheet items for securitisation exposures	-		-	-
Total	66,440,409	348,124	19,267,669	6,515,757

CREDIT RISK (continued)

Off-Balance Sheet Exposures and CCR (continued)

The tables below show the credit derivative transactions that create exposures to CCR (notional value) segregated between own use and client intermediation activities:

Table 23: Disclosure on Credit Derivative Transactions

(RM'000)	CIMB Islamic			
	30 June 2024		30 June 2023	
	Notional of Credit Derivatives			
	Protection Bought	Protection Sold	Protection Bought	Protection Sold
Own Credit Portfolio	-	-	-	-
Client Intermediation Activities	-	19,900	-	19,900
Total	-	19,900	-	19,900
Credit Default Swaps	-	-	-	-
Total Return Swaps	-	19,900	-	19,900
Total	-	19,900	-	19,900

CREDIT RISK (continued)

Credit Risk Mitigation

The following tables summarise the extent of which exposures are covered by eligible credit risk mitigants as at 30 June 2024 and 30 June 2023:

Table 24: Disclosure on Credit Risk Mitigation

30 June 2024	CIMB Islamic			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	24,039,505	-	-	-
Public Sector Entities	3,356,279	2,910,464	-	-
Banks, DFIs & MDBs	4,151,758	-	265,315	-
Takaful Operators, Securities Firms & Fund Managers	0	-	-	-
Corporate	37,744,608	1,470,563	963,351	9,911,154
RRE Financing	46,720,931	-	-	-
Qualifying Revolving Retail	807,138	-	-	-
Hire Purchase	18,852,104	-	-	-
Other Retail	38,188,225	1,592,943	76,134	-
Securitisation	15,351	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	210,246	-	-	-
Defaulted Exposures	2,445,457	1,993	5,911	146,085
Total Exposures	176,531,601	5,975,964	1,310,711	10,057,239

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.

CREDIT RISK (continued)

Credit Risk Mitigation (continued)

Table 24: Disclosure on Credit Risk Mitigation (continued)

30 June 2023	CIMB Islamic			
(RM'000) Exposure Class	Exposures before CRM	Exposures Covered by Guarantees/ Credit Derivatives	Exposures Covered by Eligible Financial Collateral	Exposures Covered by Other Eligible Collateral
Performing Exposures				
Sovereign/Central Banks	26,763,095	-	-	-
Public Sector Entities	3,499,859	2,533,002	-	-
Banks, DFIs & MDBs	3,913,098	-	45	-
Takaful Operators, Securities Firms & Fund Managers	-	-	-	-
Corporate	34,844,203	2,917,128	721,288	8,781,852
RRE Financing	38,673,466	-	-	-
Qualifying Revolving Retail	392,443	-	-	-
Hire Purchase	16,330,396	-	-	-
Other Retail	39,921,441	1,279,352	562,856	-
Securitisation	-	-	-	-
Higher Risk Assets	-	-	-	-
Other Assets	403,037	-	-	-
Defaulted Exposures	2,144,130	1,288	9,031	125,771
Total Exposures	166,885,168	6,730,770	1,293,220	8,907,623

The type of collateral recognised in each asset class is in accordance to the approach adopted in computing the RWA. The CRM shown is computed after taking into account the haircut as prescribed by the guidelines. For assets under SA, only financial collateral and guarantee are recognised. For assets under F-IRB Approach, guarantee, financial collateral and other eligible collateral are recognised. For assets under A-IRB Approach, the collateral has been taken into consideration in the computation of LGD, hence, excluded from the CRM disclosure.

SECURITISATION

The following tables show the disclosure on Securitisation for Banking Book for 30 June 2024 and 31 December 2023:

Table 25: Disclosure on Securitisation for Banking Book

30 June 2024 (RM'000)	CIMB Islamic			
Underlying Asset	Total Exposures Securitised	Past Due	Credit Impaired	Gains/(Losses) Recognised during the period*
TRADITIONAL SECURITISATION (Banking Book) Originated by the Banking Institution				
Hire Purchase Exposure	-	-	-	-

31 December 2023 (RM'000)	CIMB Islamic			
Underlying Asset	Total Exposures Securitised	Past Due	Credit Impaired	Gains/(Losses) Recognised during the period*
TRADITIONAL SECURITISATION (Banking Book) Originated by the Banking Institution				
Hire Purchase Exposure	-	-	-	-

* Gains/(losses) recognised during the period represent gain/(losses) recognised during the 6 months period from 1 January 2024 to 30 June 2024 and 1 January 2023 to 30 June 2023.

SECURITISATION (continued)

Disclosure on Securitisation under the SA for Banking Book

The tables below represent the disclosure on Securitisation under the SA for Banking Book:

Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures

30 June 2024		CIMB Islamic										
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk-Weighted Assets
			Rated Securitisation Exposures						Unrated (Look Through)			
			0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
Traditional Securitisation (Banking Book)												
<i>Non-originating Banking Institution</i>												
<i>On-Balance Sheet</i>												
Most senior	15,351	-	-	-	15,351	-	-	-	-	-	-	3,070
Mezzanine	-	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>												
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-	-

SECURITISATION (continued)

Securitisation under the SA for Banking Book (continued)

Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures (continued)

30 June 2024		CIMB Islamic										
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk-Weighted Assets
			Rated Securitisation Exposures						Unrated (Look Through)			
			0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
<u>Originating Banking Institution</u>												
<i>On-Balance Sheet</i>												
Most senior	-	-	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>												
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	15,351	-	-	-	15,351	-	-	-	-	-	-	3,070

SECURITISATION (continued)

Securitisation under the SA for Banking Book (continued)

Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures (continued)

30 June 2023		CIMB Islamic										
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk-Weighted Assets
			Rated Securitisation Exposures						Unrated (Look Through)			
			0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
Traditional Securitisation (Banking Book)												
<i>Non-originating Banking Institution</i>												
<i>On-Balance Sheet</i>												
Most senior	-	-	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>												
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-	-

SECURITISATION (continued)

Securitisation under the SA for Banking Book (continued)

Table 26: Disclosure on Securitisation under the SA for Banking Book Exposures (continued)

30 June 2023		CIMB Islamic										
(RM'000) Exposure Class	Net Exposure After CRM	Exposures subject to deduction	Distribution of Exposures after CRM according to Applicable Risk Weights									Risk-Weighted Assets
			Rated Securitisation Exposures						Unrated (Look Through)			
			0%	10%	20%	50%	100%	350%	1250%	Weighted Average RW	Exposure Amount	
<u>Originating Banking Institution</u>												
<i>On-Balance Sheet</i>												
Most senior	-	-	-	-	-	-	-	-	-	-	-	-
Mezzanine	-	-	-	-	-	-	-	-	-	-	-	-
First loss	-	-	-	-	-	-	-	-	-	-	-	-
<i>Off-Balance Sheet</i>												
Rated eligible liquidity facilities	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity > 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Unrated eligible liquidity facilities (with original maturity < 1 year)	-	-	-	-	-	-	-	-	-	-	-	-
Eligible servicer cash advance facilities	-	-	-	-	-	-	-	-	-	-	-	-
Eligible underwriting facilities	-	-	-	-	-	-	-	-	-	-	-	-
Guarantees and credit derivatives	-	-	-	-	-	-	-	-	-	-	-	-
Other off-balance sheet securitisation exposures (excl. guarantees and credit derivatives)	-	-	-	-	-	-	-	-	-	-	-	-
Total Exposures	-	-	-	-	-	-	-	-	-	-	-	-

Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge

As at 30 June 2024 and 30 June 2023, CIMB Islamic has no Securitisation under the SA for Trading Book Exposures subject to Market Risk Capital Charge.

MARKET RISK

Details on RWA and capital requirements related to Market Risk are disclosed in Table 2.

OPERATIONAL RISK

Details on RWA and capital requirements related to Operational Risk are disclosed in Table 2.

EQUITY EXPOSURES IN BANKING BOOK

As at 30 June 2024 and 30 June 2023, there were no realised and unrealised gains and losses recorded for equity holdings in Banking Book for CIMB Islamic Bank.

The following table shows an analysis of equity investments by appropriate equity groupings and risk weighted assets as at 30 June 2024 and 30 June 2023:

Table 27: Analysis of Equity Investments by Grouping and RWA

(RM'000)	CIMB Islamic			
	30 June 2024		30 June 2023	
	Exposures subject to Risk-Weighting	RWA	Exposures subject to Risk-Weighting	RWA
Privately held	-	-	-	-
Publicly traded	-	-	-	-
Total	-	-	-	-

RATE OF RETURN RISK IN THE BANKING BOOK

For the purpose of this disclosure, the impact under an instantaneous 100 bps parallel profit rate shock is applied. The treatments and assumptions applied are based on the contractual repricing maturity and remaining maturity of the products, whichever is earlier. Items with indefinite repricing maturity are treated based on the earliest possible repricing date. The actual dates may vary from the repricing profile allocated due to factors such as pre-mature withdrawals, prepayment and so forth.

The table below illustrates CIMB Islamic’s RORBB under a 100 bps parallel upward profit rate shock from economic value perspective:

Table 28: RORBB – Impact on Economic Value

(RM'000)	CIMB Islamic	
	30 June 2024	30 June 2023
Currency	+100bps Increase/(Decline) in Economic Value (Value in RM Equivalent)	
Ringgit Malaysia	(915,009)	(1,041,130)
US Dollar	(11,409)	16,746
Thai Baht	(1)	-
Singapore Dollar	6	(6)
Others	(537)	(869)
Total	(926,950)	(1,025,259)

Table 29: RORBB – Impact on Earnings

(RM'000)	CIMB Islamic	
	30 June 2024	30 June 2023
Currency	+100bps Increase/(Decline) in Earnings (Value in RM Equivalent)	
Ringgit Malaysia	64,560	31,022
US Dollar	(51,173)	(40,845)
Thai Baht	20	8
Singapore Dollar	(74)	132
Others	(1,273)	124
Total	12,060	(9,559)

[END OF SECTION]