

PURPOSE DRIVEN



Inside This Report



OUR PERFORMANCE

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THE FINANCIALS

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65th ANNUAL GENERAL MEETING



To be held physically and broadcasted live from:
Ballroom, Level 3
Malaysia International Trade
and Exhibition Centre (MITEC), Kompleks MITEC,
No. 8, Jalan Dutamas 2, 50480 Kuala Lumpur,
Malaysia



Date and time:
Thursday,
24 April 2025
10.00 a.m.



Highlights of 2024

FINANCIAL HIGHLIGHTS



Total Assets

RM1.08 trillion

(FY2023: RM1.03 trillion)

Record Net Profit

RM10.09 billion

(FY2023: RM9.35 billion)

Return on Equity

11.1%

(FY2023: 10.8%)

Earnings per Share

83.6 sen

(FY2023: 77.6 sen)

Group CET1 Capital Ratio*

14.90%

(FY2023: 15.34%)

Total Dividend per Share

61.0 sen

(FY2023: 60.0 sen)

Dividend Payout Ratio

73.0%

(FY2023: 77.4%)

Dividend Yield

6.0%

(FY2023: 6.7%)

* Post second interim dividend

BUSINESS HIGHLIGHTS



Supported SMEs in Malaysia and Singapore, through **Maybank myimpact SME Hub**, an integrated sustainability ecosystem with values-based solutions.



Sustainability Framework Adviser for Tenaga Nasional Berhad's Transition Finance Framework, a first by an electricity utility player in ASEAN.



Malaysia's No. 1 general takaful and online general insurance and takaful player with 56.8% market share.



Advanced regional Islamic wealth management (IWM) leadership through innovative solutions; **Group IWM assets under management expanded to RM94.57 billion.**

DIGITAL AND CUSTOMER EXPERIENCE HIGHLIGHTS



Connecting **cross-border digital QR payments** for Malaysian customers in Singapore, Cambodia, Thailand, Indonesia and China.



Won **World's Best Consumer Digital Bank Awards 2024** in Asia Pacific (Malaysia and Indonesia) by Global Finance.



Fortified online banking with a **unique Money Lock feature**, letting customers conveniently "lock" funds in their accounts, preventing unauthorised digital transfers.



Customer-first focus strengthened our leadership in customer experience, achieving a strong **Net Promoter Score of +43** (2023: +37).

SUSTAINABILITY HIGHLIGHTS



Cumulatively mobilised **over RM100 billion in sustainable financing** over four years to drive decarbonisation.



Driving the regional net zero agenda as a **new Steering Group member of the UN Net-Zero Banking Alliance (NZBA)** and **leading transition finance thought leadership via JC3 Transition Finance Framework** for the financial industry.



Launched **inaugural white paper series on decarbonisation pathways** for palm oil, power, steel and aluminium sectors.



Recognised as **TIME's World's Best Companies** in 2024, top in Malaysia and 102nd worldwide.

How We Distribute Value Created

In fulfilling our promise to our stakeholders, Maybank Group distributes value created in relevant and meaningful ways – and for some stakeholder groups, beyond financial means. Stakeholders receive intangible benefits ranging from employee upskilling programmes to diverse community initiatives in our effort to enable a more sustainable future.

Value created in FY2024 was distributed as follows:



* Includes non-controlling interests and depreciation and amortisation. Refer to page 6 for Distribution of Value Added.



Financial Performance

FIVE-YEAR GROUP FINANCIAL SUMMARY

| | Group FY 31 Dec | | | | | Bank FY 31 Dec | |
|--|--------------------|-----------|-------------------------------|-----------|------------------|-------------------|------------------|
| | 2020 | 2021 | 2022 Restated ¹ | 2023 | 2024 | 2023 | 2024 |
| OPERATING RESULT (RM' million) | | | | | | | |
| Operating revenue | 51,031 | 45,959 | 49,416 | 63,515 | 68,943 | 34,260 | 36,529 |
| Net operating income | 24,763 | 25,448 | 26,492 | 27,361 | 29,573 | 16,634 | 17,006 |
| Pre-provisioning operating profit ("PPOP") ² | 13,541 | 13,930 | 14,518 | 13,972 | 15,112 | 10,338 | 10,113 |
| Operating profit | 8,448 | 10,700 | 11,741 | 12,291 | 13,465 | 9,762 | 10,089 |
| Profit before taxation and zakat | 8,657 | 10,887 | 11,872 | 12,532 | 13,702 | 9,762 | 10,089 |
| Profit attributable to equity holders of the Bank | 6,481 | 8,096 | 7,961 | 9,350 | 10,089 | 8,273 | 8,654 |
| KEY STATEMENTS OF FINANCIAL POSITION DATA (RM' million) | | | | | | | |
| Total assets | 856,860 | 888,172 | 948,130 | 1,027,675 | 1,075,322 | 571,868 | 589,640 |
| Financial investments portfolio ³ | 215,186 | 223,884 | 231,090 | 265,916 | 253,763 | 160,795 | 149,013 |
| Loans, advances and financing | 512,210 | 541,888 | 575,127 | 630,422 | 664,774 | 278,326 | 281,795 |
| Total liabilities | 769,750 | 799,620 | 859,518 | 930,026 | 978,115 | 493,439 | 511,102 |
| Deposits from customers | 556,349 | 588,968 | 614,895 | 670,359 | 712,915 | 299,676 | 310,609 |
| Investment accounts of customers | 23,841 | 28,721 | 24,501 | 26,475 | 28,982 | – | – |
| Commitments and contingencies | 1,305,385 | 1,176,244 | 1,526,306 | 1,855,618 | 2,919,100 | 1,742,985 | 2,803,816 |
| Share capital | 48,280 | 53,156 | 54,619 | 54,674 | 54,736 | 54,674 | 54,736 |
| Shareholders' equity | 84,437 | 85,811 | 85,746 | 94,642 | 93,971 | 78,429 | 78,538 |
| SHARE INFORMATION | | | | | | | |
| Per share (sen) | | | | | | | |
| Basic earnings | 57.7 | 69.7 | 66.5 | 77.6 | 83.6 | 68.6 | 71.7 |
| Diluted earnings | 57.7 | 69.7 | 66.5 | 77.6 | 83.6 | 68.6 | 71.7 |
| Gross dividend | 52.0 | 58.0 | 58.0 | 60.0 | 61.0 | 60.0 | 61.0 |
| Net assets (sen) | 751.1 | 722.4 | 711.3 | 784.7 | 778.7 | 650.3 | 650.9 |
| Share price as at 31 Dec (RM) | 8.46 | 8.30 | 8.70 | 8.89 | 10.24 | – | – |
| Market capitalisation (RM' million) | 95,102 | 98,592 | 104,871 | 107,216 | 123,566 | – | – |
| FINANCIAL RATIOS (%) | | | | | | | |
| Profitability Ratios/Market Share | | | | | | | |
| Net interest margin on average interest-earning assets | 2.1 | 2.3 | 2.4 | 2.1 | 2.0 | 1.5 | 1.3 |
| Net interest on average risk-weighted assets | 4.3 | 4.7 | 5.1 | 4.5 | 4.4 | 3.0 | 2.8 |
| Return on equity | 8.1 | 9.8 | 9.6 | 10.8 | 11.1 | 11.5 | 11.6 |
| Net return on average assets | 0.8 | 0.9 | 0.9 | 0.9 | 1.0 | 1.5 | 1.5 |
| Net return on average risk-weighted assets | 1.7 | 2.0 | 2.0 | 2.2 | 2.3 | 3.4 | 3.4 |
| Cost to income ratio ⁴ | 45.3 | 45.3 | 45.2 | 48.9 | 48.9 | 37.9 | 40.5 |
| Domestic market share in: | | | | | | | |
| Loans, advances and financing | 18.1 | 18.0 | 18.1 | 18.4 | 19.2 | 18.4 | 19.2 |
| Deposits from customers - Savings account | 25.7 | 26.1 | 26.1 | 26.0 | 25.3 | 26.1 | 25.3 |
| Deposits from customers - Current account | 13.1 | 13.8 | 18.2 | 16.7 | 17.0 | 18.2 | 17.0 |
| CAPITAL ADEQUACY RATIOS (%) | | | | | | | |
| CET1 Capital Ratio | 15.313 | 16.090 | 15.669 | 16.191 | 15.765 | 15.701 | 15.210 |
| Tier 1 Capital Ratio | 16.026 | 16.810 | 16.376 | 16.845 | 16.135 | 16.417 | 15.433 |
| Total Capital Ratio | 18.683 | 19.518 | 19.080 | 19.404 | 18.906 | 18.844 | 18.325 |
| ASSET QUALITY RATIOS | | | | | | | |
| Net impaired loans (%) | 1.10 | 0.89 | 0.46 | 0.53 | 0.51 | 0.80 | 0.69 |
| Loan loss coverage (%) | 106.3 | 111.9 | 131.2 | 124.9 | 126.9 | 101.0 | 101.3 |
| Loan-to-deposit ratio (%) ⁵ | 90.1 | 89.5 | 91.6 | 91.7 | 90.7 | 80.0 | 76.4 |
| Deposits to shareholders' fund (times) ⁶ | 6.9 | 7.2 | 7.4 | 7.4 | 7.9 | 3.8 | 4.0 |
| VALUATIONS ON SHARE | | | | | | | |
| Gross dividend yield (%) | 6.1 | 7.0 | 6.7 | 6.7 | 6.0 | – | – |
| Dividend payout ratio (%) | 91.2 | 84.5 | 87.5 | 77.4 | 73.0 | – | – |
| Price to earnings multiple (times) | 14.7 | 11.9 | 13.1 | 11.5 | 12.2 | – | – |
| Price to book multiple (times) | 1.1 | 1.1 | 1.2 | 1.1 | 1.3 | – | – |

¹ To reflect the impact of adopting MFRS 17 Insurance Contracts.

² PPOP is equivalent to operating profit before impairment losses as stated in the income statements of the financial statements.

³ Financial investments portfolio consists of financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost.

⁴ Cost to income ratio is computed using total cost over the net operating income. The total cost of the Group is the total overhead expenses, excluding amortisation of intangible assets for PT Bank Maybank Indonesia Tbk and Maybank IBG Holdings Limited.

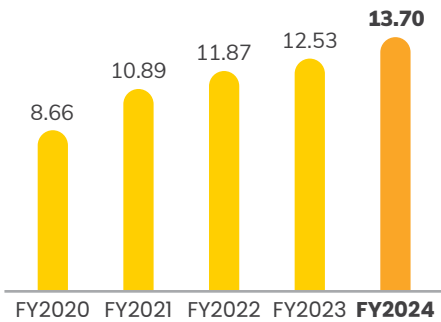
⁵ Loan-to-deposit ratio is computed using gross loans, advances and financing over deposits from customers and investment accounts of customers.

⁶ Deposits to shareholders' fund include investment accounts of customers.

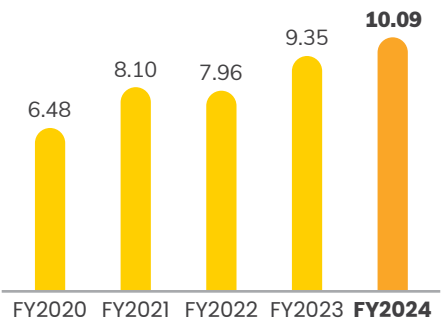
Financial Performance

Five-Year Group Financial Summary

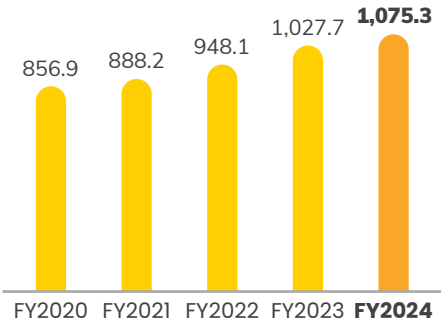
Profit Before Taxation and Zakat
RM13.70 billion



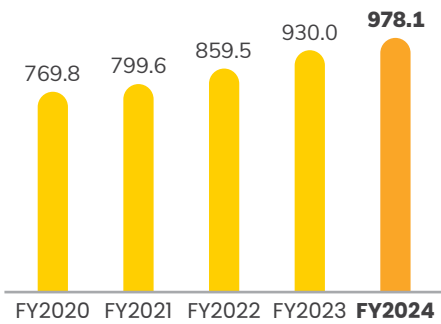
Profit Attributable to Equity Holders of the Bank
RM10.09 billion



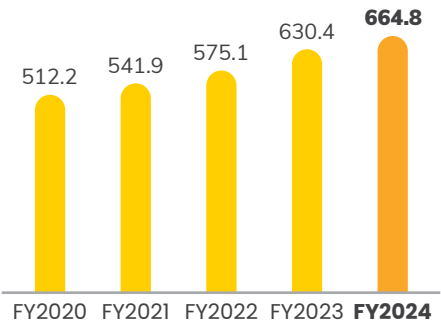
Total Assets
RM1,075.3 billion



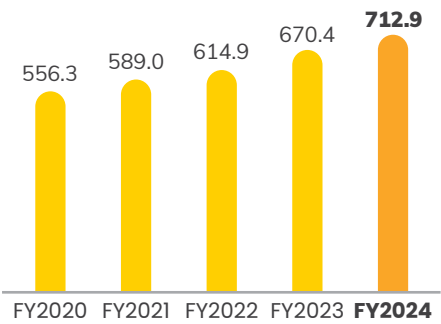
Total Liabilities
RM978.1 billion



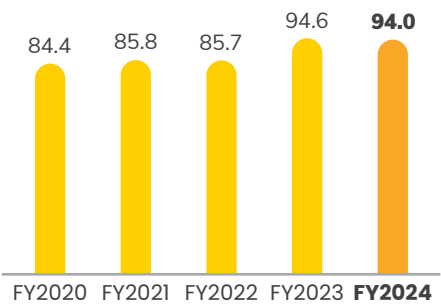
Loans, Advances and Financing
RM664.8 billion



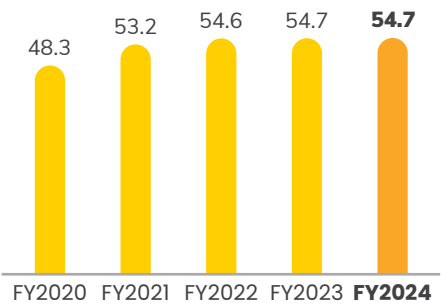
Deposits from Customers
RM712.9 billion



Shareholders' Equity
RM94.0 billion



Share Capital
RM54.7 billion

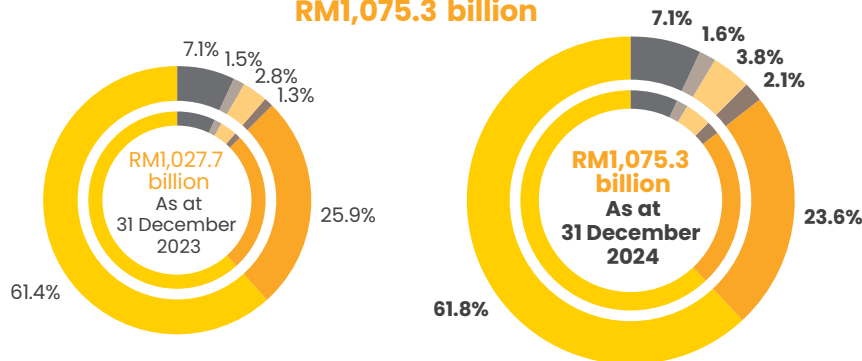




Financial Performance

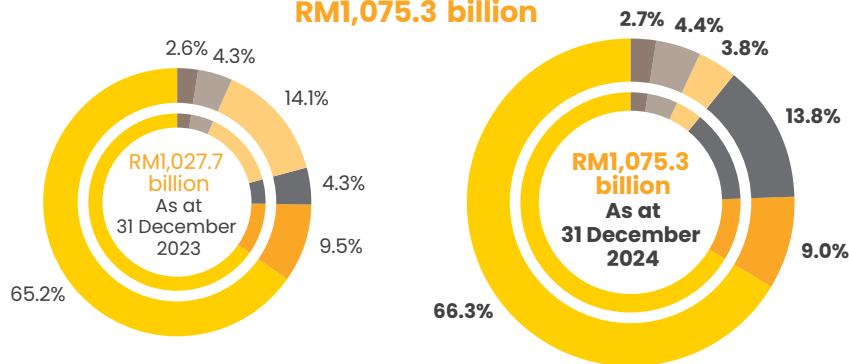
Simplified Group Statements of Financial Position

Total Assets RM1,075.3 billion



- Cash and short-term funds
- Deposits and placements with financial institutions
- Financial investments portfolio
- Loans, advances and financing
- Other assets
- Statutory deposits with central banks

Total Liabilities & Shareholders' Equity RM1,075.3 billion



- Deposits from customers
- Investment accounts of customers
- Deposits and placements from financial institutions
- Other liabilities
- Borrowings, subordinated obligations and capital securities
- Shareholders' equity

GROUP QUARTERLY FINANCIAL PERFORMANCE

RM' million

| | |
|---|--|
| Operating revenue | |
| Net interest income (including income from Islamic Banking Scheme operations) | |
| Insurance/takaful service result | |
| Other operating income | |
| Total operating income | |
| Operating profit before impairment losses | |
| Profit before taxation and zakat | |
| Profit attributable to equity holders of the Bank | |
| Earnings per share (sen) | |
| Dividend per share (sen) | |

| FY 31 Dec 2024 | | | | |
|----------------|--------|--------|--------|--------|
| Q1 | Q2 | Q3 | Q4 | YEAR |
| 18,347 | 17,172 | 16,688 | 16,736 | 68,943 |
| 5,244 | 5,322 | 5,218 | 5,370 | 21,154 |
| 182 | 468 | 282 | 353 | 1,285 |
| 2,868 | 2,244 | 2,002 | 1,952 | 9,066 |
| 8,295 | 8,033 | 7,502 | 7,674 | 31,504 |
| 3,920 | 3,750 | 3,707 | 3,735 | 15,112 |
| 3,443 | 3,443 | 3,402 | 3,414 | 13,702 |
| 2,489 | 2,530 | 2,538 | 2,532 | 10,089 |
| 20.6 | 21.0 | 21.0 | 21.0 | 83.6 |
| - | 29.0 | - | 32.0 | 61.0 |

RM' million

| | |
|---|--|
| Operating revenue | |
| Net interest income (including income from Islamic Banking Scheme operations) | |
| Insurance/takaful service result | |
| Other operating income | |
| Total operating income | |
| Operating profit before impairment losses | |
| Profit before taxation and zakat | |
| Profit attributable to equity holders of the Bank | |
| Earnings per share (sen) | |
| Dividend per share (sen) | |

| FY 31 Dec 2023 | | | | |
|----------------|--------|--------|--------|--------|
| Q1 | Q2 | Q3 | Q4 | YEAR |
| 15,187 | 16,135 | 16,019 | 16,174 | 63,515 |
| 5,020 | 5,058 | 5,050 | 5,241 | 20,369 |
| (8) | 220 | 54 | 284 | 550 |
| 1,719 | 2,506 | 1,859 | 1,904 | 7,988 |
| 6,731 | 7,784 | 6,963 | 7,429 | 28,907 |
| 3,272 | 3,889 | 3,453 | 3,358 | 13,972 |
| 3,056 | 3,370 | 3,156 | 2,950 | 12,532 |
| 2,265 | 2,339 | 2,358 | 2,388 | 9,350 |
| 18.8 | 19.4 | 19.6 | 19.8 | 77.6 |
| - | 29.0 | - | 31.0 | 60.0 |

Financial Performance

KEY INTEREST BEARING ASSETS AND LIABILITIES

| | FY 31 Dec 2023 | | | FY 31 Dec 2024 | | |
|---|-------------------------------------|---------------------------------|---|-------------------------------------|---------------------------------|---|
| | As at 31 December RM' million | Effective Interest Rate % | Interest Income/ Expense RM' million | As at 31 December RM' million | Effective Interest Rate % | Interest Income/ Expense RM' million |
| Interest earning assets | | | | | | |
| Loans, advances and financing | 630,422 | 5.77 | 31,035 | 664,774 | 5.40 | 34,324 |
| Cash and short-term funds & deposits and placements with financial institutions | 42,376 | 2.33 | 1,699 | 62,798 | 2.76 | 1,597 |
| Financial assets at fair value through profit or loss | 49,349 | 2.63 | 1,035 | 46,208 | 2.15 | 1,114 |
| Financial investments at fair value through other comprehensive income | 132,182 | 3.11 | 5,114 | 128,177 | 3.23 | 5,570 |
| Financial investments at amortised cost | 84,384 | 3.61 | 2,978 | 79,377 | 2.41 | 2,754 |
| Interest bearing liabilities | | | | | | |
| Customers' funding: | | | | | | |
| – Deposits from customers | 670,359 | 2.31 | 16,493 | 712,915 | 2.72 | 19,026 |
| – Investment accounts of customers | 26,475 | 1.49 | 435 | 28,982 | 1.63 | 459 |
| Deposits and placements from financial institutions | 44,677 | 3.35 | 2,877 | 47,051 | 5.49 | 3,143 |
| Borrowings | 31,038 | 2.71 | 1,473 | 28,260 | 2.81 | 1,549 |
| Subordinated obligations | 10,146 | 3.56 | 1,013 | 11,158 | 3.51 | 1,013 |
| Capital securities | 2,830 | 4.07 | 116 | 1,577 | 4.09 | 102 |

STATEMENT OF VALUE ADDED

| | FY 31 Dec 2023 RM'000 | FY 31 Dec 2024 RM'000 |
|--|--------------------------|--------------------------|
| Net interest income | 12,791,522 | 12,807,423 |
| Income from Islamic Banking Scheme operations | 7,577,195 | 8,346,399 |
| Insurance/takaful service result | 550,098 | 1,284,513 |
| Other operating income | 7,988,177 | 9,066,000 |
| Net insurance/takaful investment/finance result | (1,545,851) | (1,931,829) |
| Overhead expenses excluding personnel expenses, depreciation and amortisation ¹ | (5,066,875) | (5,291,833) |
| Allowances for impairment losses on loans, advances and financing and other debts, net | (1,826,212) | (1,670,545) |
| Writeback of impairment losses on financial investments, net | 180,563 | 42,353 |
| Allowances for impairment losses on other financial assets and interest in associates, net | (35,416) | (18,816) |
| Share of profits in associates and joint ventures | 240,325 | 236,302 |
| Value added available for distribution | 20,853,526 | 22,869,967 |

DISTRIBUTION OF VALUE ADDED

| | FY 31 Dec 2023 RM'000 | FY 31 Dec 2024 RM'000 |
|--|--------------------------|--------------------------|
| To employees: | | |
| Personnel expenses | 7,779,014 | 8,596,296 |
| To the Government: | | |
| Taxation and zakat | 3,100,553 | 3,312,835 |
| To providers of capital: | | |
| Dividends paid to shareholders | 7,236,452 | 7,360,841 |
| Non-controlling interests | 265,082 | 417,713 |
| To reinvest to the Group: | | |
| Depreciation and amortisation ¹ | 542,911 | 572,106 |
| Retained profits | 1,929,514 | 2,610,176 |
| Value added available for distribution | 20,853,526 | 22,869,967 |

¹ Depreciation and amortisation exclude depreciation of right-of-use assets



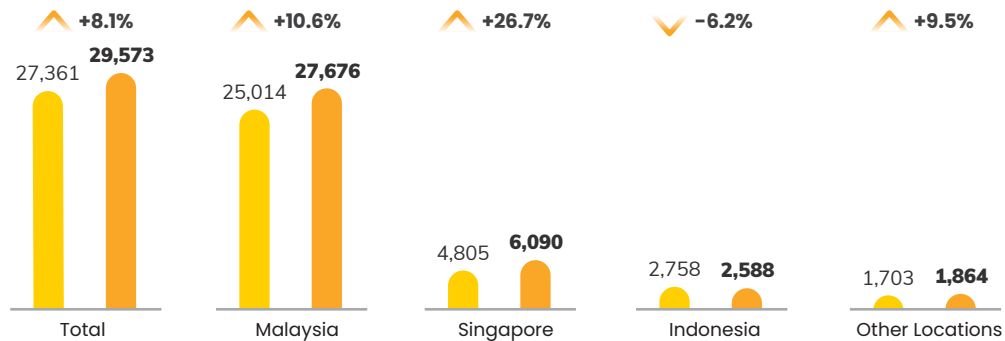
Financial Performance

SEGMENTAL INFORMATION

■ FY 31 Dec 2023 ■ FY 31 Dec 2024

Analysis by Geographical Location

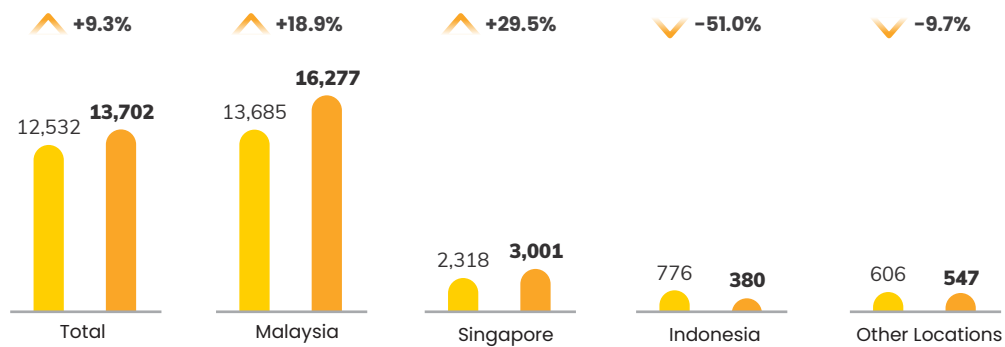
Net Operating Income (RM' million)



Note:

Total net operating income includes inter-segment which are eliminated on consolidation of RM8,645 million for FY 31 December 2024 and RM6,919 million for FY 31 December 2023.

Profit Before Taxation and Zakat (RM' million)

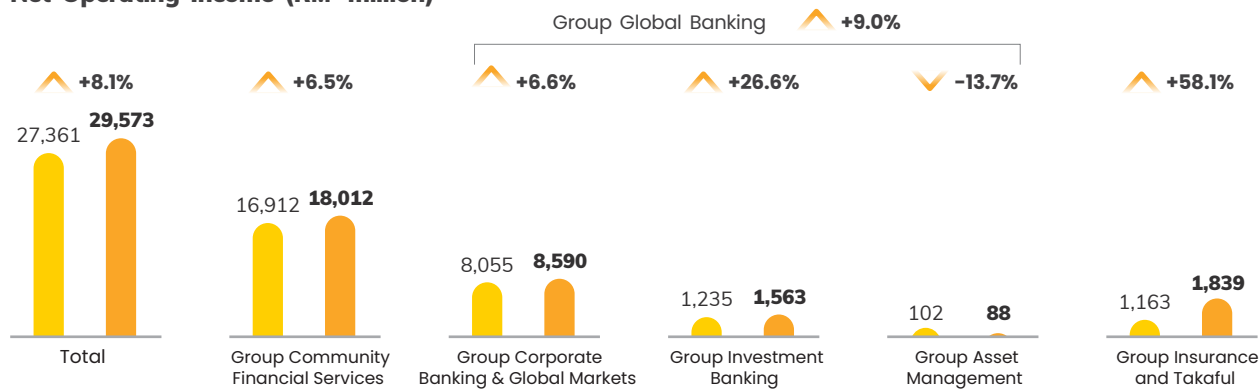


Note:

Total profit before taxation and zakat includes inter-segment which are eliminated on consolidation of RM6,503 million for FY 31 December 2024 and RM4,853 million for FY 31 December 2023.

Analysis by Business Segments

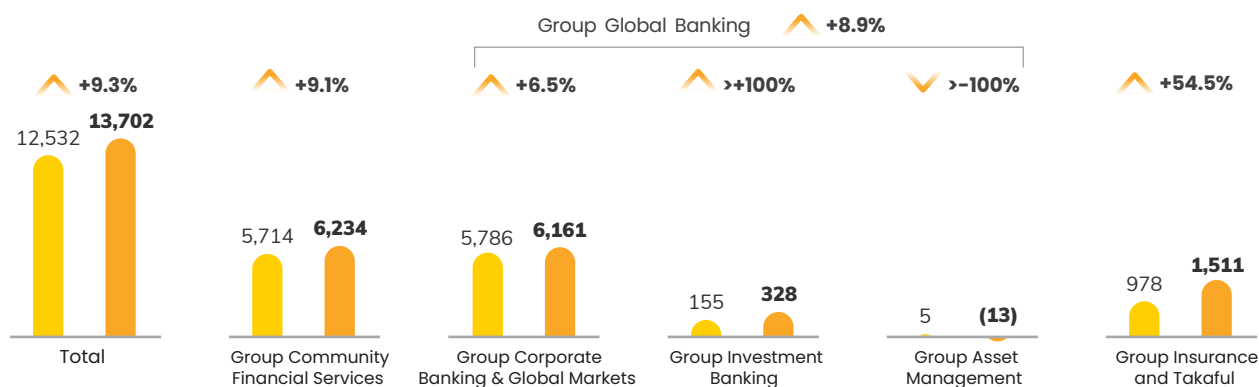
Net Operating Income (RM' million)



Note:

Total net operating income includes Head Office & Others of RM519 million for FY 31 December 2024 and RM106 million for FY 31 December 2023.

Profit Before Taxation and Zakat (RM' million)



Note:

Total profit before taxation and zakat includes Head Office & Others of RM519 million for FY 31 December 2024 and RM106 million for FY 31 December 2023.



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Financial Statements



Statement of Directors' Responsibilities

in respect of the Audited Financial Statements for the Financial Year Ended 31 December 2024

The directors are responsible for ensuring that the annual audited financial statements of the Group and of the Bank are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards, the requirements of the Companies Act 2016, Bank Negara Malaysia's Guidelines and the Listing Requirements of Bursa Malaysia Securities Berhad.

The directors are also responsible for ensuring that the annual audited financial statements of the Group and of the Bank are prepared with reasonable accuracy from the accounting records of the Group and of the Bank so as to give a true and fair view of the financial position of the Group and of the Bank as at 31 December 2024, and of their financial performance and cash flows for the financial year then ended.

In preparing the annual audited financial statements, the directors have:

- considered the applicable approved accounting standards in Malaysia;
- adopted and consistently applied appropriate accounting policies;
- made judgements and estimates that are prudent and reasonable; and
- prepared the financial statements on a going concern basis as the directors have a reasonable expectation, having made enquiries, that the Group and the Bank have adequate resources to continue in operational existence for the foreseeable future.

The directors also have a general responsibility for taking reasonable steps to safeguard the assets of the Group and the Bank to prevent and detect fraud and other irregularities.

Analysis of Financial Statements

REVIEW OF FY2024 FINANCIAL RESULTS

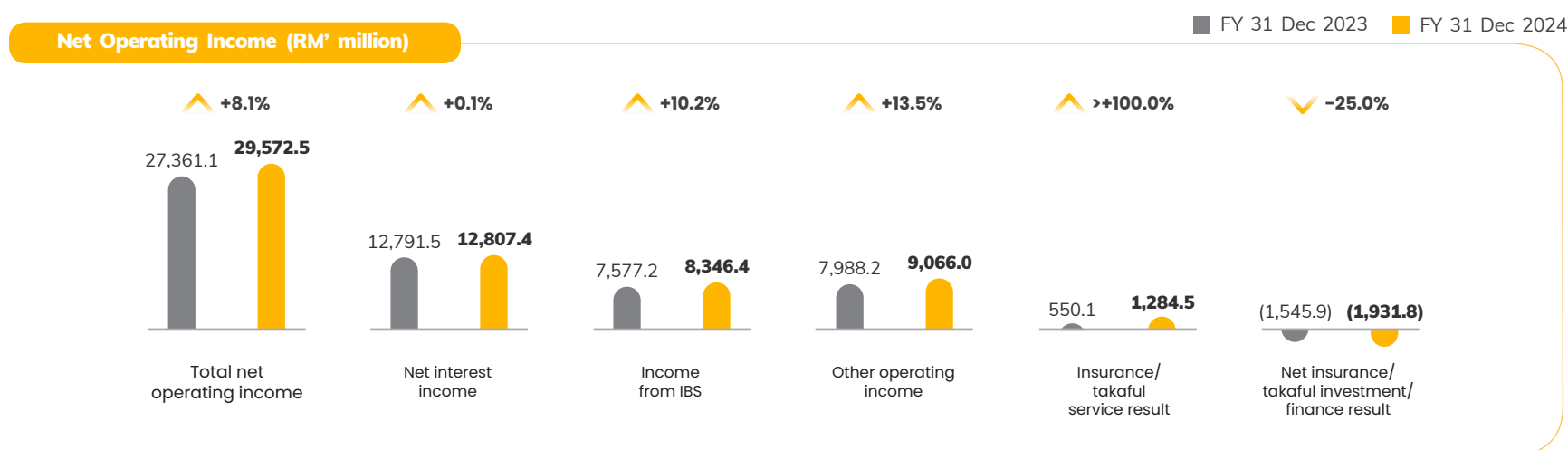
The Group reported a 7.9% rise in profit after tax and zakat attributable to equity holders of the Bank of RM10,088.7 million in FY2024, an increase of RM738.9 million from FY2023.

The financial results were driven by higher net operating income of RM2,211.4 million on the back of improved regional economic activities, and an improvement in net allowances for impairment losses on loans, advances, financing and other debts of RM155.7 million. These were, however, offset by higher overhead expenses of RM1,071.4 million and higher taxation and zakat of RM278.5 million.

The higher other operating income was mainly supported by growth from gains in treasury and markets as well as core fees.

NET OPERATING INCOME

The Group's net operating income increased by 8.1% year-on-year ("YoY"), stood at RM29,572.5 million from RM27,361.1 million in FY2023. The improvement of RM2,211.4 million was significantly attributable to higher other operating income of RM1,077.8 million, higher net interest income and income from Islamic Banking Scheme ("IBS") operations of RM785.1 million and better net insurance income of RM 348.5 million.



NET INTEREST INCOME

The Group's net interest income improved by RM15.9 million YoY, mainly attributable to higher interest income on loans, advances and financing of RM1,940.8 million on gross loans growth of 5.3% YoY, offset by an increase in interest expense on deposit from customers of RM2,007.7 million in line with total deposits growth of 6.5% YoY.

| RM' million | FY2023 | FY2024 | Variance | % Change |
|--|----------|----------|----------|----------|
| Interest Income | | | | |
| Loans, advances and financing | 20,547.4 | 22,488.2 | 1,940.8 | 9.4% |
| Money at call and deposit and placements with financial institutions | 1,409.7 | 1,470.3 | 60.6 | 4.3% |
| Financial investments portfolio | 7,431.7 | 8,023.1 | 591.4 | 8.0% |
| Other interest income | 841.8 | 788.3 | (53.5) | -6.4% |
| | 30,230.6 | 32,769.9 | 2,539.3 | 8.4% |
| Interest Expense | | | | |
| Deposits and placements from financial institutions | 2,067.7 | 2,360.7 | 293.0 | 14.2% |
| Deposits from customers | 11,142.0 | 13,149.7 | 2,007.7 | 18.0% |
| Borrowings, subordinated obligations and capital securities | 2,040.4 | 2,121.1 | 80.7 | 4.0% |
| Financial liabilities at fair value through profit or loss | 854.9 | 1,163.0 | 308.1 | 36.0% |
| Structured deposit | 271.5 | 39.9 | (231.6) | -85.3% |
| Obligations on financial assets sold under repurchase agreements | 1,062.6 | 1,128.1 | 65.5 | 6.2% |
| | 17,439.1 | 19,962.5 | 2,523.4 | 14.5% |
| Net Interest Income | 12,791.5 | 12,807.4 | 15.9 | 0.1% |



Analysis of Financial Statements

INCOME FOR ISLAMIC BANKING SCHEME OPERATIONS ("IBS")

Income from IBS operations increased RM769.2 million YoY as a result of higher fee-based income of RM394.3 million, and higher fund-based income of RM374.9 million.

The growth in fee-based income was significantly driven by an increase in net gain on disposal of financial investments portfolio of RM343.7 million and an increase in commission income of RM58.0 million.

Meanwhile, the growth in fund-based income was contributed by higher total finance income of RM917.9 million, offset with higher income attributable to depositors of RM542.0 million.

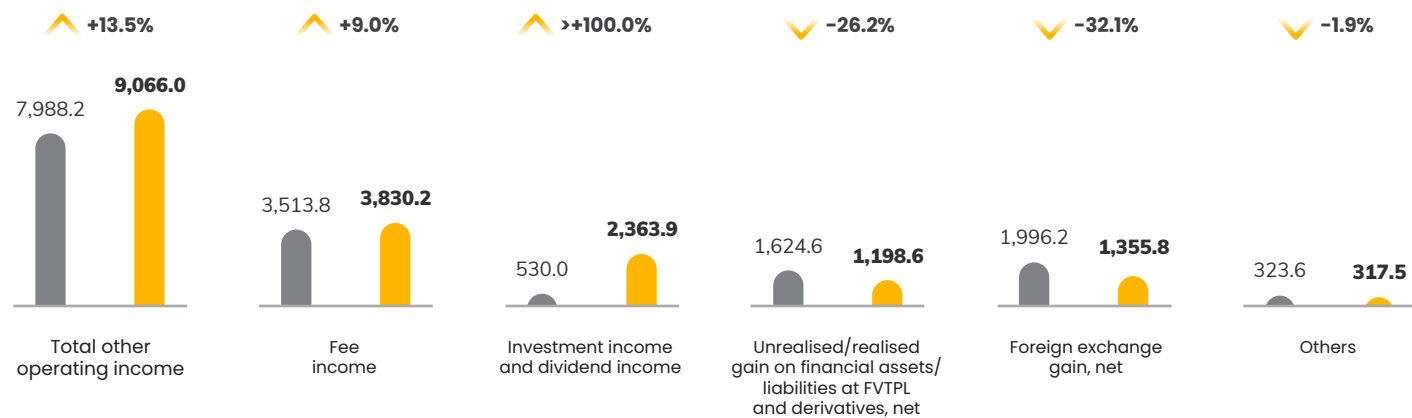
OTHER OPERATING INCOME

The Group's other operating income increased by RM1,077.8 million or 13.5% YoY from RM7,988.2 million in FY2023 to RM9,066.0 million in FY2024, mainly contributed by higher net gain on disposal of financial assets at FVTPL of RM1,018.6 million, higher unrealised gain on revaluation of financial liabilities at FVTPL of RM829.1 million, higher net gain on disposal of financial investments at FVOCI of RM618.5 million, and higher fee income of RM316.5 million.

The increases above were, however, offset by higher unrealised loss on revaluation of derivatives of RM1,551.0 million, and lower net gain on foreign exchange of RM640.4 million.

Other Operating Income (RM' million)

■ FY 31 Dec 2023 ■ FY 31 Dec 2024



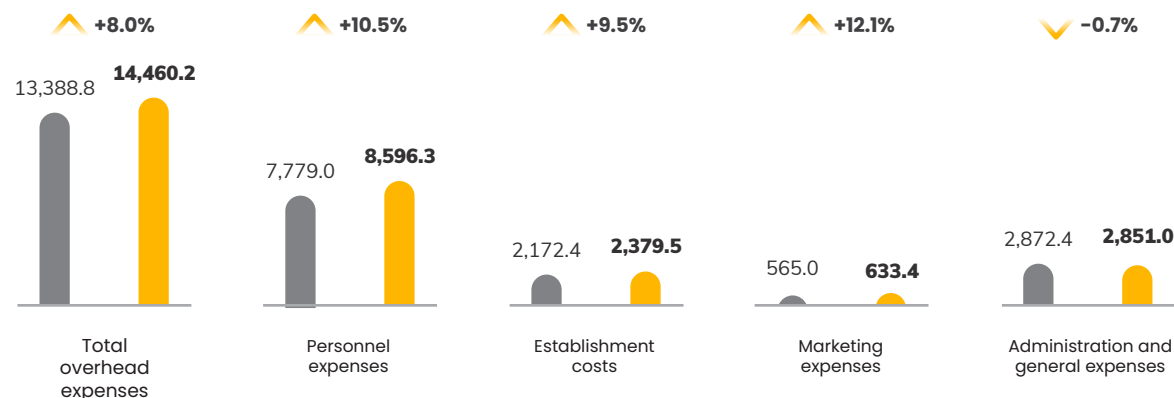
OVERHEAD EXPENSES

The Group's overhead expenses expanded by RM1,071.4 million or 8.0% YoY from RM13,388.8 million in FY2023 to RM14,460.2 million in FY2024 with cost to income ratio at 48.9% in FY2024.

The increase in overhead were significantly driven by higher personnel expenses of RM817.3 million owing to inflationary-related adjustments, higher information technology expenses of RM233.8 million, and marketing expenses of RM68.4 million. The increases were, however, offset by decreases in fees and brokerage of RM88.4 million, and administrative expenses of RM28.8 million.

Overhead Expenses (RM' million)

■ FY 31 Dec 2023 ■ FY 31 Dec 2024



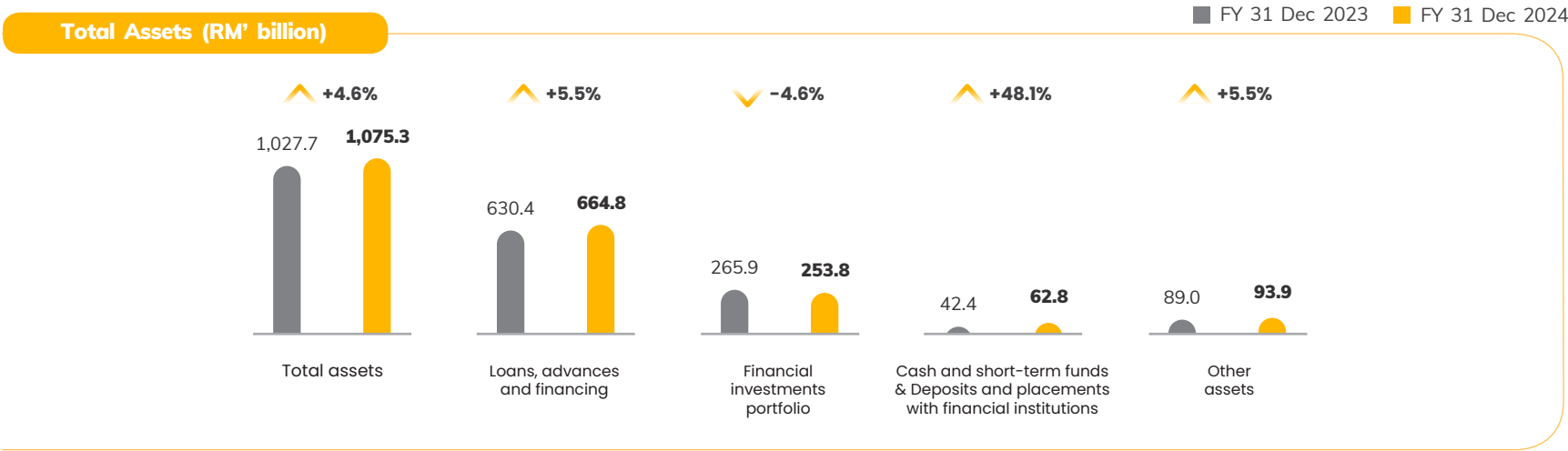
Analysis of Financial Statements

REVIEW OF FY2024 FINANCIAL POSITION

TOTAL ASSETS

The Group's total assets grew by RM47.6 billion or 4.6% YoY from RM1,027.7 billion in FY2023 to RM1,075.3 billion in FY2024, which was largely driven by the growth in loans, advancing and financing of RM34.4 billion, cash and short-term funds of RM11.6 billion, deposits and placements with financial institutions of RM8.8 billion, and statutory deposits with central banks of RM1.4 billion.

The increases above were, however, offset by lower financial investments portfolio of RM12.1 billion.



LOANS, ADVANCES AND FINANCING

The Group's loans, advances and financing grew 5.5% YoY to RM664.8 billion as at 31 December 2024 from RM630.4 billion as at 31 December 2023, mainly driven by robust performances from the Community Financial Services ("CFS") franchise and the Global Banking ("GB") operations across our home markets. For more information, refer to 'Group Chief Financial Officer's Statement' section of the Integrated Annual Report.

FINANCIAL INVESTMENTS PORTFOLIO

The Group's financial investments portfolio contracted by RM12.1 billion to RM253.8 billion as at 31 December 2024 arising from the decline in financial investments at amortised cost of RM5.0 billion, financial investments at fair value through other comprehensive income of RM4.0 billion, and financial investments at fair value through profit or loss of RM2.7 billion.

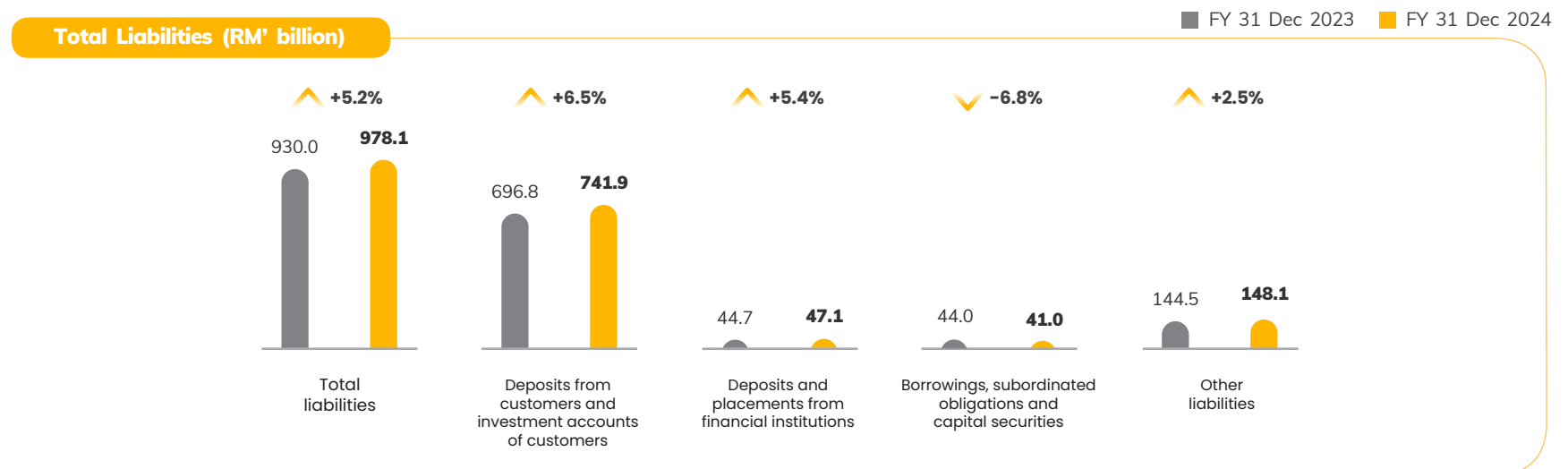


Analysis of Financial Statements

TOTAL LIABILITIES

The Group's total liabilities expanded to RM978.1 billion as at 31 December 2024, an increase of 5.2% or RM48.1 billion. The higher total liabilities was mainly attributable to growth in deposits from customers and investment accounts of customers of RM45.1 billion and deposits and placements from financial institutions of RM2.4 billion.

The above increases were, however, mitigated by the decrease in obligations on financial assets sold under repurchase agreements of RM5.2 billion, and borrowings of RM2.8 billion.



DEPOSITS FROM CUSTOMERS AND INVESTMENT ACCOUNTS OF CUSTOMERS

The Group's deposits from customers and investment accounts of customers expanded 6.5% YoY, led by growth of 6.0% in Malaysia, 18.7% in Singapore and 3.0% in Indonesia. Current and savings accounts ("CASA") increased due to increment from home markets. Fixed deposits ("FDs") increased due to the increase in money market deposits. CASA ratio remained at a healthy level of 36.5%. For more information, refer to 'Group Chief Financial Officer's Statement' section of the Integrated Annual Report.

Directors' Report

The Board of Directors has pleasure in presenting their report together with the audited financial statements of the Group and of the Bank for the financial year ended 31 December 2024.

PRINCIPAL ACTIVITIES

The Bank is principally engaged in the business of Commercial Banking and the provision of related financial services.

The subsidiaries of the Bank are principally engaged in the businesses of banking and finance, Islamic banking, investment banking including stockbroking, underwriting of general and life insurance, general and family takaful, trustee and nominee services and asset management. Further details of the subsidiaries are described in Note 64(a) to the financial statements.

There were no significant changes in these principal activities during the financial year.

RESULTS

| | Group RM'000 | Bank RM'000 |
|----------------------------------|--------------------|--------------------|
| Profit before taxation and zakat | 13,701,565 | 10,088,686 |
| Taxation and zakat | (3,195,179) | (1,434,846) |
| Profit for the financial year | 10,506,386 | 8,653,840 |
| Attributable to: | | |
| Equity holders of the Bank | 10,088,673 | 8,653,840 |
| Non-controlling interests | 417,713 | – |
| | 10,506,386 | 8,653,840 |

There were no material transfers to or from reserves, allowances or provisions during the financial year other than those as disclosed in Notes 5, 6, 7, 10, 11, 12, 15, 17, 26, 44, 45 and 46 and the statements of changes in equity to the financial statements.

In the opinion of the Board of Directors, the results of the operations of the Group and of the Bank during the current financial year were not substantially affected by any item, transaction or event of a material and unusual nature other than the effects of emerging risks as disclosed in Note 3.4 to the financial statements.

DIVIDENDS

The amount of dividends paid by the Bank since 31 December 2023 (as disclosed in Note 51(b) to the financial statements) were as follows:

| | RM'000 |
|---|------------------|
| In respect of the financial year ended 31 December 2023 as reported in the directors' report of that year: A single-tier second interim cash dividend of 31.0 sen per ordinary share, on 12,066,952,192 ordinary shares, declared on 28 February 2024 and paid on 26 March 2024. | 3,740,755 |
| In respect of the financial year ended 31 December 2024: A single-tier first interim cash dividend of 29.0 sen per ordinary share, on 12,066,952,192 ordinary shares, declared on 28 August 2024 and paid on 26 September 2024. | 3,499,416 |
| | 7,240,171 |

Subsequent to the financial year end, on 26 February 2025, the Board of Directors declared a single-tier second interim cash dividend in respect of the current financial year ended 31 December 2024 of 32.0 sen per ordinary share amounting to dividend payable of RM3,861,424,701 (based on 12,066,952,192 ordinary shares issued as at 26 February 2025).

The financial statements for the current financial year ended 31 December 2024 do not reflect this single-tier second interim cash dividend. Such dividend will be accounted for in the statements of changes in equity as an appropriation of retained profits in the next financial year ending 31 December 2025.



Directors' Report

MAYBANK GROUP EMPLOYEES' SHARE GRANT PLAN ("ESGP") AND CASH-SETTLED PERFORMANCE-BASED EMPLOYEES' SHARE GRANT PLAN ("CESGP")

The existing ESGP ("ESGP2018") is governed by the ESGP By-Laws approved by the shareholders at an Extraordinary General Meeting ("EGM") held on 6 April 2017 and was implemented on 14 December 2018 for a period of seven (7) years from the effective date. A total of five (5) awards have been made under the ESGP2018 from 2018 to 2022. Four (4) out of the five (5) awards made have been vested to eligible employees in 2021 to 2024 whilst balance of the one (1) award will vest in 2025. Starting from 2023, no new awards have been issued to staff under the ESGP2018.

As continuation of the existing employees' share grant plan, the shareholders at the EGM held on 3 May 2023 have approved the establishment of a new ESGP plan ("ESGP2023"). This plan will run concurrently with ESGP2018 until its expiration. The ESGP2023 was implemented on 20 September 2023 for eligible talents and senior management. The features of the ESGP2023 are similar to the ESGP2018 with the exception being the plan period i.e. 10 years as compared to ESGP2018 of 7 years. The first and second awards under the ESGP2023, granted in 2023 and 2024, will vest in 2026 and 2027, respectively, subject to fulfilment of the ESGP vesting conditions as well as meeting the performance criteria at the Maybank Group and individual levels.

Both ESGP2018 and ESGP2023 are administered by the Nomination and Remuneration Committee of the Board ("NRC").

The ESGP consists of two (2) types of performance-based awards: Employees' Share Grant Plan ("ESGP Shares") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP"). The ESGP Shares may be settled by way of issuance and transfer of new Maybank shares or by cash at the absolute discretion of Maybank Group NRC.

The ESGP Shares is a form of Restricted Share Units ("RSU") and the NRC may, from time to time during the ESGP period, make further ESGP grants designated as Supplemental ESGP to a selected group of eligible employees to participate in Supplemental ESGP. This selected group may consist of selected key executives, selected key retentions and selected senior external recruits, and such grants may contain terms and conditions which may vary from earlier ESGP grants made available to selected senior management.

The CESGP is a form of Cash-settled Performance-based Restricted Share Unit Scheme ("CRSU") and the NRC may, from time to time during the ESGP period, make further CESGP grants designated as Supplemental CESGP to a selected group of eligible employees to participate in the ESGP. This selected group may consist of senior management, selected key retentions and selected senior external recruits, and such Supplemental CESGP grants may contain terms and conditions which may vary from earlier CESGP grants made available to selected employees.

The maximum number of ordinary shares in the Bank available under the ESGP should not exceed 3.5% of the total number of issued and paid-up capital of the Bank at any point of time during the duration of the ESGP schemes.

Details on the key features of the ESGP and CESGP are disclosed in Note 32(b) to the financial statements.

Details of shares awarded under the ESGP Shares and CESGP are as follows:

(a) ESGP Shares

| Award date | Number of ESGP Shares awarded* '000 | Vesting date |
|---------------------------------------|-------------------------------------|---|
| ESGP2018 | | |
| 14.12.2018 – First Grant | 12,392 | Based on 3-year cliff vesting from grant date and performance metrics |
| 30.09.2019 – Second Grant | 13,118 | |
| 30.09.2020 – Third Grant | 13,541 | |
| 30.09.2021 – Fourth Grant | 14,084 | |
| 30.09.2022 – Fifth Grant | 15,472 | |
| ESGP2023 | | |
| 20.09.2023 – First Grant | 19,582 | Based on 3-year cliff vesting from grant date and performance metrics |
| 08.03.2024 – Second Grant – Tranche 1 | 19,508 | |
| 05.09.2024 – Second Grant – Tranche 2 | 2,272 | |
| 01.11.2024 – Second Grant – Tranche 3 | 878 | |

* The number of shares awarded are based on the assumption that the Group and the eligible employees have met average performance targets.

Directors' Report

MAYBANK GROUP EMPLOYEES' SHARE GRANT PLAN ("ESGP") AND CASH-SETTLED PERFORMANCE-BASED EMPLOYEES' SHARE GRANT PLAN ("CESGP") (CONT'D.)

Details of shares awarded under the ESGP Shares and CESGP are as follows (cont'd.):

(b) CESGP

| Award date | Number of CESGP awarded* '000 | Vesting date |
|---------------------------------------|-------------------------------|--|
| ESGP2018 | | |
| 14.12.2018 – First Grant | 4,103 | Based on 3-year cliff vesting from grant date and CESGP vesting conditions |
| 30.09.2019 – Second Grant | 5,000 | |
| 30.09.2020 – Third Grant | 5,378 | |
| 30.09.2021 – Fourth Grant | 5,616 | |
| 30.09.2022 – Fifth Grant | 6,006 | |
| ESGP2023 | | |
| 20.09.2023 – First Grant | 7,390 | Based on 3-year cliff vesting from grant date and performance metrics |
| 08.03.2024 – Second Grant – Tranche 1 | 7,574 | |
| 05.09.2024 – Second Grant – Tranche 2 | 525 | |

* The number of shares awarded are based on the assumption that the Group and the eligible employees have met average performance targets.

The maximum number of ordinary shares in the Bank available under the ESGP should not exceed 3.5% of the total number of issued and paid-up capital of the Bank at any point of time during the duration of the scheme.

During the financial year ended 31 December 2024, a total of 6,656,200 ESGP Shares and 2,520,500 CESGP under the ESGP2018 Fourth Grant had been vested to a selected group of eligible employees. The remaining grants have not been vested as at 31 December 2024.

The following table illustrates the number of, and movements in, ESGP Shares during the financial year ended 31 December 2024:

| Award date | Outstanding as at 01.01.2024 '000 | Movements during the financial year | | | Outstanding as at 31.12.2024 '000 |
|---------------------------------------|-----------------------------------|-------------------------------------|-------------|----------------|-----------------------------------|
| | | Awarded '000 | Vested '000 | Forfeited '000 | |
| ESGP2018 | | | | | |
| 30.09.2021 – Fourth Grant | 12,504 | – | (6,656) | (5,848) | – |
| 30.09.2022 – Fifth Grant | 14,873 | – | – | (288) | 14,585 |
| ESGP2023 | | | | | |
| 20.09.2023 – First Grant | 19,582 | – | – | (626) | 18,956 |
| 08.03.2024 – Second Grant – Tranche 1 | – | 19,508 | – | (413) | 19,095 |
| 05.09.2024 – Second Grant – Tranche 2 | – | 2,272 | – | (46) | 2,226 |
| 01.11.2024 – Second Grant – Tranche 3 | – | 878 | – | – | 878 |
| | 46,959 | 22,658 | (6,656) | (7,221) | 55,740 |

The following table illustrates the number of, and movements in, CESGP during the financial year ended 31 December 2024:

| Award date | Outstanding as at 01.01.2024 '000 | Movements during the financial year | | | Outstanding as at 31.12.2024 '000 |
|---------------------------------------|-----------------------------------|-------------------------------------|-------------|----------------|-----------------------------------|
| | | Awarded '000 | Vested '000 | Forfeited '000 | |
| ESGP2018 | | | | | |
| 30.09.2021 – Fourth Grant | 4,819 | – | (2,521) | (2,298) | – |
| 30.09.2022 – Fifth Grant | 5,687 | – | – | (421) | 5,266 |
| ESGP2023 | | | | | |
| 20.09.2023 – First Grant | 7,390 | – | – | (240) | 7,150 |
| 08.03.2024 – Second Grant – Tranche 1 | – | 7,574 | – | (104) | 7,470 |
| 05.09.2024 – Second Grant – Tranche 2 | – | 525 | – | (44) | 481 |
| | 17,896 | 8,099 | (2,521) | (3,107) | 20,367 |



Directors' Report

MAYBANK GROUP EMPLOYEES' SHARE GRANT PLAN ("ESGP") AND CASH-SETTLED PERFORMANCE-BASED EMPLOYEES' SHARE GRANT PLAN ("CESGP") (CONT'D.)

Executive Director and Key Management Personnel who have been awarded with the ESGP shares and CESGP during the financial year ended 31 December 2024:

| Name | Number of ESGP Shares awarded '000 | Number of CESGP awarded '000 |
|--------------------------------|---|---------------------------------------|
| Dato' Khairussaleh bin Ramli | 409 | – |
| Other Key Management Personnel | 2,588 | 707 |

ISSUANCE OF SHARES AND DEBENTURES

The following are the changes in debt and equity securities for the Group and the Bank during the financial year ended 31 December 2024:

- (i) During the financial year ended 31 December 2024, the Bank increased its issued and paid-up ordinary shares from 12,060,236,592 units to 12,066,952,192 units via issuance of 6,715,600 new ordinary shares amounting to RM62,599,185 arising from the ESGP, as disclosed in Note 32(b)(i) to the financial statements.

The new ordinary shares issued during the financial year rank pari passu in all respects with the existing ordinary shares of the Bank.

- (ii) During the financial year ended 31 December 2024, the Group and the Bank made various issuances and redemptions of debt securities, as disclosed in Notes 25, 29, 30 and 31 to the financial statements.

The proceeds from the issuances may be utilised to fund the working capital, general banking and other corporate purposes.

DIRECTORS

The names of the directors of the Bank in office since the beginning of the financial year to the date of this report are:

Tan Sri Dato' Sri Ir. Zamzamzairani bin Mohd Isa (Chairman)
 Dato' Khairussaleh bin Ramli (President & Group Chief Executive Officer)
 Dr. Hasnita binti Dato' Hashim
 Mr Anthony Brent Elam
 Ms Che Zakiah binti Che Din
 Ms Fauziah binti Hisham
 Mr Shariffuddin bin Khalid
 Dato' Zulkiflee Abbas bin Abdul Hamid
 Ms Shirley Goh
 Datuk Yee Yang Chien
 Ms Chiam Sou Hong (Appointed on 5 August 2024)
 Mr Vittorio Furlan (Appointed on 5 August 2024)
 Mr Edwin Gerungan (Retired on 23 August 2024)

The names of the directors of the Bank's subsidiaries in office since the beginning of the financial year to the date of this report are disclosed in Note 66 to the financial statements.

Directors' Report

DIRECTORS' BENEFITS

Neither at the end of the financial year, nor at any time during that financial year, did there subsist any arrangement to which the Bank or any of its subsidiaries was a party, whereby the directors might acquire benefits by means of acquisition of shares in or debentures of the Bank or any other body corporate, other than those arising from the ESGP.

Since the end of the previous financial year, no director has received or become entitled to receive a benefit (other than benefits included in the aggregate amount of emoluments received or due and receivable by the directors from the Bank and its related corporations, or the fixed salary of a full-time employee of the Bank as disclosed in Note 43 to the financial statements) by reason of a contract made by the Bank or its related corporations with the director or with a firm of which the director is a member, or with a company in which the director has a substantial financial interest.

DIRECTORS' INTERESTS

According to the register of directors' shareholdings, the interests of directors in office at the end of the financial year in shares and ESGP of the Bank during the financial year were as follows:

| | Number of ordinary shares | | | |
|--------------------------|---------------------------|-------------------------------|------------------------------|---------------------|
| | As at 01.01.2024 | Issued pursuant to ESGP | Issued pursuant to DRP | As at 31.12.2024 |
| Direct interest | | | | |
| Ms Fauziah binti Hisham | 21,435 | – | – | 21,435 |
| Indirect interest | | | | |
| Ms Shirley Goh* | 10,090 | – | – | 10,090 |

* Interest by virtue of shares held by spouse.

| | Award date | Outstanding as at 01.01.2024 | Movements during the financial year | | | Outstanding as at 31.12.2024 |
|------------------------------|---------------------------|------------------------------------|-------------------------------------|--------|-----------|------------------------------------|
| | | | Awarded | Vested | Forfeited | |
| Dato' Khairussaleh bin Ramli | ESGP2018 | | | | | |
| | 30.09.2022 – Fifth Grant | 300,000 | – | – | – | 300,000 |
| | ESGP2023 | | | | | |
| | 20.09.2023 – First Grant | 409,000 | – | – | – | 409,000 |
| | 08.03.2024 – Second Grant | – | 409,000 | – | – | 409,000 |
| | | 709,000 | 409,000 | – | – | 1,118,000 |

None of the other directors in office at the end of the financial year had any interest in shares in the Bank or its related corporations during the financial year.



Directors' Report

RATING BY EXTERNAL RATING AGENCIES

Details of the Bank's ratings are as follows:

| Rating agency | Date | Rating classification | Rating received |
|----------------------------|-------------------|--|-----------------|
| Standard & Poor's ("S&P") | 25 September 2024 | Issuer Credit Rating | A-/Stable/A-2 |
| | | Junior Subordinated | BB+ |
| | | Senior Unsecured | A- |
| | | Senior Unsecured | A-2 |
| | | Subordinated | BBB |
| Moody's Investors Service | 20 November 2024 | Outlook | Stable |
| | | Bank Deposits | A3/P-2 |
| | | Baseline Credit Assessment | a3 |
| | | Adjusted Baseline Credit Assessment | a3 |
| | | Counterparty Risk Assessment | A2(cr)/P-1(cr) |
| | | Senior Unsecured | A3 |
| | | Subordinate | (P)Baa2 |
| | | Commercial Paper | P-2 |
| | | Counterparty Risk Ratings | A2/P-1 |
| RAM Ratings | 25 November 2024 | Financial Institution Ratings | AAA/Stable/P1 |
| | | RM20 billion Subordinated Note Programme (2012/-) | AA1/Stable |
| | | RM10 billion Additional Tier-1 Capital Securities Programme (2014/-) | AA3/Stable |
| | | RM30 billion Sukuk Programme (2017/-) | |
| | | – Senior Sukuk Murabahah | AAA/Stable |
| | | – Subordinated Sukuk Murabahah | AA1/Stable |
| | | – Additional Tier-1 Sukuk Mudharabah | AA3/Stable |
| | | RM10 billion Senior Medium Term Note Programme (2015/-) | AAA/Stable |
| Japan Credit Rating Agency | 31 January 2024 | RM10 billion Commercial Paper/Medium Term Note Programme (2023/2030) | AAA/Stable/P1 |
| | | Foreign Currency Long-term Issuer Rating | A+ |
| | | Outlook | Stable |
| | | Bonds | A+ |

Directors' Report

BUSINESS OUTLOOK

Global GDP growth is expected to moderate slightly to 2.9% in 2025 (2024: 3.3%), reflecting a softer outlook for major economies, mainly the US (2025: 2.0%; 2024: 2.9%) and China (2025: 4.5%; 2024: 4.8%). Meanwhile, ASEAN GDP growth is set to remain resilient at 4.7% in 2025 (2024: 5.0%), benefitting from easing domestic monetary conditions, increasing foreign direct investment ("FDI") inflows, and a rebound in consumer spending in the second half of the year, which are anticipated to mitigate potential global trade policy and tariff measure headwinds.

Malaysia's resilient economic growth outlook of 4.9% (2024: 5.1%) will largely be driven by domestic demand on increased consumer spending and rising minimum wages facilitated by Budget 2025 measures. Continued private investment growth across key economic corridors nationwide will also boost economic growth, including the recently signed Johor-Singapore Special Economic Zone ("JS-SEZ") agreement. Bank Negara Malaysia is expected to maintain the Overnight Policy Rate at 3.00% in 2025 as inflation is forecasted to remain at a manageable 3.0% (2024: 1.8%).

Singapore's GDP growth is forecasted to remain resilient at 2.6% (2024: 4.4%), supported by accommodative monetary conditions, a generous election Budget, higher construction activity, and increased manufacturing in the first half of the year. Headline inflation is expected to ease to 1.6% (2024: 2.4%) on lower import costs and increased government subsidies. The Monetary Authority of Singapore ("MAS") eased the pace of appreciation of the Singapore dollar nominal effective exchange rate at the January 2025 meeting, with inflation comfortably below 2%. The 3-month Singapore Overnight Rate Average ("SORA") is forecasted to settle at 2.55% by end-2025, in line with anticipated US Fed rate cuts in 2025.

Indonesia is set to maintain steady GDP growth at 5.2% in 2025 (2024: 5.1%) supported by modest consumption pickup on potential interest rate cuts and fiscal spending while investment growth may strengthen on lower borrowing costs, continued FDI and the new government's infrastructure and industrial plans. Headline inflation is expected to remain manageable at 2.6% (2024: 2.3%) while Bank Indonesia ("BI") is anticipated to reduce interest rates in 2025 in line with US rate adjustments.

Against the strong economic growth anticipated in its home markets, Maybank Group is well positioned to support the private and public investment upcycle for key economic projects. With its M25+ strategic plan in the final year, Maybank will accelerate identified initiatives under its 14 strategic programmes aimed at intensifying customer centricity and accelerating digital and technology modernisation to solidify its regional presence.

The Group will continue to double down on penetration of its extensive customer base through focus on segments, cross-selling endeavours and leveraging ecosystem partnerships regionally. The Group will also focus on its super growth areas of wealth management, mid-market, non-retail and bancassurance segments whilst tapping on global market flows. Maybank will maintain sound liquidity, robust asset quality, and strong capital levels to support disciplined asset growth.

Values-based banking remains a strategic differentiator for the Group, in alignment with its mission of Humanising Financial Services to ensure economic value creation while delivering sustainable shareholder returns.

Barring any unforeseen circumstances, the Group has set a Headline Key Performance Indicator ("KPI") of return on equity of $\geq 11.3\%$ for FY2025.

OTHER STATUTORY INFORMATION

- (a) Before the statements of financial position and income statements of the Group and of the Bank were made out, the directors took reasonable steps:
- (i) to ascertain that proper action had been taken in relation to the writing off of bad debts and the making of allowances for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate allowances had been made for doubtful debts; and
 - (ii) to ensure that any current assets which were unlikely to realise their values as shown in the accounting records in the ordinary course of business had been written down to an amount which they might be expected so to realise.
- (b) At the date of this report, the directors are not aware of any circumstances which would render:
- (i) the amount written off for bad debts or the amount of the allowances for doubtful debts in the financial statements of the Group and of the Bank inadequate to any substantial extent; and
 - (ii) the values attributed to current assets in the financial statements of the Group and of the Bank misleading.
- (c) At the date of this report, the directors are not aware of any circumstances which have arisen which would render adherence to the existing method of valuation of assets or liabilities of the Group and of the Bank misleading or inappropriate.
- (d) At the date of this report, the directors are not aware of any circumstances not otherwise dealt with in this report or the financial statements of the Group and of the Bank which would render any amount stated in the financial statements misleading.
- (e) As at the date of this report, there does not exist:
- (i) any charge on the assets of the Group and of the Bank which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability of the Group or of the Bank which has arisen since the end of the financial year other than those arising in the normal course of business of the Group and of the Bank.



Directors' Report

OTHER STATUTORY INFORMATION (CONT'D.)

(f) In the opinion of the directors:

- (i) no contingent liability or other liability has become enforceable or is likely to become enforceable within the period of twelve (12) months after the end of the financial year which will or may affect the ability of the Group and of the Bank to meet their obligations as and when they fall due; and
- (ii) no item or transaction or event of a material and unusual nature has arisen in the interval between the end of the financial year and the date of this report which is likely to affect substantially the results of the operations of the Group or of the Bank for the financial year in which this report is made.

SIGNIFICANT AND SUBSEQUENT EVENTS

The significant and subsequent events are disclosed in Note 61 to the financial statements. There are no significant adjusting events after the statements of financial position date up to the date when the financial statements are authorised for issuance which is within the period from 1 January 2025 to 26 February 2025.

AUDITORS

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

Auditors' remuneration is disclosed in Note 42 to the financial statements.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 26 February 2025.

Tan Sri Dato' Sri Ir. Zamzamzairani bin Mohd Isa
Kuala Lumpur, Malaysia

Dato' Khairussaleh bin Ramli

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Tan Sri Dato' Sri Ir. Zamzamzairani bin Mohd Isa and Dato' Khairussaleh bin Ramli, being two of the directors of Malayan Banking Berhad, do hereby state that, in the opinion of the directors, the accompanying financial statements set out on pages 28 to 297 are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Group and of the Bank as at 31 December 2024 and of the results and the cash flows of the Group and of the Bank for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the directors dated 26 February 2025.



Tan Sri Dato' Sri Ir. Zamzamzairani bin Mohd Isa
Kuala Lumpur, Malaysia



Dato' Khairussaleh bin Ramli

Statutory Declaration

Pursuant to Section 251(1)(b) of the Companies Act 2016

I, Malique Firdauz bin Ahmad Sidique, being the officer primarily responsible for the financial management of Malayan Banking Berhad, do solemnly and sincerely declare that the accompanying financial statements set out on pages 28 to 297 are in my opinion correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.



Malique Firdauz bin Ahmad Sidique
MIA 42336

Subscribed and solemnly declared by the abovenamed Malique Firdauz bin Ahmad Sidique at Kuala Lumpur in Malaysia on 26 February 2025.

Before me,



Commissioner for Oaths

Lot A-8, Tingkat Bawah
Pudu Sentral, Jalan Pudu
55100 Kuala Lumpur



Independent Auditors' Report

To the members of Malayan Banking Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Malayan Banking Berhad, which comprise the statements of financial position as at 31 December 2024 of the Group and of the Bank, and the income statements, statements of comprehensive income, statements of changes in equity and statements of cash flows of the Group and of the Bank for the financial year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 28 to 297.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Group and of the Bank as at 31 December 2024, and of their financial performance and their cash flows for the financial year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Group and of the Bank in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Key audit matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the Group and of the Bank for the current financial year. These matters were addressed in the context of our audit of the financial statements of the Group and of the Bank as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

We have fulfilled the responsibilities described in the *Auditors' responsibilities for the audit of the financial statements* section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements of the Group and of the Bank. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis of our audit opinion on the accompanying financial statements.

| Risk area and rationale | Our response |
|---|---|
| <p><u>Impairment of (i) goodwill and (ii) investment in subsidiaries and interest in associates</u></p> <p>(i) Goodwill</p> <p>The Group's goodwill balance as at 31 December 2024 stood at RM5.5 billion.</p> <p>Goodwill impairment testing of cash generating units ("CGUs") relies on estimates of value-in-use ("VIU") based on estimated future cash flows. The Group is required to annually test the amount of goodwill for impairment.</p> <p>(ii) Investment in subsidiaries and interest in associates</p> <p>As at 31 December 2024, the carrying amount of investment in subsidiaries (Bank only) stood at RM35.6 billion and interest in associates (Group and Bank) stood at RM1.9 billion and RM0.4 billion respectively.</p> <p>Similarly, we focused on impairment assessment of investment in subsidiaries and interest in associates as the impairment testing relies on VIU estimates based on estimated future cash flows.</p> <p>These involve management judgements and are based on complex assumptions that are affected by expected future market and economic conditions, including uncertainties from emerging risks.</p> <p>Refer to summary of material accounting policy information in Notes 2.3(i), 2.3(ii) and 2.3(iii), significant accounting judgements, estimates and assumptions in Notes 3.6 and 3.7 and the disclosure of (i) goodwill and (ii) investment in subsidiaries and interest in associates in Notes 18, 19 and 22 to the financial statements.</p> | <p>Our audit procedures included, among others, evaluating the assumptions and methodologies used by the Group and the Bank in performing the impairment assessment.</p> <p>We tested the basis of preparing the cash flow forecasts, taking into account the back testing results on the accuracy of previous forecasts and the historical evidence supporting underlying assumptions.</p> <p>We assessed the appropriateness of the other key assumptions, such as the weighted average cost of capital discount rates assigned to the CGUs, as well as the long-term growth rate, by comparing against internal information, and external economic and market data, including emerging risks.</p> <p>We assessed the sensitivity analysis performed by management on the key inputs to the impairment models, to understand the impact that reasonable alternative assumptions would have on the overall carrying amounts.</p> <p>We also reviewed the adequacy of the Group's and of the Bank's disclosures within the financial statements on those assumptions to which the outcome of the impairment test is most sensitive.</p> |

Independent Auditors’ Report

To the members of Malayan Banking Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS (CONT'D.)

Key audit matters (cont'd.)

| Risk area and rationale | Our response |
|--|--|
| <p><u>Expected credit losses of loans, advances and financing and investments not carried at fair value through profit or loss</u></p> <p>As at 31 December 2024, the loans, advances and financing represent 61.8% and 47.8% of the total assets of the Group and of the Bank respectively, and the investments carried at amortised cost and fair value through other comprehensive income represent 19.3% and 22.7% of the total assets of the Group and of the Bank respectively.</p> <p>MFRS 9 Financial Instruments (“MFRS 9”) requires the Group and the Bank to account for the impairment of these assets with a forward-looking Expected Credit Losses (“ECL”) approach.</p> <p>The measurement of ECL requires the application of significant judgement and increased complexity which includes the identification of on-balance sheet and off-balance sheet credit exposures with significant deterioration in credit quality, assumptions used in the ECL models (for exposures assessed individually or collectively) such as the expected future cash flows, forward-looking macroeconomic factors and probability-weighted multiple scenarios. Management overlays have been applied due to uncertainties from emerging risks.</p> <p>Refer to summary of material accounting policy information in Note 2.3(v)(d), significant accounting judgements, estimates and assumptions in Notes 3.2 and 3.4 and the disclosures of loans, advances and financing and investments, allowances for impairment losses, impairment assessment considerations and credit risk management in Notes 10, 11, 12, 44, 45, 53(b), 53(c) and 53(e) to the financial statements.</p> | <p>Our audit procedures included the assessment of key controls over the origination, segmentation, ongoing internal credit quality assessments, recording and monitoring of the loans, advances and financing and the investments.</p> <p>We also assessed the processes and effectiveness of key controls over the transfer criteria (for the three stages of credit exposures under MFRS 9 in accordance with credit quality), impairment measurement methodologies, governance for development, maintenance and validation of ECL models, inputs, basis and assumptions used by the Group and the Bank in staging the credit exposures and calculating the ECL.</p> <p>For staging and identification of credit exposures with significant deterioration in credit quality, we assessed and tested the reasonableness of the transfer criteria applied by the Group and the Bank for different types of credit exposures. We evaluated if the transfer criteria are consistent with the Group's and the Bank's credit risk management practices.</p> <p>For the measurement of ECL, we assessed and tested reasonableness of the Group's and of the Bank's ECL models, including model inputs, model design and model performance for significant portfolios. We challenged whether historic experience is representative of current circumstances and of the recent losses incurred in the portfolios and assessed the reasonableness of forward-looking adjustments, macroeconomic factor analysis and probability-weighted multiple scenarios.</p> <p>We evaluated if changes in modelling approaches, parameters and assumptions are needed and if any changes made were appropriate. We also assessed and tested and monitored the sensitivity of the credit loss provisions to changes in modelling assumptions. In assessing the management overlays applied in the ECL amid current environment uncertainties from emerging risks, we performed scenario analysis to cross-check the impacts and challenged reasonableness of the basis applied by the management, particularly for the assets under Stages 1 and 2.</p> <p>With respect to individually assessed ECL which are mainly in relation to the impaired assets in Stage 3, we reviewed and tested a sample of loans, advances and financing and investments to evaluate the timely identification by the Group and the Bank of exposures with significant deterioration in credit quality or which have been impaired. For cases where impairment has been identified, we assessed the Group's and the Bank's assumptions on the expected future cash flows, including the value of realisable collaterals based on available market information and the multiple scenarios considered. We also challenged the assumptions and compared estimates to external evidence where available, including the management overlays applied due to uncertainties from emerging risks.</p> <p>We also assessed whether the financial statement disclosures are adequately and appropriately reflecting the Group's and the Bank's exposures to credit risk.</p> <p>We involved our credit modelling specialists and IT specialists in the performance of these procedures where their specific expertise was required.</p> |



Independent Auditors' Report

To the members of Malayan Banking Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS (CONT'D.)

Information other than the financial statements and auditors' report thereon

The directors of the Bank are responsible for the other information. The other information comprises the directors' report and the annual report, but does not include the financial statements of the Group and of the Bank and our auditors' report thereon. The annual report is expected to be made available to us after the date of this auditors' report.

Our opinion on the financial statements of the Group and of the Bank does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Group and of the Bank, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Group and of the Bank or our knowledge obtained in the audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information that we obtained prior to the date of this auditors' report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to the directors of the Bank and take appropriate action.

Responsibilities of the directors for the financial statements

The directors of the Bank are responsible for the preparation of the financial statements of the Group and of the Bank that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Group and of the Bank that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Group and of the Bank, the directors are responsible for assessing the Group's and the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group or the Bank or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Group and of the Bank as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Group and of the Bank, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's or the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Group and of the Bank or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group or the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements of the Group and of the Bank, including the disclosures, and whether the financial statements of the Group and of the Bank represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the financial statements of the Group. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Independent Auditors' Report

To the members of Malayan Banking Berhad (Incorporated in Malaysia)

REPORT ON THE FINANCIAL STATEMENTS (CONT'D.)

Auditors' responsibilities for the audit of the financial statements (cont'd.)

We also provide the directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

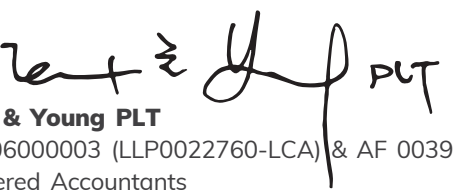
From the matters communicated with the directors, we determine those matters that were of most significance in the audit of the financial statements of the Group and of the Bank for the current financial year and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

In accordance with the requirements of the Companies Act 2016 in Malaysia, we report that the subsidiaries of which we have not acted as auditors, are disclosed in Note 64 to the financial statements.

OTHER MATTERS

This report is made solely to the members of the Bank, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.


Ernst & Young PLT
202006000003 (LLP0022760-LCA) & AF 0039
Chartered Accountants

Kuala Lumpur, Malaysia
26 February 2025


Chan Hooi Lam
No. 02844/02/2026 J
Chartered Accountant



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Statements of Financial Position

As at 31 December 2024

| | | Group | | Bank | |
|---|--------|----------------------|----------------|----------------------|----------------|
| | Note | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Assets | | | | | |
| Cash and short-term funds | 5 | 40,522,520 | 28,904,035 | 27,212,276 | 20,060,300 |
| Deposits and placements with financial institutions | 6 | 22,275,032 | 13,471,607 | 38,309,616 | 27,639,111 |
| Financial assets purchased under resale agreements | 7(i) | 16,630,783 | 17,344,364 | 17,608,327 | 15,680,716 |
| Financial assets designated upon initial recognition at fair value through profit or loss | 8 | 12,933,334 | 13,378,789 | – | – |
| Financial investments at fair value through profit or loss | 9 | 33,274,540 | 35,970,200 | 15,404,523 | 21,757,370 |
| Financial investments at fair value through other comprehensive income | 10 | 128,177,404 | 132,182,135 | 68,927,203 | 73,299,044 |
| Financial investments at amortised cost | 11 | 79,377,492 | 84,384,398 | 64,681,307 | 65,738,592 |
| Loans, advances and financing to financial institutions | 12(i) | 2,033,225 | 1,499,258 | 48,321,215 | 43,303,631 |
| Loans, advances and financing to customers | 12(ii) | 662,740,860 | 628,922,780 | 233,474,014 | 235,022,856 |
| Derivative assets | 13 | 23,417,580 | 21,647,554 | 23,331,778 | 21,476,761 |
| Insurance contract/takaful certificate assets | 14(i) | 75,199 | 123,204 | – | – |
| Reinsurance contract/retakaful certificate assets | 14(ii) | 5,910,059 | 5,698,832 | – | – |
| Other assets | 15 | 15,486,024 | 12,665,956 | 9,423,930 | 6,258,105 |
| Investment properties | 16 | 1,038,657 | 1,019,958 | – | – |
| Statutory deposits with central banks | 17 | 17,166,509 | 15,739,735 | 4,648,095 | 4,691,146 |
| Investment in subsidiaries | 18 | – | – | 35,575,751 | 34,486,241 |
| Interest in associates and joint venture | 19 | 1,857,728 | 2,105,534 | 438,859 | 438,859 |
| Property, plant and equipment | 20 | 2,283,097 | 2,309,246 | 861,851 | 868,825 |
| Right-of-use assets | 21 | 1,456,464 | 1,636,137 | 460,130 | 519,635 |
| Intangible assets | 22 | 6,993,290 | 7,361,911 | 664,603 | 543,296 |
| Deferred tax assets | 28 | 1,672,159 | 1,308,986 | 296,655 | 83,505 |
| Total assets | | 1,075,321,956 | 1,027,674,619 | 589,640,133 | 571,867,993 |
| Liabilities | | | | | |
| Customers' funding: | | | | | |
| – Deposits from customers | 23 | 712,915,459 | 670,359,336 | 310,608,986 | 299,676,139 |
| – Investment accounts of customers* | 63(t) | 28,981,847 | 26,475,396 | – | – |
| Deposits and placements from financial institutions | 24 | 47,051,220 | 44,676,892 | 76,999,224 | 58,221,783 |
| Obligations on financial assets sold under repurchase agreements | 7(ii) | 32,831,691 | 38,072,708 | 46,954,812 | 57,152,843 |
| Derivative liabilities | 13 | 27,494,477 | 25,082,955 | 26,984,480 | 24,554,173 |
| Financial liabilities at fair value through profit or loss | 25 | 11,943,454 | 8,766,563 | 7,429,042 | 8,766,563 |
| Bills and acceptances payable | | 1,214,634 | 1,133,170 | 466,170 | 442,847 |
| Insurance contract/takaful certificate liabilities | 14(i) | 46,102,335 | 44,497,551 | – | – |
| Reinsurance contract/retakaful certificate liabilities | 14(ii) | 27,063 | 83,001 | – | – |
| Other liabilities | 26 | 27,507,979 | 25,940,928 | 13,692,978 | 9,178,066 |
| Provision for taxation and zakat | 27 | 294,643 | 239,389 | – | – |
| Deferred tax liabilities | 28 | 755,338 | 685,646 | – | – |
| Borrowings | 29 | 28,260,101 | 31,037,570 | 15,546,427 | 22,785,069 |
| Subordinated obligations | 30 | 11,157,808 | 10,145,549 | 10,843,439 | 9,831,248 |
| Capital securities | 31 | 1,576,770 | 2,829,802 | 1,576,770 | 2,829,802 |
| Total liabilities | | 978,114,819 | 930,026,456 | 511,102,328 | 493,438,533 |
| Equity attributable to equity holders of the Bank | | | | | |
| Share capital | 32 | 54,736,195 | 54,673,596 | 54,736,195 | 54,673,596 |
| Shares held-in-trust | 32(c) | (1,764) | (1,203) | (1,764) | (1,203) |
| Retained profits | 33 | 34,028,358 | 31,672,801 | 16,822,741 | 15,822,764 |
| Reserves | 34 | 5,207,839 | 8,296,423 | 6,980,633 | 7,934,303 |
| | | 93,970,628 | 94,641,617 | 78,537,805 | 78,429,460 |
| Non-controlling interests | | 3,236,509 | 3,006,546 | – | – |
| | | 97,207,137 | 97,648,163 | 78,537,805 | 78,429,460 |
| Total liabilities and shareholders' equity | | 1,075,321,956 | 1,027,674,619 | 589,640,133 | 571,867,993 |
| Commitments and contingencies | 52 | 2,919,100,070 | 1,855,617,668 | 2,803,815,918 | 1,742,985,421 |
| Net assets per share attributable to equity holders of the Bank | | RM7.79 | RM7.85 | RM6.51 | RM6.50 |

* Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

The accompanying notes form an integral part of the financial statements.



Income Statements

For the financial year ended 31 December 2024

| | Note | Group | | Bank | |
|--|-------|---------------------|----------------|---------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Operating revenue | 35 | 68,942,785 | 63,515,213 | 36,528,832 | 34,259,569 |
| Interest income | 36 | 32,769,873 | 30,230,550 | 22,887,904 | 21,179,981 |
| Interest expense | 37 | (19,962,450) | (17,439,028) | (15,869,379) | (13,926,842) |
| Net interest income | | 12,807,423 | 12,791,522 | 7,018,525 | 7,253,139 |
| Income from Islamic Banking Scheme operations | 63(b) | 8,346,399 | 7,577,195 | – | – |
| | | 21,153,822 | 20,368,717 | 7,018,525 | 7,253,139 |
| Insurance/takaful service result | 38 | 1,284,513 | 550,098 | – | – |
| Dividends from subsidiaries and associates | 39 | – | – | 4,191,743 | 3,534,284 |
| Other operating income | 40 | 9,066,000 | 7,988,177 | 5,796,183 | 5,846,934 |
| Total operating income | | 31,504,335 | 28,906,992 | 17,006,451 | 16,634,357 |
| Net insurance/takaful investment/finance result | 41 | (1,931,829) | (1,545,851) | – | – |
| Net operating income | | 29,572,506 | 27,361,141 | 17,006,451 | 16,634,357 |
| Overhead expenses | 42 | (14,460,235) | (13,388,800) | (6,893,494) | (6,296,175) |
| Operating profit before impairment losses | | 15,112,271 | 13,972,341 | 10,112,957 | 10,338,182 |
| Allowances for impairment losses on loans, advances, financing and other debts, net | 44 | (1,670,545) | (1,826,212) | (148,291) | (571,491) |
| Writeback of/(allowances for) impairment losses on financial investments, net | 45 | 42,353 | 180,563 | 136,132 | (6,310) |
| (Allowances for)/writeback of impairment losses on other financial assets, and interest in an associate, net | 46 | (18,816) | (35,416) | (12,112) | 1,491 |
| Operating profit | | 13,465,263 | 12,291,276 | 10,088,686 | 9,761,872 |
| Share of profits in associates and joint venture | 19 | 236,302 | 240,325 | – | – |
| Profit before taxation and zakat | | 13,701,565 | 12,531,601 | 10,088,686 | 9,761,872 |
| Taxation and zakat | 47 | (3,195,179) | (2,916,739) | (1,434,846) | (1,489,079) |
| Profit for the financial year | | 10,506,386 | 9,614,862 | 8,653,840 | 8,272,793 |
| Attributable to: | | | | | |
| Equity holders of the Bank | | 10,088,673 | 9,349,780 | 8,653,840 | 8,272,793 |
| Non-controlling interests | | 417,713 | 265,082 | – | – |
| | | 10,506,386 | 9,614,862 | 8,653,840 | 8,272,793 |
| Earnings per share attributable to equity holders of the Bank | | | | | |
| Basic (sen) | 50(a) | 83.6 | 77.6 | | |
| Diluted (sen) | 50(b) | 83.6 | 77.6 | | |
| Dividends per ordinary share held by equity holders of the Bank in respect of the financial year (sen) | | | | | |
| Paid – First interim for financial year ended 31 December 2024 | 51 | | | 29.00 | – |
| Paid – Second interim for the financial year ended 31 December 2023 | 51 | | | 31.00 | – |
| Paid – First interim for the financial year ended 31 December 2023 | 51 | | | – | 29.00 |
| Paid – Second interim for the financial year ended 31 December 2022 | 51 | | | – | 30.00 |
| Declared – Second interim for the financial year ended 31 December 2024 | 51(a) | | | 32.00 | – |
| Declared – Second interim for the financial year ended 31 December 2023 | | | | – | 31.00 |

The accompanying notes form an integral part of the financial statements.

Statements of Comprehensive Income

For the financial year ended 31 December 2024

| | Note | Group | | Bank | |
|---|----------|--------------------|----------------|--------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Profit for the financial year | | 10,506,386 | 9,614,862 | 8,653,840 | 8,272,793 |
| Other comprehensive income/(loss): | | | | | |
| Items that will not be reclassified subsequently to profit or loss: | | | | | |
| Defined benefit plan actuarial gain | 26(i)(b) | 22,259 | 26,677 | – | – |
| Income tax effect | 28 | (6,548) | (4,276) | – | – |
| Net gain from change in fair value on equity instruments at fair value through other comprehensive income | | 97,998 | 32,941 | 5,936 | 24,944 |
| | | 113,709 | 55,342 | 5,936 | 24,944 |
| Items that may be reclassified subsequently to profit or loss: | | | | | |
| Net (loss)/gain on debt instruments at fair value through other comprehensive income | | (775,241) | 5,136,454 | (641,800) | 3,561,658 |
| – Net (loss)/gain from change in fair value | | (840,246) | 6,526,707 | (603,920) | 4,585,541 |
| – Changes in expected credit losses | | (153,283) | 57,082 | (182,776) | 51,779 |
| – Income tax effect | 28 | 218,288 | (1,447,335) | 144,896 | (1,075,662) |
| Net (loss)/gain on foreign exchange translation | | (2,444,251) | 2,013,920 | (698,614) | 567,790 |
| Cost of hedging for fair value hedge | 13 | (53,062) | (15,764) | (53,062) | (15,764) |
| Net (loss)/gain on capital reserve | | (1,483) | 264 | – | – |
| Net gain on revaluation reserve | | 3 | 472 | – | – |
| Share of change in associates' reserve | | (276,482) | (292,686) | – | – |
| Net insurance finance/investment result | | (107,690) | (269,167) | – | – |
| | | (3,658,206) | 6,573,493 | (1,393,476) | 4,113,684 |
| Other comprehensive (loss)/income for the financial year, net of tax | | (3,544,497) | 6,628,835 | (1,387,540) | 4,138,628 |
| Total comprehensive income for the financial year | | 6,961,889 | 16,243,697 | 7,266,300 | 12,411,421 |
| Other comprehensive (loss)/income for the financial year, attributable to: | | | | | |
| Equity holders of the Bank | | (3,548,191) | 6,598,415 | (1,387,540) | 4,138,628 |
| Non-controlling interests | | 3,694 | 30,420 | – | – |
| | | (3,544,497) | 6,628,835 | (1,387,540) | 4,138,628 |
| Total comprehensive income for the financial year, attributable to: | | | | | |
| Equity holders of the Bank | | 6,540,482 | 15,948,195 | 7,266,300 | 12,411,421 |
| Non-controlling interests | | 421,407 | 295,502 | – | – |
| | | 6,961,889 | 16,243,697 | 7,266,300 | 12,411,421 |

The accompanying notes form an integral part of the financial statements.



Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

| Group | <----- Attributable to equity holders of the Bank -----> | | | | | | | | | | Non-Controlling Interests RM'000 | Total Equity RM'000 |
|--|--|--|---|--|--|---|-------------------------------------|--|--|--------------------------------------|-------------------------------------|------------------------|
| | Share Capital (Note 32) RM'000 | <----- Non-distributable -----> | | | | | | | *Retained Profits (Note 33) RM'000 | Total Shareholders' Equity RM'000 | | |
| | | Shares Held-in-trust (Note 32(c)) RM'000 | Statutory Reserve (Note 34(a)) RM'000 | Regulatory Reserve (Note 34(b)) RM'000 | Fair Value Through Other Comprehensive Income Reserve (Note 34) RM'000 | Exchange Fluctuation Reserve (Note 34) RM'000 | ESGP Reserve (Note 34) RM'000 | Other Reserves (Note 34(c)) RM'000 | | | | |
| At 1 January 2024 | 54,673,596 | (1,203) | 435,860 | 2,473,192 | 3,449,495 | 2,183,168 | 90,750 | (336,042) | 31,672,801 | 94,641,617 | 3,006,546 | 97,648,163 |
| Profit for the financial year | - | - | - | - | - | - | - | - | 10,088,673 | 10,088,673 | 417,713 | 10,506,386 |
| Other comprehensive (loss)/ income | - | - | - | - | (717,575) | (2,715,826) | - | (114,790) | - | (3,548,191) | 3,694 | (3,544,497) |
| Defined benefit plan actuarial gain | - | - | - | - | - | - | - | 14,042 | - | 14,042 | 1,669 | 15,711 |
| Share of associates' reserve | - | - | - | - | 8,096 | (284,578) | - | - | - | (276,482) | - | (276,482) |
| Net loss on foreign exchange translation | - | - | - | - | - | (2,431,248) | - | - | - | (2,431,248) | (13,003) | (2,444,251) |
| Net (loss)/gain on financial investments at fair value through other comprehensive income | - | - | - | - | (725,671) | - | - | - | - | (725,671) | 48,428 | (677,243) |
| Cost of hedging for fair value hedge | - | - | - | - | - | - | - | (53,062) | - | (53,062) | - | (53,062) |
| Net loss on capital reserve | - | - | - | - | - | - | - | (1,410) | - | (1,410) | (73) | (1,483) |
| Net gain on revaluation reserve | - | - | - | - | - | - | - | - | - | - | 3 | 3 |
| Net insurance finance/ investment result | - | - | - | - | - | - | - | (74,360) | - | (74,360) | (33,330) | (107,690) |
| | | | | | | | | | | | | |
| Total comprehensive (loss)/ income for the financial year | - | - | - | - | (717,575) | (2,715,826) | - | (114,790) | 10,088,673 | 6,540,482 | 421,407 | 6,961,889 |
| | | | | | | | | | | | | |
| Net gain on disposal of financial investments at fair value through other comprehensive income | - | - | - | - | (531) | - | - | - | 531 | - | - | - |
| Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP") (Note 32(b)) | - | - | - | - | - | - | 82,216 | - | - | 82,216 | - | 82,216 |
| Effects of changes in corporate structure within the Group | - | - | - | - | - | - | - | - | (53,516) | (53,516) | (22,824) | (76,340) |
| Effect of net acquisition from/ disposal to non-controlling interests | - | - | - | - | - | - | - | - | - | - | 12,060 | 12,060 |
| Transfer to statutory reserve (Note 34(a)) | - | - | 66,576 | - | - | - | - | - | (66,576) | - | - | - |
| Transfer to regulatory reserve (Note 34(b)) | - | - | - | 373,384 | - | - | - | - | (373,384) | - | - | - |
| Issue of shares pursuant to Maybank Group ESGP | 62,599 | (561) | - | - | - | - | (62,038) | - | - | - | - | - |
| Dividends paid (Note 51) | - | - | - | - | - | - | - | - | (7,240,171) | (7,240,171) | (180,680) | (7,420,851) |
| Total transactions with shareholders/other equity movements | 62,599 | (561) | 66,576 | 373,384 | (531) | - | 20,178 | - | (7,733,116) | (7,211,471) | (191,444) | (7,402,915) |
| | | | | | | | | | | | | |
| At 31 December 2024 | 54,736,195 | (1,764) | 502,436 | 2,846,576 | 2,731,389 | (532,658) | 110,928 | (450,832) | 34,028,358 | 93,970,628 | 3,236,509 | 97,207,137 |

* Retained profits include distributable and non-distributable profits arising from Non-Distributable Life Funds surplus of an insurance subsidiary. Refer to Note 33 for further details.

Consolidated Statement of Changes in Equity

For the financial year ended 31 December 2024

| Group | Attributable to equity holders of the Bank | | | | | | | | | | Non-Controlling Interests RM'000 | Total Equity RM'000 |
|--|--|--|---|--|--|---|-------------------------------------|--|--|--------------------------------------|-------------------------------------|------------------------|
| | Share Capital (Note 32) RM'000 | Non-distributable | | | | | | | *Retained Profits (Note 33) RM'000 | Total Shareholders' Equity RM'000 | | |
| | | Shares Held-in-trust (Note 32(c)) RM'000 | Statutory Reserve (Note 34(a)) RM'000 | Regulatory Reserve (Note 34(b)) RM'000 | Fair Value Through Other Comprehensive Income Reserve (Note 34) RM'000 | Exchange Fluctuation Reserve (Note 34) RM'000 | ESGP Reserve (Note 34) RM'000 | Other Reserves (Note 34(c)) RM'000 | | | | |
| At 1 January 2023 | 54,619,344 | (198) | 429,303 | 2,465,059 | (1,621,607) | 470,324 | 89,687 | (156,181) | 29,450,452 | 85,746,183 | 2,865,903 | 88,612,086 |
| Profit for the financial year | – | – | – | – | – | – | – | – | 9,349,780 | 9,349,780 | 265,082 | 9,614,862 |
| Other comprehensive income/ (loss) | – | – | – | – | 5,065,432 | 1,712,844 | – | (179,861) | – | 6,598,415 | 30,420 | 6,628,835 |
| Defined benefit plan actuarial gain | – | – | – | – | – | – | – | 20,979 | – | 20,979 | 1,422 | 22,401 |
| Share of associates' reserve | – | – | – | – | 14,793 | (307,479) | – | – | – | (292,686) | – | (292,686) |
| Net gain/(loss) on foreign exchange translation | – | – | – | – | – | 2,020,323 | – | – | – | 2,020,323 | (6,403) | 2,013,920 |
| Net gain on financial investments at fair value through other comprehensive income | – | – | – | – | 5,050,639 | – | – | – | – | 5,050,639 | 118,756 | 5,169,395 |
| Cost of hedging for fair value hedge | – | – | – | – | – | – | – | (15,764) | – | (15,764) | – | (15,764) |
| Net gain on capital reserve | – | – | – | – | – | – | – | 250 | – | 250 | 14 | 264 |
| Net gain on revaluation reserve | – | – | – | – | – | – | – | 467 | – | 467 | 5 | 472 |
| Net insurance finance/ investment result | – | – | – | – | – | – | – | (185,793) | – | (185,793) | (83,374) | (269,167) |
| Total comprehensive income/ (loss) for the financial year | – | – | – | – | 5,065,432 | 1,712,844 | – | (179,861) | 9,349,780 | 15,948,195 | 295,502 | 16,243,697 |
| Net loss on disposal of financial investments at fair value through other comprehensive income | – | – | – | – | 5,670 | – | – | – | (5,670) | – | – | – |
| Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP") (Note 32(b)) | – | – | – | – | – | – | 54,310 | – | 4,864 | 59,174 | – | 59,174 |
| Effects of changes in corporate structure within the Group | – | – | – | – | – | – | – | – | – | – | 237 | 237 |
| Effect of net acquisition from/ disposal to non-controlling interests | – | – | – | – | – | – | – | – | – | – | (16,655) | (16,655) |
| Transfer to statutory reserve (Note 34(a)) | – | – | 6,557 | – | – | – | – | – | (6,557) | – | – | – |
| Transfer to regulatory reserve (Note 34(b)) | – | – | – | 8,133 | – | – | – | – | (8,133) | – | – | – |
| Issue of shares pursuant to Maybank Group ESGP | 54,252 | (1,005) | – | – | – | – | (53,247) | – | – | – | – | – |
| Dividends paid (Note 51) | – | – | – | – | – | – | – | – | (7,111,935) | (7,111,935) | (138,441) | (7,250,376) |
| Total transactions with shareholders/other equity movements | 54,252 | (1,005) | 6,557 | 8,133 | 5,670 | – | 1,063 | – | (7,127,431) | (7,052,761) | (154,859) | (7,207,620) |
| At 31 December 2023 | 54,673,596 | (1,203) | 435,860 | 2,473,192 | 3,449,495 | 2,183,168 | 90,750 | (336,042) | 31,672,801 | 94,641,617 | 3,006,546 | 97,648,163 |

* Retained profits include distributable and non-distributable profits arising from Non-Distributable Life Funds surplus of an insurance subsidiary. Refer to Note 33 for further details.

The accompanying notes form an integral part of the financial statements.



Statement of Changes in Equity

For the financial year ended 31 December 2024

| Bank | Attributable to equity holders of the Bank | | | | | | | | | |
|--|--|--|---------------------------------------|--|--|---|-------------------------------|-----------------------------------|---|---------------------|
| | Non-distributable | | | | | | | | Distributable Retained Profits (Note 33) RM'000 | Total Equity RM'000 |
| | Share Capital (Note 32) RM'000 | Shares Held-in-trust (Note 32(c)) RM'000 | Statutory Reserve (Note 34(a)) RM'000 | Regulatory Reserve (Note 34(b)) RM'000 | Fair Value Through Other Comprehensive Income Reserve (Note 34) RM'000 | Exchange Fluctuation Reserve (Note 34) RM'000 | ESGP Reserve (Note 34) RM'000 | Hedge Reserve (Note 34(c)) RM'000 | | |
| At 1 January 2024 | 54,673,596 | (1,203) | 85,340 | 1,829,556 | 2,398,837 | 3,488,890 | 90,750 | 40,930 | 15,822,764 | 78,429,460 |
| Profit for the financial year | - | - | - | - | - | - | - | - | 8,653,840 | 8,653,840 |
| Other comprehensive loss | - | - | - | - | (635,864) | (698,614) | - | (53,062) | - | (1,387,540) |
| Net loss on foreign exchange translation | - | - | - | - | - | (698,614) | - | - | - | (698,614) |
| Net loss on financial investments at fair value through other comprehensive income | - | - | - | - | (635,864) | - | - | - | - | (635,864) |
| Cost of hedging for fair value hedge | - | - | - | - | - | - | - | (53,062) | - | (53,062) |
| Total comprehensive (loss)/income for the financial year | - | - | - | - | (635,864) | (698,614) | - | (53,062) | 8,653,840 | 7,266,300 |
| Net loss on disposal of financial investments at fair value through other comprehensive income | - | - | - | - | 42 | - | - | - | (42) | - |
| Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP") (Note 32(b)) | - | - | - | - | - | - | 82,216 | - | - | 82,216 |
| Transfer to statutory reserve (Note 34(a)) | - | - | 12,754 | - | - | - | - | - | (12,754) | - |
| Transfer to regulatory reserve (Note 34(b)) | - | - | - | 400,896 | - | - | - | - | (400,896) | - |
| Issue of shares pursuant to Maybank Group ESGP | 62,599 | (561) | - | - | - | - | (62,038) | - | - | - |
| Dividends paid (Note 51) | - | - | - | - | - | - | - | - | (7,240,171) | (7,240,171) |
| Total transactions with shareholders/ other equity movements | 62,599 | (561) | 12,754 | 400,896 | 42 | - | 20,178 | - | (7,653,863) | (7,157,955) |
| At 31 December 2024 | 54,736,195 | (1,764) | 98,094 | 2,230,452 | 1,763,015 | 2,790,276 | 110,928 | (12,132) | 16,822,741 | 78,537,805 |

| Bank | Attributable to equity holders of the Bank | | | | | | | | | |
|--|--|--|---------------------------------------|--|--|---|-------------------------------|-----------------------------------|---|---------------------|
| | Non-distributable | | | | | | | | Distributable Retained Profits (Note 33) RM'000 | Total Equity RM'000 |
| | Share Capital (Note 32) RM'000 | Shares Held-in-trust (Note 32(c)) RM'000 | Statutory Reserve (Note 34(a)) RM'000 | Regulatory Reserve (Note 34(b)) RM'000 | Fair Value Through Other Comprehensive Income Reserve (Note 34) RM'000 | Exchange Fluctuation Reserve (Note 34) RM'000 | ESGP Reserve (Note 34) RM'000 | Hedge Reserve (Note 34(c)) RM'000 | | |
| At 1 January 2023 | 54,619,344 | (198) | 79,003 | 1,549,033 | (1,180,242) | 2,921,100 | 89,687 | 56,694 | 14,936,379 | 73,070,800 |
| Profit for the financial year | - | - | - | - | - | - | - | - | 8,272,793 | 8,272,793 |
| Other comprehensive income/(loss) | - | - | - | - | 3,586,602 | 567,790 | - | (15,764) | - | 4,138,628 |
| Net gain on foreign exchange translation | - | - | - | - | - | 567,790 | - | - | - | 567,790 |
| Net gain on financial investments at fair value through other comprehensive income | - | - | - | - | 3,586,602 | - | - | - | - | 3,586,602 |
| Cost of hedging for fair value hedge | - | - | - | - | - | - | - | (15,764) | - | (15,764) |
| Total comprehensive income/(loss) for the financial year | - | - | - | - | 3,586,602 | 567,790 | - | (15,764) | 8,272,793 | 12,411,421 |
| Net gain on disposal of financial investments at fair value through other comprehensive income | - | - | - | - | (7,523) | - | - | - | 7,523 | - |
| Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP") (Note 32(b)) | - | - | - | - | - | - | 54,310 | - | 4,864 | 59,174 |
| Transfer to statutory reserve (Note 34(a)) | - | - | 6,337 | - | - | - | - | - | (6,337) | - |
| Transfer to regulatory reserve (Note 34(b)) | - | - | - | 280,523 | - | - | - | - | (280,523) | - |
| Issue of shares pursuant to Maybank Group ESGP | 54,252 | (1,005) | - | - | - | - | (53,247) | - | - | - |
| Dividends paid (Note 51) | - | - | - | - | - | - | - | - | (7,111,935) | (7,111,935) |
| Total transactions with shareholders/ other equity movements | 54,252 | (1,005) | 6,337 | 280,523 | (7,523) | - | 1,063 | - | (7,386,408) | (7,052,761) |
| At 31 December 2023 | 54,673,596 | (1,203) | 85,340 | 1,829,556 | 2,398,837 | 3,488,890 | 90,750 | 40,930 | 15,822,764 | 78,429,460 |

The accompanying notes form an integral part of the financial statements.

Statements of Cash Flows

For the financial year ended 31 December 2024

| | Group | | Bank | |
|--|---------------------|----------------|---------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Cash flows from operating activities | | | | |
| Profit before taxation and zakat | 13,701,565 | 12,531,601 | 10,088,686 | 9,761,872 |
| Adjustments for: | | | | |
| Share of profits in associates and joint ventures (Note 19) | (236,302) | (240,325) | – | – |
| Depreciation of property, plant and equipment (Notes 38(ii) & 42) | 334,511 | 322,496 | 72,021 | 77,957 |
| Depreciation of right-of-use assets (Notes 38(ii) & 42) | 515,254 | 577,684 | 114,402 | 116,644 |
| Amortisation of computer software (Notes 38(ii) & 42) | 269,845 | 251,126 | 76,315 | 69,697 |
| Finance costs on lease liabilities (Notes 38(ii) & 42) | 65,714 | 57,595 | 16,595 | 15,382 |
| Gain on disposal of property, plant and equipment (Note 40) | (4,608) | (4,134) | (689) | (773) |
| Gain on disposal of foreclosed properties (Note 40) | (4,737) | (10,202) | (5,877) | – |
| Excess of capital repayment of a subsidiary (Note 40) | – | – | – | (50,706) |
| Net loss/(gain) on disposal/change in structure of deemed controlled structured entities (Note 40) | 2,166 | – | (3,140) | (4,264) |
| Net (gain)/loss on liquidation of subsidiaries (Note 40) | (3,096) | 10 | – | – |
| Net gain on disposal of interest in an associate (Note 40) | (111,443) | – | – | – |
| Net gain on disposal of financial assets at fair value through profit or loss (Note 40, Notes 63 (aa) & (ac)) | (1,143,282) | (117,713) | (704,027) | (323,577) |
| Net gain on disposal of financial investments at fair value through other comprehensive income (Note 40, Notes 63 (aa) & (ac)) | (1,327,654) | (372,443) | (896,635) | (508,349) |
| Net gain on redemption of financial investments at amortised cost (Note 40, Notes 63 (aa) & (ac)) | – | (5) | – | (5) |
| Amortisation of premiums/(accretion of discounts), net (Note 36, Notes 63 (aa) & (ac)) | 87,217 | 163,952 | (302,246) | (284,733) |
| Unrealised loss/(gain) on revaluation of financial assets at fair value through profit or loss and derivatives (Note 40, Notes 63 (aa) & (ac)) | 850,983 | (679,195) | 1,697,853 | 423,884 |
| Unrealised gain on revaluation of financial liabilities at fair value through profit or loss (Note 40) | (1,874,273) | (1,045,215) | (1,874,273) | (1,045,215) |
| Allowances for impairment losses on loans, advances and financing, net (Note 44) | 2,722,359 | 2,464,186 | 759,644 | 901,065 |
| Allowances for impairment losses on other debts (Note 44) | 2,737 | 19,289 | 1,082 | 3,510 |
| (Writeback of)/allowances for impairment losses on financial investments, net (Note 45) | (42,353) | (180,563) | (136,132) | 6,310 |
| Allowances for/(writeback of) impairment losses on other financial assets and interest in associates, net (Note 46) | 18,816 | 35,416 | 12,112 | (1,491) |
| Dividends from subsidiaries and associates (Note 39) | – | – | (4,191,743) | (3,534,284) |
| Dividends from financial investments portfolio (Note 40) | (294,512) | (210,095) | (8,057) | (5,428) |
| ESGP expenses (Notes 38(ii) & 42) | 97,501 | 93,811 | 56,676 | 39,667 |
| Property, plant and equipment written off (Note 42) | 78 | 7,089 | 3 | 40 |
| Intangible assets written off (Note 42) | 500 | 783 | 500 | 756 |
| Fair value adjustments on investment properties (Note 40) | (18,395) | (29,977) | – | – |
| Operating profit before working capital changes | 13,608,591 | 13,635,171 | 4,773,070 | 5,657,959 |
| Change in cash and short-term funds with original maturity of more than three months | (283,346) | 205,752 | (2,557,828) | 2,260,647 |
| Change in deposits and placements with financial institutions with original maturity of more than three months | (419,967) | 1,319,692 | (1,764,209) | (910,371) |
| Change in financial assets purchased under resale agreements | 713,643 | (2,369,880) | (1,927,611) | (1,350,241) |
| Change in financial investments portfolio | 14,683,272 | (26,750,586) | 13,114,185 | (21,149,476) |
| Change in loans, advances and financing | (52,860,582) | (43,044,117) | (10,593,198) | (27,900,421) |
| Change in other assets | (4,514,831) | (2,737,944) | (3,487,077) | 1,123,971 |
| Change in statutory deposits with central banks | (1,426,878) | (1,961,589) | 43,052 | (1,962,936) |
| Change in deposits from customers | 54,096,370 | 45,170,303 | 14,459,214 | 21,217,905 |
| Change in investment accounts of customers | 2,506,451 | 1,974,415 | – | – |
| Change in deposits and placements from financial institutions | 2,374,327 | (7,216,888) | 18,777,441 | (8,572,662) |
| Change in obligations on financial assets sold under repurchase agreements | (5,241,017) | 22,486,872 | (10,198,031) | 30,862,547 |
| Change in financial liabilities at fair value through profit or loss | (1,223,428) | 113,356 | 9,382 | 112,898 |
| Change in bills and acceptances payable | 81,465 | (677,785) | 23,323 | (769,884) |
| Change in other liabilities | 8,563,853 | 1,099,051 | 4,026,835 | 138,171 |
| Change in insurance/reinsurance contract/takaful/retakaful certificate assets | (158,781) | 1,814,519 | – | – |
| Change in insurance/reinsurance contract/takaful/retakaful certificate liabilities | 1,548,846 | 2,083,082 | – | – |
| Cash generated from/(used in) operating activities | 32,047,988 | 5,143,424 | 24,698,548 | (1,241,893) |
| Taxes and zakat paid | (3,264,012) | (3,368,687) | (1,149,131) | (1,672,949) |
| Net cash generated from/(used in) operating activities | 28,783,976 | 1,774,737 | 23,549,417 | (2,914,842) |



Statements of Cash Flow

For the financial year ended 31 December 2024

| | Group | | Bank | |
|---|--------------------|---------------------|---------------------|--------------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Cash flows from investing activities | | | | |
| Purchase of investment properties (Note 16) | (616) | (856) | – | – |
| Purchase of property, plant and equipment (Note 20) | (391,753) | (435,688) | (80,320) | (62,295) |
| Purchase of intangible assets (Note 22) | (405,753) | (465,863) | (199,914) | (187,529) |
| Net effect arising from: | | | | |
| – transaction with non-controlling interests | (10,763) | (16,423) | – | – |
| – proceeds from disposal of interest in an associate | 262,080 | – | – | – |
| – capital repayment of a subsidiary | – | – | – | 50,706 |
| – increase in shares in existing subsidiary | (54,550) | – | – | – |
| Purchase of additional ordinary shares in existing subsidiaries | – | – | (1,119,489) | (627,962) |
| Purchase of shares in deemed controlled structured entities | – | – | (10,000) | (20,934) |
| Proceeds from disposal of property, plant and equipment | 14,948 | 16,883 | 860 | 886 |
| Proceeds from partial disposal of deemed controlled structured entities | – | – | 24,000 | 27,545 |
| Proceeds from disposal of a deemed controlled structured entity | – | – | 4,237 | – |
| Dividends received from: | | | | |
| – financial investments portfolio (Note 40) | 294,512 | 210,095 | 8,057 | 5,428 |
| – associates (Note 39) | – | – | – | 736 |
| – subsidiaries (Note 39) | – | – | 4,191,743 | 3,533,548 |
| Net cash (used in)/generated from investing activities | (291,895) | (691,852) | 2,819,174 | 2,720,129 |
| Cash flows from financing activities | | | | |
| Issuance/(repayment) of borrowings, net (Note 29) | 242,858 | (3,538,674) | (4,703,215) | (1,998,447) |
| Issuance of subordinated obligations (Note 30) | 3,000,000 | – | 3,000,000 | – |
| Redemption of subordinated obligations (Note 30) | (2,000,000) | (93,390) | (2,000,000) | – |
| Redemption of capital securities (Note 31) | (1,240,000) | – | (1,240,000) | – |
| Repayment of lease liabilities (Note 26(iv)) | (589,373) | (657,114) | (121,915) | (109,858) |
| Dividends paid (Note 51) | (7,240,171) | (7,111,935) | (7,240,171) | (7,111,935) |
| Dividends paid to non-controlling interests | (180,680) | (138,441) | – | – |
| Net cash used in financing activities | (8,007,366) | (11,539,554) | (12,305,301) | (9,220,240) |
| Net increase/(decrease) in cash and cash equivalents | 20,484,715 | (10,456,669) | 14,063,290 | (9,414,953) |
| Cash and cash equivalents at 1 January | 41,064,936 | 50,814,176 | 34,302,874 | 43,203,840 |
| Effects of foreign exchange rate changes | (773,804) | 707,429 | (558,924) | 513,987 |
| Cash and cash equivalents at 31 December | 60,775,847 | 41,064,936 | 47,807,240 | 34,302,874 |
| Cash and cash equivalents comprise: | | | | |
| Cash and short-term funds (Note 5) | 40,553,850 | 28,940,553 | 27,218,238 | 20,067,341 |
| Deposits and placements with other financial institutions (Note 6) | 22,279,247 | 13,478,320 | 38,317,442 | 27,641,936 |
| | 62,833,097 | 42,418,873 | 65,535,680 | 47,709,277 |
| Less: | | | | |
| Cash and short-term funds and deposits and placements with financial institutions, with original maturity of more than three months | (2,057,250) | (1,353,937) | (17,728,440) | (13,406,403) |
| Cash and cash equivalents at 31 December | 60,775,847 | 41,064,936 | 47,807,240 | 34,302,874 |

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 December 2024

1. CORPORATE INFORMATION

Malayan Banking Berhad ("Maybank" or the "Bank") is a public limited liability company, incorporated and domiciled in Malaysia and is listed on the Main Market of Bursa Malaysia Securities Berhad. The registered office of the Bank is located at 14th Floor, Menara Maybank, 100, Jalan Tun Perak, 50050 Kuala Lumpur.

The Bank is principally engaged in all aspects of commercial banking and related financial services.

The subsidiaries of the Bank are principally engaged in the businesses of banking and finance, Islamic banking, investment banking including stockbroking, underwriting of general and life insurance, general and family takaful, trustee and nominee services and asset management.

There were no significant changes in these activities during the financial year.

These financial statements were authorised for issue by the Board of Directors in accordance with a resolution of the directors on 26 February 2025.

2. ACCOUNTING POLICIES

2.1 Basis of preparation and presentation of the financial statements

The financial statements of the Bank and its subsidiaries ("Maybank Group" or the "Group") and of the Bank have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act 2016 in Malaysia.

The financial statements of the Group and of the Bank have been prepared on a historical cost basis unless otherwise indicated in the summary of material accounting policies as disclosed in Note 2.3.

The Group's financial statements also include separate disclosures on its insurance and takaful businesses and Islamic banking operations as disclosed in Notes 62 and 63, respectively. The principal activities for insurance and takaful businesses are mainly the underwriting of general and life insurance business, the management of general and family takaful business and investment-linked business. Islamic banking refers generally to the acceptance of deposits, granting of financing and dealing in Islamic securities under the Shariah principles.

The Group and the Bank present their statements of financial position in the order of liquidity.

Financial assets and financial liabilities are offset and the net amount are reported in the statements of financial position of the Group and of the Bank only when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously. Income and expenses are not offset in the income statements of the Group and of the Bank unless required or permitted by an accounting standard or interpretation, and as specifically disclosed in the accounting policies of the Group and of the Bank.

The financial statements are presented in Ringgit Malaysia ("RM") and all values are rounded to the nearest thousand (RM'000), unless otherwise stated.

2.2 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries including the equity accounting of interest in associates and joint ventures as at

31 December 2024. Further details on the accounting policies for investment in subsidiaries and interest in associates and joint ventures are disclosed in Note 2.3.

The financial statements of the Bank's subsidiaries, associates and joint ventures are prepared for the same reporting date as the Bank, using consistent accounting policies for transactions and events in similar circumstances.

Subsidiaries (including deemed controlled structured entities) are consolidated from the date of acquisition or the date of incorporation, being the date on which the Bank obtains control and continue to be consolidated until the date that such control effectively ceases. The Group controls an investee, if and only if, the Group has three (3) elements of control as below:

- Power over the investee;
- Exposure, or rights, to variable returns from its involvement with the investee; and
- The ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control.

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption, and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- The contractual arrangement with the other vote holders of the investee;
- Rights arising from other contractual arrangements; and
- The Group's voting rights and potential voting rights.

When assessing whether to consolidate investment funds, the Group reviews all facts and circumstances to determine whether the Group, as fund manager, is acting as an agent or a principal. The Group may be deemed to be a principal, and hence controls and consolidates the funds, when it acts as a fund manager and cannot be removed without cause, has variable returns through significant unit holdings and/or a guarantee, and is able to influence the returns of the funds through its power.

All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

Non-controlling interests ("NCI") represent the portion of profit and loss and net assets in subsidiaries not wholly-owned, directly or indirectly by the Bank. NCI are presented separately in the consolidated income statement, consolidated statement of comprehensive income and within equity in the consolidated statement of financial position, but separate from parent shareholders' equity. Total comprehensive income is allocated against the interest of NCI, even if this results in the NCI having a deficit balance. A change in the ownership interest of a subsidiary, without loss of control, is accounted for as an equity transaction between the Group and its NCI holders. Any differences between the Group's share of net assets before and after the change and any considerations received or paid, is recognised in equity.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.2 Basis of consolidation (cont'd.)

If the Group loses control over a subsidiary, it:

- Derecognises the assets (including goodwill) and liabilities of the subsidiary at their carrying amounts;
- Derecognises the carrying amount of any non-controlling interests in the former subsidiary;
- Recognises the fair value of the consideration received;
- Derecognises the cumulative foreign exchange translation differences recorded in equity;
- Recognises the fair value of any investments retained in the former subsidiary;
- Recognises any gains or losses in the profit and loss; and
- Reclassifies the parent's share of components previously recognised in other comprehensive income to income statements or retained earnings, if required in accordance with other MFRS.

All of the above will be accounted for from the date when control is lost.

The accounting policies for business combination and goodwill are disclosed in Note 2.3(iii).

2.3 Summary of material accounting policies

(i) Investment in subsidiaries

Subsidiaries are entities controlled by the Bank, as defined in Note 2.2.

In the Bank's separate financial statements, investments in subsidiaries are stated at cost less accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3(xv). On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is recognised as gain and loss on disposal in the income statements.

Additional information on investment in subsidiaries is disclosed in Note 18 and details of subsidiaries and deemed controlled structured entities are disclosed in Notes 64(a) and 64(b), respectively.

(ii) Interest in associates and joint ventures

An associate is an entity over which the Group and the Bank have significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but is not control or joint control over those policies.

A joint venture is a type of joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the joint venture. Joint control is the contractually agreed sharing of control of an arrangement, which exists only when decisions about the relevant activities require unanimous consent of the parties sharing control.

The considerations made in determining significant influence or joint control are similar to those necessary to determine control over subsidiaries.

The Group's interest in its associates and joint ventures are accounted for using the equity method. The associates and joint ventures are equity accounted for from the date the Group gains significant influence or joint control until the date the Group ceases to have significant influence over the associate or joint control over the joint venture.

Under the equity method, the interest in associates and joint ventures is initially recognised at cost. The carrying amount of the investment is adjusted for changes in the Group's share of net assets of the associate or joint venture since the acquisition date. Goodwill relating to an associate or joint venture is included in the carrying amount of the investment and is neither amortised nor individually tested for impairment. Details of goodwill included in the Group's carrying amount of interest in associates and joint ventures are disclosed in Note 19(v).

The consolidated income statement reflects the Group's share of the results of operations of the associates and joint ventures. Any changes in other comprehensive income ("OCI") of those investees is presented as part of the Group's OCI. Where there has been a change recognised directly in the equity of the associates or joint ventures, the Group recognises its share of such changes and discloses this, when applicable, in the consolidated statement of changes in equity. Unrealised gains and losses resulting from transactions between the Group and the associates or joint ventures are eliminated to the extent of the interest in the associates or joint ventures. The aggregate of the Group's share of profit and loss in associates and joint ventures is shown on the face of the consolidated income statement. The Group's share of profit and loss in associates and joint ventures represents profit and loss after tax and non-controlling interests in the subsidiaries of the associates or joint ventures.

When the Group's share of losses in associates or joint ventures equals or exceeds its interest in the associates or joint ventures, including any long-term interests that, in substance, form part of the Group's net interest in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates or joint ventures.

The financial statements of the associates or joint ventures are prepared for the same reporting period as the Group. When necessary, adjustments are made to bring the accounting policies in line with those of the Group.

After application of the equity method, the Group determines whether it is necessary to recognise an impairment loss on its investments in associates and joint ventures. The Group determines at each reporting date whether there is any objective evidence that the interest in the associates and joint ventures is impaired. If there is such evidence, the Group calculates the amount of impairment as the difference between the recoverable amount of the associates or joint ventures and its carrying amount, then recognises the amount in the 'share of profits in associates and joint ventures' in the consolidated income statements.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(ii) Interest in associates and joint ventures (cont'd.)

Upon loss of significant influence over the associates or joint control over the joint ventures, the Group measures and recognises any retained investments at its fair value. Any differences between the carrying amount of the associates or joint ventures upon loss of significant influence or joint control and the fair value of the retained investments and proceeds from disposal is recognised in the consolidated income statement.

In the Bank's separate financial statements, interest in associates and joint ventures is stated at cost less accumulated impairment losses. The policy for the recognition and measurement of impairment losses is in accordance with Note 2.3(xv). On disposal of such investments, the difference between the net disposal proceeds and their carrying amounts is recognised as gain or loss on disposal in the income statements.

Additional information on interest in associates and joint ventures and details of associates and joint ventures is disclosed in Notes 19, 64(c) and 64(d), respectively.

(iii) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the non-controlling interest in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed as incurred and included in administrative expenses in the income statements. When the Group acquires a business, it assesses the financial assets and financial liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

If the business combination is achieved in stages, the previously held equity interest is remeasured at its acquisition date fair value and any resulting gains and losses is recognised in the income statements. It is then considered in the determination of goodwill. Any contingent considerations to be transferred by the acquirer will be recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of MFRS 9 *Financial Instruments* ("MFRS 9") is measured at fair value with changes in fair value recognised either in the income statements in accordance with MFRS 9. Other contingent considerations that are not within the scope of MFRS 9 are measured at fair value at each reporting date with changes in fair value recognised in profit and loss.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred and the amount recognised for non-controlling interests, and any previous interests held, over the net identifiable assets acquired and liabilities assumed.

If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Group reassesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date. If the reassessment still results in an excess of the fair value of net assets acquired over the aggregate consideration transferred, then the gain is recognised in the consolidated income statements.

After initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is reviewed for impairment annually, or more frequently, if events or changes in circumstances indicate that the carrying amount may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each of the Group's cash-generating units ("CGU") that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. The accounting policy for impairment of non-financial assets (including goodwill) is disclosed in Note 2.3(xv).

Where goodwill has been allocated to a CGU and part of the operation within that CGU is disposed of, the goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative fair values of the operation disposed of and the portion of the CGU retained.

(iv) Intangible assets

In addition to goodwill, intangible assets also include core deposit intangibles, customer relationship, agency force and investment management agreements acquired in business combination, computer software and software-in-development.

An intangible asset is recognised only when its cost can be measured reliably and it is probable that the expected future economic benefits that are attributable to it will flow to the Group and the Bank.

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value as at the date of acquisition. Subsequent to initial recognition, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses, except for software-in-development which is not subject to amortisation until the development is completed and the asset is available for use.

The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with indefinite lives are not amortised but are tested for impairment annually, either individually or at the CGU level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in useful life from indefinite to finite is made on a prospective basis.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(iv) Intangible assets (cont'd.)

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at each financial year end. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are accounted for by changing the amortisation period or method, as appropriate and treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the income statements in the expense category consistent with the function of the intangible asset.

Gains or losses arising from derecognition of intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the assets and are recognised in income statements when the assets are derecognised.

A summary of the policies applied to the Group's and the Bank's intangible assets are as follows:

| | Amortisation methods used | Useful economic lives |
|----------------------------------|---------------------------|-----------------------|
| Computer software | Straight-line | 3 to 10 years |
| Core deposit intangibles | Reducing balance | 8 years |
| Customer relationship | Reducing balance | 3 to 15 years |
| Agency force | Reducing balance | 10 to 11 years |
| Investment management agreements | No amortisation | Indefinite |

Additional information on intangible assets is disclosed in Note 22.

(v) Financial assets

(a) Date of recognition

All financial assets are initially recognised on the trade date, i.e. the date that the Group and the Bank become a party to the contractual provisions of the instrument. This includes regular way trades, purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the market place.

All financial assets are measured initially at their fair value plus directly attributable transaction costs, except in the case of financial assets recorded at fair value through profit or loss.

The Group and the Bank classify all of its financial assets based on the business model for managing the assets and the asset's contractual cash flow characteristics.

(b) Initial recognition and subsequent measurement

Business model

The Group and the Bank determine their business model at the level that best reflects how groups of financial assets are managed to achieve its business objective.

The Group and the Bank do not assess the business model on an instrument-by-instrument basis, but at a higher level of aggregated portfolios and is based on observable factors such as:

- How the performance of the portfolio and the financial assets held within that business model are evaluated and reported to the key management personnel;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and, in particular, the way those risks are managed;
- How managers of the business are compensated (for example, whether the compensation is based on the fair value of the assets managed or on the contractual cash flows collected); and
- The expected frequency, value and timing of sales are also important aspects of the Group's and the Bank's assessment.

The business model assessment is based on reasonably expected scenarios without taking 'worst case' or 'stress case' scenarios into account. If cash flows after initial recognition are realised in a way that is different from the Group's and the Bank's original expectations, the Group and the Bank do not change the classification of the remaining financial assets held in that business model, but incorporate such information when assessing newly originated or newly purchased financial assets going forward. When, and only when, the Group changes its business model for managing financial assets it shall reclassify all affected financial assets.

Solely payments of principal and interest/profit ("SPPI") test

Upon determination of business model, the Group and the Bank will assess the contractual terms of financial assets to identify whether they meet the SPPI test.

'Principal' for the purpose of this test is defined as the fair value of the financial asset at initial recognition and may change over the life of the financial asset (for example, if there are repayments of principal or amortisation of the premium/discount).

The most significant elements of interest/profit within a lending arrangement are typically the consideration for the time value of money and credit risk. The Group and the Bank apply judgement and consider relevant factors such as the currency in which the financial asset is denominated, and the period for which the interest/profit rate is set in assessing the SPPI.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(v) Financial assets (cont'd.)

(b) Initial recognition and subsequent measurement (cont'd.)

Solely payments of principal and interest/profit ("SPPI") test (cont'd.)

In contrast, contractual terms that introduce a more than *de minimis* exposure to risks or volatility in the contractual cash flows that are unrelated to a basic lending arrangement do not give rise to contractual cash flows that are SPPI on the amount outstanding. In such cases, the financial asset is required to be measured at fair value through profit or loss ("FVTPL").

Included in financial assets are the following:

- Amortised cost, as explained in Note 2.3(v)(b)(1);
- Fair value through OCI ("FVOCI"), as explained in Note 2.3(v)(b)(2); and
- FVTPL, as explained in Note 2.3(v)(b)(3).

(1) Amortised cost

The Group and the Bank measure financial assets at amortised cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI on the principal amount outstanding.

Included in financial assets at amortised cost are cash and short-term funds, deposits and placements with financial institutions, financial assets purchased under resale agreements, financial investments and loans, advances and financing to customers as disclosed in the respective notes to the financial statements.

(2) FVOCI

The Group and the Bank measure debt instruments at FVOCI when both of the following conditions are met:

- The instrument is held within a business model, the objective of which is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial assets meet the SPPI test.

Financial assets at FVOCI are subsequently measured at fair value with gains and losses arising due to changes in fair value recognised in OCI. Interest/profit income and foreign exchange gains and losses are recognised in profit and loss in the same manner as for financial assets measured at amortised cost. Where the Group and the Bank hold more than one investment in the same security, they are deemed to be disposed of on a first-in, first-out basis. On derecognition, cumulative gains or losses previously recognised in OCI are reclassified from OCI to profit and loss.

Equity instruments are normally measured at FVTPL. However, for non-traded equity instruments, with an irrevocable option at inception, the Group and the Bank measure the changes through FVOCI (without recycling to profit and loss upon derecognition).

Included in financial assets at FVOCI are financial investments and loans, advances and financing to customers/borrowers.

(3) FVTPL

Financial assets at FVTPL are those that are held for trading and have been either designated by management upon initial recognition or are mandatorily required to be measured at fair value under MFRS 9. The Group and the Bank designate an instrument at FVTPL upon initial recognition when one of the following criteria is met. Such designation is determined on an instrument-by-instrument basis:

- The designation eliminates or significantly reduces inconsistent treatment that would otherwise arise from measuring the assets or liabilities or recognising gains or losses on them on a different basis; or
- The assets and liabilities are part of a group of financial assets, financial liabilities or both, which are managed and their performance evaluated on a fair value basis, in accordance with a documented risk management or investment strategy.

Included in financial assets at FVTPL are financial investments, financial assets designated upon initial recognition and derivatives.

Subsequent to initial recognition, financial assets designated at FVTPL are recorded in the statement of financial position at fair value. Changes in fair value are recognised in the income statements under the caption of 'other operating income'.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(v) Financial assets (cont'd.)

(c) Derecognition

A financial asset is derecognised when there is substantial modification of terms and conditions or factors other than substantial modification, as explained in Note 2.3(v)(c)(2).

(1) Derecognition due to substantial modification of terms and conditions

The Group and the Bank derecognise a financial asset, such as a loan/financing to a borrower/customer, when the terms and conditions have been renegotiated to the extent that, substantially, it becomes a new loan/financing, with the difference recognised as a derecognition gain or loss, to the extent that an impairment loss has not already been recorded.

The newly recognised loans/financing are classified as Stage 1 for expected credit loss ("ECL") measurement purposes, unless the new loan/financing is deemed to be purchased or originated credit-impaired ("POCI").

If the modification does not result in cash flows that are substantially different, the modification does not result in derecognition. Based on the change in cash flows discounted at the original effective interest rate ("EIR") or effective profit rate ("EPR"), the Group and the Bank record a modification gain or loss, to the extent that an impairment loss has not already been recorded.

(2) Derecognition other than for substantial modification

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- (1) The rights to receive cash flows from the financial asset have expired; or
- (2) The transfer of financial asset is as set out below and the transfer qualifies for derecognition.

The Group and the Bank have transferred the financial asset if, and only if, either:

- The Group and the Bank have transferred its contractual rights to receive cash flows from the financial asset; or
- It retains the rights to the cash flows, but has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement.

Pass-through arrangements are transactions whereby the Group and the Bank retain the contractual rights to receive the cash flows of a financial asset (the 'original asset'), but assume a contractual obligation to pay those cash flows to one or more entities (the 'eventual recipients'), when all of the following three conditions are met:

- The Group and the Bank have no obligation to pay the eventual recipients until it has received cash flows from the original asset, excluding short-term advances with the right to full recovery of the amount lent plus accrued interest/profit at market rates;
- The Group and the Bank cannot sell or pledge the original asset other than as security to the eventual recipients; and
- The Group and the Bank have to remit any cash flows it collects on behalf of the eventual recipients without material delay. In addition, the Bank is not entitled to reinvest such cash flows, except for investments in cash or cash equivalents including interest/profit earned, during the period between the collection date and the date of required remittance to the eventual recipients.

A transfer only qualifies for derecognition if either the Group and the Bank have:

- Transferred substantially all the risks and rewards of the asset; or
- Neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

The Group and the Bank consider control to be transferred if and only if, the transferee has the practical ability to sell the asset in its entirety to an unrelated third party and is able to exercise that ability unilaterally and without imposing additional restrictions on the transfer.

When the Group and the Bank have neither transferred nor retained substantially all the risks and rewards and have retained control of the asset, the asset continues to be recognised only to the extent of the Group's and the Bank's continuing involvement, in which case, the Group and the Bank also recognise an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Group and the Bank have retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Group and the Bank could be required to pay.

If continuing involvement takes the form of a written or purchased option (or both) on the transferred asset, the continuing involvement is measured at the value the Group and the Bank would be required to pay upon repurchase. In the case of a written put option on an asset that is measured at fair value, the extent of the Group and the Bank continuing involvement is limited to the lower of the fair value of the transferred asset and the option exercise price.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(v) Financial assets (cont'd.)

(d) Impairment of financial assets

The MFRS 9 impairment requirements are based on an ECL model. The ECL model applies to financial assets measured at amortised cost or at FVOCI, irrevocable loan/financing commitments and financial guarantee contracts, which include loans, advances and financing and debt instruments held by the Group and the Bank. The ECL model also applies to contract assets under MFRS 15 Revenue from Contracts with Customers and lease receivables under MFRS 16 Leases.

The measurement of ECL involves increased complexity and judgement that include:

(1) Determination of significant increase in credit risk since initial recognition (“SICR”)

The assessment of SICR is key in establishing the point of switching between the requirement to measure an allowance based on 12-month ECL and one that is based on lifetime ECL. The Group and the Bank performed quantitative and qualitative assessments to determine the SICR by comparing the risk of a default occurring on the financial assets as at reporting date with the risk of default occurring on the financial assets as at the date of initial recognition.

The Group and the Bank apply a three-stage approach based on the change in credit quality since initial recognition:

| 3-Stage approach | Stage 1 | Stage 2 | Stage 3 |
|---------------------------------------|--|-------------------------------------|------------------------|
| | Performing | Under-performing | Non-performing |
| ECL Approach | 12-month ECL | Lifetime ECL | Lifetime ECL |
| Criterion | No significant increase in credit risk | Credit risk increased significantly | Credit-impaired assets |
| Recognition of interest/profit income | On gross carrying amount | On gross carrying amount | On net carrying amount |

(2) ECL measurement

There are three main components to measure ECL which are a probability of default model (“PD”), a loss given default model (“LGD”) and the exposure at default model (“EAD”). The Group and the Bank leveraged as much as possible on its existing Basel II models and performed the required adjustments to produce MFRS 9 compliant model.

MFRS 9 does not distinguish between individual assessment and collective assessment. Therefore, the Group and the Bank have decided to continue measuring the impairment mainly on an individual transaction basis for financial assets that are deemed to be individually significant, and collectively assess for other financial assets.

(3) Expected life

Lifetime expected credit losses must be measured over the expected life of the asset. This is restricted to the maximum contractual life and takes into account expected prepayments, extensions, calls and similar options, except for certain revolving financial instruments such as credit cards and overdrafts. The expected life for these revolving facilities generally refers to their behavioural life.

(4) Financial investments at FVOCI

The ECL for financial investments measured at FVOCI do not reduce the carrying amount of these financial assets in the statement of financial position, which remains at fair value. Instead, an amount equivalent to the allowance that would arise if the assets were measured at amortised cost is recognised in OCI as an accumulated impairment amount, with a corresponding charge to profit or loss. The accumulated losses recognised in OCI is recycled to the profit or loss upon derecognition of the assets.

(5) Forward-looking information

ECL measurement is based on unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes and considering future economic conditions. The reasonable and supportable forward-looking information is obtained from the Group’s and the Bank’s research arm, Maybank Research Pte. Ltd. (“Maybank IBG Research”). Maybank IBG Research assumptions and analysis are based on the collation of macroeconomic data obtained from various sources such as, but not limited to regulators, government and foreign ministries as well as independent research organisations.

Where applicable, the Group and the Bank incorporate forward-looking adjustments in credit risk factors of PD and LGD used in ECL calculation; taking into account the impact of multiple probability-weighted future forecast economic scenarios.

Embedded in ECL is a broad range of forward-looking information as economic inputs, such as:

- Gross Domestic Product (“GDP”) growth;
- Unemployment rates;
- House Price indices; and
- Central Banks’ policy rates.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(v) Financial assets (cont'd.)

(d) Impairment of financial assets (cont'd.)

(5) Forward-looking information (cont'd.)

The Group and the Bank apply the following three alternatives macroeconomic scenarios to reflect an unbiased probability-weighted range of possible future outcomes in estimating ECL:

Base scenario: This scenario reflects that current macroeconomic conditions continue to prevail; and

Upside and Downside scenarios: These scenarios are set relative to the base scenario; reflecting best and worst-case macroeconomic conditions based on subject matter expert's best judgement of current economic conditions.

(6) Valuation of collateral held as security for financial assets

The Group's and the Bank's valuation policies for collateral assigned to its financial assets are dependent on its lending arrangements.

(e) Modification of loans/financing

The Group and the Bank sometimes renegotiate or otherwise modify the contractual cash flows of loans/financing to borrowers/customers. When this happens, the Group and the Bank assess whether or not the new terms are substantially different to the original terms. The Group and the Bank do this by considering, among others, the following factors:

- If the borrower/customer is in financial difficulty, whether the modification merely reduces the contractual cash flows to amounts the borrower/customer is expected to be able to pay;
- Whether any substantial new terms are introduced, such as a profit share or equity-based return that substantially affects the risk profile of the loan/financing;
- Significant extension of the loan/financing term when the borrower/customer is not in financial difficulty;
- Significant change in the interest/profit rate;
- Change in the currency in which the loan/financing is denominated in; and
- Insertion of collaterals, other securities or credit enhancements that significantly affect the credit risk associated with the loan/financing.

If the terms are substantially different, the Group and the Bank derecognise the original financial asset and recognise a 'new' asset at fair value and recalculate a new EIR/EPR for the asset. The date of renegotiation is consequently considered to be the date of initial recognition for impairment calculation purposes, including for the purpose of determining whether a significant increase in credit risk has occurred. However, the Group and the Bank also assess whether the new financial asset recognised is deemed to be credit-impaired at initial recognition, especially in circumstances where the renegotiation was driven by the debtor being unable to make the originally agreed payments. Differences in the carrying amount are also recognised in the income statements as a gain or loss on derecognition.

If the terms are not substantially different, the renegotiation or modification does not result in derecognition, and the Group and the Bank recalculate the gross carrying amount based on the revised cash flows of the financial asset and recognise a modification gain or loss in the income statements. The new gross carrying amount is recalculated by discounting the modified cash flows at the original EIR/EPR (or credit-adjusted EIR/EPR for purchased or originated credit-impaired financial assets).

(f) Reclassification of financial assets

Reclassification of financial assets is permissible when and only when there is change in business model for managing financial assets.

The Group and the Bank do not consider the following changes in circumstances as reclassifications:

- An item that was previously a designated and effective hedging instrument in a cash flow hedge or net investment hedge no longer qualifies as such;
- An item becomes a designated and effective hedging instrument in a cash flow hedge or net investment hedge; and
- Changes in measurement where the Group and the Bank adopt fair value option.

(vi) Financial liabilities

(a) Date of recognition

All financial liabilities are initially recognised on the trade date i.e. the date that the Group and the Bank become a party to the contractual provision of the instruments. This includes regular way trades, purchases or sales of financial assets that require delivery of assets within the time frame generally established by regulation or convention in the market place.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(vi) Financial liabilities (cont'd.)

(b) Initial recognition and subsequent measurement

Financial liabilities are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability. All financial liabilities are measured initially at fair value plus directly attributable transaction costs, except in the case of financial liabilities at FVTPL.

Financial liabilities are classified as either financial liabilities at FVTPL or other financial liabilities.

(1) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition at FVTPL.

Financial liabilities held for trading

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category includes derivatives entered into by the Group and the Bank that do not meet the hedge accounting criteria.

Gains or losses on financial liabilities held for trading are recognised in the income statements as disclosed in other operating income.

Financial liabilities designated at fair value

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in MFRS 9 are satisfied.

The Group and the Bank have adopted Fair Value Option ("FVO") for certain financial liabilities. The Group and the Bank have designated certain financial liabilities namely, structured deposits and borrowings containing embedded derivatives at FVTPL upon inception. Details of the financial liabilities at FVTPL are disclosed in Note 25.

The changes in fair value are presented as follows:

- (i) Change in fair value due to own credit risk – presented in other comprehensive income which will not get recycled into profit or loss.
- (ii) Change in fair value due to market risk or other factors – presented in income statement.

(2) Other financial liabilities

The Group's and the Bank's other financial liabilities include deposits from customers, investment accounts of customers, deposits and placements from financial institutions, debt securities (including borrowings), payables, bills and acceptances payable and other liabilities.

- (i) Deposits from customers, investment accounts of customers and deposits and placements from financial institutions

Deposits from customers, investment accounts of customers and deposits and placements from financial institutions are stated at placement values. Interest/profit expense on deposits from customers, investment accounts of customers and deposits and placements from financial institutions measured at amortised cost is recognised as it is accrued using the effective interest/profit method.

- (ii) Debt securities

Debt securities issued by the Group and the Bank are classified as financial liabilities or equity in accordance with the substance of the contractual terms of the instruments. The Group's and the Bank's debt securities issued consist of subordinated notes/bonds/sukuk, capital securities and borrowings.

These debt securities are classified as liabilities in the statement of financial position as there is a contractual obligation by the Group and the Bank to make cash payments of either principal or interest/profit or both to holders of the debt securities and that the Group and the Bank are contractually obliged to settle the financial instrument in cash or another financial instrument.

Subsequent to initial recognition, debt securities issued are recognised at amortised cost, with any differences between proceeds net of transaction costs and the redemption value being recognised in the income statements over the period of the borrowings on an effective interest/profit method.

- (iii) Payables

Payables are recognised initially at fair value plus directly attributable transaction costs and subsequently measured at amortised cost using the effective interest/profit method.

- (iv) Bills and acceptances payable

Bills and acceptances payable represent the Group's and the Bank's own bills and acceptances rediscounted and outstanding in the market. These financial liabilities are measured at amortised cost using the effective interest/profit method.

- (v) Other liabilities

Other liabilities are stated at cost which is the fair value of the consideration expected to be paid in the future for goods and services received.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(vi) Financial liabilities (cont'd.)

(c) Derecognition

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability. The difference between the carrying amount of the original financial liability and the consideration paid is recognised in the income statements.

(vii) Offsetting of financial assets and financial liabilities

Financial assets and financial liabilities are offset and the net amount is reported in the statements of financial position of the Group and of the Bank if there is a current legally enforceable right to offset the recognised amount and there is an intention to settle on a net basis or to realise the assets and settle the liabilities simultaneously.

The financial assets and financial liabilities of the Group and of the Bank that are subject to offsetting, enforceable master netting arrangements and similar agreements are disclosed in Note 55.

(viii) Derivative financial instruments and hedge accounting

(a) Derivative financial instruments

The Group and the Bank trade derivatives such as interest/profit rate swaps and futures, credit default swaps, commodity swaps, currency swaps, currency forwards and options on interest/profit rates, foreign currencies, equities and commodities.

Derivative financial instruments are initially recognised at fair value. For non-option derivatives, their fair value are normally zero or negligible at inception. For purchased or written options, their fair value are equivalent to the market premium paid or received. The derivatives are subsequently remeasured at their fair value. Fair values are obtained from quoted market prices in active markets, including recent market transactions and valuation techniques that include discounted cash flow models and option pricing models, as appropriate. All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value of any derivatives that do not qualify for hedge accounting are recognised immediately in the income statements.

(b) Hedge accounting

The Group and the Bank use derivative instruments to manage exposures to interest/profit rates, foreign currencies and credit risks. In order to manage particular risks, the Group and the Bank apply hedge accounting for transactions which meet specified criteria.

At the inception of the hedge relationship, the Group and the Bank formally document the relationship between the hedged item and the hedging instrument, including the nature of the risk, the risk management objective and strategy for undertaking the hedge and the method that will be used to assess the effectiveness of the hedging relationship at inception and on ongoing basis.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(1) Fair value hedge

For designated and qualifying fair value hedges, the cumulative change in the fair value of a hedging instrument is recognised in the income statements. Meanwhile, the cumulative change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying amount of the hedged item in the statements of financial position and is also recognised in the income statements.

For fair value hedges relating to items carried at amortised cost, any adjustments to carrying amount is amortised over the remaining term of the hedge using the effective interest/profit method. The amortisation may begin as soon as an adjustment exists and no later than when the hedged item ceases to be adjusted for changes in its fair value attributable to the risk being hedged. If the hedged item is derecognised, the unamortised fair value adjustment is recognised immediately in the income statements.

(2) Cash flow hedge

For designated and qualifying cash flow hedges, the effective portion of the gain or loss on the hedging instrument is recognised directly in other comprehensive income in the cash flow hedge reserve, while any ineffective portions of the gain or loss on the hedging instrument is recognised immediately in the income statements.

When a hedging instrument expires, or is sold, terminated, exercised or when the hedge no longer meets the criteria for hedge accounting, any cumulative gains or losses previously recognised in other comprehensive income remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in other comprehensive income is immediately transferred to income statements.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(viii) Derivative financial instruments and hedge accounting (cont'd.)

(b) Hedge accounting (cont'd.)

(3) Net investment hedge

Net investment hedge, including a hedge of a monetary item that is accounted for as part of the net investment, is accounted for in a way similar to cash flow hedges. Any gains or losses on the hedging instrument relating to the effective portion of the hedge is recognised in other comprehensive income, while any gains or losses relating to the ineffective portion is recognised immediately in the income statements.

On disposal of the foreign operations, the cumulative amount of any such gains or losses recognised in other comprehensive income is transferred to the income statements.

The Group uses its subordinated obligations as a hedge of its exposure to foreign exchange risks on its investments in foreign subsidiaries.

The Group and the Bank applied the interbank offered rates ("IBOR") reform Phase 1 reliefs to hedging relationships directly affected by IBOR reform during the period before the replacement of an existing interest/profit rate benchmark with an alternative risk-free rate ("RFR").

The Group and the Bank assumed that for the purpose of assessing expected future hedge effectiveness, the interest/profit rate is not altered as a result of IBOR reform. The Group and the Bank do not discontinue the hedging relationship if the results of the assessment of retrospective hedge effectiveness fall outside the monitoring threshold, although any hedge ineffectiveness must be recognised in profit or loss, as normal.

When the basis for determining the contractual cash flows of the hedge item or hedge instrument changes as a result of IBOR reform and therefore there is no longer uncertainty arising about the cash flows of the hedge item or the hedge instrument, the Group and the Bank amend the hedge documentation of that hedging relationship to reflect the changes required by IBOR reform.

The hedge designation is amended only to make one or more of the following changes:

- Designating an alternative benchmark rate as the hedge risk;
- Updating the description of the hedge item, including the description of the designated portion of the cash flows or fair value being hedged;
- Updating the description of the hedging instrument; or
- Updating the description of how the entity will assess the hedge effectiveness.

The Group and the Bank amend the description of the hedging instrument only if the following condition are met:

- It makes a change required by IBOR reform by using an approach other than changing the basis for determining the contractual cash flow of the hedging instrument;
- The chosen approach is economically equivalent to changing the basis for determining the contractual cash flows of the original hedging instruments; and
- The original hedging instrument is not derecognised.

These amendments in the formal hedge documentation do not constitute the discontinuation of the hedging relationship or the designation of a new hedging relationship.

When the Group and the Bank change the designation to an alternative benchmark interest rate and that rate is not a separately identifiable component at the date it is designated, the Group and the Bank deem that the rate meet the separately identifiable portion if it reasonably expects that the rate will be separately identifiable within a 24-month period. The 24-month period applies on a rate-by-rate basis and starts from the date the Group and the Bank first designates the alternative benchmark rate as a hedged risk.

If subsequently, the Group and the Bank expect that a non-contractually specified alternative benchmark rate to be separately identifiable within 24-month period, hedge accounting is discontinued prospectively from the date of that reassessment to all hedging relationship in which the alternative benchmark rate is designated as a risk component.

When the interest benchmark on which the future cash flows had been based is changed as required by IBOR reform, for the purpose of determining whether the hedged future cash flows are expected to occur, the Group and the Bank deem that the amount accumulated in the cash flow hedge reserve to be based on the alternative benchmark rate on which the hedged future cash flows will be based.

(ix) Embedded derivatives

Embedded derivatives in financial assets are not separated from a host financial asset and classified based on the business model and their contractual terms as outlined in Note 2.3(v)(b).

Derivatives embedded in financial liabilities and in non-financial host contracts are treated as separate derivatives and recorded at fair value if their economic characteristic and risk are not closely related to those of the host contract is not itself held for trading or designated at FVTPL. The embedded derivatives separated from the host are carried at fair value in the trading portfolio with changes in fair value recognised in the income statements.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(x) Resale and repurchase agreements

Securities purchased under resale agreements are securities which the Group and the Bank purchase with a commitment to resell at future dates. The commitments to resell the securities are reflected as assets on the statements of financial position. The difference between the purchase and resale prices is recognised in the income statements under the caption of 'interest income and income derived from investment of depositors' funds/Islamic Banking Funds' and is accrued over the life of the agreement using the effective interest/profit method.

Conversely, obligations on securities sold under repurchase agreements are securities which the Group and the Bank sell from its portfolio, with a commitment to repurchase at future dates. Such financing transactions and corresponding obligations to purchase the securities are reflected as liabilities on the statements of financial position. The difference between the sale and the repurchase prices is recognised in the income statements under the caption of 'interest expense and profit distributed to depositors' and is accrued over the life of the agreement using the effective interest/profit method.

(xi) Property, plant and equipment and depreciation

All items of property, plant and equipment are initially recorded at cost. The cost of an item of property, plant and equipment is recognised as an asset, if and only if, it is probable that future economic benefits associated with the item will flow to the Group and the Bank and the cost of the item can be measured reliably.

Subsequent to initial recognition, all items of property, plant and equipment are measured at cost less accumulated depreciation and accumulated impairment losses, if any. When significant parts of property, plant and equipment are required to be replaced in intervals, the Group and the Bank recognise such parts as individual assets with specific useful lives and depreciate them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the income statements as incurred.

Freehold land has an unlimited useful life and therefore is not depreciated. Work-in-progress is not depreciated until the development is completed and is available for use.

Leasehold land is depreciated over the period of the respective leases which ranges from 30 to 999 years. The remaining period of respective leases ranges from 7 to 992 years.

Depreciation of other property, plant and equipment is computed on a straight-line basis over its estimated useful life at the following annual rates:

| | |
|--|---|
| Buildings on freehold land | 50 years |
| Buildings on leasehold land | 50 years or remaining life of the lease, whichever is shorter |
| Office furniture, fittings, equipments and renovations | 10% – 33% |
| Computers and peripherals | 12% – 33% |
| Electrical and security equipments | 10% – 33% |
| Motor vehicles | 12% – 25% |

The carrying amounts of property, plant and equipment are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable.

The residual value, useful life and depreciation method are reviewed at each financial year end and adjusted prospectively, if appropriate.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. The difference between the net disposal proceeds, if any, and the net carrying amount is recognised in the income statements.

Details of property, plant and equipment of the Group and of the Bank are disclosed in Note 20.

(xii) Investment properties

Investment properties are properties which are held either to earn rental income or for capital appreciation or for both. Such properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at fair value which reflect market conditions at the reporting date. Fair value is arrived at by reference to market evidence of transaction prices for similar properties and is performed by registered independent valuers having an appropriate recognised professional qualification and recent experience in the location and category of the properties being valued.

Gains or losses arising from changes in the fair values of investment properties are recognised in the income statements in the year in which they arise, including the corresponding tax effect.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statements in the period of derecognition.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xii) Investment properties (cont'd.)

Transfers are made to or from investment property only when there is a change in use. For a transfer from investment property to owner-occupied property, the deemed cost for subsequent accounting is the fair value at the date of change in use.

For a transfer from owner-occupied property to investment property, the property is accounted for in accordance with the accounting policy for property, plant and equipment as set out in Note 2.3(xi) up to the date of change in use. Any differences arising at the date of change in use between the carrying amount of the property immediately prior to the change in use and its fair value is recognised directly in equity as revaluation reserve. When a fair value gain reverses a previous impairment loss, the gain is recognised in the income statements. Upon disposal of such investment property, any surpluses previously recorded in equity is transferred to retained earnings; the transfer is not made through the income statements.

The Group disclosed the details of investment properties in Note 16.

Investment property under construction ("IPUC") is measured at fair value (when the fair value is reliably determinable).

IPUC for which fair value cannot be determined reliably is measured at cost less impairment.

The fair values of IPUC are determined at the end of the reporting period based on the opinion of a qualified independent valuer and valuations are performed using either the residual method approach or discounted cash flow approach, as deemed appropriate by the valuer. Each IPUC is individually assessed.

(xiii) Other assets

(a) Other debtors and amount due from brokers and clients

Included in other assets are other debtors, amount due from brokers and clients, prepayments and deposits, tax recoverable and foreclosed properties.

These assets are carried at anticipated realisable values. An estimate is made for doubtful debts based on a review of all outstanding balances as at the reporting date. Bad debts are written off when identified.

Included in other debtors are physical gold held by the Group and the Bank as a result of its broker-dealer activities. These are accounted for at fair value less costs to sell. Changes in fair value less costs to sell are recognised in the income statements under the caption of 'other operating income'.

(b) Foreclosed assets

Foreclosed assets are those acquired in full or partial satisfaction of debts. Foreclosed assets are stated at the lower of carrying amount and fair value less costs to sell and are recognised in 'other assets'.

(xiv) Cash and short-term funds

Cash and short-term funds in the statement of financial position comprise cash balances and deposits with financial institutions and money at call with a maturity of one month or less, which are subjected to an insignificant risk of changes in value.

For the purpose of the statements of cash flows, cash and cash equivalents comprise cash and short-term funds and deposits and placements with financial institutions, with original maturity of three (3) months or less.

(xv) Impairment of non-financial assets

The carrying amounts of non-financial assets are reviewed at each reporting date to determine whether there is any indication of impairment. If there is such indication or when annual impairment testing for an asset is required, the Group and the Bank estimate the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or CGU's fair value less costs to sell and its value-in-use ("VIU"). When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

The Group bases its VIU calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Group's CGU to which the individual assets are allocated. In assessing VIU, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

An impairment loss in respect of goodwill is not reversed. For other non-financial assets, an assessment is made at each reporting date as to whether there are any indications that previously recognised impairment losses may no longer exist or may have decreased. If such indication exists, the Group and the Bank estimate the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceeds the carrying amount that would have been determined, net of depreciation or amortisation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the income statements.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xv) Impairment of non-financial assets (cont'd.)

Further disclosures relating to impairment of non-financial assets are disclosed in the following notes:

- Significant accounting judgements, estimates and assumptions (Note 3);
- Property, plant and equipment (Note 20);
- Right-of-use assets (Note 21); and
- Intangible assets (Note 22).

(xvi) Provisions

Provisions are recognised when the Group and the Bank have a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

When the Group and the Bank expect some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the income statements net of any reimbursement.

Where the effect of the time value of money is material, the amount of the provision is the present value of the expenditure expected to be required to settle the obligation. Any increases in the provision due to the passage of time is recognised in the income statements.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. Where it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed and recognised in the income statements.

(xvii) Financial guarantees contract

Financial guarantees are contracts that require the Group and the Bank to make specified payments to reimburse the holder for a loss it incurs because a specified party fails to meet its obligation when it is due in accordance with the contractual terms. In the ordinary course of business, the Group and the Bank give financial guarantees, consisting of letters of credit, guarantees and acceptances.

Financial guarantees premium are initially recognised at fair value on the date the guarantee was issued. Subsequent to initial recognition, the received premium is amortised over the life of the financial guarantee. The guarantee liability (the notional amount) is subsequently recognised at the higher of this amortised amount and the present value of any expected payments (when a payment under guarantee has become probable). The unamortised premium received on these financial guarantees is included within 'other liabilities' in the statements of financial position.

(xviii) Foreign currencies

(a) Functional and presentation currency

The individual financial statements of each entity in the Group are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Ringgit Malaysia ("RM"), which is also the Bank's functional currency.

(b) Foreign currency transactions and balances

Transactions in foreign currencies are measured in the respective functional currencies of the Bank and its subsidiaries and are recorded on initial recognition in the functional currencies at exchange rates approximating those ruling at the transaction dates.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rate of exchange at the reporting date.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the reporting date are recognised in the income statements except for exchange differences arising on monetary items that form part of the Group's net investment in foreign operations, which are recognised initially in other comprehensive income and accumulated under foreign currency translation reserve in other comprehensive income.

Non-monetary items denominated in foreign currencies that are measured at historical cost are translated using the spot exchange rates as at the date of the initial transactions. Non-monetary items denominated in foreign currencies measured at fair value are translated using the spot exchange rates at the date when the fair value was determined.

Exchange differences arising on the translation of non-monetary items carried at fair value are included in the income statements for the financial year except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income.

(c) Foreign operations

The results and financial position of foreign operations that have a functional currency different from the presentation currency of RM of the consolidated financial statements are translated into RM as follows:

- Assets and liabilities of foreign operations are translated at the closing rate prevailing at the reporting date;
- Income and expenses for each income statement are translated at average exchange rates for the financial year; and
- All resulting exchange differences are taken directly to other comprehensive income through the foreign currency translation reserve.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xviii) Foreign currencies (cont'd.)

(c) Foreign operations (cont'd.)

On the disposal of a foreign operation, the cumulative amount of the exchange differences relating to that foreign operation, recognised in other comprehensive income and accumulated in the separate component of equity, is reclassified from equity to the income statements (as a reclassification adjustment) when the gain or loss on disposal is recognised.

On the partial disposal of a subsidiary that includes a foreign operation, the Group reattributes the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income to the non-controlling interests in that foreign operation. In any other partial disposal of a foreign operation, the Group reclassifies to the income statements only the proportionate share of the cumulative amount of the exchange differences recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of foreign operations are treated as assets and liabilities of the foreign subsidiaries and translated at the closing rate at the reporting date.

(xix) Income and deferred taxes and zakat

(a) Income tax

Current tax assets/recoverable and current tax liabilities/provisions are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

Income taxes for the year comprises current and deferred taxes. Current tax expenses are determined according to the tax laws of each jurisdiction in which the Bank and its subsidiaries or associates operate and generate taxable income.

Current tax expenses relating to items recognised directly in equity, are recognised in other comprehensive income or in equity and not in the income statements.

Details of income tax for the Group and the Bank are disclosed in Note 47.

(b) Deferred tax

Deferred tax is recognised in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts at the reporting date.

Deferred tax liabilities are recognised for all temporary differences, except:

- (i) when the deferred tax liability arises from the initial recognition of goodwill of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised except:

- (i) when the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss; and
- (ii) in respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax assets to be utilised. Unrecognised deferred tax assets are reassessed at each reporting date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be utilised.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the reporting date.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xix) Income and deferred taxes and zakat (cont'd.)

(b) Deferred tax (cont'd.)

Deferred tax relating to items recognised outside income statements is recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity. Deferred tax arising from a business combination is adjusted against goodwill on acquisition.

Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Details of deferred tax assets and liabilities are disclosed in Note 28.

(c) Zakat

This represents business zakat payable by the Group in compliance with Shariah principles and as approved by the Group's Shariah Committee.

(xx) Leases

(a) Classification

At inception of a contract, the Group and the Bank assess whether a contract is, or contains, a lease arrangement based on whether the contract conveys to the user (the lessee) the right to control the use of an identified asset for a period of time in exchange for consideration. If a lease arrangement contains more than one lease component, or a combination of leasing and services transactions, the consideration is allocated to each of these lease and non-lease components at inception and on each subsequent remeasurement of the contract on the basis of their relative stand-alone selling prices. The Group and the Bank combine lease and non-lease components, in cases where splitting the non-lease component is not possible.

(b) Recognition and initial measurement

(1) The Group and the Bank as a lessee

The Group and the Bank apply a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Group and the Bank recognise lease liabilities to make lease payments and right-of-use asset representing the right of use of the underlying assets.

Right-of-use ("ROU") assets

The Group and the Bank recognise ROU assets at the commencement date of the lease (i.e. the date the underlying asset is available for use). ROU assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities.

The cost of ROU assets includes the amount of lease liabilities adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The lease term includes periods covered by an option to extend if the Group and the Bank are reasonably certain to exercise that option. Unless the Group and the Bank are reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised ROU assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. ROU assets are subject to impairment assessment. The impairment policy for ROU assets are in accordance with impairment of non-financial assets as described in Note 2.3(xv).

Lease liabilities

At the commencement date of the lease, the Group and the Bank recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (less any lease incentive receivables), variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Bank and payments of penalties for terminating a lease, if the lease term reflects the Group and the Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Bank use incremental borrowing rate at the commencement date if the interest/profit rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest/profit and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the fixed lease payments or a change in the assessment of an option to purchase the underlying asset.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xx) Leases (cont'd.)

(b) Recognition and initial measurement (cont'd.)

(2) Short-term leases and leases of low-value assets

The Group and the Bank apply the short-term lease recognition exemption to its short-term leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. The Group and the Bank also apply the lease of low-value assets recognition exemption to leases of assets that are considered of low-value. Lease payments on short-term leases and leases of low-value assets are recognised as an expense when incurred.

(xxi) Insurance contracts/takaful certificates and reinsurance contracts/retakaful certificates

Through its insurance and takaful subsidiaries, the Group issues contracts/certificates to customers that contain insurance/takaful risk, financial risk or a combination thereof. A contract/certificate under which the Group accepts significant insurance/takaful risk from another party by agreeing to compensate that party on the occurrence of a specified uncertain future event, is classified as an insurance contract/takaful certificate. An insurance contract/takaful certificate may also transfer financial risk, but is accounted for as an insurance contract/takaful certificate if the insurance/takaful risk is significant.

The Group also cedes insurance/takaful risk in the normal course of its business. Ceded reinsurance/retakaful arrangements do not relieve the Group or the Company from its obligations to policyholders/participants. Reinsurance/retakaful arrangements entered into by the Group that meet the classification requirements of insurance contracts/takaful certificates as described above are measured consistently with the amounts associated with the underlying insurance contracts/takaful certificates and the terms of the relevant reinsurance/retakaful arrangement. Arrangements that do not meet these classification requirements are accounted for as financial assets.

(a) Recognition

The Group recognises groups of insurance contracts/takaful certificates that it issues from the earliest of the following:

- The beginning of the coverage period of the group of contracts/certificates.
- The date when the first payment from a policyholder/participant is due, or when the first payment is received if there is no due date.
- For a group of onerous contracts/certificates, as soon as facts and circumstances indicate that the group of contracts/certificates is onerous.

The Group recognises a group of reinsurance contracts/retakaful certificates held it has entered into from the earliest of the following:

- The beginning of the coverage period of the group of reinsurance contracts/retakaful certificates held. However, the Group delays the recognition of a group of reinsurance contracts/retakaful certificates held that provide proportionate coverage until the date when any underlying insurance contract/takaful certificate is initially recognised, if that date is later than beginning of the coverage period of the group of reinsurance contracts/retakaful certificates held; and
- The date the Group recognises an onerous group of underlying insurance contracts/takaful certificates if the Group entered into the related reinsurance contracts/retakaful certificates held in the group of reinsurance contracts/retakaful certificates held at or before that date.

The Group does not recognise a proportional reinsurance contracts/retakaful contract/certificate held until at least one underlying direct insurance contract/takaful certificate has been recognised. Groups of reinsurance contract/retakaful certificate held are recognised when the coverage of the first underlying contract/certificate starts.

A group of reinsurance contracts/retakaful certificates held that covers aggregate losses from underlying contracts/certificates in excess of a specified amount (non-proportionate reinsurance contracts/retakaful certificates, such as excess of loss insurance/retakaful) is recognised at the beginning of the coverage period of that group.

The Group adds new contracts/certificates in the reporting period in which the contracts/certificates meet one of the criteria set out above.

(b) Measurement

Insurance contracts/takaful certificates issued and reinsurance contracts/retakaful certificates held

The Group presents separately in the statement of financial position the carrying amount of groups of insurance contracts/takaful certificates issued that are assets, groups of insurance contracts/takaful certificates issued that are liabilities, reinsurance contracts/retakaful certificates held that are assets and groups of reinsurance contracts/retakaful certificates held that are liabilities.

The Group's insurance contracts/takaful certificates issued and reinsurance contracts/retakaful certificates held are eligible for the measurement models as detailed below:

General Measurement Model ("GMM")

This is the default measurement model for insurance contracts/takaful certificates which measures a group of insurance contracts/takaful certificates as the total of:

- Fulfilment cash flows; and
- A Contractual Service Margin ("CSM") which represents the unearned profit the Group will recognise as it provides service under the insurance contracts/takaful certificates in the group.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xxi) Insurance contracts/takaful certificates and reinsurance contracts/retakaful certificates (cont'd.)

(b) Measurement (cont'd.)

The Group's insurance contracts/takaful certificates issued and reinsurance contracts/retakaful certificates held are eligible for the measurement models as detailed below (cont'd.):

General Measurement Model ("GMM") (cont'd.)

Fulfilment cash flows comprise unbiased and probability-weighted estimates of future cash flows, discounted to present value to reflect the time value of money and financial risks, plus a risk adjustment for non-financial risk.

At the end of the reporting period, the carrying amount of a group of insurance contracts/takaful certificates is the sum of the liability for remaining coverage and the liability of incurred claims. The liability for remaining coverage consists of the fulfilment cash flows related to future services and the CSM, while the liability for incurred claims consists of the fulfilment cash flows related to past services. The CSM gets adjusted for changes in cash flows related to future services and for the interest accretion at interest rates locked-in at initial recognition of the group of contracts/certificates. A release from the CSM is recognised in profit or loss in each period to reflect the services provided in that period based on coverage units. The Group has computed this based on the coverage units by benefit types.

Variable Fee Approach ("VFA")

The measurement approach for insurance contracts/takaful certificates with direct participation features is referred to as the variable fee approach. The VFA modifies the accounting model GMM to reflect that the consideration an entity receives for the contracts/certificates is a variable fee.

An insurance contract/takaful certificate with direct participation features is defined by the Group as one which, at inception, meets the following criteria:

- The contractual terms specify that the policyholders/participants participate in a share of a clearly identified pool of underlying items;
- The Group expects to pay to the policyholders/participants an amount equal to a substantial share of the fair value returns on the underlying items; and
- The Group expects a substantial proportion of any change in the amounts to be paid to the policyholders/participants to vary with the change in fair value of the underlying items.

Premium Allocation Approach ("PAA")

The Group applies the PAA measurement model for policies that have contract/certificate boundaries (i.e. coverage periods) of less than one (1) year as well as for policies with contract/certificate boundaries of more than 1 year which pass the PAA eligibility test.

Under the PAA, the liability for remaining coverage is measured as the amount of premiums/contribution received net of acquisition cash flows paid, less the net amount of premiums/contribution and acquisition cash flows that have been recognised in profit or loss over the expired portion of the coverage period based on the passage of time. The measurement of the liability for incurred claims is identical under all three measurement models, apart from the determination of locked-in interest rates used for discounting.

The Group applies both the PAA or GMM models for all reinsurance contracts/retakaful certificates held, depending on the specific contract/certificate boundaries for each reinsurance contract/retakaful certificate.

(c) Modification and derecognition

The Group derecognises insurance contracts/takaful certificates when:

- The rights and obligations relating to the contracts/certificates are extinguished (i.e. discharged, cancelled or expired); or
- The contract/certificate is modified such that the modification results in a change in the measurement model, or the applicable standard for measuring a component of the contract/certificate. In such cases, the Group derecognises the initial contract/certificate and recognises the modified contract/certificate as a new contract/certificate.

When a modification is not treated as a derecognition, the Group recognises amounts paid or received for the modification with the contracts/certificates as an adjustment to the relevant liability for remaining coverage.

(d) Insurance/takaful service result

Insurance/takaful service result comprises of insurance/takaful revenue and insurance/takaful service expenses and net expenses from reinsurance contracts/retakaful certificates held.

Insurance/takaful revenue for contracts not measured under the PAA in each reporting period represents the changes in the liabilities for remaining coverage that relate to services for which the Group expects to receive consideration, an allocation of premiums/contribution that relate to recovering insurance/takaful acquisition cash flows and experience adjustments for premium receipts.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xxi) Insurance contracts/takaful certificates and reinsurance contracts/retakaful certificates (cont'd.)

(d) Insurance/takaful service result (cont'd.)

For contracts measured under the PAA, the insurance/takaful revenue for the period is the amount of expected premium/contribution receipts (excluding any investment component) allocated to the period. The Group allocates the expected premium/contribution receipts to each period on the basis of the passage of time. However, if the expected pattern of release of risk differs significantly from the passage of time, then the allocation is made on the basis of the expected timing of incurred insurance/takaful service expenses.

Insurance/takaful service expenses represent expenses that relate directly to the fulfilment of contracts/certificates. Expenses that do not relate directly to the fulfilment of contracts/certificates are presented in 'overhead expenses'.

Net expenses from reinsurance contracts/retakaful certificates represents amount recovered from reinsurer/retakaful and reinsurance/retakaful expenses.

(e) Net insurance/takaful investment/finance result

Net insurance/takaful investment/finance result comprises of finance income or expense from insurance contracts/takaful certificates issued and from reinsurance contracts/retakaful certificates held.

Insurance/takaful finance income or expenses represents the change in the carrying amount of the group of insurance contracts/takaful certificates arising from:

- The effect of the time value of money and changes in the time value of money; and
- The effect of financial risk and changes in financial risk.

(xxii) Fair value measurement

The Group and the Bank measure financial instruments such as financial investments at FVTPL, financial investments designated at FVTPL, financial investments at FVOCI, derivatives, non-financial assets such as investment properties and financial liabilities at FVTPL, at fair value at each statement of financial position date.

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. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability; or
- In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible to the Group and the Bank.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group and the Bank use valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value are measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
- Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
- Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Group and the Bank determine whether transfers have occurred between fair value hierarchy levels by reassessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The fair value hierarchies of financial instruments and non-financial assets that are measured at fair value are disclosed in Note 54(c).

While the fair value hierarchies of financial assets and financial liabilities that are not measured at fair value, the fair value are disclosed in Note 54(g).



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xxiii) Interest/profit income and expense

Interest/profit-bearing financial assets classified as financial investments at FVTPL, financial investments at FVOCI, financial investments at amortised cost and loans, advances and financing are recognised in the income statements under the caption of 'interest income and income derived from investment of depositors' funds/investment account funds/Islamic Banking Funds' using the effective interest/profit method. Interest/profit-bearing financial liabilities classified as deposits from customers, investment accounts of customers, deposits and placements from financial institutions, financial liabilities at FVTPL, debt securities and payables are recognised in the income statements under the caption 'interest expense and profit distributed to depositors' using effective interest/profit method.

The effective interest/profit method is a method of calculating the amortised cost of a financial asset or a financial liability and of allocating the interest/profit income or interest expense/profit distributed to depositors over the relevant period. The EIR/EPR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instruments or, when appropriate, a shorter period to the net carrying amount of the financial asset or financial liability. When calculating the EIR/EPR, the Group and the Bank take into account all contractual terms of the financial instrument and include any fees or incremental costs that are directly attributable to the instrument, which are an integral part of the EIR/EPR, but does not consider future credit losses.

Once the recorded value of a financial asset or a group of similar financial assets has been reduced due to an impairment loss, interest/profit income continues to be recognised using the rate of interest/profit used to discount the future cash flows for the purpose of measuring the impairment loss.

Profit income and profit distributed to depositors from Islamic banking business are recognised on an accrual basis in accordance with the principles of Shariah.

(xxiv) Fee and other income

(a) Fee income

The Group and the Bank earn fee income from a diverse range of services they provide to its customers as follows:

(1) Fee income earned on the execution of a significant act

Income earned on the execution of a significant act is recognised as revenue when the act is completed (for example, fees arising from negotiating, or participating in the negotiation of, a transaction for a third party, such as an arrangement for the acquisition of shares or other securities).

(2) Fee income earned from provision of services

Income earned from the provision of services is recognised as revenue over the period in which the services are provided (for example, asset management, portfolio and other management advisory and service fees).

(3) Fee income that forms an integral part of the effective interest/profit rate of a financial instrument

Income that forms an integral part of the effective interest/profit rate of a financial instrument is recognised as an adjustment to the effective interest/profit rate (for example, certain loan/financing commitment fees) and recorded as part of 'interest and income derived from investment of depositors' funds/investment account funds/Islamic Banking Funds' in the income statements.

Fee income can be divided into the following categories:

(1) Commission

Income earned in respect of sales or distribution of banking, investments and insurance products. Commission earned from banking is on trade and bancassurance.

(2) Service charges and fees

Income earned on the services provided to retail and corporate customers, including account management and various transaction-based services, such as interchange foreign currency transactions, money order processing and insufficient funds/overdraft transactions.

(3) Underwriting fees

Income earned for the placement of a customer's debt or equity securities.

(4) Brokerage income

Brokerage income includes fees earned from transaction-based services that are performed as part of investment management services.

(5) Fees on loans, advances and financing

Income earned in respect of loans, advances and financing such as loan/financing commitments, financial guarantees and standby letters of credit.

(b) Dividend income

Dividend income is recognised when the Group's and the Bank's right to receive the payment is established. This is the ex-dividend date for listed equity securities, and usually the date when shareholders have approved the dividend for unlisted equity securities.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xxiv) Fee and other income (cont'd.)

(c) Customer loyalty programmes

Award credits under the customer loyalty programmes are accounted for as a separately identifiable component of the transaction in which they are granted. The fair value of the consideration received in respect of the initial sale is allocated between the cost of award credits and the other components of the sale. The consideration allocated to award credits is recognised in the income statements under the caption of 'other operating income' when award credits are redeemed.

As at 31 December 2024, the remaining performance obligations associated with future net fee income of the Group ranging from 1 year to 3 years and more than 3 years are RM231.4 million (2023: RM295.2 million) and RM190.7 million (2023: RM209.0 million) respectively. Whereas, future net fee income of the Bank ranging from 1 year to 3 years and more than 3 years are RM209.4 million (2023: RM166.3 million) and RM153.9 million (2023: RM157.1 million), respectively.

(xxv) Employee benefits

(a) Short-term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the income statements in the year in which the associated services are rendered by employees of the Group and of the Bank. Short-term accumulating compensated absences such as paid annual leave are recognised as an expense in the income statements when services are rendered by employees that increase their entitlement to future compensated absences. Short-term non-accumulating compensated absences such as sick leave are recognised as an expense in the income statements when the absences occur.

(b) Other long-term employee benefits

Other long-term employee benefits are benefits that are not expected to be settled wholly before twelve months after the end of the reporting date in which the employees render the related services.

The cost of long-term employee benefits is accrued to match the services rendered by employees of the Group using the recognition and measurement bases similar to that for defined benefit plans disclosed in Note 2.3(xxv)(d), except that the remeasurements of the net defined benefit liability or asset are recognised immediately in the income statements.

(c) Defined contribution plans

As required by law, companies in Malaysia make contributions to the Employees Provident Fund ("EPF"). Certain overseas branches and overseas subsidiaries of the Bank make contributions to their respective countries' statutory pension schemes. Such contributions are recognised as an expense in the income statements when incurred.

(d) Defined benefit plans

As required by labour laws in certain countries, certain subsidiaries of the Bank are required to pay severance payments to their employees upon employees' retirement. The Group treats such severance payment obligations as defined benefit plans or pension plans.

The defined benefit costs and the present value of defined benefit obligations are calculated at the reporting date by the qualified actuaries using the projected unit credit method.

Remeasurements of the net defined benefit liability or asset, which comprise actuarial gains and losses, the return on plan assets (excluding interest) and the effect of the asset ceiling (if any, excluding interest), are recognised immediately in other comprehensive income in the period in which they occur and recorded in defined benefit reserve. Remeasurements are not reclassified to the income statement in subsequent periods.

Past service costs are recognised in the income statements on the earlier of:

- The date of the plan amendment or curtailment; or
- The date that the overseas subsidiaries of the Bank recognise restructuring related costs.

Net interest on the net defined benefit asset or liability and other expenses relating to defined benefit plans are calculated by applying the discount rate to the net defined benefit liability or asset and recognised in the income statements.

The Group disclosed the details of defined benefit plans in Note 26(i).



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xxv) Employee benefits (cont'd.)

(e) Share-based compensation

(1) Employees' Share Grant Plan ("ESGP Shares")

The ESGP Shares is awarded to the eligible Executive Directors and employees of the participating Maybank Group excluding dormant subsidiaries. The ESGP Shares may be settled by way of issuance and transfer of new Maybank shares or by cash at the absolute discretion of the Nomination and Remuneration Committee of the Board ("NRC").

The total fair value of ESGP Shares granted to eligible employees is recognised as an employee cost with a corresponding increase in the reserve within equity over the vesting period and taking into account the probability that the ESGP Shares will vest. The fair value of ESGP Shares is measured at grant date, taking into account the market and non-market vesting conditions upon which the ESGP Shares were granted.

Upon vesting of ESGP Shares, the Bank will recognise the impact of the actual numbers of ESGP Shares vested as compared to original estimates.

(2) Cash-settled Performance-based Employees' Share Grant Plan ("CESGP")

The CESGP is awarded to the eligible Executive Directors and employees of the participating Maybank Group, subject to achievement of performance criteria set out by the Board of Directors and prevailing market practices in the respective countries. Upon vesting, the cash amount equivalent to the value of the Maybank Reference Shares will be transferred to the eligible employees.

The total fair value of CESGP granted to eligible employees is recognised as an employee cost with a corresponding increase in the liability over the vesting period and taking into account the probability that the CESGP will vest. The fair value of CESGP is measured at grant date, taking into account the market and non-market vesting conditions upon which the CESGP were granted.

Upon vesting of CESGP, the Group and the Bank will recognise the impact of the actual numbers of CESGP vested as compared to original estimates.

Details of share options granted under ESGP and CESGP are disclosed in Note 32(b).

(xxvi) Non-current assets (or disposal group) held for sale and discontinued operations

Non-current assets (or disposal group) are classified as held for sale if their carrying amount will be recovered principally through a sale transaction rather than through continuing use. The condition is regarded as met only when the sale is highly probable and the asset is available for immediate sale in its present condition, management has committed to the sale and the sale is expected to have been completed within one year from the date of classification.

Immediately before the initial classification of non-current assets (or disposal group) as held for sale, the carrying amount of non-current assets (or component of a disposal group) is remeasured in accordance with applicable MFRS. Thereafter, the non-current assets (or disposal group) are measured at the lower of carrying amount and fair value less costs to sell.

Any impairment losses on a disposal group is first allocated to goodwill and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to financial assets, deferred tax assets and investment property, which continue to be measured in accordance with MFRS. Impairment losses on initial classification as held for sale and subsequent gains or losses on remeasurement are recognised in the income statements. Gains are not recognised in excess of any cumulative impairment losses.

Property, plant and equipment and intangible assets are not depreciated or amortised once classified as held for sale. Equity accounting on associates ceases once the associates are classified as held for sale.

A disposal group qualifies as discontinued operation if it is a component of the Group and of the Bank that either has been disposed of, or is classified as held for sale and:

- represents a separate major line of business or geographical area of operations;
- is part of a single co-ordinated plan to dispose of a separate major line of business or geographical area of operations; or
- is a subsidiary acquired exclusively with a view to resale.

Discontinued operations are excluded from the results of continuing operations and are presented as a single amount as profit or loss after tax from discontinued operations in the income statements.

(xxvii) Share capital and dividends declared

Ordinary shares are classified as equity when there is no contractual obligation to transfer cash or other financial assets. Transaction costs directly attributable to the issuance of new equity shares are taken to equity as a deduction against the issuance proceeds.

Dividends declared on ordinary shares are recognised as a liability and deducted from equity in the period in which all relevant approvals have been obtained.

Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.3 Summary of material accounting policies (cont'd.)

(xxviii) Contingent assets and contingent liabilities

Contingent assets arise from unplanned or other unexpected events that give rise to the possibility of an inflow of economic benefits to the Group and the Bank. The Group and the Bank do not recognise contingent assets but disclose its existence when inflows of economic benefits are probable but not virtually certain.

Contingent liabilities are possible obligations that arise from past events, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group and the Bank; or are present obligations that have arisen from past events but are not recognised because it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably. The Group and the Bank do not recognise contingent liabilities. Contingent liabilities are disclosed, unless the probability of outflow of economic benefits is remote.

(xxix) Earnings per share

The Group presents basic and diluted (where applicable) earnings per share ("EPS") for profit or loss from continuing operations attributable to the ordinary equity holders of the Bank on the face of the income statements.

Basic EPS is calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the financial year.

Diluted EPS is calculated by dividing the net profit attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the financial year, which has been adjusted for the effects of all dilutive potential ordinary shares. No adjustment is made for anti-dilutive potential ordinary shares.

Where there is a discontinued operation reported, the Group presents the basic and diluted amounts per share for the discontinued operation in the income statements.

(xxx) Segment reporting

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

All transactions between business segments (intra-segment revenue and costs) are being eliminated at Head Office. Income and expenses directly associated with each business segment are included in determining business segment performance.

The Group disclosed its segment information in Note 60.

(xxxi) Financial assistance scheme

Financing under a government scheme is recognised and measured in accordance with MFRS 9 *Financial Instruments*, with the benefit at a below market and concession rate is measured as the difference between the initial carrying amount or fair value of the financing and the amount received. Government financing facility is measured in accordance with the amount received.

The benefit of a financing or a facility under a government scheme that addresses identified costs or expenses incurred by the Group and the Bank is recognised in the profit or loss in the same financial period when the costs or expenses are recognised, when the required conditions are fulfilled in accordance with MFRS 120 *Accounting for Government Grants and Disclosure of Government Assistance*.

2.4 Changes in accounting policies and disclosures

On 1 January 2024, the Group and the Bank adopted the following MFRSs, interpretations and amendments to existing MFRSs:

| Description | Effective for annual periods beginning on or after |
|---|--|
| Amendments to MFRS 16 <i>Leases - Lease Liability in a Sale and Leaseback</i> | 1 January 2024 |
| Amendments to MFRS 7 <i>Financial Instruments: Disclosures - Supplier Finance Arrangements</i> | 1 January 2024 |
| Amendments to MFRS 107 <i>Statement of Cash Flows: Disclosures - Supplier Finance Arrangements</i> | 1 January 2024 |
| Amendments to MFRS 101 <i>Presentation of Financial Statements - Non-current Liabilities with Covenants</i> | 1 January 2024 |

Amendments to MFRS 16 *Leases - Lease Liability in a Sale and Leaseback*

The amendment requires a seller-lessee to subsequently measure lease liabilities arising from a leaseback in a way that it does not recognise any amount of the gain or loss that relates to the right of use it retains. The new requirements do not prevent a seller-lessee from recognising in profit or loss any gain or loss relating to the partial or full termination of a lease.

The amendments are to be applied retrospectively in annual reporting periods beginning on or after 1 January 2024, earlier application is permitted. These amendments do not have a significant impact on the preparation of the Group's and the Bank's financial statements.



Notes to the Financial Statements

31 December 2024

2. ACCOUNTING POLICIES (CONT'D.)

2.4 Changes in accounting policies and disclosures (cont'd.)

Amendments to MFRS 7 Financial Instruments: Disclosures - Supplier Finance Arrangements

The disclosure requirements in the amendments enhance the current requirements and are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments clarify the characteristics of supplier finance arrangements. In these arrangements, one or more finance providers pay amounts an entity owes to its suppliers. The entity agrees to settle those amounts with the finance providers according to the terms and conditions of the arrangements, either at the same date or at a later date than that on which the finance providers pay the entity's suppliers. As a result, supplier finance arrangements provide the entity with extended payment terms, or the entity's suppliers with early payment terms, compared to the original payment due dates.

Different terms are used to describe these arrangements, such as supply chain finance, payables finance and reverse factoring arrangements. Arrangements that are solely credit enhancements for the entity, for example, financial guarantees including letters of credit used as guarantees, are not supplier finance arrangements. Similarly, instruments used to settle the amounts owed directly with a supplier, for example, credit cards, are not supplier finance arrangements.

The amendments are to be applied in annual reporting periods beginning on or after 1 January 2024, early adoption is permitted but will need to be disclosed. These amendments do not have a significant impact on the preparation of the Group's and the Bank's financial statements.

Amendments to MFRS 107 Statement of Cash Flows: Disclosures - Supplier Finance Arrangements

The amendments require an entity to provide information about the impact of supplier finance arrangements on liabilities and cash flows, including:

- Terms and conditions;
- As at the beginning and end of the reporting period:
 - a. The carrying amounts of supplier finance arrangement financial liabilities and the line items in which those liabilities are presented;
 - b. The carrying amounts of financial liabilities and the line items, for which the finance providers have already settled the corresponding trade payables; and
 - c. The range of payment due dates for financial liabilities owed to the finance providers and for comparable trade payables that are not part of those arrangements payables.
- The type and effect of non-cash changes in the carrying amounts of supplier finance arrangement financial liabilities, which prevent the carrying amounts of the financial liabilities from being comparable.

The amendments are to be applied in annual reporting periods beginning on or after 1 January 2024, early adoption is permitted but will need to be disclosed. These amendments do not have a significant impact on the preparation of the Group's and the Bank's financial statements.

Amendments to MFRS 101 Presentation of Financial Statements - Non-current Liabilities with Covenants

The amendments clarify the following:

- Right to defer settlement;
- Expected deferrals;
- Settlement by way of own equity instruments; and
- Disclosures.

The amendments are to be applied retrospectively in accordance with IAS 8 *Accounting Policies, Changes in Accounting Estimates and Errors* effective for annual reporting periods beginning on or after 1 January 2024. Early adoption is permitted, but will need to be disclosed. The amendments do not have a significant impact on the preparation of the Group's and the Bank's financial statements.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of the Group's and of the Bank's financial statements requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of income, expenses, assets, liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Although these estimates and judgements are based on management's best knowledge of current events and actions, actual results may differ. The most significant uses of judgements and estimates are as follows:

3.1 Going concern

The Group's and the Bank's management have made an assessment of its ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, management is not aware of any material uncertainties that may cast significant doubt upon the Group's and the Bank's ability to continue as a going concern. Therefore, the financial statements continue to be prepared on the going concern basis.

3.2 Impairment of financial investments portfolio (Notes 10, 11 and 45)

The measurement of the ECL for financial assets measured at amortised cost and FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour.

In carrying out the impairment review, the following management's judgements are required:

- (i) Determination whether the investment is impaired based on certain indicators such as, amongst others, difficulties of the issuers or obligors, deterioration of the credit quality of the issuers or obligors; and

Notes to the Financial Statements

31 December 2024

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D.)

3.2 Impairment of financial investments portfolio (Notes 10, 11 and 45) (cont'd.)

- (ii) Determination of ECL that reflect:
 - (a) An unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;
 - (b) The time value of money; and
 - (c) Reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

The overlays and post-model adjustments arising from emerging risks involved significant level of judgement and reflect the management's views of uncertainties in the forward-looking assessment for ECL estimation. The impact is outlined in Note 3.4.

3.3 Fair value estimation of financial assets/investments at FVTPL (Notes 8 and 9), financial investments at FVOCI (Note 10), loans, advances and financing at FVOCI (Note 12), derivative financial instruments (Note 13) and financial liabilities at FVTPL (Note 25)

For financial instruments measured at fair value, where the fair values cannot be derived from active markets, these fair values are determined using a variety of valuation techniques, including the discounted cash flows method, option pricing models, credit models and other relevant valuation models.

The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Refer to Note 54 for further disclosures.

3.4 Impairment losses on loans, advances and financing (Notes 12, 26 and 44)

The Group and the Bank review their individually significant loans, advances and financing at each reporting date to assess whether an impairment loss should be recorded in the income statements. In particular, management's judgement is required in the estimation of the amount and timing of future cash flows when determining the impairment losses. In estimating these cash flows, the Group and the Bank make judgements about the borrower's or the customer's financial situation and the net realisable value of collateral. These estimates are based on assumptions on a number of factors and actual results may differ, resulting in future changes to the allowances.

The Group's and the Bank's ECL calculations under MFRS 9 are outputs of complex models with a number of underlying assumptions regarding the choices of variable inputs and their interdependencies.

Elements of the ECL models that are considered accounting judgements and estimates include:

- (i) Internal credit grading model, which assigns PDs to the individual grades;

- (ii) Criteria for assessing possible significant increase in credit risk and qualitative information to determine if allowances should be measured using lifetime ECL basis;
- (iii) The segmentation of financial assets when their ECL is assessed on a collective basis;
- (iv) Development of ECL models, including the various formulas and the choice of inputs;
- (v) Determination of associations between macroeconomic scenarios and economic inputs, such as unemployment levels and collateral values and the effect on PDs, EADs and LGDs; and
- (vi) Selection of forward-looking macroeconomic scenarios and their probability weightings to derive the economic inputs into the ECL models.

Overlays and adjustments for ECL

As the current MFRS 9 models are being recalibrated and not expected to generate levels of ECL with sufficient reliability yet in view of uncertainties from emerging risks from the current economic environment, overlays and post-model adjustments have been applied to determine a sufficient overall level of ECL as of the financial year end.

These overlays and post-model adjustments were taken to reflect the following risk factors not captured in the modelled outcome:

- (a) Latest macroeconomic outlook given the elevated uncertainty under high inflation and interest rate environment;
- (b) High risk and vulnerable sectors; and
- (c) Effects of climate related matters (physical and transition risk) and the impact to economic activities including delinquencies and defaults.

The overlays and post-model adjustments involved significant level of judgement and reflect the management's views of uncertainties in the forward-looking assessment for ECL estimation. The drivers of the management judgemental adjustments continue to evolve with the economic environment.

The borrowers or customers who have received repayment supports remain in their existing stages unless they have been individually identified as not viable or with other risk trigger or with subsequent indicators of significant increase in credit risk. The overlays and post-model adjustments are made at both portfolio and individual obligor levels in determining the sufficient level of ECL overlay.

The impact of these post-model adjustments is estimated at both portfolio and vulnerable obligors level amounting to RM1,706.3 million (2023: RM1,714.3 million) for the Group and RM507.2 million (2023: RM661.2 million) for the Bank respectively as at 31 December 2024.

The Group maintained management overlays of RM1.7 billion, with 65% allocated to the retail and retail Small and Medium-size Enterprise ("SME") portfolios in anticipation of emerging asset quality risk from current economic environment.

These overlays include impact assessment on impairment of financial investments portfolio as outlined in Note 3.2.



Notes to the Financial Statements

31 December 2024

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D.)

3.5 Valuation of investment properties (Note 16)

The measurement of the fair value for investment properties is arrived at by reference to market evidence of transaction prices for similar properties and is performed by independent valuers who hold a recognised and relevant professional qualification and have recent experience in the locations and category of the properties being valued.

3.6 Impairment of investment in subsidiaries (Note 18) and interest in associates and joint ventures (Note 19)

The Group and the Bank assess whether there is any indication that an investment in subsidiaries and interest in associates and joint ventures which may be impaired at each reporting date.

If indicators are present, these investments are subjected to impairment review. The impairment review comprises a comparison of the carrying amounts and estimated recoverable amounts of the investments.

Judgements made by management in the process of applying the Group's accounting policies in respect of investment in subsidiaries and interest in associates and joint ventures are as follows:

- (i) The Group determines whether its investments are impaired following certain indications of impairment such as, amongst others, prolonged shortfall between market value and carrying amount, significant changes with adverse effects on the investment and deteriorating financial performance of the investment due to observed changes in the economic environment; and
- (ii) Depending on their nature and the location in which the investments relate to, judgements are made by management to select suitable methods of valuation such as, amongst others, discounted future cash flows or estimated fair value based on quoted market price of the most recent transactions.

Once a suitable method of valuation is selected, management makes certain assumptions concerning the future to estimate the recoverable amount of the specific individual investment. These assumptions and other key sources of estimation uncertainty at the reporting date, may have a significant risk of causing a material adjustment to the carrying amounts of the investments within the next financial year. Depending on the specific individual investment, assumptions made by management may include, amongst others, assumptions on expected future cash flows, revenue growth, terminal value, discount rate used for purposes of discounting future cash flows which incorporates the relevant risks and expected future outcomes based on certain past trends.

Sensitivity to changes in assumptions

Management believes that no reasonably expected possible changes in the key assumptions described above would cause the carrying amounts of the investments to materially exceed their recoverable amounts.

3.7 Impairment of goodwill (Note 22(ii))

The Group tests annually whether the goodwill that has an indefinite life is impaired by measuring the recoverable amount of the CGU based on the VIU method, which requires the use of estimates of future cash flow projections, terminal growth rates and discount rates. Changes to the assumptions used by management, particularly the discount rate and the terminal value, may affect the results of the impairment assessment.

3.8 Deferred tax (Note 28) and income tax (Note 47)

The Group and the Bank are subject to income tax in many jurisdictions and significant judgement is required in estimating the provision for income tax. There are many transactions and interpretations of tax law for which the final outcome will not be established until some time later. Liabilities for taxation are recognised based on estimates of whether additional taxes will be payable. The estimation process includes seeking advice on the tax treatments where appropriate. Where the final liability for taxation is different from the amounts that were initially recorded, the differences will affect the income tax and deferred tax provisions in the period in which the estimate is revised or the final liability is established.

Deferred tax assets are recognised in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilised. Judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

3.9 Liabilities of insurance business (Note 14)

Insurance contracts and takaful certificates measurement

There are several sources of uncertainties that need to be considered in the estimation of general/general takaful liabilities and life/family takaful liabilities.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The key significant areas of estimation uncertainty and critical judgements in measuring general/general takaful liabilities and life/family takaful liabilities include:

(i) Estimates of future cash flows

In estimating the future cash flows, the Group incorporates, in an unbiased way, all reasonable and supportable information that is available without undue cost or effort at the reporting date. This information includes both internal and external historical data about claims and other experiences, updated to reflect current expectations of future events.

The estimates of future cash flows reflect the Group's view of current conditions at the reporting date and current expectations of future events that might affect those cash flows.

Notes to the Financial Statements

31 December 2024

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D.)

3.9 Liabilities of insurance business (Note 14) (cont'd.)

Insurance contracts and takaful certificates measurement (cont'd.)

The key significant areas of estimation uncertainty and critical judgements in measuring general/general takaful liabilities and life/family takaful liabilities include (cont'd.):

(i) Estimates of future cash flows (cont'd.)

Cash flows within the boundary of a contract/certificate are those that relate directly to the fulfilment of the contract/certificate, including those for which the Group has discretion over the amount or timing. These include payments to (or on behalf of) policyholders/participants, insurance/takaful acquisition cash flows and other costs that are incurred in fulfilling contracts/certificates. Insurance/takaful acquisition cash flows and other costs that are incurred in fulfilling contracts/certificates comprise both direct costs and an allocation of fixed and variable overheads.

Cash flows are attributed to acquisition activities and other fulfilment activities either directly or estimated based on the type of activities performed by the respective business function. Cash flows attributable to acquisition and other fulfilment activities are allocated to groups of contracts/certificates using methods that are systematic and rational and will be consistently applied to all costs that have similar characteristics, such as based on total premiums, number of policies or number of claims.

The key assumptions that were used when estimating future cash flows are mortality and morbidity rates, longevity and lapse and surrender rates.

(ii) Discount rates

For general insurance/general takaful business, insurance contracts/takaful certificates liabilities are calculated by using risk-free discount rates.

For life insurance and family takaful business in Malaysia operations, the Group generally determines discount rates by using risk free rates, plus an illiquidity premium where applicable. Risk free rates are determined by reference to the yields of government securities, meanwhile the illiquidity premium is determined by reference to observable market rates, including low risk assets and corporate bonds. The yield curves will be extrapolated between the last liquid point and the ultimate forward rate, which reflects long-term real interest rate and inflation expectations. Although the ultimate forward rate will be subject to revision, it is expected to be updated only upon significant changes in the long-term expectations being observed.

For life insurance business in Singapore operation, the Group determines risk-free discount rates using the observed yield curves of government securities. The derivation of the illiquidity premium leverages the matching adjustment or illiquidity premium calibrated in accordance to Monetary Authority of Singapore ("MAS") Risk Based Capital framework technical specifications. Smith-Wilson method is considered for extrapolation between the last liquid point and the ultimate

forward rate ("UFR") for discount rates beyond the observable data. The UFR reflects long-term real interest rates and inflation expectations. Although the ultimate forward rate will be subject to revision, it is expected to be updated only upon significant changes in the long-term expectations being observed.

(iii) Risk adjustments for non-financial risk

Risk adjustments for non-financial risk are determined to reflect the compensation that the Group would require for bearing non-financial risk and its degree of risk aversion. The Group applies a confidence level technique to determine the risk adjustments for non-financial risk of both its insurance contracts/takaful certificates and reinsurance contracts/retakaful certificates.

Under a confidence level technique, the Group estimates the probability distribution of the expected value of the future cash flows at each reporting date and calculates the risk adjustment for non-financial risk as the excess of the value at risk at the target confidence level over the expected present value of the future cash flows allowing for the associated risks over all future years. The target confidence level is 75th percentile, in line with the regulatory requirement of BNM under the Risk Based Capital Framework for insurers/takaful operators.

(iv) Contractual service margin

The CSM is a component of the assets or liabilities for the group of insurance contracts/takaful certificates that represents the unearned profit that the Group will recognise as it provides services in the future. An amount of the CSM for a group of insurance contracts/takaful certificates is recognised in profit or loss as insurance/takaful revenue in each period to reflect the services provided under the group of insurance contracts/takaful certificates in that period. The amount is determined by:

- Identifying the coverage units in the group;
- Allocating the CSM at the end of the period (before recognising any amounts in profit or loss to reflect the services provided in the period) equally to each coverage unit provided in the current period and expected to be provided in the future years; and
- Recognising in profit or loss the amount allocated to coverage units provided in the period.

The number of coverage units in a group is the quantity of coverage provided by the contracts/certificates in the group, which is determined by considering for each contract/certificate the quantity of the benefits provided and its expected coverage duration.

For groups of life insurance contracts/family takaful certificates, the quantity of benefit is the contractually agreed sum covered over the duration of the contracts/certificates. The total coverage units of each group of insurance contracts/takaful certificates are reassessed at the end of each reporting period to adjust for the reduction of remaining coverage for claims paid, expectations of lapses and cancellation of contracts/certificates in the period. They are then allocated based on probability-weighted average duration of each coverage unit provided in the current period and expected to be provided in the future.



Notes to the Financial Statements

31 December 2024

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS (CONT'D.)

3.10 Defined benefit plans (Note 26(i))

The cost of the defined benefit plan and other post employment benefits and the present value of the pension obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, expected rate of returns on investments, future salary increases, mortality rates, resignation rates and future pension increases. Due to the complexity of the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

In determining the appropriate discount rate, management considers the interest/profit rates of high quality government bonds in their respective currencies and extrapolated maturity corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for the specific countries. Future salary increases and pension increases are based on expected future inflation rates for the respective countries.

Further details about the assumptions used, including a sensitivity analysis, are given in Note 26(i)(d).

3.11 Deemed controlled structured entities (Note 64(b))

The Group has established a number of fixed income funds and equity funds, where it is deemed to be acting as principal rather than agent in its role as funds investment manager for the funds. Accordingly, the Group is deemed to control these entities and consolidate these entities based on the accounting policies as disclosed in Note 2.2.

3.12 Leases - renewal option (Note 21 and Note 26(iv))

The Group and the Bank determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group and the Bank have the option, under some of its leases to lease the assets for additional terms of three to nine years. The Group and the Bank apply judgement in evaluating whether it is reasonably certain to exercise the option to renew. That is, it considers all relevant factors that create an economic incentive for it to exercise the renewal. After the commencement date, the Group and the Bank reassess the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise (or not to exercise) the option to renew (e.g. a change in business strategy). The Group and the Bank included the renewal period as part of the lease term for leases of premises and IT equipments due to the significance of these assets to its operations.

4. STANDARDS AND ANNUAL IMPROVEMENTS TO STANDARDS ISSUED BUT NOT YET EFFECTIVE

The following are new MFRSs and amendments to existing MFRSs issued by Malaysian Accounting Standards Board ("MASB"), but not yet effective, up to the date of issuance of the Group's and of the Bank's financial statements. The Group and the Bank intend to adopt these standards and annual improvements to standards, if applicable, when they become effective:

| Description | Effective for annual periods beginning on or after |
|---|--|
| Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability</i> | 1 January 2025 |
| Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments</i> | 1 January 2026 |
| Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity</i> | 1 January 2026 |
| Annual Improvements to MFRS Accounting Standards - Volume 11 | 1 January 2026 |
| MFRS 18 <i>Presentation and Disclosure in Financial Statements</i> | 1 January 2027 |
| MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i> | 1 January 2027 |
| Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture</i> | Deferred |

Amendments to MFRS 121 *The Effects of Changes in Foreign Exchange Rates - Lack of Exchangeability*

The amendments clarify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking, as well as require the disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted, in which case, an entity is required to disclose that fact. The amendments are not expected to have a significant impact on the preparation of the Group's and the Bank's financial statements.

Notes to the Financial Statements

31 December 2024

4. STANDARDS AND ANNUAL IMPROVEMENTS TO STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D.)

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Classification and Measurement of Financial Instruments

The amendments clarify the following:

- A financial liability is derecognised on the settlement date, i.e., when the related obligation is discharged, cancelled, expired or the liability otherwise qualifies for derecognition. It also introduces an accounting policy choice to derecognise financial liabilities that are settled through an electronic payment system ("EPS") before settlement date if certain conditions are met;
- Assessment of the contractual cash flow characteristics of financial assets that include ESG-linked features and other similar contingent features; and
- The treatment of non-recourse assets and contractually linked instruments ("CLI").

The amendments require additional disclosures in MFRS 7 for financial assets and liabilities with contractual terms that reference a contingent event (including those that are ESG-linked), and equity instruments classified at FVOCI.

The new requirements will be applied retrospectively with an adjustment to opening retained earnings. Prior periods are not required to be restated and can only be restated without using hindsight. An entity is required to disclose information about financial assets that change their measurement category due to the amendments.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Entities can early adopt the amendments that relate to the classification of financial assets plus the related disclosures and apply the other amendments later. The amendments are not expected to have a significant impact on the preparation of the Group's and the Bank's financial statements.

Amendments to MFRS 9 Financial Instruments and MFRS 7 Financial Instruments: Disclosures - Contracts Referencing Nature-dependent Electricity

The amendments clarify the following:

- For the nature-dependent electricity contracts, like power purchase agreements ("PPAs") that meet own-use exemptions, a company is allowed to exclude such contracts from the scope of financial instruments accounting under IFRS 9. Instead, the PPAs will be treated as non-financial contracts as part of normal operating expenses. Own-use exemptions are applied if the electricity is purchased with the intention of being used for the company's own operational needs, rather than reselling it or using it as a trading asset. The company needs to expect that the quantity of electricity it agrees to purchase will align with its expected consumption needs and must actually use the electricity it buys; and
- On the other hand, for the PPAs that do not meet the own-use exemption, such contracts are recognised as derivatives and valued at fair value through profit or loss ("FVTPL"). Applying hedge accounting can help companies reduce profit or loss volatility by aligning the accounting treatment with how these PPAs hedge the price fluctuations of future electricity purchases or sales.

Under the amendments, a company may apply the own-use exemption to certain PPAs, meaning these contracts would not be recognised on its statement of financial position. In this scenario, the company is required to provide additional disclosures on:

- Contractual features that subject the company to fluctuations in electricity volume and the risk of receiving surplus supply;
- Projected future cash flows from unrecognised contractual obligations to purchase electricity within the relevant time periods;
- Qualitative information on how the company evaluates if a contract could turn onerous; and
- Both qualitative and quantitative details regarding the costs and proceeds related to the purchase and sale of electricity, derived from the information used in the 'net-purchaser' evaluation.

The amendments will be effective for annual reporting periods beginning on or after 1 January 2026. Early adoption is allowed. The amendments are not expected to have a significant impact on the preparation of the Group's and the Bank's financial statements.

MFRS 18 Presentation and Disclosure in Financial Statements

MFRS 18 *Presentation and Disclosure in Financial Statements* replaces MFRS 101 *Presentation in Financial Statements*. MFRS 18 introduces new categories and subtotals in the statement of profit or loss. It also requires disclosure of management-defined performance measures ("MPMs") and includes new requirements for the location, aggregation and disaggregation of financial information.

In the statement of profit or loss, an entity will be required to classify income and expenses within its statement of profit or loss into three new categories: operating; investing; and financing. In addition, MFRS 18 requires an entity to present two new subtotals which are 'operating profit or loss' and 'profit or loss before financing and income taxes'.

For the purposes of classifying its income and expenses into the categories required by MFRS 18, an entity will need to assess whether it has a 'main business activity' of investing in assets or providing financing to customers, as specific classification requirements will apply to such entities. Determining whether an entity has such a specified main business activity is a matter of fact and circumstances which requires judgement. An entity may have more than one main business activity.

MFRS 18 introduces the concept of MPM which it defines as a subtotal of income and expenses that an entity uses in public communications outside financial statements, to communicate management's view of an aspect of the financial performance of the entity as a whole to users. MFRS 18 requires disclosure of information about all of an entity's MPMs within a single note to the financial statements and requires several disclosures to be made about each MPM, including how the measure is calculated and a reconciliation to the most comparable subtotal specified by MFRS 18 or another MFRS accounting standard.

MFRS 18 differentiates between 'presenting' information in the primary financial statements and 'disclosing' it in the notes, and introduces a principle for determining the location of information based on identified 'roles' of the primary financial statements and the notes. MFRS 18 requires aggregation and disaggregation of information to be performed with reference to similar and dissimilar characteristics.



Notes to the Financial Statements

31 December 2024

4. STANDARDS AND ANNUAL IMPROVEMENTS TO STANDARDS ISSUED BUT NOT YET EFFECTIVE (CONT'D.)

MFRS 18 Presentation and Disclosure in Financial Statements (cont'd.)

Consequential amendments to other accounting standards:

- MFRS 107 *Statement of Cash Flows* - Amendments include changing the starting point for determining cash flows from operations under the indirect method from 'profit or loss' to 'operating profit or loss'. The optionality around classification of cash flows from dividends and interest in the statement of cash flows has also largely been removed;
- MFRS 133 *Earnings per Share* - Amended to include additional requirements that permit entities to disclose additional amounts per share, only if the numerator used in the calculation meets specified criteria. The numerator must be: (i) An amount attributable to ordinary equity holders of the parent entity; and (ii) A total or subtotal identified by MFRS 18 or an MPM as defined by MFRS 18;
- MFRS 101 *Presentation of Financial Statements* - Some requirements have been moved to MFRS 108 which has been renamed as MFRS 108 *Basis of Preparation of Financial Statements*; and
- MFRS 134 *Interim Financial Reporting* has been amended to require disclosure of MPMs.

MFRS 18 and the amendments to the other accounting standards will be effective for reporting periods beginning on or after 1 January 2027 and will apply retrospectively. Early adoption is permitted and must be disclosed. The Group is in the midst of evaluating the potential impact of adopting this standard on the required effective date.

MFRS 19 Subsidiaries without Public Accountability: Disclosures

MFRS 19 *Subsidiaries without Public Accountability: Disclosures* allows eligible entities to elect to apply reduced disclosure requirements while still applying the recognition, measurement and presentation requirements in other MFRS accounting standards. Unless otherwise specified, eligible entities that elect to apply MFRS 19 will not need to apply the disclosure requirements in other MFRS accounting standards.

An entity may elect to apply MFRS 19 if at the end of the reporting period:

- It is a subsidiary as defined in MFRS 10 *Consolidated Financial Statements*;
- It does not have public accountability; and
- It has a parent (either ultimate or intermediate) that prepares consolidated financial statements, available for public use, which comply with MFRS accounting standards.

An entity applying MFRS 19 is required to disclose that fact as part of its general MFRS accounting standards compliance statement. MFRS 19 requires an entity whose financial statements comply with MFRS accounting standards including MFRS 19 to make an explicit and unreserved statement of such compliance.

MFRS 19 will be effective for reporting periods beginning on or after 1 January 2027 and earlier adoption is permitted. The Group is in the midst of evaluating the potential impact of adopting this standard on the required effective date.

If an eligible entity chooses to apply the standard earlier, it is required to disclose that fact. An entity is required, during the first period (annual and interim) in which it applies the standard, to align the disclosures in the comparative period with the disclosures included in the current period under MFRS 19, unless MFRS 19 or another MFRS accounting standard permits or requires otherwise.

Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture

The amendments clarify that:

- Gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and
- Gains and losses resulting from transactions involving the sale or contribution of assets to an associate or a joint venture that constitute a business is recognised in full.

The amendments are to be applied prospectively to the sale or contribution of assets occurring in annual periods beginning on or after a date to be determined by the MASB. Earlier application is permitted. The amendments are not expected to have material impact on the Group's and the Bank's financial statements.

Notes to the Financial Statements

31 December 2024

5. CASH AND SHORT-TERM FUNDS

| | Note | Group | | Bank | |
|--|------|-------------------|----------------|-------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Cash balances and deposits with financial institutions | | 37,126,959 | 26,074,369 | 27,218,238 | 20,067,341 |
| Money at call | | 3,426,891 | 2,866,184 | – | – |
| | | 40,553,850 | 28,940,553 | 27,218,238 | 20,067,341 |
| Allowances for impairment losses | (i) | (31,330) | (36,518) | (5,962) | (7,041) |
| | | 40,522,520 | 28,904,035 | 27,212,276 | 20,060,300 |

The Group's monies held-in-trust for clients as at the reporting date are approximately RM3,834,295,000 (2023: RM3,978,426,000). These amounts are excluded from the cash and short-term funds of the Group in accordance with Financial Reporting Standards Implementation Committee ("FRSIC") Consensus 18. The Bank does not have monies held-in-trust for clients as at the reporting date.

- (i) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on cash and short-term funds are as follows:

As at 31 December 2024

Changes in the gross carrying amount of cash and short-term funds for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The Group's and the Bank's decrease in the ECL for Stage 1 was arising from financial assets that carry lower credit risk which correspondingly decreased the ECL despite the overall increase in gross carrying amount for cash and short-term funds.

| | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|----------------------------|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| Group | | | | |
| At 1 January 2024 | 36,518 | – | – | 36,518 |
| Net movement of allowances | (4,191) | – | – | (4,191) |
| Exchange differences | (997) | – | – | (997) |
| At 31 December 2024 | 31,330 | – | – | 31,330 |
| Bank | | | | |
| At 1 January 2024 | 7,041 | – | – | 7,041 |
| Net movement of allowances | (1,137) | – | – | (1,137) |
| Exchange differences | 58 | – | – | 58 |
| At 31 December 2024 | 5,962 | – | – | 5,962 |



Notes to the Financial Statements

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5. CASH AND SHORT-TERM FUNDS (CONT'D.)

- (i) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on cash and short-term funds are as follows (cont'd.):

As at 31 December 2023

Changes in the gross carrying amount of cash and short-term funds for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The Group's and the Bank's increase in the ECL for Stage 1 was arising from newly recognised financial assets during the year which resulted in higher ECL despite the overall decrease in gross carrying amount for cash and short-term funds with minimal ECL.

| | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| Group | | | | |
| At 1 January 2023 | 16,306 | – | – | 16,306 |
| Net movement of allowances | 19,619 | – | – | 19,619 |
| Exchange differences | 593 | – | – | 593 |
| At 31 December 2023 | 36,518 | – | – | 36,518 |
| Bank | | | | |
| At 1 January 2023 | 6,447 | – | – | 6,447 |
| Net movement of allowances | 455 | – | – | 455 |
| Exchange differences | 139 | – | – | 139 |
| At 31 December 2023 | 7,041 | – | – | 7,041 |

6. DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS

| | Note | Group | | Bank | |
|----------------------------------|------|----------------|----------------|----------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Licensed banks | | 15,671,243 | 7,318,806 | 32,983,290 | 21,657,106 |
| Bank Negara Malaysia | | 751,714 | 572,948 | 751,714 | 572,948 |
| Other financial institutions | (i) | 5,856,290 | 5,586,566 | 4,582,438 | 5,411,882 |
| | | 22,279,247 | 13,478,320 | 38,317,442 | 27,641,936 |
| Allowances for impairment losses | (ii) | (4,215) | (6,713) | (7,826) | (2,825) |
| | | 22,275,032 | 13,471,607 | 38,309,616 | 27,639,111 |

- (i) Included in deposits and placements with other financial institutions is USD9.0 million (2023: USD20.0 million) or Ringgit Malaysia equivalent of RM40.2 million (2023: RM91.8 million) pledged with the New York State Banking Department which is not available for use by the Group and the Bank due to capital equivalency deposit requirements.

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6. DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS (CONT'D.)

- (ii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on deposits and placements with financial institutions are as follows:

As at 31 December 2024

Changes in the gross carrying amount of deposits and placements with financial institutions for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The decrease in the Group ECL was due to improvement in credit risk which correspondingly decreased the net remeasurement of allowances for the Group; and
- The Bank's overall gross carrying amount for deposits and placements with financial institutions increased as a result of recognition of financial assets originated or purchased during the year which correspondingly increased the ECL allowances.

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2024 | 6,713 | – | – | 6,713 |
| Net remeasurement of allowances | (15,435) | – | – | (15,435) |
| New financial assets originated or purchased | 14,909 | – | – | 14,909 |
| Financial assets derecognised | (506) | – | – | (506) |
| Exchange differences | (1,466) | – | – | (1,466) |
| At 31 December 2024 | 4,215 | – | – | 4,215 |
| Bank | | | | |
| At 1 January 2024 | 2,825 | – | – | 2,825 |
| Net remeasurement of allowances | (8,172) | – | – | (8,172) |
| New financial assets originated or purchased | 14,665 | – | – | 14,665 |
| Financial assets derecognised | (87) | – | – | (87) |
| Exchange differences | (1,405) | – | – | (1,405) |
| At 31 December 2024 | 7,826 | – | – | 7,826 |



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6. DEPOSITS AND PLACEMENTS WITH FINANCIAL INSTITUTIONS (CONT'D.)

- (ii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on deposits and placements with financial institutions are as follows (cont'd.):

As at 31 December 2023

Changes in the gross carrying amount of deposits and placements with financial institutions for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The Group's and the Bank's overall gross carrying amount for deposits and placements with financial institutions decreased as a result of derecognition of financial assets which correspondingly decreased the ECL allowances.

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2023 | 7,404 | – | – | 7,404 |
| Net remeasurement of allowances | 1,485 | – | – | 1,485 |
| New financial assets originated or purchased | 123 | – | – | 123 |
| Financial assets derecognised | (3,128) | – | – | (3,128) |
| Exchange differences | 829 | – | – | 829 |
| At 31 December 2023 | 6,713 | – | – | 6,713 |
| Bank | | | | |
| At 1 January 2023 | 5,382 | – | – | 5,382 |
| Net remeasurement of allowances | (465) | – | – | (465) |
| New financial assets originated or purchased | 123 | – | – | 123 |
| Financial assets derecognised | (2,900) | – | – | (2,900) |
| Exchange differences | 685 | – | – | 685 |
| At 31 December 2023 | 2,825 | – | – | 2,825 |

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7. FINANCIAL ASSETS PURCHASED UNDER RESALE AGREEMENTS AND OBLIGATIONS ON FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS

(i) The financial assets purchased under resale agreements are as follows:

| | Note | Group | | Bank | |
|--|------|----------------|----------------|----------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Foreign Government Treasury Bills | | 451,086 | 230,570 | 451,086 | 230,570 |
| Foreign Government Securities | | 15,200,345 | 15,648,287 | 15,168,001 | 14,736,950 |
| Foreign Government Bonds | | 229,391 | 694,250 | – | – |
| Foreign Corporate Bonds and Sukuk | | 363,634 | 716,110 | 363,634 | 716,110 |
| Corporate Bonds and Sukuk | | 336,389 | – | 142,358 | – |
| Malaysian Government Investment Issues | | 51,588 | 58,198 | 1,486,700 | – |
| | | 16,632,433 | 17,347,415 | 17,611,779 | 15,683,630 |
| Allowances for impairment losses | (a) | (1,650) | (3,051) | (3,452) | (2,914) |
| | | 16,630,783 | 17,344,364 | 17,608,327 | 15,680,716 |

(a) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial assets purchased under resale agreements are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financial assets purchased under resale agreements for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The Group's overall gross carrying amount for financial assets under resale agreements decreased as a result of derecognition of financial assets which correspondingly decreased the ECL allowances; and
- The Bank's overall increase in the gross carrying amount for financial assets purchased under resale agreements was mainly contributed by new financial assets originated or purchased which correspondingly increased the ECL allowances.

| | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| Group | | | | |
| At 1 January 2024 | 3,051 | – | – | 3,051 |
| Net remeasurement of allowances | (1,582) | – | – | (1,582) |
| New financial assets originated or purchased | 1,599 | – | – | 1,599 |
| Financial assets derecognised | (80) | – | – | (80) |
| Exchange differences | (1,338) | – | – | (1,338) |
| At 31 December 2024 | 1,650 | – | – | 1,650 |
| Bank | | | | |
| At 1 January 2024 | 2,914 | – | – | 2,914 |
| Net remeasurement of allowances | (234) | – | – | (234) |
| New financial assets originated or purchased | 932 | – | – | 932 |
| Exchange differences | (160) | – | – | (160) |
| At 31 December 2024 | 3,452 | – | – | 3,452 |



Notes to the Financial Statements

31 December 2024

7. FINANCIAL ASSETS PURCHASED UNDER RESALE AGREEMENTS AND OBLIGATIONS ON FINANCIAL ASSETS SOLD UNDER REPURCHASE AGREEMENTS (CONT'D.)

(i) The financial assets purchased under resale agreements are as follows (cont'd.):

(a) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial assets purchased under resale agreements are as follows (cont'd.):

As at 31 December 2023

Changes in the gross carrying amount of financial assets purchased under resale agreements for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The Group's decrease in the ECL for Stage 1 was arising from financial assets derecognised during the year which resulted in lower ECL despite the overall increase in gross carrying amount for financial assets purchased under resale agreements; and
- The Bank's overall increase in the gross carrying amount for financial assets purchased under resale agreements was mainly contributed by new financial assets originated or purchased.

| | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| Group | | | | |
| At 1 January 2023 | 8,861 | – | – | 8,861 |
| Net remeasurement of allowances | 440 | – | – | 440 |
| New financial assets originated or purchased | 2,980 | – | – | 2,980 |
| Financial assets derecognised | (9,142) | – | – | (9,142) |
| Exchange differences | (88) | – | – | (88) |
| At 31 December 2023 | 3,051 | – | – | 3,051 |
| Bank | | | | |
| At 1 January 2023 | 2,221 | – | – | 2,221 |
| Net remeasurement of allowances | 440 | – | – | 440 |
| New financial assets originated or purchased | 2,842 | – | – | 2,842 |
| Financial assets derecognised | (2,284) | – | – | (2,284) |
| Exchange differences | (305) | – | – | (305) |
| At 31 December 2023 | 2,914 | – | – | 2,914 |

(ii) The obligations on financial assets sold under repurchase agreements are as follows:

| | Note | Group | | Bank | |
|--|-------|----------------|----------------|----------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Financial investments at fair value through profit or loss | 9 | 972,811 | 8,596,476 | 5,621,054 | 8,596,476 |
| Financial investments at fair value through other comprehensive income | 10(i) | 25,861,115 | 26,874,912 | 39,432,006 | 46,556,132 |
| Financial investments at amortised cost | 11(v) | 5,997,765 | 2,601,320 | 1,901,752 | 2,000,235 |
| | | 32,831,691 | 38,072,708 | 46,954,812 | 57,152,843 |

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8. FINANCIAL ASSETS DESIGNATED UPON INITIAL RECOGNITION AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

| | Group | | Bank | |
|--|-------------------|-------------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At fair value | | | | |
| Money market instruments: | | | | |
| Malaysian Government Securities | 206,439 | 468,209 | – | – |
| Malaysian Government Investment Issues | 789,579 | 625,884 | – | – |
| | 996,018 | 1,094,093 | – | – |
| Quoted securities: | | | | |
| Outside Malaysia: | | | | |
| Shares, warrants and loan stocks | 28,240 | 18,681 | – | – |
| | 28,240 | 18,681 | – | – |
| Unquoted securities: | | | | |
| In Malaysia: | | | | |
| Corporate Bonds and Sukuk | 11,764,353 | 12,140,994 | – | – |
| Outside Malaysia: | | | | |
| Corporate Bonds and Sukuk | 144,723 | 125,021 | – | – |
| | 11,909,076 | 12,266,015 | – | – |
| Total financial assets designated upon initial recognition at FVTPL | 12,933,334 | 13,378,789 | – | – |

9. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At fair value | | | | |
| Money market instruments: | | | | |
| Malaysian Government Securities | 2,119,895 | 5,405,233 | 2,068,329 | 5,351,438 |
| Malaysian Government Investment Issues | 1,121,097 | 2,001,611 | 862,818 | 1,449,436 |
| Cagamas Bonds | 190,507 | 541,463 | – | 511,453 |
| Negotiable instruments of deposits | – | 69,421 | – | 69,421 |
| Foreign Government Securities | 4,835,108 | 3,954,819 | 4,295,768 | 3,569,035 |
| Malaysian Government Treasury Bills | 2,998,405 | 2,319,432 | 2,024,515 | 2,319,432 |
| Bank Negara Malaysia Bills and Notes | 240,989 | 2,489,316 | 240,989 | 1,776,025 |
| | 11,506,001 | 16,781,295 | 9,492,419 | 15,046,240 |



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9. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL") (CONT'D.)

| | Group | | Bank | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At fair value (cont'd.) | | | | |
| Quoted securities: | | | | |
| In Malaysia: | | | | |
| Shares, warrants and loan stocks | 4,509,761 | 2,672,515 | 511,108 | – |
| Unit trusts | 365,387 | 355,016 | 308,271 | 251,960 |
| Outside Malaysia: | | | | |
| Shares, warrants, mutual funds and loan stocks | 5,938,176 | 3,414,933 | 1,161,688 | 52,120 |
| Unit trusts | 1,960,320 | 1,660,089 | 315,382 | 308,358 |
| Corporate Bonds and Sukuk | 1,620,425 | 2,047,106 | – | – |
| Government Bonds | 206,435 | 732,563 | – | – |
| Government Treasury Bills | 34,481 | 17,400 | – | – |
| | 14,634,985 | 10,899,622 | 2,296,449 | 612,438 |
| Unquoted securities: | | | | |
| In Malaysia: | | | | |
| Shares | 1,028,571 | 944,476 | 782,270 | 733,325 |
| Unit trusts | 1,141,987 | 298,063 | – | – |
| Corporate Bonds and Sukuk | 939,397 | 1,697,639 | 101,691 | 805,919 |
| Structured deposits | 348,369 | 338,217 | – | – |
| Outside Malaysia: | | | | |
| Shares | 16,108 | 228,461 | 1,070 | – |
| Unit trusts | 100,725 | – | – | – |
| Mutual funds | 509,503 | 172,378 | – | – |
| Corporate Bonds and Sukuk | 834,287 | 1,068,532 | 516,017 | 1,017,931 |
| Government Bonds | 2,214,607 | 3,541,517 | 2,214,607 | 3,541,517 |
| | 7,133,554 | 8,289,283 | 3,615,655 | 6,098,692 |
| Total financial investments at FVTPL | 33,274,540 | 35,970,200 | 15,404,523 | 21,757,370 |

Included in financial investments at fair value through profit or loss are financial assets sold under repurchase agreements as follows:

| | Group | | Bank | |
|-----------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Foreign Government Securities | 972,811 | 8,076,552 | 5,129,896 | 8,076,552 |
| Foreign Government Treasury Bills | – | 519,924 | 491,158 | 519,924 |
| Total (Note 7(ii)) | 972,811 | 8,596,476 | 5,621,054 | 8,596,476 |

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10. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVOCI”)

| | Group | | Bank | |
|--|--------------------|----------------|-------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At fair value | | | | |
| Money market instruments: | | | | |
| Malaysian Government Securities | 14,199,670 | 18,809,979 | 13,871,078 | 18,436,336 |
| Malaysian Government Investment Issues | 24,706,315 | 29,692,062 | 9,160,311 | 12,358,476 |
| Negotiable instruments of deposits | 817,566 | 201,101 | 650,785 | 200,235 |
| Foreign Government Securities | 11,155,645 | 10,626,667 | 1,075,363 | 2,407,191 |
| Foreign Government Treasury Bills | 13,280,499 | 12,660,065 | 6,343,127 | 6,311,237 |
| Khazanah Bonds | - | 73,615 | - | 73,615 |
| Cagamas Bonds | 685,993 | 749,857 | 685,993 | 749,857 |
| Bank Negara Malaysia Monetary Notes | - | 584,212 | - | - |
| | 64,845,688 | 73,397,558 | 31,786,657 | 40,536,947 |
| Quoted securities: | | | | |
| In Malaysia: | | | | |
| Shares, warrants and loan stocks | 469,843 | 390,574 | 447 | 340 |
| Outside Malaysia: | | | | |
| Corporate Bonds and Sukuk | 4,294,516 | 4,399,518 | - | - |
| Government Bonds | 1,945,447 | 2,209,428 | - | - |
| | 6,709,806 | 6,999,520 | 447 | 340 |
| Unquoted securities: | | | | |
| In Malaysia: | | | | |
| Shares and loan stocks | 373,131 | 364,956 | 357,023 | 351,603 |
| Government Bonds | 775,021 | 1,247,216 | 775,021 | 1,109,549 |
| Corporate Bonds and Sukuk | 33,290,467 | 35,975,696 | 16,018,343 | 18,714,681 |
| Outside Malaysia: | | | | |
| Shares | 4,405 | 4,034 | - | - |
| Mutual funds | 2,920 | - | - | - |
| Government Bonds | 10,450,105 | 6,739,684 | 9,817,468 | 6,571,006 |
| Corporate Bonds and Sukuk | 11,725,861 | 7,453,471 | 10,172,244 | 6,014,918 |
| | 56,621,910 | 51,785,057 | 37,140,099 | 32,761,757 |
| Total financial investments at FVOCI* | 128,177,404 | 132,182,135 | 68,927,203 | 73,299,044 |

* Includes MFRS 9 reclassification that resulted in a net decrease of RM1,564.2 million for the Group (2023: RM5,919.2 million) and RM1,564.2 million for the Bank (2023: RM11,588.8 million), respectively arising from implementation of Group Investment Management Framework (“GIMF”) in stages as disclosed in Note 53(a).



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10. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (CONT'D.)

- (i) Included in financial investments at fair value through other comprehensive income are financial assets sold under repurchase agreements as follows:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Malaysian Government Securities | 11,131,266 | 13,602,292 | 11,131,266 | 13,602,292 |
| Malaysian Government Investment Issues | 9,928,081 | 10,562,712 | 9,928,081 | 10,562,712 |
| Corporate Bonds and Sukuk | – | 2,065,778 | 1,435,096 | 8,726,088 |
| Foreign Corporate Bonds and Sukuk | 3,072,021 | 644,130 | 5,813,529 | 3,172,320 |
| Foreign Government Treasury Bills | – | – | 2,053,071 | 660,436 |
| Foreign Government Bonds | 1,497,235 | – | 1,497,235 | 149,958 |
| Foreign Government Securities | 213,957 | – | 7,573,728 | 9,682,326 |
| Total (Note 7(ii)) | 25,861,115 | 26,874,912 | 39,432,006 | 46,556,132 |

- (ii) The maturity profile of money market instruments are as follows:

| | Group | | Bank | |
|---------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Within one year | 20,204,597 | 18,932,799 | 7,905,187 | 8,522,000 |
| One year to three years | 2,712,736 | 3,129,725 | 1,012,548 | 1,485,816 |
| Three years to five years | 7,462,498 | 4,613,652 | 2,660,250 | 2,414,996 |
| After five years | 34,465,857 | 46,721,382 | 20,208,672 | 28,114,135 |
| | 64,845,688 | 73,397,558 | 31,786,657 | 40,536,947 |

- (iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at fair value through other comprehensive income are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financial investments at fair value through other comprehensive income for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The Group's and Bank's overall gross carrying amount decreased as a result of derecognition of financial assets which correspondingly decreased the ECL allowances. The decrease in the ECL was due to derecognition of financial assets for Stage 1, 2 and Stage 3 which correspondingly decreased ECL allowances of RM149.4 million.

| | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| Group | | | | |
| At 1 January 2024 | 31,392 | 6,303 | 137,718 | 175,413 |
| Transferred to Stage 1 | 22 | (22) | – | – |
| Transferred to Stage 2 | (3) | 3 | – | – |
| Net remeasurement of allowances | 17,106 | 1,239 | 1,247 | 19,592 |
| New financial assets originated or purchased | 17,398 | 466 | – | 17,864 |
| Financial assets derecognised | (10,289) | (127) | (138,965) | (149,381) |
| Changes in models/risk parameters | (170) | – | – | (170) |
| Exchange differences | (455) | – | – | (455) |
| At 31 December 2024 | 55,001 | 7,862 | – | 62,863 |

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10. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (“FVOCI”) (CONT'D.)

- (iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at fair value through other comprehensive income are as follows (cont'd.):

As at 31 December 2024 (cont'd.)

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Bank | | | | |
| At 1 January 2024 | 10,938 | 4,436 | 138,965 | 154,339 |
| Net remeasurement of allowances | 684 | 1,790 | – | 2,474 |
| New financial assets originated or purchased | 4,994 | – | – | 4,994 |
| Financial assets derecognised | (3,971) | (5) | (138,965) | (142,941) |
| Changes in models/risk parameters | (19) | – | – | (19) |
| Exchange differences | (138) | – | – | (138) |
| At 31 December 2024 | 12,488 | 6,221 | – | 18,709 |

As at 31 December 2023

Changes in the gross carrying amount of financial investments at fair value through other comprehensive income for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The overall increase in the gross carrying amount of Government related investments for the Group and the Bank have no impact to ECL allowances; and
- The amount related to insurance contract/takaful certificate liabilities contributed by Foreign Corporate Bonds of RM118.6 million.

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2023 | 29,462 | 8,344 | 149,600 | 187,406 |
| Transferred to Stage 1 | 1,924 | (1,924) | – | – |
| Net remeasurement of allowances | 92 | 95 | (89,399) | (89,212) |
| New financial assets originated or purchased | 13,212 | – | – | 13,212 |
| Financial assets derecognised | (13,088) | (1,543) | (39,741) | (54,372) |
| Changes in models/risk parameters | (2,313) | 1,331 | – | (982) |
| Amount related to insurance contract/takaful certificate liabilities | – | – | 118,617 | 118,617 |
| Amount written off | – | – | (1,359) | (1,359) |
| Exchange differences | 2,103 | – | – | 2,103 |
| At 31 December 2023 | 31,392 | 6,303 | 137,718 | 175,413 |
| Bank | | | | |
| At 1 January 2023 | 16,928 | 3,210 | 139,919 | 160,057 |
| Net remeasurement of allowances | (157) | – | (954) | (1,111) |
| New financial assets originated or purchased | 4,786 | – | – | 4,786 |
| Financial assets derecognised | (9,798) | (105) | – | (9,903) |
| Changes in models/risk parameters | (1,171) | 1,331 | – | 160 |
| Exchange differences | 350 | – | – | 350 |
| At 31 December 2023 | 10,938 | 4,436 | 138,965 | 154,339 |

The contractual outstanding amount on financial investments at FVOCI that was written off during the financial year, and is still subject to recovery activities is nil (2023: nil) for the Group and nil (2023: nil) for the Bank.



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10. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (CONT'D.)

(iv) Equity instruments at fair value through other comprehensive income are as follows:

| | Group | | Bank | |
|-----------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Quoted Securities: | | | | |
| In Malaysia | 469,843 | 390,574 | 447 | 340 |
| | 469,843 | 390,574 | 447 | 340 |
| Unquoted Securities: | | | | |
| In Malaysia | 373,131 | 364,956 | 357,023 | 351,603 |
| Outside Malaysia | 4,405 | 4,034 | - | - |
| | 377,536 | 368,990 | 357,023 | 351,603 |
| | 847,379 | 759,564 | 357,470 | 351,943 |

The Group and the Bank have elected to recognise these equity investments at fair value through other comprehensive income, these investments are held as long term strategic investments that are not expected to be sold in the short term to medium term. Gains or losses on the derecognition of these equity investments are not transferred to profit or loss.

During the financial year ended 31 December 2024, the Group and the Bank disposed equity investments from the financial investments at FVOCI and recorded gain on disposal of RM0.5 million (2023: loss of RM5.7 million) and negligible loss on disposal (2023: gain of RM7.5 million), respectively.

11. FINANCIAL INVESTMENTS AT AMORTISED COST

| | Note | Group | | Bank | |
|---|-------|----------------|----------------|----------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Money market instruments: | | | | | |
| Malaysian Government Securities | | 9,200,606 | 9,240,445 | 9,200,506 | 9,240,344 |
| Malaysian Government Investment Issues | | 14,773,870 | 14,493,705 | 5,507,742 | 5,233,632 |
| Foreign Government Securities | | 15,878,979 | 16,768,560 | 9,253,064 | 8,946,525 |
| Khazanah Bonds | | 71,950 | 630,931 | 71,950 | 68,921 |
| Cagamas Bonds | | 35,588 | 136,805 | 35,588 | 136,805 |
| | | 39,960,993 | 41,270,446 | 24,068,850 | 23,626,227 |
| Unquoted securities: | | | | | |
| In Malaysia: | | | | | |
| Corporate Bonds and Sukuk | | 20,882,450 | 24,785,943 | 22,049,832 | 23,273,917 |
| Government Bonds | | 194,877 | 200,404 | 194,877 | 200,404 |
| Outside Malaysia: | | | | | |
| Corporate Bonds and Sukuk | | 5,503,289 | 5,663,081 | 5,648,255 | 6,191,246 |
| Government Bonds | | 13,967,020 | 13,666,390 | 12,749,768 | 12,478,409 |
| | | 40,547,636 | 44,315,818 | 40,642,732 | 42,143,976 |
| Allowances for impairment losses | (iii) | (1,131,137) | (1,201,866) | (30,275) | (31,611) |
| Total financial investments at amortised cost* | | 79,377,492 | 84,384,398 | 64,681,307 | 65,738,592 |

* Includes MFRS 9 reclassification that resulted in a net increase of RM1,700.7 million for the Group (2023: RM10,677.4 million) and RM1,700.7 million for the Bank (2023: RM15,410.2 million), respectively arising from implementation of GIMF in stages as disclosed in Note 53(a).

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11. FINANCIAL INVESTMENTS AT AMORTISED COST (CONT'D.)

(i) Indicative fair values of financial investments at amortised cost are as follows:

| | Group | | Bank | |
|--|-------------------|----------------|-------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Money market instruments: | | | | |
| Malaysian Government Securities | 9,012,373 | 8,997,199 | 9,012,271 | 8,997,096 |
| Malaysian Government Investment Issues | 14,401,908 | 14,003,959 | 5,363,998 | 5,049,204 |
| Foreign Government Securities | 15,224,656 | 16,553,263 | 9,021,830 | 8,595,450 |
| Khazanah Bonds | 73,941 | 631,316 | 73,941 | 70,634 |
| Cagamas Bonds | 35,622 | 136,719 | 35,622 | 136,719 |
| Foreign Government Treasury Bills | – | 45,948 | – | – |
| Unquoted securities: | | | | |
| Corporate Bonds and Sukuk in Malaysia | 19,886,302 | 23,382,426 | 21,915,217 | 23,078,003 |
| Government Bonds in Malaysia | 160,633 | 169,726 | 160,633 | 169,726 |
| Corporate Bonds and Sukuk outside Malaysia | 5,308,837 | 4,868,012 | 5,491,768 | 5,970,393 |
| Government Bonds outside Malaysia | 12,332,977 | 11,968,925 | 11,114,676 | 10,781,452 |

(ii) The maturity profile of money market instruments are as follows:

| | Group | | Bank | |
|---------------------------|-------------------|----------------|-------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Within one year | 3,328,220 | 2,330,763 | 1,804,084 | 300,153 |
| One year to three years | 9,292,571 | 9,195,891 | 5,521,302 | 5,209,822 |
| Three years to five years | 3,936,046 | 7,227,547 | 1,602,694 | 4,044,894 |
| After five years | 21,036,483 | 22,516,245 | 12,773,097 | 14,071,358 |
| | 37,593,320 | 41,270,446 | 21,701,177 | 23,626,227 |

(iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at amortised cost are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financial investments at amortised cost for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The increase in the ECL for Stage 2 was due to deterioration in credit risk which correspondingly increased the net remeasurement of allowances for the Group; and
- The write-off of investments with a gross carrying amount of RM139.8 million for the Group resulted in the reduction of Stage 3 ECL.



Notes to the Financial Statements

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11. FINANCIAL INVESTMENTS AT AMORTISED COST (CONT'D.)

- (iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at amortised cost are as follows (cont'd.):

As at 31 December 2024 (cont'd.)

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2024 | 68,754 | 73 | 1,133,039 | 1,201,866 |
| Transferred to Stage 2 | (1,504) | 1,504 | – | – |
| Net remeasurement of allowances | (20,072) | 14,385 | 87,696 | 82,009 |
| New financial assets originated or purchased | 8,468 | – | – | 8,468 |
| Financial assets derecognised | (12,142) | – | – | (12,142) |
| Changes in models/risk parameters | (8,593) | – | – | (8,593) |
| Amount written-off | – | – | (139,785) | (139,785) |
| Exchange differences | (686) | – | – | (686) |
| At 31 December 2024 | 34,225 | 15,962 | 1,080,950 | 1,131,137 |
| Bank | | | | |
| At 1 January 2024 | 31,611 | – | – | 31,611 |
| Transferred to Stage 2 | (219) | 219 | – | – |
| Net remeasurement of allowances | 410 | 10,285 | – | 10,695 |
| New financial assets originated or purchased | 7,159 | – | – | 7,159 |
| Financial assets derecognised | (9,901) | – | – | (9,901) |
| Changes in models/risk parameters | (8,593) | – | – | (8,593) |
| Exchange differences | (696) | – | – | (696) |
| At 31 December 2024 | 19,771 | 10,504 | – | 30,275 |

As at 31 December 2023

Changes in the gross carrying amount of financial investments at amortised cost for the Group and the Bank that contributed to changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The increase in the ECL for Stage 1 was due to the increase in the gross carrying amount of Foreign Government Securities for the Group and the Bank;
- The decrease in the ECL for Stage 3 was due to improvement in credit quality which correspondingly decrease the net remeasurement of allowances for the Group; and
- The write-off of investments with a gross carrying amount of RM247.5 million for the Group resulted in the reduction of Stage 3 ECL.

Notes to the Financial Statements

31 December 2024

11. FINANCIAL INVESTMENTS AT AMORTISED COST (CONT'D.)

- (iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at amortised cost are as follows (cont'd.):

As at 31 December 2023 (cont'd.)

| | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| Group | | | | |
| At 1 January 2023 | 60,775 | 3,801 | 1,433,684 | 1,498,260 |
| Transferred to Stage 3 | - | (850) | 850 | - |
| Net remeasurement of allowances | 3,388 | - | (54,004) | (50,616) |
| New financial assets originated or purchased | 19,807 | - | - | 19,807 |
| Financial assets derecognised | (10,963) | (2,878) | - | (13,841) |
| Changes in models/risk parameters | (4,559) | - | - | (4,559) |
| Amount written-off | - | - | (247,491) | (247,491) |
| Exchange differences | 306 | - | - | 306 |
| At 31 December 2023 | 68,754 | 73 | 1,133,039 | 1,201,866 |
| Bank | | | | |
| At 1 January 2023 | 19,271 | - | - | 19,271 |
| Net remeasurement of allowances | 600 | - | - | 600 |
| New financial assets originated or purchased | 18,862 | - | - | 18,862 |
| Financial assets derecognised | (4,853) | - | - | (4,853) |
| Changes in models/risk parameters | (2,231) | - | - | (2,231) |
| Exchange differences | (38) | - | - | (38) |
| At 31 December 2023 | 31,611 | - | - | 31,611 |

- (iv) Included in financial investments at amortised cost are financial assets sold under repurchase agreements as follows:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Malaysian Government Securities | 1,768,381 | 1,408,779 | 1,768,381 | 1,408,779 |
| Malaysian Government Investment Issues | - | 318,179 | - | 318,179 |
| Foreign Corporate Bonds and Sukuk | 34,027 | 181,284 | 34,027 | 181,284 |
| Foreign Government Bonds | 4,195,357 | 678,178 | 99,344 | 91,993 |
| Foreign Government Securities | - | 14,900 | - | - |
| Total (Note 7(ii)) | 5,997,765 | 2,601,320 | 1,901,752 | 2,000,235 |



Notes to the Financial Statements

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12. LOANS, ADVANCES AND FINANCING

| | Note | Group | | Bank | |
|---|------|--------------------|----------------|--------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Loans, advances and financing to financial institutions | (i) | 2,033,225 | 1,499,258 | 48,321,215 | 43,303,631 |
| Loans, advances and financing to customers | (ii) | 662,740,860 | 628,922,780 | 233,474,014 | 235,022,856 |
| Net loans, advances and financing | | 664,774,085 | 630,422,038 | 281,795,229 | 278,326,487 |

(i) Loans, advances and financing to financial institutions[^]:

| | Group | | Bank | |
|---|------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| (A) Loans, advances and financing to financial institutions at FVOCI | 147,161 | 132,174 | 453,603 | 352,956 |
| (B) Loans, advances and financing to financial institutions at amortised cost | 1,891,093 | 1,372,207 | 49,356,628 | 44,342,852 |
| Gross loans, advances and financing to financial institutions | 2,038,254 | 1,504,381 | 49,810,231 | 44,695,808 |
| Allowances for loans, advances and financing: | | | | |
| – Stage 1 – 12-month ECL | (4,959) | (5,028) | (58,889) | (50,031) |
| – Stage 2 – Lifetime ECL not credit impaired | (70) | (95) | (17,714) | (25,895) |
| – Stage 3 – Lifetime ECL credit impaired | – | – | (1,412,413) | (1,316,251) |
| Net loans, advances and financing to financial institutions | 2,033,225 | 1,499,258 | 48,321,215 | 43,303,631 |

[^] Included in the Bank's loans, advances and financing to financial institutions is financing granted to Maybank Islamic Berhad ("MIB"), a subsidiary of the Bank, under a government financing scheme as part of the government support measures in response to COVID-19 pandemic for the purpose of SME lending amounting to RM1,066.6 million (2023: RM1,034.6 million), and under the Restricted Profit-Sharing Investment Account ("RPSIA") amounting to RM47,436.0 million net of expected credit losses (2023: RM42,262.4 million). The RPSIA is a contract based on the Mudharabah principle between two parties to finance a financing where the Bank acts as the investor who solely provides capital to MIB whereas the business venture is managed solely by MIB as an entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratios. Losses, if any, are borne by the Bank.

(ii) Loans, advances and financing to customers:

| | Group | | Bank | |
|--|---|-----------------------------|--|--------------------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| (A) Loans, advances and financing to customers at FVOCI | 31,869,625 | 34,842,043 | 34,208,448 | 34,958,823 |
| (B) Loans, advances and financing to customers at amortised cost | 718,550,527 | 682,843,947 | 204,379,508 | 205,706,643 |
| Unearned interest and income | 750,420,152 (77,489,434) | 717,685,990 (78,440,090) | 238,587,956 (1,256,608) | 240,665,466 (917,416) |
| Gross loans, advances and financing to customers | 672,930,718 | 639,245,900 | 237,331,348 | 239,748,050 |
| Allowances for loans, advances and financing: | | | | |
| – Stage 1 – 12-month ECL | (1,869,401) | (2,013,466) | (843,618) | (858,429) |
| – Stage 2 – Lifetime ECL not credit impaired | (3,448,382) | (3,286,344) | (982,225) | (1,175,253) |
| – Stage 3 – Lifetime ECL credit impaired | (4,872,075) | (5,023,310) | (2,031,491) | (2,691,512) |
| Net loans, advances and financing to customers | 662,740,860 | 628,922,780 | 233,474,014 | 235,022,856 |
| Net loans, advances and financing | 664,774,085 | 630,422,038 | 281,795,229 | 278,326,487 |

Notes to the Financial Statements

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12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(iii) Loans, advances and financing to financial institutions and customers:

| | Group | | Bank | |
|--|---------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Loans/financing to financial institutions (Note 12(i)) | 2,038,254 | 1,504,381 | 49,810,231 | 44,695,808 |
| Overdrafts/cashline | 19,516,204 | 19,086,958 | 5,900,988 | 6,142,133 |
| Term loans/financing: | | | | |
| – Housing loans/financing | 224,224,025 | 204,566,719 | 47,520,672 | 46,599,582 |
| – Syndicated loans/financing | 57,512,642 | 56,586,238 | 50,606,905 | 50,071,390 |
| – Hire purchase receivables* | 99,457,138 | 93,278,871 | 11,982,725 | 10,051,872 |
| – Lease receivables | 3,692,891 | 3,048,741 | – | – |
| – Other loans/financing | 239,505,652 | 224,604,083 | 65,909,321 | 63,247,517 |
| Credit card receivables | 12,875,607 | 12,216,174 | 8,125,452 | 7,846,099 |
| Bills receivables | 8,270,372 | 8,939,669 | 7,414,874 | 8,465,842 |
| Trust receipts | 2,815,248 | 2,897,149 | 2,148,977 | 2,179,805 |
| Claims on customers under acceptance credits | 13,618,365 | 13,866,982 | 5,256,336 | 5,845,369 |
| Revolving credits | 56,251,780 | 66,883,953 | 30,372,238 | 37,151,752 |
| Share margin financing | 8,029,684 | 7,398,340 | 2,843,317 | 2,535,980 |
| Staff loans/financing | 4,581,552 | 4,250,060 | 505,214 | 527,204 |
| Loans/financing to: | | | | |
| – Directors of the Bank | 2,586 | 1,426 | 850 | 757 |
| – Directors of subsidiaries | 5,624 | 6,419 | 77 | 158 |
| Others | 60,782 | 54,208 | 10 | 6 |
| | 752,458,406 | 719,190,371 | 288,398,187 | 285,361,274 |
| Unearned interest and income | (77,489,434) | (78,440,090) | (1,256,608) | (917,416) |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |
| Allowances for loans, advances and financing: | | | | |
| – Stage 1 – 12-month ECL | (1,874,360) | (2,018,494) | (902,507) | (908,460) |
| – Stage 2 – Lifetime ECL not credit impaired | (3,448,452) | (3,286,439) | (999,939) | (1,201,148) |
| – Stage 3 – Lifetime ECL credit impaired | (4,872,075) | (5,023,310) | (3,443,904) | (4,007,763) |
| Net loans, advances and financing | 664,774,085 | 630,422,038 | 281,795,229 | 278,326,487 |

* The hire purchase receivables of a subsidiary of RM735,366,000 (2023: RM1,068,491,000) are pledged as collateral to a secured borrowing as disclosed in Note 29(a).

(iv) Loans, advances and financing analysed by type of customers are as follows:

| | Group | | Bank | |
|---|--------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Domestic banking institutions | 1,890,404 | 1,936,376 | 51,666,348 | 44,895,540 |
| Domestic non-banking financial institutions | 26,548,746 | 28,438,368 | 14,647,001 | 21,697,893 |
| Domestic business enterprises: | | | | |
| – Small and medium enterprises | 103,420,343 | 95,692,357 | 32,471,288 | 31,802,434 |
| – Others | 123,876,062 | 119,948,579 | 75,034,054 | 71,021,372 |
| Government and statutory bodies | 20,355,302 | 18,668,275 | 41,893 | 47,854 |
| Individuals | 336,303,146 | 311,404,258 | 66,292,626 | 65,459,149 |
| Other domestic entities | 17,249,847 | 16,580,453 | 6,218,446 | 5,168,962 |
| Foreign entities | 45,325,122 | 48,081,615 | 40,769,923 | 44,350,654 |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |



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12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(v) Loans, advances and financing analysed by geographical locations are as follows:

| | Group | | Bank | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Malaysia | 420,317,046 | 387,070,037 | 177,886,638 | 168,713,780 |
| Singapore | 171,983,295 | 167,118,630 | 76,930,359 | 78,023,289 |
| Indonesia | 36,721,381 | 35,809,516 | – | – |
| Labuan Offshore | 9,872,585 | 11,312,953 | 9,872,127 | 11,312,490 |
| Hong Kong SAR | 12,571,030 | 17,169,558 | 12,162,503 | 16,935,600 |
| United States of America | 688,494 | 401,172 | 688,494 | 401,172 |
| People's Republic of China | 6,368,957 | 6,323,762 | 6,368,957 | 6,323,762 |
| Vietnam | 1,872,941 | 1,709,873 | 1,076,016 | 899,830 |
| United Kingdom | 1,686,067 | 1,315,898 | 1,686,064 | 1,315,898 |
| Brunei | 420,645 | 476,830 | 420,645 | 476,830 |
| Cambodia | 5,466,654 | 5,382,759 | – | – |
| Philippines | 5,005,529 | 4,678,247 | – | – |
| Thailand | 1,944,572 | 1,939,839 | – | – |
| Laos | 16,076 | 19,133 | 16,076 | 19,133 |
| Myanmar | 33,700 | 22,074 | 33,700 | 22,074 |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |

(vi) Loans, advances and financing analysed by interest/profit rate sensitivity are as follows:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Fixed rate: | | | | |
| – Housing loans/financing | 43,209,791 | 28,152,220 | 314,358 | 345,189 |
| – Hire purchase receivables | 75,327,647 | 68,998,472 | 9,662,124 | 8,230,306 |
| – Other fixed rate loans/financing | 77,714,455 | 78,044,012 | 76,198,655 | 70,873,544 |
| | 196,251,893 | 175,194,704 | 86,175,137 | 79,449,039 |
| Variable rate: | | | | |
| – Base lending/financing rate/base rate plus | 266,261,433 | 236,863,933 | 77,494,856 | 76,517,396 |
| – Cost plus | 32,528,955 | 38,582,121 | 11,308,557 | 17,502,736 |
| – Other variable rates | 179,926,691 | 190,109,523 | 112,163,029 | 110,974,687 |
| | 478,717,079 | 465,555,577 | 200,966,442 | 204,994,819 |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |

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12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(vii) Loans, advances and financing analysed by economic purpose are as follows:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Purchase of securities | 33,724,590 | 35,622,067 | 6,662,353 | 6,931,578 |
| Purchase of transport vehicles | 87,678,483 | 82,872,161 | 9,034,268 | 7,498,923 |
| Purchase of landed properties: | | | | |
| – Residential | 203,613,003 | 180,220,553 | 50,305,403 | 47,158,664 |
| – Non-residential | 51,883,255 | 45,488,021 | 16,911,820 | 14,781,507 |
| Purchase of fixed assets (excluding landed properties) | 2,853,631 | 3,174,980 | 1,577,953 | 1,985,747 |
| Personal use | 13,224,084 | 9,551,966 | 3,219,500 | 3,297,102 |
| Credit card | 12,937,078 | 12,305,245 | 8,123,222 | 7,853,489 |
| Purchase of consumer durables | 2,826 | 2,880 | 1,716 | 2,296 |
| Constructions | 14,940,052 | 15,332,454 | 8,269,601 | 8,198,816 |
| Mergers and acquisitions | 3,110,519 | 3,806,916 | 2,925,627 | 3,375,707 |
| Working capital | 199,812,931 | 204,515,329 | 139,071,606 | 144,112,471 |
| Others | 51,188,520 | 47,857,709 | 41,038,510 | 39,247,558 |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |

(viii) The maturity profile of loans, advances and financing are as follows:

| | Group | | Bank | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Within one year | 132,096,115 | 150,427,836 | 75,000,228 | 88,494,729 |
| One year to three years | 89,047,889 | 71,513,116 | 63,361,552 | 51,543,347 |
| Three years to five years | 90,471,651 | 78,540,208 | 58,980,445 | 45,669,527 |
| After five years | 363,353,317 | 340,269,121 | 89,799,354 | 98,736,255 |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |

(ix) Movements in impaired loans, advances and financing (“impaired loans”) are as follows:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 8,600,425 | 9,204,859 | 6,447,445 | 8,205,103 |
| Impaired during the financial year | 4,248,528 | 4,594,744 | 1,153,264 | 1,526,746 |
| Reclassified as non-impaired | (450,019) | (408,463) | (151,202) | (193,962) |
| Amount recovered | (1,399,236) | (965,745) | (420,009) | (357,461) |
| Amount written off | (2,482,735) | (4,169,692) | (1,385,891) | (2,864,849) |
| Exchange differences | (191,204) | 344,722 | (24,147) | 131,868 |
| Gross impaired loans at 31 December | 8,325,759 | 8,600,425 | 5,619,460 | 6,447,445 |
| Less: Stage 3 - Lifetime ECL credit impaired | (5,094,481) | (5,246,751) | (3,666,310) | (4,231,204) |
| Net impaired loans at 31 December | 3,231,278 | 3,353,674 | 1,953,150 | 2,216,241 |



Notes to the Financial Statements

31 December 2024

12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(ix) Movements in impaired loans, advances and financing ("impaired loans") are as follows (cont'd.):

| | Group | | Bank | |
|---|---------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Calculation of ratio of net impaired loans: | | | | |
| Gross impaired loans at 31 December (excluding financing funded by Investment Account*) | 8,325,759 | 8,473,279 | 5,619,460 | 6,447,445 |
| Less: Stage 3 – Lifetime ECL credit impaired | (5,094,481) | (5,246,751) | (3,666,310) | (4,231,204) |
| Net impaired loans | 3,231,278 | 3,226,528 | 1,953,150 | 2,216,241 |
| Gross loans, advances and financing | 674,968,972 | 640,750,281 | 287,141,579 | 284,443,858 |
| Less: Funded by Investment Accounts* | (28,981,847) | (26,475,396) | – | – |
| Less: Allowances for loans, advances and financing at FVOCI and at amortised cost | (10,567,101) | (10,741,188) | (5,693,302) | (6,511,469) |
| Net loans, advances and financing | 635,420,024 | 603,533,697 | 281,448,277 | 277,932,389 |
| Ratio of net impaired loans | 0.51% | 0.53% | 0.69% | 0.80% |

* In the book of Maybank Islamic Berhad, a wholly-owned subsidiary of the Bank, the unrestricted investment accounts (net of intercompany balances) was RM28,981.8 million (2023: RM26,475.4 million).

(x) Impaired loans, advances and financing by economic purpose are as follows:

| | Group | | Bank | |
|--|------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Purchase of securities | 95,648 | 104,353 | 2,121 | 29,641 |
| Purchase of transport vehicles | 548,419 | 419,866 | 77,585 | 75,051 |
| Purchase of landed properties: | | | | |
| – Residential | 1,216,436 | 1,108,275 | 348,471 | 435,907 |
| – Non-residential | 907,651 | 780,449 | 237,096 | 213,098 |
| Purchase of fixed assets (excluding landed properties) | 119,524 | 144,698 | 65,816 | 70,278 |
| Personal use | 424,282 | 492,184 | 48,952 | 61,769 |
| Credit card | 77,577 | 88,498 | 37,911 | 50,626 |
| Purchase of consumer durables | 1,591 | 756 | 21 | 755 |
| Constructions | 396,335 | 655,059 | 123,812 | 192,168 |
| Working capital | 4,090,561 | 4,356,969 | 4,371,388 | 4,946,284 |
| Others | 447,735 | 449,318 | 306,287 | 371,868 |
| Gross impaired loans, advances and financing | 8,325,759 | 8,600,425 | 5,619,460 | 6,447,445 |

Notes to the Financial Statements

31 December 2024

12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(xi) Impaired loans, advances and financing by geographical distribution are as follows:

| | Group | | Bank | |
|--|------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Malaysia | 4,674,768 | 4,708,598 | 4,722,034 | 5,172,202 |
| Singapore | 740,179 | 1,342,265 | 37,157 | 603,677 |
| Indonesia | 1,419,763 | 1,376,549 | – | – |
| Labuan Offshore | 724,514 | 327,803 | 724,514 | 327,803 |
| Hong Kong SAR | 727 | 108,703 | 716 | 108,703 |
| People's Republic of China | 103,932 | 181,183 | 103,932 | 181,183 |
| Vietnam | 16,981 | 35,628 | 15,673 | 34,276 |
| Brunei | 12,319 | 15,088 | 12,319 | 15,088 |
| Cambodia | 355,393 | 221,331 | – | – |
| Philippines | 241,188 | 242,320 | – | – |
| Thailand | 32,880 | 36,444 | – | – |
| Laos | 518 | 735 | 518 | 735 |
| Myanmar | 2,597 | 3,778 | 2,597 | 3,778 |
| Gross impaired loans, advances and financing | 8,325,759 | 8,600,425 | 5,619,460 | 6,447,445 |

(xii) Analysis of changes in gross carrying amount and the corresponding allowances for loans, advances and financing are as follows:

As at 31 December 2024

Changes in the gross carrying amount of loans, advances and financing carried at fair value through other comprehensive income and amortised cost for the Group and the Bank that contributed to the changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- Gross carrying amount grew primarily from retail housing loans/financing and hire purchase receivables by 10% and 7%, respectively while other term loans grew by 7% mainly from non-retail customers/borrowers;
- The ECL for Stage 1 (12-month ECL) and Stage 2 (lifetime ECL not credit impaired) decreased by RM21.8 million. The decrease is mainly due to migration of customers/borrowers as a result of the Bank's active credit risk management, offset with higher growth in loans, advances and financing; and
- The ECL for Stage 3 (lifetime ECL credit impaired) decreased by RM152.3 million primarily due to higher recoveries from gross impaired loans, advances and financing, further supplemented by write-off during the year, which remained under active recovery efforts, for the Group and the Bank amounting to RM2,482.7 million (2023: RM4,169.7 million) and RM1,385.9 million (2023: RM2,864.8 million), respectively.



Notes to the Financial Statements

31 December 2024

12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(xii) Analysis of changes in gross carrying amount and the corresponding allowances for loans, advances and financing are as follows (cont'd.):

As at 31 December 2024 (cont'd.)

At fair value through other comprehensive income

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2024 | 161,078 | 28,426 | 223,441 | 412,945 |
| Net remeasurement of allowances | (25,246) | 20,190 | 28,951 | 23,895 |
| New financial assets originated or purchased | 36,472 | – | – | 36,472 |
| Financial assets derecognised | (58,126) | (7,190) | (27,329) | (92,645) |
| Exchange differences | (5,219) | (577) | (2,657) | (8,453) |
| At 31 December 2024 | 108,959 | 40,849 | 222,406 | 372,214 |
| Bank | | | | |
| At 1 January 2024 | 155,617 | 15,040 | 223,441 | 394,098 |
| Net remeasurement of allowances | (25,871) | 7,804 | 28,951 | 10,884 |
| New financial assets originated or purchased | 39,403 | – | – | 39,403 |
| Financial assets derecognised | (54,461) | (7,202) | (27,329) | (88,992) |
| Exchange differences | (5,220) | (564) | (2,657) | (8,441) |
| At 31 December 2024 | 109,468 | 15,078 | 222,406 | 346,952 |

At amortised cost

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2024 | 2,018,494 | 3,286,439 | 5,023,310 | 10,328,243 |
| Transferred to Stage 1 | 335,162 | (311,382) | (23,780) | – |
| Transferred to Stage 2 | (111,935) | 187,894 | (75,959) | – |
| Transferred to Stage 3 | (73,659) | (247,346) | 321,005 | – |
| Net remeasurement of allowances | (343,907) | 587,762 | 2,743,736 | 2,987,591 |
| New financial assets originated or purchased | 637,915 | 269,379 | – | 907,294 |
| Financial assets derecognised | (489,473) | (249,480) | (493,272) | (1,232,225) |
| Changes in models/risk parameters | (46,881) | (20,883) | 1,696 | (66,068) |
| Amount written off | – | – | (2,482,735) | (2,482,735) |
| Exchange differences | (51,356) | (53,931) | (141,926) | (247,213) |
| At 31 December 2024 | 1,874,360 | 3,448,452 | 4,872,075 | 10,194,887 |

Notes to the Financial Statements

31 December 2024

12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(xii) Analysis of changes in gross carrying amount and the corresponding allowances for loans, advances and financing are as follows (cont'd.):

As at 31 December 2024 (cont'd.)

At amortised cost (cont'd.)

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Bank | | | | |
| At 1 January 2024 | 908,460 | 1,201,148 | 4,007,763 | 6,117,371 |
| Transferred to Stage 1 | 92,883 | (78,158) | (14,725) | – |
| Transferred to Stage 2 | (23,553) | 55,513 | (31,960) | – |
| Transferred to Stage 3 | (43,771) | (118,114) | 161,885 | – |
| Net remeasurement of allowances | 26,420 | (79,685) | 1,098,245 | 1,044,980 |
| New financial assets originated or purchased | 245,741 | 94,585 | – | 340,326 |
| Financial assets derecognised | (264,532) | (62,031) | (349,048) | (675,611) |
| Changes in models/risk parameters | (22,123) | (1,273) | (29) | (23,425) |
| Amount written off | – | – | (1,385,891) | (1,385,891) |
| Exchange differences | (17,018) | (12,046) | (42,336) | (71,400) |
| At 31 December 2024 | 902,507 | 999,939 | 3,443,904 | 5,346,350 |

As at 31 December 2023

Changes in the gross carrying amount of loans, advances and financing carried at fair value through other comprehensive income and amortised cost for the Group and the Bank that contributed to the changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- Gross carrying amount grew primarily from retail hire purchase receivables and housing loans/financing by 12% and 6%, respectively while other term loans grew by 9% mainly from non-retail customers;
- The ECL for Stage 1 (12-month ECL) increased by RM57.3 million in tandem with higher growth in loans, advances and financing and accounts migrated into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement;
- The ECL for Stage 2 (lifetime ECL not credit impaired) decreased by RM44.4 million primarily due to loans, advances and financing reductions, accounts migrated to Stage 1 as a result of improved credit quality and offset by accounts migrated to Stage 3 due to deterioration in credit quality; and
- The ECL for Stage 3 (lifetime ECL credit impaired) decreased by RM1,343.5 million primarily due to significant loans, advances and financing written off during the year, which is still subject to recovery activity, for the Group and the Bank amounting to RM4,169.7 million (2022: RM3,078.8 million) and RM2,864.8 million (2022: RM2,131.0 million), respectively. This is offset by RM4,594.8 million of the Group's loans, advances and financing that were transferred into Stage 3 due to credit quality deterioration.



Notes to the Financial Statements

31 December 2024

12. LOANS, ADVANCES AND FINANCING (CONT'D.)

(xii) Analysis of changes in gross carrying amount and the corresponding allowances for loans, advances and financing are as follows (cont'd.):

As at 31 December 2023 (cont'd.)

At fair value through other comprehensive income

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2023 | 122,541 | 29,252 | 192,077 | 343,870 |
| Transferred to Stage 2 | (7,514) | 7,514 | – | – |
| Transferred to Stage 3 | – | (1,019) | 1,019 | – |
| Net remeasurement of allowances | (3,110) | (6,765) | 28,167 | 18,292 |
| New financial assets originated or purchased | 75,311 | – | – | 75,311 |
| Financial assets derecognised | (40,197) | (96) | – | (40,293) |
| Changes in models/risk parameters | 7,326 | (1,696) | – | 5,630 |
| Exchange differences | 6,721 | 1,236 | 2,178 | 10,135 |
| At 31 December 2023 | 161,078 | 28,426 | 223,441 | 412,945 |
| Bank | | | | |
| At 1 January 2023 | 115,273 | 29,251 | 192,077 | 336,601 |
| Transferred to Stage 2 | (4,328) | 4,328 | – | – |
| Transferred to Stage 3 | – | (1,019) | 1,019 | – |
| Net remeasurement of allowances | (3,109) | (16,968) | 28,167 | 8,090 |
| New financial assets originated or purchased | 73,484 | – | – | 73,484 |
| Financial assets derecognised | (38,861) | (96) | – | (38,957) |
| Changes in models/risk parameters | 6,453 | (1,696) | – | 4,757 |
| Exchange differences | 6,705 | 1,240 | 2,178 | 10,123 |
| At 31 December 2023 | 155,617 | 15,040 | 223,441 | 394,098 |

At amortised cost

| | Stage 1 | Stage 2 | Stage 3 | |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Group | | | | |
| At 1 January 2023 | 1,999,727 | 3,329,989 | 6,398,130 | 11,727,846 |
| Transferred to Stage 1 | 316,521 | (291,986) | (24,535) | – |
| Transferred to Stage 2 | (100,733) | 184,545 | (83,812) | – |
| Transferred to Stage 3 | (65,014) | (380,122) | 445,136 | – |
| Net remeasurement of allowances | 43,412 | 793,102 | 3,469,170 | 4,305,684 |
| New financial assets originated or purchased | 747,473 | 233,646 | – | 981,119 |
| Financial assets derecognised | (509,538) | (409,848) | (1,142,224) | (2,061,610) |
| Changes in models/risk parameters | (458,684) | (233,612) | (80,741) | (773,037) |
| Amount written off | – | – | (4,169,692) | (4,169,692) |
| Exchange differences | 45,330 | 60,725 | 211,878 | 317,933 |
| At 31 December 2023 | 2,018,494 | 3,286,439 | 5,023,310 | 10,328,243 |
| Bank | | | | |
| At 1 January 2023 | 902,556 | 1,345,087 | 5,698,380 | 7,946,023 |
| Transferred to Stage 1 | 114,169 | (110,974) | (3,195) | – |
| Transferred to Stage 2 | (32,801) | 93,029 | (60,228) | – |
| Transferred to Stage 3 | (11,852) | (232,430) | 244,282 | – |
| Net remeasurement of allowances | 111,104 | 260,222 | 1,883,292 | 2,254,618 |
| New financial assets originated or purchased | 301,715 | 56,246 | – | 357,961 |
| Financial assets derecognised | (263,463) | (95,321) | (976,847) | (1,335,631) |
| Changes in models/risk parameters | (213,451) | (137,867) | (54,018) | (405,336) |
| Amount written off | – | – | (2,864,849) | (2,864,849) |
| Exchange differences | 483 | 23,156 | 140,946 | 164,585 |
| At 31 December 2023 | 908,460 | 1,201,148 | 4,007,763 | 6,117,371 |

Notes to the Financial Statements

31 December 2024

13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING

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

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

| | Group | | | Bank | | |
|-------------------------------------|----------------------------|---------------------------|-----------------------|----------------------------|---------------------------|-----------------------|
| | Principal Amount RM'000 | <----- Fair Values -----> | | Principal Amount RM'000 | <----- Fair Values -----> | |
| | | Assets RM'000 | Liabilities RM'000 | | Assets RM'000 | Liabilities RM'000 |
| 2024 | | | | | | |
| Trading derivatives | | | | | | |
| Foreign exchange related contracts | | | | | | |
| Currency forwards: | | | | | | |
| – Less than one year | 71,521,377 | 761,477 | (901,440) | 48,116,738 | 589,566 | (482,479) |
| – One year to three years | 4,607,422 | 33,749 | (54,558) | 4,788,964 | 41,041 | (68,201) |
| – More than three years | 2,714,512 | 1,218 | (105,270) | 2,714,512 | 1,218 | (105,243) |
| | 78,843,311 | 796,444 | (1,061,268) | 55,620,214 | 631,825 | (655,923) |
| Currency swaps: | | | | | | |
| – Less than one year | 569,331,377 | 4,922,132 | (4,569,469) | 592,094,350 | 4,973,423 | (4,764,235) |
| – One year to three years | 1,247,882 | 77,472 | (62,796) | 1,247,882 | 77,472 | (62,796) |
| – More than three years | 929,048 | 10,364 | – | 929,048 | 10,364 | – |
| | 571,508,307 | 5,009,968 | (4,632,265) | 594,271,280 | 5,061,259 | (4,827,031) |
| Currency spots: | | | | | | |
| – Less than one year | 3,973,321 | 5,290 | (7,790) | 3,892,603 | 5,693 | (6,772) |
| Currency options: | | | | | | |
| – Less than one year | 3,359,218 | 16,503 | (12,286) | 3,326,546 | 19,594 | (16,002) |
| – One year to three years | 1,479,861 | 14,140 | (23,074) | 1,715,930 | 46,089 | (55,192) |
| | 4,839,079 | 30,643 | (35,360) | 5,042,476 | 65,683 | (71,194) |
| Cross currency interest rate swaps: | | | | | | |
| – Less than one year | 24,046,124 | 392,360 | (185,601) | 23,962,765 | 391,066 | (180,177) |
| – One year to three years | 34,164,337 | 543,459 | (613,725) | 36,156,313 | 609,048 | (688,291) |
| – More than three years | 16,546,045 | 586,577 | (378,941) | 16,448,253 | 541,570 | (374,732) |
| | 74,756,506 | 1,522,396 | (1,178,267) | 76,567,331 | 1,541,684 | (1,243,200) |
| Interest rate related contracts | | | | | | |
| Interest rate swaps: | | | | | | |
| – Less than one year | 1,220,805,397 | 1,725,048 | (1,665,181) | 1,220,894,777 | 1,727,273 | (1,668,704) |
| – One year to three years | 323,620,793 | 2,211,177 | (1,972,265) | 323,904,667 | 2,273,440 | (1,995,829) |
| – More than three years | 257,658,705 | 12,484,612 | (13,525,504) | 257,703,395 | 12,505,743 | (13,536,823) |
| | 1,802,084,895 | 16,420,837 | (17,162,950) | 1,802,502,839 | 16,506,456 | (17,201,356) |
| Interest rate futures: | | | | | | |
| – Less than one year | 17,319,610 | 186,726 | (173,785) | 17,319,610 | 186,726 | (173,785) |
| – One year to three years | 2,234,500 | – | (154) | 2,234,500 | – | (154) |
| | 19,554,110 | 186,726 | (173,939) | 19,554,110 | 186,726 | (173,939) |
| Interest rate options: | | | | | | |
| – One year to three years | 5,713,544 | 11,818 | (3,039) | 5,713,544 | 11,818 | (3,039) |
| – More than three years | 29,197,987 | 961,459 | (4,220,411) | 29,197,987 | 961,459 | (4,220,411) |
| | 34,911,531 | 973,277 | (4,223,450) | 34,911,531 | 973,277 | (4,223,450) |



Notes to the Financial Statements

31 December 2024

13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONT'D.)

| | Group | | | Bank | | |
|--|----------------------------|---------------------------|-----------------------|----------------------------|---------------------------|-----------------------|
| | Principal Amount RM'000 | <----- Fair Values -----> | | Principal Amount RM'000 | <----- Fair Values -----> | |
| | | Assets RM'000 | Liabilities RM'000 | | Assets RM'000 | Liabilities RM'000 |
| 2024 (cont'd.) | | | | | | |
| Trading derivatives (cont'd.) | | | | | | |
| Equity related contracts | | | | | | |
| Equity options: | | | | | | |
| – Less than one year | 4,461,548 | 133,663 | (397,733) | 495,859 | 57,832 | (1,222) |
| Equity swaps: | | | | | | |
| – Less than one year | 1,319,441 | 82,367 | (107,737) | 306,215 | – | (21,455) |
| – One year to three years | 865,175 | 193,683 | (102,560) | 859,753 | 193,683 | (102,406) |
| | 2,184,616 | 276,050 | (210,297) | 1,165,968 | 193,683 | (123,861) |
| Commodity related contracts | | | | | | |
| Commodity options: | | | | | | |
| – Less than one year | 1,976,879 | 40,950 | (40,950) | 1,976,879 | 40,950 | (40,950) |
| – One year to three years | 9,712,433 | 612,850 | (612,850) | 9,712,433 | 612,850 | (612,850) |
| – More than three years | 318,550 | 150,168 | (150,168) | 318,550 | 150,168 | (150,168) |
| | 12,007,862 | 803,968 | (803,968) | 12,007,862 | 803,968 | (803,968) |
| Commodity swaps: | | | | | | |
| – One year to three years | 1,362 | 18 | (14) | 1,362 | 18 | (14) |
| Credit related contracts | | | | | | |
| Credit default swaps: | | | | | | |
| – Less than one year | 37,275 | 472 | (205) | 37,275 | 472 | (205) |
| – More than three years | 6,975 | 833 | (51) | 6,975 | 833 | (51) |
| | 44,250 | 1,305 | (256) | 44,250 | 1,305 | (256) |
| Hedging derivatives | | | | | | |
| Foreign exchange related contracts | | | | | | |
| Cross currency interest rate swaps: | | | | | | |
| – Less than one year | 3,429,413 | 68,853 | (431,243) | 3,429,413 | 68,853 | (431,243) |
| – One year to three years | 1,225,228 | 141,434 | (132,026) | 1,225,228 | 141,434 | (132,026) |
| – More than three years | 1,565,351 | 95,038 | (253,319) | 1,565,351 | 95,038 | (253,319) |
| | 6,219,992 | 305,325 | (816,588) | 6,219,992 | 305,325 | (816,588) |
| Interest rate related contracts | | | | | | |
| Interest rate swaps: | | | | | | |
| – Less than one year | 1,519,460 | 52,519 | – | 1,519,460 | 52,519 | – |
| – One year to three years | 1,966,360 | 136,493 | (8,163) | 1,966,360 | 136,493 | (8,163) |
| – More than three years | 2,470,687 | 14,118 | (33,629) | 2,470,687 | 14,118 | (33,629) |
| | 5,956,507 | 203,130 | (41,792) | 5,956,507 | 203,130 | (41,792) |
| Netting effects for reporting under MFRS 132 | – | (3,251,460) | 3,251,460 | – | (3,206,086) | 3,206,086 |
| Total | 2,621,347,197 | 23,417,580 | (27,494,477) | 2,618,254,184 | 23,331,778 | (26,984,480) |

Notes to the Financial Statements

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13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONT'D.)

| | Group | | | Bank | | |
|--|----------------------------|---------------------------|-----------------------|----------------------------|---------------------------|-----------------------|
| | Principal Amount RM'000 | <----- Fair Values -----> | | Principal Amount RM'000 | <----- Fair Values -----> | |
| | | Assets RM'000 | Liabilities RM'000 | | Assets RM'000 | Liabilities RM'000 |
| 2023 | | | | | | |
| Trading derivatives | | | | | | |
| Foreign exchange related contracts | | | | | | |
| Currency forwards: | | | | | | |
| – Less than one year | 61,478,282 | 436,607 | (499,771) | 39,351,350 | 253,207 | (369,871) |
| – One year to three years | 3,098,571 | 59,211 | (13,287) | 3,302,614 | 68,513 | (26,862) |
| – More than three years | 3,159,711 | 22,917 | (15,947) | 3,159,711 | 22,917 | (15,947) |
| | 67,736,564 | 518,735 | (529,005) | 45,813,675 | 344,637 | (412,680) |
| Currency swaps: | | | | | | |
| – Less than one year | 470,799,759 | 4,064,499 | (4,719,482) | 490,007,692 | 4,050,961 | (4,625,599) |
| – One year to three years | 1,099,375 | 442 | (1,925) | 1,099,379 | 438 | (1,925) |
| – More than three years | 49,474 | 1,925 | - | 37,655 | 1,335 | - |
| | 471,948,608 | 4,066,866 | (4,721,407) | 491,144,726 | 4,052,734 | (4,627,524) |
| Currency spots: | | | | | | |
| – Less than one year | 5,709,538 | 3,938 | (9,207) | 5,970,297 | 4,567 | (9,708) |
| Currency options: | | | | | | |
| – Less than one year | 1,386,775 | 1,707 | (5,682) | 1,392,741 | 4,002 | (5,836) |
| – One year to three years | 1,220,363 | 5,268 | (17,396) | 1,335,105 | 8,363 | (13,901) |
| | 2,607,138 | 6,975 | (23,078) | 2,727,846 | 12,365 | (19,737) |
| Cross currency interest rate swaps: | | | | | | |
| – Less than one year | 17,316,654 | 486,530 | (606,984) | 16,856,262 | 485,756 | (585,495) |
| – One year to three years | 26,151,245 | 424,545 | (911,859) | 26,249,488 | 506,006 | (900,523) |
| – More than three years | 14,589,248 | 442,336 | (569,047) | 14,493,989 | 455,348 | (607,119) |
| | 58,057,147 | 1,353,411 | (2,087,890) | 57,599,739 | 1,447,110 | (2,093,137) |
| Interest rate related contracts | | | | | | |
| Interest rate swaps: | | | | | | |
| – Less than one year | 384,241,912 | 982,571 | (845,735) | 384,361,292 | 994,094 | (848,018) |
| – One year to three years | 234,029,271 | 2,281,759 | (2,078,066) | 234,222,009 | 2,283,405 | (2,079,713) |
| – More than three years | 295,254,882 | 12,829,067 | (13,525,622) | 295,392,552 | 12,841,109 | (13,528,257) |
| | 913,526,065 | 16,093,397 | (16,449,423) | 913,975,853 | 16,118,608 | (16,455,988) |
| Interest rate futures: | | | | | | |
| – Less than one year | 9,268,922 | 112,474 | (33,469) | 9,259,744 | 112,474 | (33,431) |
| – One year to three years | 917,800 | - | (677) | 917,800 | - | (677) |
| | 10,186,722 | 112,474 | (34,146) | 10,177,544 | 112,474 | (34,108) |
| Interest rate options: | | | | | | |
| – One year to three years | 560,281 | 26,923 | (28,580) | 33,570 | 1,581 | (3,238) |
| – More than three years | 28,786,318 | 1,362,767 | (2,855,411) | 26,063,226 | 1,388,107 | (2,880,751) |
| | 29,346,599 | 1,389,690 | (2,883,991) | 26,096,796 | 1,389,688 | (2,883,989) |



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13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONT'D.)

| | Group | | | Bank | | |
|--|-------------------------------|---------------------------|-----------------------|-------------------------------|---------------------------|-----------------------|
| | Principal Amount RM'000 | <----- Fair Values -----> | | Principal Amount RM'000 | <----- Fair Values -----> | |
| | | Assets RM'000 | Liabilities RM'000 | | Assets RM'000 | Liabilities RM'000 |
| 2023 (cont'd.) | | | | | | |
| Trading derivatives (cont'd.) | | | | | | |
| Equity related contracts | | | | | | |
| Equity options: | | | | | | |
| – Less than one year | 2,122,724 | 138,387 | (363,553) | 118,806 | 8,962 | (623) |
| – One year to three years | 7,090 | 243 | – | 7,090 | 243 | – |
| | 2,129,814 | 138,630 | (363,553) | 125,896 | 9,205 | (623) |
| Equity swaps: | | | | | | |
| – Less than one year | 1,172,098 | 56,345 | (43,397) | – | – | – |
| Commodity related contracts | | | | | | |
| Commodity options: | | | | | | |
| – Less than one year | 2,942,926 | 208,017 | (208,017) | 2,942,926 | 208,017 | (208,017) |
| – One year to three years | 2,763,606 | 196,080 | (196,080) | 2,763,606 | 196,080 | (196,080) |
| | 5,706,532 | 404,097 | (404,097) | 5,706,532 | 404,097 | (404,097) |
| Commodity swaps: | | | | | | |
| – Less than one year | 25,656 | 905 | (142) | 11,636 | 364 | (142) |
| – One year to three years | 2,131 | 57 | (50) | 2,131 | 57 | (50) |
| | 27,787 | 962 | (192) | 13,767 | 421 | (192) |
| Credit related contracts | | | | | | |
| Credit default swaps: | | | | | | |
| – Less than one year | 55,393 | 1,669 | (761) | 55,393 | 1,669 | (761) |
| – One year to three years | 5,080 | 29 | (14) | 5,080 | 29 | (14) |
| | 60,473 | 1,698 | (775) | 60,473 | 1,698 | (775) |
| Hedging derivatives | | | | | | |
| Foreign exchange related contracts | | | | | | |
| Cross currency interest rate swaps: | | | | | | |
| – Less than one year | 2,809,066 | 42,521 | (109,495) | 2,809,066 | 42,521 | (109,495) |
| – One year to three years | 4,365,081 | 138,484 | (381,365) | 4,365,081 | 138,484 | (381,365) |
| – More than three years | 1,839,295 | 153,772 | (169,010) | 1,839,295 | 153,772 | (169,010) |
| | 9,013,442 | 334,777 | (659,870) | 9,013,442 | 334,777 | (659,870) |
| Interest rate related contracts | | | | | | |
| Interest rate swaps: | | | | | | |
| – Less than one year | 2,534,964 | 85,831 | (1,196) | 2,534,964 | 85,831 | (1,196) |
| – One year to three years | 2,156,830 | 111,855 | (13,146) | 2,156,830 | 111,855 | (13,146) |
| – More than three years | 1,987,037 | 140,548 | (31,257) | 1,987,037 | 140,548 | (31,257) |
| | 6,678,831 | 338,234 | (45,599) | 6,678,831 | 338,234 | (45,599) |
| Netting effects for reporting under MFRS 132 | – | (3,172,675) | 3,172,675 | – | (3,093,854) | 3,093,854 |
| Total | 1,583,907,358 | 21,647,554 | (25,082,955) | 1,575,105,417 | 21,476,761 | (24,554,173) |

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13. DERIVATIVE FINANCIAL INSTRUMENTS AND HEDGE ACCOUNTING (CONT'D.)

Fair value hedge

Included within hedging derivatives are derivatives where the Group and the Bank have used to apply hedge accounting.

Fair value hedge is used by the Group and the Bank to protect against changes in the fair value of financial assets and financial liabilities due to movements in interest rates. The financial instruments hedged for interest rate risk include the Group's and the Bank's financial investments, borrowings and loans, advances and financing.

During the previous financial year ended 31 December 2023, the Group and the Bank have discontinued a number of hedge relationships between the hedged items and hedging instruments due to a change in risk management objective resulted from the implementation of the Group Investment Management Framework ("GIMF").

A total gain of RM252,396,000 (2023: RM68,695,757) has been amortised in the profit and loss during the financial year with the remaining unamortised Fair Value Hedge adjustment being RM1,085,813,000 (2023: RM1,372,651,940) which will be amortised over the average remaining maturity of the related financial assets and financial liabilities.

For the financial year ended 31 December 2024, the Group and the Bank recognised the following net gain/(loss) for both existing and discontinued hedges:

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| (Loss)/gain on the hedging instruments | (50,475) | 1,979,523 | (51,777) | 2,001,193 |
| Gain/(loss) on the hedged items attributable to the hedged risk | 232,002 | (1,241,445) | 237,560 | (1,276,036) |

14. INSURANCE CONTRACT/TAKAFUL CERTIFICATE ASSETS/LIABILITIES AND REINSURANCE CONTRACT/RETAKAFUL CERTIFICATE ASSETS/LIABILITIES

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|---------------------|----------------|
| Insurance contract/takaful certificate assets | | 75,199 | 123,204 |
| Insurance contract/takaful certificate liabilities | | (46,102,335) | (44,497,551) |
| Insurance contract/takaful certificate liabilities, net | (i) | (46,027,136) | (44,374,347) |
| Reinsurance contract/retakaful certificate assets | | 5,910,059 | 5,698,832 |
| Reinsurance contract/retakaful certificate liabilities | | (27,063) | (83,001) |
| Reinsurance contract/retakaful certificate assets, net | (ii) | 5,882,996 | 5,615,831 |

(i) Insurance contract/takaful certificate

| Group | 2024 RM'000 | 2023 RM'000 |
|---|---------------------|----------------|
| Remaining coverage | (32,712,181) | (33,547,824) |
| – Excluding loss component | (31,513,382) | (32,642,875) |
| – Loss component | (1,198,799) | (904,949) |
| Incurred claims | (13,314,955) | (10,597,871) |
| Insurance/takaful acquisition cash flow | – | (228,652) |
| | (46,027,136) | (44,374,347) |



Notes to the Financial Statements

31 December 2024

14. INSURANCE CONTRACT/TAKAFUL CERTIFICATE ASSETS/LIABILITIES AND REINSURANCE CONTRACT/RETAKAFUL CERTIFICATE ASSETS/LIABILITIES (CONT'D.)

(i) Insurance contract/takaful certificate (cont'd.)

The overview of the movement in net assets or liabilities for insurance contracts/takaful certificates issued is presented in the table below:

| Group | 2024 | | | | 2023 | | | |
|---|------------------------------|---------------------------|---|-----------------|------------------------------|---------------------------|---|-----------------|
| | Remaining coverage RM'000 | Incurred claims RM'000 | Insurance /takaful acquisition cash flows RM'000 | Total RM'000 | Remaining coverage RM'000 | Incurred claims RM'000 | Insurance /takaful acquisition cash flows RM'000 | Total RM'000 |
| Insurance contract/takaful certificate assets at 1 January | (5,675,160) | 5,588,230 | 210,134 | 123,204 | (5,963,293) | 5,727,971 | 312,109 | 76,787 |
| Insurance contract/takaful certificate liabilities at 1 January | (27,872,664) | (16,186,101) | (438,786) | (44,497,551) | (25,813,368) | (16,057,454) | (626,649) | (42,497,471) |
| As at 1 January, net | (33,547,824) | (10,597,871) | (228,652) | (44,374,347) | (31,776,661) | (10,329,483) | (314,540) | (42,420,684) |
| Changes in income statements or other comprehensive income | | | | | | | | |
| Insurance/takaful revenue (Note 38(ii)) | 8,199,896 | – | – | 8,199,896 | 8,452,573 | (692,073) | (168,513) | 7,591,987 |
| Insurance/takaful service expenses (Note 38(iii)) | (1,008,780) | (5,346,232) | – | (6,355,012) | (5,705,237) | (60,221) | 332,128 | (5,433,330) |
| Net income/(expenses) from reinsurance contracts/retakaful certificates held (Note 38(iii)) | 1,610,716 | (2,171,087) | – | (560,371) | 979,590 | (2,588,149) | – | (1,608,559) |
| Exchange differences | 617,072 | 55,511 | – | 672,583 | (607,554) | 842,493 | – | 234,939 |
| Amount recognised in income statements or other comprehensive income | 9,418,904 | (7,461,808) | – | 1,957,096 | 3,119,372 | (2,497,950) | 163,615 | 785,037 |
| Net cash flows | (8,583,261) | 4,744,724 | 228,652 | (3,609,885) | (4,890,535) | 2,229,562 | (77,727) | (2,738,700) |
| As at 31 December, net | (32,712,181) | (13,314,955) | – | (46,027,136) | (33,547,824) | (10,597,871) | (228,652) | (44,374,347) |
| Insurance contract/takaful certificate assets at 31 December | 19,824 | 55,375 | – | 75,199 | (5,675,160) | 5,588,230 | 210,134 | 123,204 |
| Insurance contract/takaful certificate liabilities at 31 December | (32,732,005) | (13,370,330) | – | (46,102,335) | (27,872,664) | (16,186,101) | (438,786) | (44,497,551) |
| As at 31 December, net | (32,712,181) | (13,314,955) | – | (46,027,136) | (33,547,824) | (10,597,871) | (228,652) | (44,374,347) |

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14. INSURANCE CONTRACT/TAKAFUL CERTIFICATE ASSETS/LIABILITIES AND REINSURANCE CONTRACT/RETAKAFUL CERTIFICATE ASSETS/LIABILITIES (CONT'D.)

(ii) Reinsurance contract/retakaful certificate

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Remaining coverage | 1,691,554 | 2,543,444 |
| - Excluding loss component | 1,589,726 | 2,514,913 |
| - Loss component | 101,828 | 28,531 |
| Amounts recoverable for incurred claims | 4,191,442 | 3,072,387 |
| | 5,882,996 | 5,615,831 |

The overview of the movement in net assets or liabilities for reinsurance contracts/retakaful certificates held is presented in the table below:

| Group | 2024 | | | 2023 | | |
|--|------------------------------|---|-----------------|------------------------------|---|-----------------|
| | Remaining coverage RM'000 | Amounts recoverable for incurred claims RM'000 | Total RM'000 | Remaining coverage RM'000 | Amounts recoverable for incurred claims RM'000 | Total RM'000 |
| Reinsurance contract/retakaful certificate assets at 1 January | 2,554,384 | 3,144,44 | 5,698,832 | 1,995,376 | 5,580,846 | 7,576,222 |
| Reinsurance contract/retakaful certificate liabilities at 1 January | (10,940) | (72,061) | (83,001) | (249,174) | (500,014) | (749,188) |
| As at 1 January, net | 2,543,444 | 3,072,387 | 5,615,831 | 1,746,202 | 5,080,832 | 6,827,034 |
| Changes in income statements or other comprehensive income | | | | | | |
| Finance (expenses)/income from insurance contracts/takaful certificates held (Note 41(i)) | (3,017,022) | 922,874 | (2,094,148) | (1,244,518) | (312,438) | (1,556,956) |
| Finance (expenses)/income from reinsurance contracts/retakaful certificates held (Note 41(ii)) | (352,950) | 515,270 | 162,320 | (492,241) | 503,346 | 11,105 |
| Exchange differences | (125,797) | (3,003) | (128,800) | 93,394 | 20,227 | 113,621 |
| Amount recognised in income statements or other comprehensive income | (3,495,769) | 1,435,141 | (2,060,628) | (1,643,365) | 211,135 | (1,432,230) |
| Net cash flows | 2,643,879 | (316,086) | 2,327,793 | 2,440,607 | (2,219,580) | 221,027 |
| As at 31 December, net | 1,691,554 | 4,191,442 | 5,882,996 | 2,543,444 | 3,072,387 | 5,615,831 |
| Reinsurance contract/retakaful certificate assets at 31 December | 1,703,765 | 4,206,294 | 5,910,059 | 2,554,384 | 3,144,448 | 5,698,832 |
| Reinsurance contract/retakaful certificate liabilities at 31 December | (12,211) | (14,852) | (27,063) | (10,940) | (72,061) | (83,001) |
| As at 31 December, net | 1,691,554 | 4,191,442 | 5,882,996 | 2,543,444 | 3,072,387 | 5,615,831 |



Notes to the Financial Statements

31 December 2024

15. OTHER ASSETS

| | Note | Group | | Bank | |
|-------------------------------------|------|-------------------|----------------|------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Other debtors | (i) | 11,449,296 | 7,658,113 | 9,147,376 | 5,525,742 |
| Amount due from brokers and clients | 55 | 2,083,055 | 2,405,763 | – | – |
| Prepayments and deposits | | 1,095,128 | 1,680,979 | 231,694 | 311,043 |
| Tax recoverable | | 562,500 | 556,070 | 81,613 | 423,976 |
| Foreclosed properties | | 380,318 | 431,933 | – | 28,500 |
| | | 15,570,297 | 12,732,858 | 9,460,683 | 6,289,261 |
| Allowances for impairment losses | (ii) | (84,273) | (66,902) | (36,753) | (31,156) |
| | | 15,486,024 | 12,665,956 | 9,423,930 | 6,258,105 |

(i) Included in other debtors are physical gold held by the Group of RM1,070,881,000 (2023: RM879,594,000) and the Bank of RM1,021,128,000 (2023: RM879,594,000) as a result of its broker-dealer activities.

(ii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on other assets are as follows:

As at 31 December 2024

Changes in the gross carrying amount of other assets that contributed to the changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to higher impaired receivables.

| Group | Stage 1 | Stage 2 | Stage 3 | Total |
|----------------------------|---------------------------|--|--|---------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | 273 | 75 | 66,554 | 66,902 |
| Net movement of allowances | 7,424 | (3) | 9,019 | 16,440 |
| Exchange differences | 819 | 8 | 104 | 931 |
| At 31 December 2024 | 8,516 | 80 | 75,677 | 84,273 |
| Bank | | | | |
| At 1 January 2024 | – | – | 31,156 | 31,156 |
| Net movement of allowances | – | – | 6,145 | 6,145 |
| Exchange differences | – | – | (548) | (548) |
| At 31 December 2024 | – | – | 36,753 | 36,753 |

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15. OTHER ASSETS (CONT'D.)

(ii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on other assets are as follows (cont'd.):

As at 31 December 2023

Changes in the gross carrying amount of other assets that contributed to the changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to higher impaired receivables.

| Group | Stage 1 | Stage 2 | Stage 3 | Total |
|----------------------------|------------------------|---|---|----------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2023 | 5,839 | 48 | 73,523 | 79,410 |
| Transferred to Stage 3 | (4,608) | – | 4,608 | – |
| Net movement of allowances | 3,032 | 9 | 4,365 | 7,406 |
| Amount written off | – | – | (13,459) | (13,459) |
| Exchange differences | (3,990) | 18 | (2,483) | (6,455) |
| At 31 December 2023 | 273 | 75 | 66,554 | 66,902 |
| Bank | | | | |
| At 1 January 2023 | – | – | 44,374 | 44,374 |
| Net movement of allowances | – | – | 298 | 298 |
| Amount written off | – | – | (8,851) | (8,851) |
| Exchange differences | – | – | (4,665) | (4,665) |
| At 31 December 2023 | – | – | 31,156 | 31,156 |

16. INVESTMENT PROPERTIES

| Group | 2024 RM'000 | 2023 RM'000 |
|----------------------------------|----------------|----------------|
| At fair value | | |
| At 1 January | 1,019,958 | 988,895 |
| Additions | 616 | 856 |
| Fair value adjustments (Note 40) | 18,395 | 29,977 |
| Exchange differences | (312) | 230 |
| At 31 December | 1,038,657 | 1,019,958 |

The following investment properties are held under lease terms:

| Group | 2024 RM'000 | 2023 RM'000 |
|----------------------|----------------|----------------|
| At fair value | | |
| Leasehold land | 186,000 | 173,500 |
| Buildings | 297,423 | 299,915 |
| | 483,423 | 473,415 |

The Group has no restrictions on the realisability of its investment properties and has no contractual obligations to either purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

Investment properties are stated at fair value, which have been determined by an accredited independent valuer using a variety of approaches such as comparison method and income capitalisation approach. Details of valuation methods are disclosed in Note 54(b).

As at 31 December 2024, the Group has IPUC amounting to RM3,153,000 (2023: RM3,011,000) and the Bank does not have any IPUC.



Notes to the Financial Statements

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17. STATUTORY DEPOSITS WITH CENTRAL BANKS

| | Note | Group | | Bank | |
|----------------------------------|-------|-------------------|----------------|------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Bank Negara Malaysia | (i) | 6,384,199 | 6,329,672 | 2,139,303 | 2,708,529 |
| Other central banks | (ii) | 10,784,244 | 9,412,038 | 2,508,792 | 1,982,617 |
| | | 17,168,443 | 15,741,710 | 4,648,095 | 4,691,146 |
| Allowances for impairment losses | (iii) | (1,934) | (1,975) | – | – |
| | | 17,166,509 | 15,739,735 | 4,648,095 | 4,691,146 |

- (i) The non-interest bearing statutory deposits maintained with Bank Negara Malaysia are in compliance with the requirements of the Central Bank of Malaysia Act 2009, the amount of which is determined as set percentages of total eligible liabilities.
- (ii) The statutory deposits of the foreign branches and foreign subsidiaries are denominated in foreign currencies and maintained with the central banks of the respective countries, in compliance with the applicable legislations in the respective countries.
- (iii) Analysis of changes in allowances for impairment losses on statutory deposits with central banks are as follows:

| Group | Stage 1 | Stage 2 | Stage 3 | Total |
|-------------------------------|---------------------------|--|--|--------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| As at 31 December 2024 | | | | |
| At 1 January 2024 | 1,975 | – | – | 1,975 |
| Net movement of allowances | 104 | – | – | 104 |
| Exchange differences | (145) | – | – | (145) |
| At 31 December 2024 | 1,934 | – | – | 1,934 |

| Group | Stage 1 | Stage 2 | Stage 3 | Total |
|-------------------------------|---------------------------|--|--|-------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| As at 31 December 2023 | | | | |
| At 1 January 2023 | 2,652 | – | – | 2,652 |
| Net movement of allowances | (822) | – | – | (822) |
| Exchange differences | 145 | – | – | 145 |
| At 31 December 2023 | 1,975 | – | – | 1,975 |

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18. INVESTMENT IN SUBSIDIARIES

| Bank | 2024 RM'000 | 2023 RM'000 |
|-------------------------------------|----------------|----------------|
| Unquoted shares, at cost | | |
| – In Malaysia | 37,199,001 | 36,109,491 |
| – Outside Malaysia | 1,334,410 | 1,334,410 |
| | 38,533,411 | 37,443,901 |
| Less: Accumulated impairment losses | (2,957,660) | (2,957,660) |
| | 35,575,751 | 34,486,241 |

The following are major events of the Group and of the Bank during the financial year ended 31 December 2024:

(i) Acquisition of 20% equity interest in Maybank Asset Management Group Berhad (“MAMG”) pursuant to the exercise of the put option

The Bank had on 19 October 2023 entered into a conditional share sale agreement with Permodalan Nasional Berhad (“PNB”) in relation to the acquisition of 8,336,404 ordinary shares in Maybank Asset Management Group Berhad (“MAMG”), representing 20% of the total issued share capital of MAMG for a cash consideration of RM70,391,800 pursuant to the exercise of the put option granted by the Bank to PNB. The acquisition was completed on 23 February 2024.

(ii) Capital injection into PT Maybank Asset Management

On 22 March 2024 and 25 October 2024, Maybank Asset Management Sdn. Bhd. (“MAM”), a wholly-owned subsidiary of the Bank through MAMG injected additional capital of IDR12.00 billion (or equivalent amount of RM3.74 million) and IDR12.40 billion (or equivalent amount of RM3.51 million), respectively to PT Maybank Asset Management, a 99.0% subsidiary of the Bank.

(iii) Subscription of rights issue of 29,546,000 new ordinary shares issued by Maybank Islamic Berhad (“MIB”), a wholly-owned subsidiary of the Bank

On 25 March 2024, the Bank subscribed to rights issue of 7,386,500 new ordinary shares issued by MIB, at an issue price of RM32.799 per ordinary share for a total consideration of RM242,269,814.

On 25 September 2024, the Bank subscribed to rights issue of 22,159,500 new ordinary shares issued by MIB, at an issue price of RM29.590 per ordinary share for a total consideration of RM655,699,605.

(iv) Capital injection into Maybank Offshore Corporate Services (L) Sdn. Bhd. (“MOCS”)

On 29 July 2024 and 26 August 2024, the Bank injected additional capital of USD23.0 million (or equivalent amount of RM105.8 million) and USD10.1 million (or equivalent amount of RM45.3 million), respectively to MOCS, a wholly-owned subsidiary of the Bank.

(v) Capital injection into Sorak Financial Holdings Pte. Ltd. (“Sorak”)

On 29 July 2024 and 26 August 2024, the Bank via MOCS, an intermediate holding company of Sorak, injected additional capital of USD12.0 million (or equivalent amount of RM55.4 million) and USD10.1 million (or equivalent amount of RM44.3 million) respectively to Sorak, a wholly-owned subsidiary of the Bank.

(vi) Acquisition of additional 40.58% ordinary shares in Etiqa Life and General Assurance Philippines, Inc. (“ELGAP”)

On November 2024, Etiqa International Holdings Sdn. Bhd. (“EIHSB”), a wholly-owned subsidiary of the Bank, completed the acquisition of additional 40.58% ordinary shares in ELGAP from Maybank Capital, Inc., a wholly-owned subsidiary of the Bank through Maybank IBG Holdings Limited (“MIBGH”). Post acquisition, EIHSB’s ordinary shareholding in ELGAP increased from 54.66% to 95.24%. There is no change in the Group’s effective interest in ELGAP.

(vii) Liquidation of MAM PE Asia Fund I (Labuan) LLP

On 20 November 2024, MIBGH, a wholly-owned subsidiary of the Bank has completed the liquidation of MAM PE Asia Fund I (Labuan) LLP, a wholly-owned subsidiary of the Bank.

The Group recorded a gain on liquidation of subsidiaries amounting to RM3,023,000 as disclosed in Note 40.

(viii) Dissolution of PhileoAllied Securities (Philippines) Inc.

On 20 December 2024, PhileoAllied Securities (Philippines) Inc. was declared dissolved by Philippines Securities and Exchange Commission, a wholly-owned subsidiary of Maysec Sdn. Bhd., a wholly-owned subsidiary of the Bank through Maybank Investment Bank Berhad.

The Group recorded a gain on liquidation of subsidiaries amounting to RM73,000 as disclosed in Note 40.



Notes to the Financial Statements

31 December 2024

18. INVESTMENT IN SUBSIDIARIES (CONT'D.)

The following are major events of the Group and of the Bank during the financial year ended 31 December 2024 (cont'd.):

(ix) Dilution, investments and redemption of deemed controlled structured entities by the Bank

During the financial year ended 31 December 2024, the Bank had experienced dilution of interest, invested and redeemed its investments in deemed controlled structured entities as follows:

- (a) The Bank's investment in Maybank Dana Ekuities, an equity fund managed by MAM, a wholly-owned subsidiary of the Bank through MAMG, a wholly-owned subsidiary of the Bank, for an equivalent amount of RM15.91 million has been diluted and reclassified from deemed controlled structured entity to financial investments at FVTPL.

The Group and the Bank recorded loss on reclassification from deemed controlled structured entity to financial investments at FVTPL amounting to approximately RM2,192,000 and RM1,032,000, respectively as disclosed in Note 40.

- (b) The Bank invested into MBB Global Strategic Growth-i Fund, an equity fund managed by MAM, a wholly-owned subsidiary of the Bank through MAMG, a wholly-owned subsidiary of the Bank, for an amount of RM10.00 million as a deemed controlled structured entity.

- (c) The Bank fully redeemed its investments in MAMG Inverse ETF Fund, an equity fund managed by MAM, a wholly-owned subsidiary of the Bank through MAMG, a wholly-owned subsidiary of the Bank, for total consideration of USD0.9 million (or equivalent amount of RM4.2 million).

The Group recorded a gain and the Bank recorded a loss amounting to RM26,000 and RM782,000, respectively on the disposal of deemed controlled structured entities as disclosed in Note 40.

- (d) The Bank redeemed its investment in Maybank All-Weather Quant Fund, an equity fund managed by MAM, a wholly-owned subsidiary of the Bank through MAMG, a wholly-owned subsidiary of the Bank, for total consideration of USD1.4 million (or equivalent amount of RM6.1 million).

The Bank recorded net gain on redemption of the investment in deemed controlled structured entity amounting to RM1,944,000 as disclosed in Note 40.

- (e) The Bank redeemed its investment in Maybank Enhanced Income Fund, an equity fund managed by MAM, a wholly-owned subsidiary of the Bank through MAMG, a wholly-owned subsidiary of the Bank, for total consideration of USD4.1 million (or equivalent amount of RM17.9 million).

The Bank recorded net gain on redemption of the investment in deemed controlled structured entity amounting to RM3,010,000 as disclosed in Note 40.

The following were major events of the Group and of the Bank during the previous financial year ended 31 December 2023:

(i) Capital repayment from Myfin Berhad

On 31 January 2023, the Bank received capital repayment of RM69.7 million from Myfin Berhad, a wholly-owned subsidiary of the Bank. The Bank recorded the excess of capital repayment of RM50.7 million.

(ii) Subscription of rights issue of 24,006,125 new ordinary shares issued by Maybank Islamic Berhad ("MIB"), a wholly-owned subsidiary of the Bank

On 22 March 2023, the Bank subscribed to rights issue of 24,006,125 new ordinary shares issued by MIB, at an issue price of RM26.95 per ordinary share for a total consideration of RM646,955,466.

(iii) Disposal of Singapore Unit Trusts Limited

On 6 June 2023, Maybank Asset Management Singapore Pte. Ltd. ("MAMS"), an 80% subsidiary of the Bank through Maybank Asset Management Group Berhad ("MAMG"), had entered into a Sales and Purchase Agreement with a third party, to dispose of Singapore Unit Trusts Limited ("SUTL") for a consideration of SGD58,000 (or equivalent amount of RM198,000). The Group recorded a loss on disposal of subsidiaries amounting to RM47,000.

(iv) Dissolution of MAM DP Ltd.

On 21 June 2023, MAM DP Ltd. was declared dissolved by Labuan Financial Services Authority, a wholly-owned subsidiary of Maybank Private Equity Sdn. Bhd., an 80% subsidiary of the Bank through MAMG. The Group recorded a gain on disposal of subsidiaries amounting to RM37,000.

(v) Investments and redemption of deemed controlled structured entities by the Bank

During the previous financial year ended 31 December 2023, the Bank had invested and redeemed its investments in deemed controlled structured entities as follows:

- (a) The Bank invested into Maybank Dana Ekuities, an equity fund managed by PT Maybank Asset Management, a 79.2% subsidiary of the Bank through MAMG, an 80% subsidiary of the Bank, for an equivalent amount of RM15.9 million as a deemed controlled structured entity.

- (b) The Bank invested into MAMG Inverse ETF Fund, an equity fund managed by MAM, an 80% subsidiary of the Bank through MAMG, an 80% subsidiary of the Bank, for an equivalent amount of RM5.0 million as a deemed controlled structured entity.

- (c) The Bank redeemed its investment in Maybank Enhanced Income Fund, an equity fund managed by MAM, an 80% subsidiary of the Bank through MAMG, for total consideration of USD6.0 million (or equivalent amount of RM27.5 million).

The Bank recorded net gain on redemption of the investment in deemed controlled structured entity amounting to RM4,264,000.

Details and financial information of subsidiaries that have material non-controlling interests are as follows:

- (i) Etiqa International Holdings Sdn. Bhd. ("EIH");
- (ii) PT Bank Maybank Indonesia Tbk ("MBI"); and
- (iii) Maybank IBG Holdings Limited ("MIBGH").

The proportion of effective equity interest held by non-controlling interests within EIH, MBI and MIBGH are disclosed in Note 64(a).

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18. INVESTMENT IN SUBSIDIARIES (CONT'D.)

The summarised financial information of EIH, MBI and MIBGH are disclosed as follows:

| | EIH | | MBI | | MIBGH | |
|--|------------------|------------------|------------------|------------------|------------------|------------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Summarised income statements: | | | | | | |
| Interest income | 862,666 | 802,558 | 3,818,522 | 3,612,424 | 722,933 | 655,409 |
| Interest expense | (40,606) | (41,930) | (1,650,412) | (1,324,945) | (353,551) | (336,392) |
| Net interest income | 822,060 | 760,628 | 2,168,110 | 2,287,479 | 369,382 | 319,017 |
| Insurance/takaful service result | 627,089 | 508,310 | – | – | – | – |
| Other operating income | 2,001,241 | 1,632,272 | 404,757 | 425,184 | 504,463 | 433,043 |
| Total operating income | 3,450,390 | 2,901,210 | 2,572,867 | 2,712,663 | 873,845 | 752,060 |
| Net insurance/takaful investment/finance result | (1,964,233) | (1,816,600) | – | – | – | – |
| Net operating income | 1,486,157 | 1,084,610 | 2,572,867 | 2,712,663 | 873,845 | 752,060 |
| Overhead expenses | (259,531) | (226,709) | (1,863,012) | (1,791,212) | (695,298) | (631,244) |
| Operating profit before impairment losses | 1,226,626 | 857,901 | 709,855 | 921,451 | 178,547 | 120,816 |
| Writeback of/(allowances for) impairment losses on loans, advances, financing and other debts, net | 1,058 | 12,041 | (307,642) | (133,014) | (35,970) | (12,728) |
| (Allowances for)/writeback of impairment losses on financial investments, net | (16,537) | 126,478 | 1,070 | (855) | – | – |
| Writeback of/(allowances for) impairment losses on other financial assets, net | 4,921 | (19,967) | (4,401) | 895 | (2,066) | (3,324) |
| Operating profit | 1,216,068 | 976,453 | 398,882 | 788,477 | 140,511 | 104,764 |
| Share of profits in associates | – | – | – | – | 1,610 | 761 |
| Profit before taxation and zakat | 1,216,068 | 976,453 | 398,882 | 788,477 | 142,121 | 105,525 |
| Taxation and zakat | (319,763) | (276,591) | (95,334) | (189,494) | (49,454) | (50,040) |
| Profit for the financial year | 896,305 | 699,862 | 303,548 | 598,983 | 92,667 | 55,485 |
| Attributable to: | | | | | | |
| Equity holders of the Bank | 1,170,293 | 909,891 | 280,368 | 575,395 | 83,239 | 41,304 |
| Non-controlling interests | (273,988) | (210,029) | 23,180 | 23,588 | 9,428 | 14,181 |
| | 896,305 | 699,862 | 303,548 | 598,983 | 92,667 | 55,485 |
| Dividends paid to non-controlling interests of the Group | 158,331 | 117,618 | 16,745 | 8,176 | 5,603 | 12,588 |
| Summarised statements of financial position: | | | | | | |
| Total assets | 60,031,449 | 55,843,260 | 53,680,728 | 50,384,749 | 12,746,187 | 12,439,788 |
| Total liabilities | (51,516,908) | (47,012,657) | (45,913,974) | (42,059,104) | (10,831,465) | (10,473,631) |
| Total equity | 8,514,541 | 8,830,603 | 7,766,754 | 8,325,645 | 1,914,722 | 1,966,157 |
| Attributable to: | | | | | | |
| Equity holders of the Bank | 6,085,497 | 6,237,868 | 7,601,731 | 8,166,063 | 1,804,047 | 1,852,330 |
| Non-controlling interests | 2,429,044 | 2,592,735 | 165,023 | 159,582 | 110,675 | 113,827 |
| | 8,514,541 | 8,830,603 | 7,766,754 | 8,325,645 | 1,914,722 | 1,966,157 |
| Summarised cash flow statements: | | | | | | |
| Operating activities | 2,194,279 | (221,289) | (2,124,350) | 1,570,503 | (428,006) | (1,246,854) |
| Investing activities | (1,774,088) | 532,016 | (1,935,550) | (1,200,574) | 62,883 | (15,174) |
| Financing activities | (575,840) | (276,559) | 5,017,591 | (748,028) | 242,392 | 1,194,010 |
| Net (decrease)/increase in cash and cash equivalents | (155,649) | 34,168 | 957,691 | (378,099) | (122,731) | (68,018) |

Details of the subsidiaries of the Bank are disclosed in Note 64(a).



Notes to the Financial Statements

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19. INTEREST IN ASSOCIATES AND JOINT VENTURE

| | Group | | Bank | |
|-------------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Equity interest | | | | |
| Unquoted shares, at cost | 346,757 | 699,604 | 438,859 | 438,859 |
| Quoted shares, at cost | 2,864,864 | 2,864,864 | – | – |
| Exchange differences | (2,572,898) | (2,397,930) | – | – |
| | 638,723 | 1,166,538 | 438,859 | 438,859 |
| Share of post-acquisition reserves | 1,650,011 | 1,358,002 | – | – |
| | 2,288,734 | 2,524,540 | 438,859 | 438,859 |
| Less: Accumulated impairment losses | (431,006) | (419,006) | – | – |
| | 1,857,728 | 2,105,534 | 438,859 | 438,859 |
| Market value of quoted shares | 1,004,830 | 632,052 | – | – |

- (i) The carrying amount of interest in joint venture of the Group has been reduced to zero since 31 December 2019.
- (ii) On 30 August 2024, the Bank via its wholly-owned subsidiary, Maybank Alliances Sdn Bhd ("MASB"), divested its entire equity interest of 30% in Gpay Network (M) Sdn. Bhd. for a consideration of USD60,000,000 (or equivalent amount of RM262,080,000) to GP Network Asia Pte. Ltd..
- The Group recorded a gain on disposal of interest in an associate amounting to RM111,443,000 as disclosed in Note 40.
- (iii) During the financial year ended 31 December 2024, the Group performed an impairment test on its investments in associates and recorded an impairment loss on Uzbek Leasing International A.O. ("ULI") of RM12,000,000 as the carrying amount exceeded its recoverable amount as disclosed in Note 46(b).

The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in associates and joint venture:

Summarised income statements:

| Group 2024 | MCB Bank RM'000 | An Binh Commercial Joint Stock Bank RM'000 | Other individually immaterial associates and joint venture RM'000 | Total RM'000 |
|--|--------------------|--|---|-----------------|
| Interest income | 6,961,811 | 1,652,177 | 65,438 | 8,679,426 |
| Interest expense | (4,146,513) | (1,128,027) | (31,955) | (5,306,495) |
| Net interest income | 2,815,298 | 524,150 | 33,483 | 3,372,931 |
| Other operating income | 775,373 | 208,679 | 151,755 | 1,135,807 |
| Net operating income | 3,590,671 | 732,829 | 185,238 | 4,508,738 |
| Overhead expenses | (1,193,537) | (400,120) | (139,481) | (1,733,138) |
| Operating profit before impairment losses | 2,397,134 | 332,709 | 45,757 | 2,775,600 |
| Allowances for impairment losses on loans, advances and financing, net | (17,919) | (295,643) | (414) | (313,976) |
| Operating profit | 2,379,215 | 37,066 | 45,343 | 2,461,624 |
| Share of profits in associates | 35,432 | – | – | 35,432 |
| Profit before taxation | 2,414,647 | 37,066 | 45,343 | 2,497,056 |
| Taxation | (1,243,774) | 5,293 | (5,043) | (1,243,524) |
| Profit for the financial year | 1,170,873 | 42,359 | 40,300 | 1,253,532 |
| Group's share of profits for the financial year | 219,890 | 6,943 | 9,469 | 236,302 |
| Dividends paid by the associates during the financial year | 129,407 | – | – | 129,407 |

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31 December 2024

19. INTEREST IN ASSOCIATES AND JOINT VENTURE (CONT'D.)

- (iii) The following table summarises the information of the Group's material associates, adjusted for any differences in accounting policies and reconciles the information to the carrying amount of the Group's interest in associates and joint venture (cont'd.):

Summarised income statements (cont'd.):

| Group 2023 | MCB Bank RM'000 | An Binh Commercial Joint Stock Bank RM'000 | Other individually immaterial associates and joint venture RM'000 | Total RM'000 |
|--|--------------------|--|---|-----------------|
| Interest income | 5,694,429 | 1,970,741 | 58,036 | 7,723,206 |
| Interest expense | (3,092,785) | (1,457,821) | (23,403) | (4,574,009) |
| Net interest income | 2,601,644 | 512,920 | 34,633 | 3,149,197 |
| Other operating income | 615,044 | 243,984 | 192,194 | 1,051,222 |
| Net operating income | 3,216,688 | 756,904 | 226,827 | 4,200,419 |
| Overhead expenses | (1,002,623) | (426,747) | (191,983) | (1,621,353) |
| Operating profit before impairment losses | 2,214,065 | 330,157 | 34,844 | 2,579,066 |
| Allowances for impairment losses on loans, advances and financing, net | (39,221) | (254,658) | (1,225) | (295,104) |
| Operating profit | 2,174,844 | 75,499 | 33,619 | 2,283,962 |
| Share of profits in associates | 19,538 | – | – | 19,538 |
| Profit before taxation | 2,194,382 | 75,499 | 33,619 | 2,303,500 |
| Taxation | (989,766) | (22,752) | (3,516) | (1,016,034) |
| Profit for the financial year | 1,204,616 | 52,747 | 30,103 | 1,287,466 |
| Group's share of profits for the financial year | 226,227 | 8,645 | 5,453 | 240,325 |
| Dividends paid by the associates during the financial year | 97,598 | – | 736 | 98,334 |

Summarised statements of financial position:

| Group | MCB Bank RM'000 | An Binh Commercial Joint Stock Bank RM'000 | Other individually immaterial associates and joint venture RM'000 | Total RM'000 |
|--|--------------------|--|---|------------------|
| 2024 | | | | |
| Total assets | 48,707,069 | 30,222,764 | 309,222 | 79,239,055 |
| Total liabilities | (45,103,395) | (27,709,181) | (286,078) | (73,098,654) |
| Total equity | 3,603,674 | 2,513,583 | 23,144 | 6,140,401 |
| Proportion of Group's ownership | 676,770 | 411,976 | 8,497 | 1,097,243 |
| Goodwill | 553,760 | 206,725 | – | 760,485 |
| Carrying amount of the investment | 1,230,530 | 618,701 | 8,497 | 1,857,728 |
| 2023 | | | | |
| Total assets | 42,776,470 | 29,377,762 | 1,315,665 | 73,469,897 |
| Total liabilities | (39,390,390) | (26,880,334) | (1,169,858) | (67,440,582) |
| Total equity | 3,386,080 | 2,497,428 | 145,807 | 6,029,315 |
| Proportion of Group's ownership | 635,906 | 409,328 | 39,113 | 1,084,347 |
| Goodwill | 567,854 | 216,521 | 236,812 | 1,021,187 |
| Carrying amount of the investment | 1,203,760 | 625,849 | 275,925 | 2,105,534 |



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31 December 2024

19. INTEREST IN ASSOCIATES AND JOINT VENTURE (CONT'D.)

- (iv) Details of the associates and joint venture of the Group and of the Bank are disclosed in Note 64(c) and Note 64(d) respectively.
- (v) The details of goodwill included within the Group's carrying amount of interest in associates and joint venture are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|----------------------|----------------|----------------|
| At 1 January | 1,021,187 | 1,117,542 |
| Disposal | (236,812) | – |
| Exchange differences | (23,890) | (96,355) |
| At 31 December | 760,485 | 1,021,187 |

20. PROPERTY, PLANT AND EQUIPMENT

| Group As at 31 December 2024 | *Properties RM'000 | Office Furniture, Fittings, Equipment and Renovations RM'000 | Computers and Peripherals RM'000 | Electrical and Security Equipment RM'000 | Motor Vehicles RM'000 | Work- in-Progress RM'000 | Total RM'000 |
|---|-----------------------|---|---|--|-----------------------------|--------------------------------|-----------------|
| Cost | | | | | | | |
| At 1 January 2024 | 2,358,019 | 1,657,655 | 2,047,249 | 349,475 | 54,168 | 44,144 | 6,510,710 |
| Additions | 2,632 | 65,910 | 240,085 | 12,468 | 10,601 | 60,057 | 391,753 |
| Disposals | (2,097) | (23,296) | (95,059) | (5,173) | (5,432) | (490) | (131,547) |
| Write-offs (Note 42) | – | (14,161) | (11,039) | (2,605) | (1,531) | – | (29,336) |
| Transferred between categories | – | 27,839 | – | 9,059 | – | (36,898) | – |
| Transferred to intangible assets (Note 22) | – | (26,655) | (1,800) | – | – | – | (28,455) |
| Exchange differences | (68,685) | (44,610) | (65,560) | (2,513) | (3,330) | 961 | (183,737) |
| At 31 December 2024 | 2,289,869 | 1,642,682 | 2,113,876 | 360,711 | 54,476 | 67,774 | 6,529,388 |
| Accumulated depreciation and impairment losses | | | | | | | |
| At 1 January 2024 | 954,962 | 1,408,790 | 1,518,044 | 276,023 | 43,645 | – | 4,201,464 |
| Depreciation charge for the financial year (Notes 38(ii) & 42) | 35,074 | 78,004 | 195,964 | 13,669 | 11,800 | – | 334,511 |
| Disposals | (1,125) | (22,860) | (87,985) | (5,128) | (4,109) | – | (121,207) |
| Write-offs (Note 42) | – | (14,126) | (10,996) | (2,605) | (1,531) | – | (29,258) |
| Transferred to intangible assets (Note 22) | – | (13,093) | (52) | – | – | – | (13,145) |
| Exchange differences | (24,989) | (48,834) | (50,041) | 380 | (2,590) | – | (126,074) |
| At 31 December 2024 | 963,922 | 1,387,881 | 1,564,934 | 282,339 | 47,215 | – | 4,246,291 |
| Analysed as: | | | | | | | |
| Accumulated depreciation | 956,418 | 1,387,877 | 1,564,934 | 282,339 | 47,215 | – | 4,238,783 |
| Accumulated impairment losses | 7,504 | 4 | – | – | – | – | 7,508 |
| | 963,922 | 1,387,881 | 1,564,934 | 282,339 | 47,215 | – | 4,246,291 |
| Net carrying amount | | | | | | | |
| At 31 December 2024 | 1,325,947 | 254,801 | 548,942 | 78,372 | 7,261 | 67,774 | 2,283,097 |

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20. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| Group As at 31 December 2023 | *Properties RM'000 | Office Furniture, Fittings, Equipment and Renovations RM'000 | Computers and Peripherals RM'000 | Electrical and Security Equipment RM'000 | Motor Vehicles RM'000 | Work- in-Progress RM'000 | Total RM'000 |
|--|-----------------------|---|---|--|-----------------------------|--------------------------------|-----------------|
| Cost | | | | | | | |
| At 1 January 2023 | 2,289,337 | 1,591,417 | 1,781,284 | 311,966 | 58,563 | 34,219 | 6,066,786 |
| Additions | 2,208 | 82,978 | 274,856 | 16,326 | 12,484 | 46,836 | 435,688 |
| Disposals | (464) | (30,563) | (46,752) | (2,631) | (9,982) | (81) | (90,473) |
| Write-offs (Note 42) | – | (25,356) | (14,857) | (4,075) | (9,831) | – | (54,119) |
| Transferred between categories | – | 10,930 | (139) | 16,116 | – | (26,907) | – |
| Transferred from/(to) intangible assets (Note 22) | – | 5,168 | 82 | 8,729 | – | (13,008) | 971 |
| Exchange differences | 66,938 | 23,081 | 52,775 | 3,044 | 2,934 | 3,085 | 151,857 |
| At 31 December 2023 | 2,358,019 | 1,657,655 | 2,047,249 | 349,475 | 54,168 | 44,144 | 6,510,710 |
| Accumulated depreciation and impairment losses | | | | | | | |
| At 1 January 2023 | 888,308 | 1,354,287 | 1,356,792 | 275,254 | 50,080 | – | 3,924,721 |
| Depreciation charge for the financial year (Notes 38(ii) & 42) | 45,035 | 79,556 | 174,110 | 13,534 | 10,261 | – | 322,496 |
| Disposals | (241) | (28,270) | (37,827) | (2,296) | (9,090) | – | (77,724) |
| Write-offs (Note 42) | – | (24,885) | (14,844) | (4,068) | (3,233) | – | (47,030) |
| Transferred between categories | – | (21) | – | 21 | – | – | – |
| Transferred from intangible assets (Note 22) | – | – | 82 | – | – | – | 82 |
| Exchange differences | 21,860 | 28,123 | 39,731 | (6,422) | (4,373) | – | 78,919 |
| At 31 December 2023 | 954,962 | 1,408,790 | 1,518,044 | 276,023 | 43,645 | – | 4,201,464 |
| Analysed as: | | | | | | | |
| Accumulated depreciation | 947,458 | 1,408,786 | 1,518,044 | 276,023 | 43,645 | – | 4,193,956 |
| Accumulated impairment losses | 7,504 | 4 | – | – | – | – | 7,508 |
| | 954,962 | 1,408,790 | 1,518,044 | 276,023 | 43,645 | – | 4,201,464 |
| Net carrying amount | | | | | | | |
| At 31 December 2023 | 1,403,057 | 248,865 | 529,205 | 73,452 | 10,523 | 44,144 | 2,309,246 |



Notes to the Financial Statements

31 December 2024

20. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| | | | Buildings on Leasehold Land | | Leasehold Land^ | | |
|--|-------------------------|--------------------------------------|------------------------------|----------------------------|------------------------------|----------------------------|-----------------|
| | Freehold Land RM'000 | Buildings on Freehold Land RM'000 | Less Than 50 Years RM'000 | 50 Years or More RM'000 | Less Than 50 Years RM'000 | 50 Years or More RM'000 | Total RM'000 |
| Group | | | | | | | |
| As at 31 December 2024 | | | | | | | |
| *Properties consist of: | | | | | | | |
| Cost | | | | | | | |
| At 1 January 2024 | 110,868 | 491,981 | 426,549 | 705,052 | 176,191 | 447,378 | 2,358,019 |
| Additions | – | 2,590 | 42 | – | – | – | 2,632 |
| Disposals | – | (2,097) | – | – | – | – | (2,097) |
| Exchange differences | (3,464) | (4,393) | (8,953) | (33,088) | (6,433) | (12,354) | (68,685) |
| At 31 December 2024 | 107,404 | 488,081 | 417,638 | 671,964 | 169,758 | 435,024 | 2,289,869 |
| Accumulated depreciation and impairment losses | | | | | | | |
| At 1 January 2024 | 56 | 289,652 | 288,044 | 256,225 | 10,612 | 110,373 | 954,962 |
| Depreciation charge for the financial year | – | 10,036 | 16,981 | 4,777 | 423 | 2,857 | 35,074 |
| Disposals | – | (1,107) | (18) | – | – | – | (1,125) |
| Exchange differences | – | (2,330) | (10,353) | (12,030) | – | (276) | (24,989) |
| At 31 December 2024 | 56 | 296,251 | 294,654 | 248,972 | 11,035 | 112,954 | 963,922 |
| Analysed as: | | | | | | | |
| Accumulated depreciation | 2 | 290,272 | 293,785 | 248,546 | 11,035 | 112,778 | 956,418 |
| Accumulated impairment losses | 54 | 5,979 | 869 | 426 | – | 176 | 7,504 |
| | 56 | 296,251 | 294,654 | 248,972 | 11,035 | 112,954 | 963,922 |
| Net carrying amount | | | | | | | |
| At 31 December 2024 | 107,348 | 191,830 | 122,984 | 422,992 | 158,723 | 322,070 | 1,325,947 |
| As at 31 December 2023 | | | | | | | |
| *Properties consist of: | | | | | | | |
| Cost | | | | | | | |
| At 1 January 2023 | 109,975 | 488,147 | 417,015 | 669,137 | 170,575 | 434,488 | 2,289,337 |
| Additions | 27 | 388 | 1,793 | – | – | – | 2,208 |
| Disposals | – | – | (464) | – | – | – | (464) |
| Transferred between categories | – | – | – | – | 16 | (16) | – |
| Exchange differences | 866 | 3,446 | 8,205 | 35,915 | 5,600 | 12,906 | 66,938 |
| At 31 December 2023 | 110,868 | 491,981 | 426,549 | 705,052 | 176,191 | 447,378 | 2,358,019 |
| Accumulated depreciation and impairment losses | | | | | | | |
| At 1 January 2023 | 56 | 280,083 | 262,354 | 239,366 | 10,189 | 96,260 | 888,308 |
| Depreciation charge for the financial year | – | 10,058 | 26,973 | 4,741 | 423 | 2,840 | 45,035 |
| Disposals | – | – | (64) | – | – | (177) | (241) |
| Exchange differences | – | (489) | (1,219) | 12,118 | – | 11,450 | 21,860 |
| At 31 December 2023 | 56 | 289,652 | 288,044 | 256,225 | 10,612 | 110,373 | 954,962 |
| Analysed as: | | | | | | | |
| Accumulated depreciation | 2 | 283,673 | 287,175 | 255,799 | 10,612 | 110,197 | 947,458 |
| Accumulated impairment losses | 54 | 5,979 | 869 | 426 | – | 176 | 7,504 |
| | 56 | 289,652 | 288,044 | 256,225 | 10,612 | 110,373 | 954,962 |
| Net carrying amount | | | | | | | |
| At 31 December 2023 | 110,812 | 202,329 | 138,505 | 448,827 | 165,579 | 337,005 | 1,403,057 |

Notes to the Financial Statements

31 December 2024

20. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| Bank | *Properties RM'000 | Office Furniture, Fittings, Equipment and Renovations RM'000 | Computers and Peripherals RM'000 | Electrical and Security Equipment RM'000 | Motor Vehicles RM'000 | Work- in-Progress RM'000 | Total RM'000 |
|--|-----------------------|---|---|--|-----------------------------|--------------------------------|-----------------|
| As at 31 December 2024 | | | | | | | |
| Cost | | | | | | | |
| At 1 January 2024 | 1,340,446 | 938,586 | 336,258 | 224,495 | 11,317 | 23,089 | 2,874,191 |
| Additions | 42 | 13,681 | 25,985 | 10,836 | 234 | 29,542 | 80,320 |
| Disposals | – | (530) | (11,623) | (2,734) | (954) | – | (15,841) |
| Write-offs (Note 42) | – | (5,485) | (169) | (2,605) | (235) | – | (8,494) |
| Transferred between categories | – | 13,709 | – | 2,311 | – | (16,020) | – |
| Transferred to subsidiaries | – | (19) | – | – | – | (161) | (180) |
| Exchange differences | (28,875) | (3,002) | (1,298) | (266) | (107) | 827 | (32,721) |
| At 31 December 2024 | 1,311,613 | 956,940 | 349,153 | 232,037 | 10,255 | 37,277 | 2,897,275 |
| Accumulated depreciation | | | | | | | |
| At 1 January 2024 | 650,590 | 857,781 | 295,786 | 192,756 | 8,453 | – | 2,005,366 |
| Depreciation charge for the financial year (Note 42) | 23,325 | 22,025 | 16,905 | 8,785 | 981 | – | 72,021 |
| Disposals | – | (529) | (11,616) | (2,725) | (800) | – | (15,670) |
| Write-offs (Note 42) | – | (5,482) | (169) | (2,605) | (235) | – | (8,491) |
| Exchange differences | (14,291) | (2,023) | (1,139) | (249) | (100) | – | (17,802) |
| At 31 December 2024 | 659,624 | 871,772 | 299,767 | 195,962 | 8,299 | – | 2,035,424 |
| Net carrying amount | | | | | | | |
| At 31 December 2024 | 651,989 | 85,168 | 49,386 | 36,075 | 1,956 | 37,277 | 861,851 |
| As at 31 December 2023 | | | | | | | |
| Cost | | | | | | | |
| At 1 January 2023 | 1,308,616 | 937,719 | 330,793 | 217,364 | 11,766 | 2,758 | 2,809,016 |
| Additions | 434 | 16,327 | 11,162 | 11,839 | 1,613 | 20,920 | 62,295 |
| Disposals | – | (92) | (3,228) | (1,286) | (1,507) | (81) | (6,194) |
| Write-offs (Note 42) | – | (14,904) | (3,938) | (4,075) | (436) | – | (23,353) |
| Transferred between categories | – | 2,840 | – | 465 | – | (3,305) | – |
| Transferred from intangible assets (Note 22) | – | 96 | 83 | – | – | – | 179 |
| Transferred to a subsidiary | – | (3,996) | – | – | – | – | (3,996) |
| Exchange differences | 31,396 | 596 | 1,386 | 188 | (119) | 2,797 | 36,244 |
| At 31 December 2023 | 1,340,446 | 938,586 | 336,258 | 224,495 | 11,317 | 23,089 | 2,874,191 |
| Accumulated depreciation | | | | | | | |
| At 1 January 2023 | 612,861 | 845,032 | 283,788 | 188,075 | 9,567 | – | 1,939,323 |
| Depreciation charge for the financial year (Note 42) | 23,250 | 26,013 | 17,853 | 9,860 | 981 | – | 77,957 |
| Disposals | – | (92) | (3,203) | (1,279) | (1,507) | – | (6,081) |
| Write-offs (Note 42) | – | (14,872) | (3,937) | (4,068) | (436) | – | (23,313) |
| Transferred from intangible assets (Note 22) | – | – | 82 | – | – | – | 82 |
| Exchange differences | 14,479 | 1,700 | 1,203 | 168 | (152) | – | 17,398 |
| At 31 December 2023 | 650,590 | 857,781 | 295,786 | 192,756 | 8,453 | – | 2,005,366 |
| Net carrying amount | | | | | | | |
| At 31 December 2023 | 689,856 | 80,805 | 40,472 | 31,739 | 2,864 | 23,089 | 868,825 |



Notes to the Financial Statements

31 December 2024

20. PROPERTY, PLANT AND EQUIPMENT (CONT'D.)

| | Freehold Land RM'000 | Buildings on Freehold Land RM'000 | Buildings on Leasehold Land | | Leasehold Land [^] | | Total RM'000 |
|--|-------------------------|--------------------------------------|------------------------------|----------------------------|------------------------------|----------------------------|-----------------|
| | | | Less Than 50 Years RM'000 | 50 Years or More RM'000 | Less Than 50 Years RM'000 | 50 Years or More RM'000 | |
| Bank | | | | | | | |
| As at 31 December 2024 | | | | | | | |
| *Properties consist of: | | | | | | | |
| Cost | | | | | | | |
| At 1 January 2024 | 106,018 | 404,812 | 321,855 | 394,146 | 19,318 | 94,297 | 1,340,446 |
| Additions | – | – | 42 | – | – | – | 42 |
| Exchange differences | (781) | (1,069) | (2,377) | (22,937) | – | (1,711) | (28,875) |
| At 31 December 2024 | 105,237 | 403,743 | 319,520 | 371,209 | 19,318 | 92,586 | 1,311,613 |
| Accumulated depreciation | | | | | | | |
| At 1 January 2024 | – | 253,459 | 204,660 | 156,284 | 8,761 | 27,426 | 650,590 |
| Depreciation charge for the financial year | – | 8,046 | 13,313 | 624 | 370 | 972 | 23,325 |
| Exchange differences | – | (539) | (3,942) | (9,062) | – | (748) | (14,291) |
| At 31 December 2024 | – | 260,966 | 214,031 | 147,846 | 9,131 | 27,650 | 659,624 |
| Net carrying amount | | | | | | | |
| At 31 December 2024 | 105,237 | 142,777 | 105,489 | 223,363 | 10,187 | 64,936 | 651,989 |
| As at 31 December 2023 | | | | | | | |
| *Properties consist of: | | | | | | | |
| Cost | | | | | | | |
| At 1 January 2023 | 105,113 | 403,314 | 319,120 | 369,322 | 19,290 | 92,457 | 1,308,616 |
| Additions | 27 | 387 | 20 | – | – | – | 434 |
| Transferred between categories | – | – | – | – | 16 | (16) | – |
| Exchange differences | 878 | 1,111 | 2,715 | 24,824 | 12 | 1,856 | 31,396 |
| At 31 December 2023 | 106,018 | 404,812 | 321,855 | 394,146 | 19,318 | 94,297 | 1,340,446 |
| Accumulated depreciation | | | | | | | |
| At 1 January 2023 | – | 245,080 | 187,421 | 146,315 | 8,380 | 25,665 | 612,861 |
| Depreciation charge for the financial year | – | 8,046 | 13,243 | 622 | 370 | 969 | 23,250 |
| Exchange differences | – | 333 | 3,996 | 9,347 | 11 | 792 | 14,479 |
| At 31 December 2023 | – | 253,459 | 204,660 | 156,284 | 8,761 | 27,426 | 650,590 |
| Net carrying amount | | | | | | | |
| At 31 December 2023 | 106,018 | 151,353 | 117,195 | 237,862 | 10,557 | 66,871 | 689,856 |

[^] The leasehold land identified as ROU assets for the Group and the Bank as disclosed in Note 21.

Notes to the Financial Statements

31 December 2024

21. RIGHT-OF-USE ASSETS

| Group | Premises RM'000 | Office Equipments RM'000 | Computers and Data Centres RM'000 | Motor Vehicles RM'000 | Total RM'000 |
|--|--------------------|--------------------------------|--|-----------------------------|-----------------|
| As at 31 December 2024 | | | | | |
| Cost | | | | | |
| At 1 January 2024 | 1,925,601 | 1,291 | 920,960 | 24,454 | 2,872,306 |
| Additions | 208,727 | 292 | 93,734 | 150 | 302,903 |
| Termination | (106,602) | (288) | (103,889) | (18,553) | (229,332) |
| Modification | 8,978 | – | 26,532 | – | 35,510 |
| Exchange differences | (64,032) | (54) | (7,814) | (1,618) | (73,518) |
| At 31 December 2024 | 1,972,672 | 1,241 | 929,523 | 4,433 | 2,907,869 |
| Accumulated depreciation | | | | | |
| At 1 January 2024 | 895,547 | 712 | 321,187 | 18,723 | 1,236,169 |
| Depreciation charge for the financial year (Notes 38(ii) & 42) | 255,201 | 199 | 255,398 | 4,456 | 515,254 |
| Termination | (105,698) | (236) | (104,121) | (18,526) | (228,581) |
| Modification | (28,630) | – | 54 | 3 | (28,573) |
| Exchange differences | (37,292) | 79 | (4,246) | (1,405) | (42,864) |
| At 31 December 2024 | 979,128 | 754 | 468,272 | 3,251 | 1,451,405 |
| Net carrying amount | | | | | |
| At 31 December 2024 | 993,544 | 487 | 461,251 | 1,182 | 1,456,464 |
| As at 31 December 2023 | | | | | |
| Cost | | | | | |
| At 1 January 2023 | 1,795,702 | 1,123 | 447,083 | 24,596 | 2,268,504 |
| Additions | 287,132 | 358 | 689,261 | 1,210 | 977,961 |
| Termination | (242,403) | (274) | (261,902) | (2,652) | (507,231) |
| Modification | 22,527 | – | 40,087 | – | 62,614 |
| Exchange differences | 62,643 | 84 | 6,431 | 1,300 | 70,458 |
| At 31 December 2023 | 1,925,601 | 1,291 | 920,960 | 24,454 | 2,872,306 |
| Accumulated depreciation | | | | | |
| At 1 January 2023 | 795,478 | 687 | 279,536 | 16,027 | 1,091,728 |
| Depreciation charge for the financial year (Notes 38(ii) & 42) | 274,141 | 221 | 298,835 | 4,487 | 577,684 |
| Termination | (196,195) | (255) | (215,596) | (2,619) | (414,665) |
| Modification | (1,143) | – | (46,252) | – | (47,395) |
| Exchange differences | 23,266 | 59 | 4,664 | 828 | 28,817 |
| At 31 December 2023 | 895,547 | 712 | 321,187 | 18,723 | 1,236,169 |
| Net carrying amount | | | | | |
| At 31 December 2023 | 1,030,054 | 579 | 599,773 | 5,731 | 1,636,137 |



Notes to the Financial Statements

31 December 2024

21. RIGHT-OF-USE ASSETS (CONT'D.)

| Bank | Premises RM'000 | Office Equipments RM'000 | Computers and Data Centres RM'000 | Motor Vehicles RM'000 | Total RM'000 |
|--|--------------------|--------------------------------|--|-----------------------------|-----------------|
| As at 31 December 2024 | | | | | |
| Cost | | | | | |
| At 1 January 2024 | 900,462 | 652 | 392 | 594 | 902,100 |
| Additions | 56,549 | 16 | – | 150 | 56,715 |
| Termination | (59,846) | (27) | – | – | (59,873) |
| Modification | 2,485 | – | – | – | 2,485 |
| Exchange differences | (11,725) | (29) | 120 | (29) | (11,663) |
| At 31 December 2024 | 887,925 | 612 | 512 | 715 | 889,764 |
| Accumulated depreciation | | | | | |
| At 1 January 2024 | 381,742 | 405 | 201 | 117 | 382,465 |
| Depreciation charge for the financial year (Note 42) | 113,870 | 89 | 154 | 289 | 114,402 |
| Termination | (59,588) | (29) | (231) | – | (59,848) |
| Modification | (283) | – | – | – | (283) |
| Exchange differences | (7,053) | (19) | (12) | (18) | (7,102) |
| At 31 December 2024 | 428,688 | 446 | 112 | 388 | 429,634 |
| Net carrying amount | | | | | |
| At 31 December 2024 | 459,237 | 166 | 400 | 327 | 460,130 |
| As at 31 December 2023 | | | | | |
| Cost | | | | | |
| At 1 January 2023 | 861,619 | 590 | 387 | 597 | 863,193 |
| Additions | 100,564 | 69 | – | 121 | 100,754 |
| Termination | (56,769) | (42) | – | (153) | (56,964) |
| Modification | (19,182) | – | – | – | (19,182) |
| Exchange differences | 14,230 | 35 | 5 | 29 | 14,299 |
| At 31 December 2023 | 900,462 | 652 | 392 | 594 | 902,100 |
| Accumulated depreciation | | | | | |
| At 1 January 2023 | 312,360 | 326 | 48 | 148 | 312,882 |
| Depreciation charge for the financial year (Note 42) | 116,283 | 91 | 152 | 118 | 116,644 |
| Termination | (53,020) | (33) | – | (153) | (53,206) |
| Modification | (582) | – | – | – | (582) |
| Exchange differences | 6,701 | 21 | 1 | 4 | 6,727 |
| At 31 December 2023 | 381,742 | 405 | 201 | 117 | 382,465 |
| Net carrying amount | | | | | |
| At 31 December 2023 | 518,720 | 247 | 191 | 477 | 519,635 |

Total net carrying amount of the ROU assets including leasehold land for the Group and the Bank as disclosed in Note 20 as at 31 December 2024 are RM1,937,257,000 (2023: RM2,138,721,000) and RM535,253,000 (2023: RM597,063,000), respectively.

Notes to the Financial Statements

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22. INTANGIBLE ASSETS

| Group | Goodwill RM'000 | Core Deposit Intangibles RM'000 | Agency Force RM'000 | Customer Relationship RM'000 | Investment Management Agreement RM'000 | Computer Software RM'000 | Software-in- Development RM'000 | Total RM'000 |
|--|--------------------|--|---------------------------|------------------------------------|---|--------------------------------|---------------------------------------|-----------------|
| As at 31 December 2024 | | | | | | | | |
| Cost | | | | | | | | |
| At 1 January 2024 | 7,689,535 | 317,668 | 82,742 | 172,762 | 11,141 | 3,626,179 | 471,986 | 12,372,013 |
| Additions | – | – | – | – | – | 116,760 | 288,993 | 405,753 |
| Disposals | – | – | – | – | – | (3,064) | (4,034) | (7,098) |
| Write-offs (Note 42) | – | – | – | – | – | (11,396) | (500) | (11,896) |
| Transferred between categories | – | – | – | – | – | 259,180 | (259,180) | – |
| Transferred from property, plant and equipment (Note 20) | – | – | – | – | – | 29,143 | (688) | 28,455 |
| Exchange differences | (481,836) | (22,706) | – | (4,596) | – | (71,262) | (10,702) | (591,102) |
| At 31 December 2024 | 7,207,699 | 294,962 | 82,742 | 168,166 | 11,141 | 3,945,540 | 485,875 | 12,196,125 |
| Accumulated amortisation | | | | | | | | |
| At 1 January 2024 | – | 317,668 | 82,742 | 172,762 | – | 2,729,866 | – | 3,303,038 |
| Amortisation charge for the financial year (Notes 38(ii) & 42) | – | – | – | – | – | 269,845 | – | 269,845 |
| Disposal | – | – | – | – | – | (271) | – | (271) |
| Write-offs (Note 42) | – | – | – | – | – | (11,396) | – | (11,396) |
| Transferred to property, plant and equipment (Note 20) | – | – | – | – | – | 13,145 | – | 13,145 |
| Exchange differences | – | (22,706) | – | (4,596) | – | (54,629) | – | (81,931) |
| At 31 December 2024 | – | 294,962 | 82,742 | 168,166 | – | 2,946,560 | – | 3,492,430 |
| Accumulated impairment losses | | | | | | | | |
| At 1 January 2024 | 1,707,064 | – | – | – | – | – | – | 1,707,064 |
| Impairment loss | 4,430 | – | – | – | – | – | – | 4,430 |
| Exchange differences | (1,089) | – | – | – | – | – | – | (1,089) |
| At 31 December 2024 | 1,710,405 | – | – | – | – | – | – | 1,710,405 |
| Net carrying amount | | | | | | | | |
| At 31 December 2024 | 5,497,294 | – | – | – | 11,141 | 998,980 | 485,875 | 6,993,290 |



Notes to the Financial Statements

31 December 2024

22. INTANGIBLE ASSETS (CONT'D.)

| Group | Goodwill RM'000 | Core Deposit Intangibles RM'000 | Agency Force RM'000 | Customer Relationship RM'000 | Investment Management Agreement RM'000 | Computer Software RM'000 | Software-in- Development RM'000 | Total RM'000 |
|--|--------------------|--|---------------------------|------------------------------------|---|--------------------------------|---------------------------------------|-----------------|
| As at 31 December 2023 | | | | | | | | |
| Cost | | | | | | | | |
| At 1 January 2023 | 7,304,759 | 301,678 | 82,742 | 167,987 | 11,141 | 3,247,851 | 352,583 | 11,468,741 |
| Additions | – | – | – | – | – | 137,791 | 328,072 | 465,863 |
| Disposals | – | – | – | – | – | (311) | – | (311) |
| Write-offs (Note 42) | – | – | – | – | – | (20,646) | (756) | (21,402) |
| Transferred between categories | – | – | – | – | – | 156,979 | (156,979) | – |
| Transferred from/(to) property, plant and equipment (Note 20) | – | – | – | – | – | 57,925 | (58,896) | (971) |
| Exchange differences | 384,776 | 15,990 | – | 4,775 | – | 46,590 | 7,962 | 460,093 |
| At 31 December 2023 | 7,689,535 | 317,668 | 82,742 | 172,762 | 11,141 | 3,626,179 | 471,986 | 12,372,013 |
| Accumulated amortisation | | | | | | | | |
| At 1 January 2023 | – | 301,678 | 82,742 | 167,987 | – | 2,463,095 | – | 3,015,502 |
| Amortisation charge for the financial year (Notes 38(ii) & 42) | – | – | – | – | – | 251,126 | – | 251,126 |
| Disposal | – | – | – | – | – | (141) | – | (141) |
| Write-offs (Note 42) | – | – | – | – | – | (20,619) | – | (20,619) |
| Transferred to property, plant and equipment (Note 20) | – | – | – | – | – | (82) | – | (82) |
| Exchange differences | – | 15,990 | – | 4,775 | – | 36,487 | – | 57,252 |
| At 31 December 2023 | – | 317,668 | 82,742 | 172,762 | – | 2,729,866 | – | 3,303,038 |
| Accumulated impairment losses | | | | | | | | |
| At 1 January 2023 | 1,706,114 | – | – | – | – | – | – | 1,706,114 |
| Exchange differences | 950 | – | – | – | – | – | – | 950 |
| At 31 December 2023 | 1,707,064 | – | – | – | – | – | – | 1,707,064 |
| Net carrying amount | | | | | | | | |
| At 31 December 2023 | 5,982,471 | – | – | – | 11,141 | 896,313 | 471,986 | 7,361,911 |

Notes to the Financial Statements

31 December 2024

22. INTANGIBLE ASSETS (CONT'D.)

| Bank | Goodwill RM'000 | Computer Software RM'000 | Software-in- Development RM'000 | Total RM'000 |
|---|--------------------|--------------------------------|---------------------------------------|-----------------|
| As at 31 December 2024 | | | | |
| Cost | | | | |
| At 1 January 2024 | 81,015 | 1,222,544 | 204,765 | 1,508,324 |
| Additions | – | 14,016 | 185,898 | 199,914 |
| Write-offs (Note 42) | – | (11,396) | (500) | (11,896) |
| Transferred to a subsidiary | – | (795) | – | (795) |
| Transferred between categories | – | 124,228 | (124,228) | – |
| Exchange differences | – | (2,096) | (387) | (2,483) |
| At 31 December 2024 | 81,015 | 1,346,501 | 265,548 | 1,693,064 |
| Accumulated amortisation | | | | |
| At 1 January 2024 | – | 965,028 | – | 965,028 |
| Amortisation charge for the financial year (Note 42) | – | 76,315 | – | 76,315 |
| Write-offs (Note 42) | – | (11,396) | – | (11,396) |
| Exchange differences | – | (1,486) | – | (1,486) |
| At 31 December 2024 | – | 1,028,461 | – | 1,028,461 |
| Net carrying amount | | | | |
| At 31 December 2024 | 81,015 | 318,040 | 265,548 | 664,603 |
| As at 31 December 2023 | | | | |
| Cost | | | | |
| At 1 January 2023 | 81,015 | 1,163,975 | 85,692 | 1,330,682 |
| Additions | – | 10,860 | 176,669 | 187,529 |
| Write-offs (Note 42) | – | (10,947) | (756) | (11,703) |
| Transferred to a subsidiary | – | – | – | – |
| Transferred between categories | – | 1,327 | (1,327) | – |
| Transferred from/(to) property, plant and equipment (Note 20) | – | 55,274 | (55,453) | (179) |
| Exchange differences | – | 2,055 | (60) | 1,995 |
| At 31 December 2023 | 81,015 | 1,222,544 | 204,765 | 1,508,324 |
| Accumulated amortisation | | | | |
| At 1 January 2023 | – | 904,886 | – | 904,886 |
| Amortisation charge for the financial year (Note 42) | – | 69,697 | – | 69,697 |
| Write-offs (Note 42) | – | (10,947) | – | (10,947) |
| Transferred to property, plant and equipment (Note 20) | – | (82) | – | (82) |
| Exchange differences | – | 1,474 | – | 1,474 |
| At 31 December 2023 | – | 965,028 | – | 965,028 |
| Net carrying amount | | | | |
| At 31 December 2023 | 81,015 | 257,516 | 204,765 | 543,296 |



Notes to the Financial Statements

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22. INTANGIBLE ASSETS (CONT'D.)

(i) Goodwill

Goodwill has been allocated to the Group's Cash-Generating Units ("CGUs") identified according to the following business segments:

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|----------------|----------------|
| American Express ("AMEX") card services business in Malaysia | (a) | 81,015 | 81,015 |
| Acquisition of PT Bank Maybank Indonesia Tbk ("Maybank Indonesia") | (b) | 5,807,085 | 5,807,085 |
| Less: Accumulated impairment losses | | (1,619,518) | (1,619,518) |
| | | 4,187,567 | 4,187,567 |
| Acquisition of Maybank IBG Holdings Limited ("MIBGH") | (c) | 2,001,914 | 2,001,914 |
| Less: Accumulated impairment losses | | (18,591) | (14,161) |
| | | 1,983,323 | 1,987,753 |
| Acquisition of PT Maybank Asset Management | | 20,162 | 20,162 |
| Less: Accumulated impairment losses | | (20,162) | (20,162) |
| | | — | — |
| Acquisition of PT Asuransi Etiqa Internasional Indonesia | | 60,974 | 60,974 |
| Less: Accumulated impairment losses | | (43,899) | (43,899) |
| | | 17,075 | 17,075 |
| Acquisition of Amanah Mutual Berhad | | 2,168 | 2,168 |
| Exchange differences | | (773,854) | (293,107) |
| | | 5,497,294 | 5,982,471 |

| Bank | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|----------------|----------------|
| American Express ("AMEX") card services business in Malaysia | (a) | 81,015 | 81,015 |

Goodwill is allocated to the Group's CGUs expected to benefit from the synergies of the acquisitions. The recoverable amount of the CGUs is assessed based on value-in-use and compared to the carrying amount of the CGUs to determine whether any impairment exists. Impairment loss is recognised in the income statement when the carrying amount of the CGUs exceeds its recoverable amount. During the financial years ended 31 December 2024, additional impairment losses of RM4.4 million were recognised for the CGUs.

- (a) The value-in-use calculations apply discounted cash flow projections prepared and approved by management, covering a 10-year period. The other key assumptions for the computation of value-in-use are as follows:
- (i) The Bank expects the AMEX card services business to be a going concern;
 - (ii) The growth in business volume is expected to be consistent with the industry growth rate of 9.0% to 12.0% per annum; and
 - (iii) The discount rate applied is the internal weighted average cost of capital of the Bank at the time of assessment, which is estimated to be 7.69% per annum (2023: 6.44% per annum).
- (b) The value-in-use discounted cash flow model uses free cash flow to equity ("FCFE") projections prepared and approved by management covering a 5-year period. The other key assumptions for the computation of value-in-use are as follows:
- (i) The Bank expects Maybank Indonesia's banking business operations to be a going concern;
 - (ii) The discount rate applied is based on current specific country risks which is estimated to be approximately 12.2% per annum (2023: 12.7% per annum); and
 - (iii) Terminal value whereby cash flow growth rate is 5.1% (2023: 5.0%).

For sensitivity analysis purposes, a 10 basis points change in the discount rate would increase or decrease the recoverable amount by RM344.9 million and RM354.8 million, respectively, while a 10 basis points change in the terminal growth rate on the annual cash flows of Maybank Indonesia would increase or decrease the recoverable amount by RM274.5 million and RM267.0 million, respectively.

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22. INTANGIBLE ASSETS (CONT'D.)

(i) Goodwill (cont'd.)

- (c) Maybank Investment Banking Group ("MIBG") is segregated into two business pillars, namely, Investment Banking and Advisory ("IB&A") and Brokerage, Equity & Commodity Derivatives ("ECDG") and other businesses. MIBG comprises mainly Maybank Investment Bank Berhad ("MIBMY") and Maybank IBG Holding Limited ("MIBGH") whilst MIBG forms the Investment Banking sub-segment within Global Banking.

The value-in-use discounted cash flow model uses free cash flow to the firm ("FCFF") projections prepared and approved by management covering a 5-year period of MIBMY and MIBGH collectively.

The other key assumptions for the computation of value-in-use are as follows:

- (i) The Bank expects MIBG's business operations to be a going concern;
- (ii) The discount rate applied is the internal weighted average cost of capital of MIBG at the time of assessment, which is estimated to be 7.9% per annum (2023: 8.3% per annum); and
- (iii) Terminal value whereby cash flow growth rate is 4.1% (2023: 4.5%), which is consistent with the average GDP rate of Malaysia, Singapore and Thailand, which are the major MIBG's operating markets.

For sensitivity analysis purposes, if the annual cash flows growth rate of MIBG is at a constant negative growth rate of 4.3% or the discount rate increased to approximately 15.8%, the recoverable amount would be reduced to its carrying amount of the CGU.

(ii) Core Deposit Intangibles ("CDI")

Core deposit intangibles arise from the acquisition of Maybank Indonesia's banking business operations. The CDI is deemed to have a finite useful life of 8 years and has been fully amortised based on a reducing balance method.

(iii) Agency force

The agency force arises from the acquisition of MIBGH's investment banking business operations. The agency force is deemed to have a finite useful life of 11 years and has been fully amortised based on a reducing balance method.

(iv) Customer relationship

The customer relationship arises from the acquisition of MIBGH's investment banking business operations. The customer relationship is deemed to have a finite useful life of 3 - 9 years and has been fully amortised based on a reducing balance method.

(v) Investment management agreements

The Group has recognised the investment management agreements acquired through the acquisition of Amanah Mutual Berhad as intangible assets as they are expected to provide consistent revenue flow and future economic benefits to the Group. The investment management agreements are initially recognised at cost and subsequently carried at cost less any accumulated impairment losses. The useful life of the investment management agreements are estimated to be indefinite as it is believed that there is no foreseeable limit to the period over which the investment management agreements are expected to generate net cash inflows for the Group.

23. DEPOSITS FROM CUSTOMERS

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Fixed deposits and negotiable instruments of deposits | | | | |
| - One year or less | 359,786,179 | 338,484,742 | 170,287,990 | 168,785,966 |
| - More than one year | 4,124,887 | 5,262,596 | 1,199,284 | 1,671,026 |
| | 363,911,066 | 343,747,338 | 171,487,274 | 170,456,992 |
| Money market deposits | 103,518,983 | 92,717,328 | 29,566,090 | 24,511,481 |
| Savings deposits | 96,386,543 | 91,945,677 | 32,803,883 | 32,501,601 |
| Demand deposits | 149,098,867 | 141,948,993 | 76,751,739 | 72,206,065 |
| | 712,915,459 | 670,359,336 | 310,608,986 | 299,676,139 |



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23. DEPOSITS FROM CUSTOMERS (CONT'D.)

The deposits are sourced from the following types of customers:

| | Group | | Bank | |
|---------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Business enterprises | 325,086,856 | 321,757,207 | 174,630,839 | 181,905,063 |
| Individuals | 275,588,994 | 252,096,036 | 84,635,236 | 82,240,142 |
| Government and statutory bodies | 52,691,775 | 46,551,421 | 19,578,968 | 13,396,190 |
| Others | 59,547,834 | 49,954,672 | 31,763,943 | 22,134,744 |
| | 712,915,459 | 670,359,336 | 310,608,986 | 299,676,139 |

The maturity profile of fixed deposits and negotiable instruments of deposits are as follows:

| | Group | | Bank | |
|---------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Within six months | 296,594,038 | 253,874,268 | 142,587,146 | 129,783,677 |
| Six months to one year | 63,192,141 | 84,610,474 | 27,700,844 | 39,002,289 |
| One year to three years | 3,530,590 | 4,919,566 | 640,686 | 1,364,284 |
| Three years to five years | 89,151 | 172,871 | 53,452 | 136,583 |
| More than five years | 505,146 | 170,159 | 505,146 | 170,159 |
| | 363,911,066 | 343,747,338 | 171,487,274 | 170,456,992 |

24. DEPOSITS AND PLACEMENTS FROM FINANCIAL INSTITUTIONS

| | Group | | Bank | |
|------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Licensed banks | 44,509,804 | 41,889,399 | 75,107,282 | 56,227,471 |
| Licensed finance companies | 861,295 | 164,567 | 861,295 | 164,568 |
| Licensed investment banks | 583,092 | 681,618 | 583,092 | 681,618 |
| Other financial institutions | 1,097,029 | 1,941,308 | 447,555 | 1,148,126 |
| | 47,051,220 | 44,676,892 | 76,999,224 | 58,221,783 |

The maturity profile of deposits and placements from financial institutions are as follows:

| | Group | | Bank | |
|--------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| One year or less | 40,997,427 | 39,390,242 | 71,537,983 | 53,682,671 |
| More than one year | 6,053,793 | 5,286,650 | 5,461,241 | 4,539,112 |
| | 47,051,220 | 44,676,892 | 76,999,224 | 58,221,783 |

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25. FINANCIAL LIABILITIES AT FAIR VALUE THROUGH PROFIT OR LOSS (“FVTPL”)

| | Group | | Bank | |
|--|-------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Structured deposits | 4,846,081 | 322,871 | 331,669 | 322,871 |
| Borrowings | | | | |
| Unsecured | | | | |
| Medium term notes | | | | |
| - More than one year | | | | |
| Denominated in: | | | | |
| - USD | 7,097,373 | 8,443,692 | 7,097,373 | 8,443,692 |
| Total financial liabilities at fair value through profit or loss | 11,943,454 | 8,766,563 | 7,429,042 | 8,766,563 |

The Group and the Bank have designated certain structured deposits and borrowings at FVTPL. This designation is permitted under MFRS 9 *Financial Instruments* as it significantly reduces accounting mismatch. These instruments are managed by the Group and the Bank on the basis of their fair values and include terms that have substantive derivative characteristics.

The contractual carrying amounts of structured deposits designated at FVTPL as at 31 December 2024 were RM4,893,934,000 (2023: RM324,375,000) for the Group and RM333,757,000 (2023: RM324,375,000) for the Bank, meanwhile the contractual carrying amount of borrowings designated at FVTPL as at 31 December 2024 for the Group and the Bank were RM14,650,722,000 (2023: RM14,123,352,000). The fair value changes of the financial liabilities at FVTPL that are attributable to the changes in own credit risk are not significant.

The movements in the borrowings are as follows:

| | Group | | Bank | |
|----------------------|--------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 8,443,692 | 8,107,257 | 8,443,692 | 8,107,257 |
| Non-cash changes: | | | | |
| Fair value changes | (1,873,689) | (1,046,487) | (1,873,689) | (1,046,487) |
| Others | 852,930 | 885,086 | 852,930 | 885,086 |
| Exchange differences | (325,560) | 497,836 | (325,560) | 497,836 |
| At 31 December | 7,097,373 | 8,443,692 | 7,097,373 | 8,443,692 |



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26. OTHER LIABILITIES

| | Note | Group | | Bank | |
|--|-------|-------------------|----------------|-------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Amount due to brokers and clients | 55 | 4,595,057 | 5,003,307 | – | – |
| Deposits, other creditors and accruals | | 19,955,057 | 11,288,218 | 12,454,015 | 7,975,735 |
| Defined benefit pension plans | (i) | 530,427 | 524,485 | – | – |
| Provisions for commitments and contingencies | (ii) | 53,976 | 28,976 | 19,176 | 18,176 |
| Allowances for impairment losses on loan commitments and financial guarantee contracts | (iii) | 397,797 | 345,443 | 229,514 | 189,089 |
| Lease liabilities | (iv) | 1,316,862 | 1,513,084 | 464,118 | 520,650 |
| Structured deposits | | 658,803 | 7,237,415 | 526,155 | 474,416 |
| | | 27,507,979 | 25,940,928 | 13,692,978 | 9,178,066 |

(i) Defined benefit pension plans

The Bank's subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labour laws of respective countries. The Bank's subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial assumptions using Projected Unit Credit Method. Such determination is made based on the present value of expected cash flows of benefits to be paid in the future taking into account the actuarial assumptions, including salaries, turnover rate, mortality rate, years of service and other factors.

The defined benefit plans expose the Bank's subsidiaries to actuarial risks, such as longevity risk, interest rate risk, currency risk and market (investment) risk.

(a) Funding to defined benefit plans

The defined benefit plans are fully funded by the Bank's subsidiaries. The funding requirements are based on the pension funds actuarial measurement framework set out in the funding policies of the plans. The subsidiaries' employees are not required to contribute to the plans.

The following payments are expected contributions to be made by the Bank's subsidiaries to the defined benefit plans obligations in the future years:

| Group | 2024 RM'000 | 2023 RM'000 |
|--------------------------------|------------------|----------------|
| Within the next 12 months | 51,628 | 56,918 |
| Between 1 and 5 years | 222,970 | 236,380 |
| Between 5 and 10 years | 418,657 | 429,047 |
| Beyond 10 years | 3,041,400 | 3,051,930 |
| Total expected payments | 3,734,655 | 3,774,275 |

Notes to the Financial Statements

31 December 2024

26. OTHER LIABILITIES (CONT'D.)

(i) Defined benefit pension plans (cont'd.)

(b) Movements in net defined benefit liabilities

The following table shows a reconciliation of net defined benefit liabilities and its components:

| Group As at 31 December 2024 | Defined benefit obligations RM'000 | Fair value of plan assets RM'000 | Net defined benefit liabilities RM'000 |
|---|---------------------------------------|-------------------------------------|---|
| At 1 January 2024 | 561,382 | (36,897) | 524,485 |
| Included in income statements: | | | |
| Current service cost | 141,614 | – | 141,614 |
| Past service income | (7,788) | – | (7,788) |
| Interest income/(cost) | 36,400 | (2,271) | 34,129 |
| Actuarial gain on other long-term employee benefits plans | (53,442) | – | (53,442) |
| | 116,784 | (2,271) | 114,513 |
| Included in statements of comprehensive income: | | | |
| Remeasurement (gain)/loss: | | | |
| - Actuarial (gain)/loss arising from: | | | |
| - Demographic assumptions | (1,321) | – | (1,321) |
| - Financial assumptions | (4,756) | 1,974 | (2,782) |
| - Experience adjustments | (17,761) | – | (17,761) |
| - Return on plan assets (excluding interest income) | 113 | (508) | (395) |
| | (23,725) | 1,466 | (22,259) |
| Others: | | | |
| Contributions paid by employers | – | (9,332) | (9,332) |
| Benefits paid | (56,677) | 11,748 | (44,929) |
| Exchange differences | (32,468) | 417 | (32,051) |
| | (89,145) | 2,833 | (86,312) |
| At 31 December 2024 | 565,296 | (34,869) | 530,427 |



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26. OTHER LIABILITIES (CONT'D.)

(i) Defined benefit pension plans (cont'd.)

(b) Movements in net defined benefit liabilities (cont'd.)

The following table shows a reconciliation of net defined benefit liabilities and its components (cont'd.):

| Group As at 31 December 2023 | Defined benefit obligations RM'000 | Fair value of plan assets RM'000 | Net defined benefit liabilities RM'000 |
|---|---|---|---|
| At 1 January 2023 | 522,644 | (39,270) | 483,374 |
| Included in income statements: | | | |
| Current service cost | 68,482 | – | 68,482 |
| Past service income | (2,084) | – | (2,084) |
| Interest income/(cost) | 35,706 | (2,234) | 33,472 |
| Actuarial gain on other long-term employee benefits plans | (737) | – | (737) |
| | 101,367 | (2,234) | 99,133 |
| Included in statements of comprehensive income: | | | |
| Remeasurement (gain)/loss: | | | |
| - Actuarial (gain)/loss arising from: | | | |
| - Demographic assumptions | (224) | – | (224) |
| - Financial assumptions | 6,839 | – | 6,839 |
| - Experience adjustments | (34,091) | – | (34,091) |
| - Return on plan assets (excluding interest income) | 52 | 747 | 799 |
| | (27,424) | 747 | (26,677) |
| Others: | | | |
| Contributions paid by employers | (269) | (9,975) | (10,244) |
| Benefits paid | (51,030) | 13,804 | (37,226) |
| Exchange differences | 16,094 | 31 | 16,125 |
| | (35,205) | 3,860 | (31,345) |
| At 31 December 2023 | 561,382 | (36,897) | 524,485 |

Notes to the Financial Statements

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26. OTHER LIABILITIES (CONT'D.)

(i) Defined benefit pension plans (cont'd.)

(c) Plan assets

The major categories of plan assets included as part of the fair value of total plan assets are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|---------------------------------------|----------------|----------------|
| Cash and cash equivalents | 3,227 | 8,955 |
| Quoted investments in active markets: | | |
| Equity securities: | | |
| - Consumer markets | 2,704 | 3,265 |
| - Financial institutions | 1,604 | 4,662 |
| Bonds issued by foreign governments | 17,951 | 18,449 |
| Debt instruments | 2,395 | 2,003 |
| Other receivables | 8,448 | 1,100 |
| Other payables | (1,460) | (1,537) |
| | 34,869 | 36,897 |

For Bank's subsidiaries which have plan assets, an Asset-Liability Matching Study ("ALM") is performed at each reporting date. The principal technique of the ALM is to ensure the expected return on assets is sufficient to support the desired level of funding arising from the defined benefit plans.

(d) Defined benefit obligations

(A) Actuarial assumptions

The principal assumptions used by subsidiaries in determining its pension obligations are as follows:

| Group | 2024 % | 2023 % |
|----------------------|-----------|-----------|
| Discount rate | | |
| - Indonesia | 6.98 | 6.73 |
| - Philippines | 6.05 | 6.17 |
| - Thailand | 2.22 | 2.80 |
| Future salary growth | | |
| - Indonesia | 6.50 | 6.50 |
| - Philippines | 5.17 | 4.77 |
| - Thailand | 5.00 | 5.00 |



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26. OTHER LIABILITIES (CONT'D.)

(i) Defined benefit pension plans (cont'd.)

(d) Defined benefit obligations (cont'd.)

(A) Actuarial assumptions (cont'd.)

The principal assumptions used by subsidiaries in determining its pension obligations are as follows (cont'd.):

| Group | 2024 Years | 2023 Years |
|--|---------------|---------------|
| Indonesia: | | |
| Life expectancy for individual retiring at age of 55 – 56: | | |
| – Male | 20.31 | 20.34 |
| – Female | 21.28 | 21.31 |
| Philippines: | | |
| Life expectancy for individual retiring at age of 60: | | |
| – Male | 14.50 | 12.85 |
| – Female | 18.00 | 16.95 |
| Thailand: | | |
| Life expectancy for individual retiring at age of 60: | | |
| – Male | 14.40 | 14.40 |
| – Female | 21.00 | 21.00 |

The average duration of the defined benefit plans obligations at the end of each reporting year are as follows:

| Group | 2024 Years | 2023 Years |
|---|---------------|---------------|
| Duration of defined benefit plans obligations | | |
| - Indonesia | 9.36 | 9.66 |
| - Philippines | 13.59 | 11.47 |
| - Thailand | 14.06 | 14.89 |

(B) Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligations by the amounts shown below:

| Group | Defined benefit obligations | |
|------------------------------------|------------------------------|------------------------------|
| | Increased by 1% RM'000 | Decreased by 1% RM'000 |
| 2024 | | |
| Discount rate (1% movement) | (57,696) | 17,437 |
| Future salary growth (1% movement) | 7,806 | (49,479) |
| Future mortality (1% movement) | 99 | (98) |
| 2023 | | |
| Discount rate (1% movement) | (31,525) | 32,310 |
| Future salary growth (1% movement) | 37,327 | (36,643) |
| Future mortality (1% movement) | 95 | (93) |

The sensitivity analysis above have been determined based on a method that extrapolates the impact on net defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of each reporting year.

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26. OTHER LIABILITIES (CONT'D.)

(ii) The movements of provisions for commitments and contingencies are as follows:

| | Group | | Bank | |
|----------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 28,976 | 38,880 | 18,176 | 28,080 |
| Addition | 25,000 | 30,678 | 1,000 | 30,678 |
| Written back | – | (40,582) | – | (40,582) |
| At 31 December | 53,976 | 28,976 | 19,176 | 18,176 |

(iii) Movements in the allowances for impairment losses on loan commitments and financial guarantee contracts are as follows:

| | Stage 1 | Stage 2 | Stage 3 | Total |
|--|---------------------------|--|--|-----------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| As at 31 December 2024 | | | | |
| Group | | | | |
| At 1 January 2024 | 139,916 | 98,486 | 107,041 | 345,443 |
| Transferred to Stage 1 | 6,015 | (5,920) | (95) | – |
| Transferred to Stage 2 | (1,819) | 1,821 | (2) | – |
| Transferred to Stage 3 | (101) | (84) | 185 | – |
| Net remeasurement of allowances | 4,607 | 8,057 | 105,518 | 118,182 |
| New credit exposures originated or purchased | 101,616 | 18,068 | – | 119,684 |
| Credit exposures derecognised | (73,580) | (16,472) | (77,669) | (167,721) |
| Changes in models/risk parameters | (3,738) | (196) | (2,704) | (6,638) |
| Exchange differences | (5,464) | (4,214) | (1,475) | (11,153) |
| At 31 December 2024 | 167,452 | 99,546 | 130,799 | 397,797 |
| Bank | | | | |
| At 1 January 2024 | 70,961 | 82,971 | 35,157 | 189,089 |
| Transferred to Stage 1 | 875 | (875) | – | – |
| Transferred to Stage 2 | (750) | 750 | – | – |
| Transferred to Stage 3 | – | (15) | 15 | – |
| Net remeasurement of allowances | (232) | 3,743 | 51,801 | 55,312 |
| New credit exposures originated or purchased | 49,558 | 10,149 | – | 59,707 |
| Credit exposures derecognised | (46,933) | (8,547) | (11,567) | (67,047) |
| Changes in models/risk parameters | 8 | – | – | 8 |
| Exchange differences | (2,295) | (3,909) | (1,351) | (7,555) |
| At 31 December 2024 | 71,192 | 84,267 | 74,055 | 229,514 |



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26. OTHER LIABILITIES (CONT'D.)

(iii) Movements in the allowances for impairment losses on loan commitments and financial guarantee contracts are as follows (cont'd.):

| | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| As at 31 December 2023 | | | | |
| Group | | | | |
| At 1 January 2023 | 162,152 | 37,846 | 254,810 | 454,808 |
| Transferred to Stage 1 | 6,423 | (6,336) | (87) | – |
| Transferred to Stage 2 | (3,437) | 3,659 | (222) | – |
| Transferred to Stage 3 | (121) | (660) | 781 | – |
| Net remeasurement of allowances | (10,282) | 3,098 | 101,864 | 94,680 |
| New credit exposures originated or purchased | 87,107 | 83,417 | – | 170,524 |
| Credit exposures derecognised | (101,230) | (23,041) | (246,640) | (370,911) |
| Changes in models/risk parameters | (4,395) | (219) | 1,450 | (3,164) |
| Exchange differences | 3,699 | 722 | (4,915) | (494) |
| At 31 December 2023 | 139,916 | 98,486 | 107,041 | 345,443 |
| Bank | | | | |
| At 1 January 2023 | 91,147 | 20,107 | 157,424 | 268,678 |
| Transferred to Stage 1 | 2,028 | (2,028) | – | – |
| Transferred to Stage 2 | (1,536) | 1,536 | – | – |
| Transferred to Stage 3 | (62) | (508) | 570 | – |
| Net remeasurement of allowances | (2,215) | 1,213 | 35,824 | 34,822 |
| New credit exposures originated or purchased | 49,692 | 76,732 | – | 126,424 |
| Credit exposures derecognised | (70,030) | (14,418) | (153,368) | (237,816) |
| Changes in models/risk parameters | (21) | – | – | (21) |
| Exchange differences | 1,958 | 337 | (5,293) | (2,998) |
| At 31 December 2023 | 70,961 | 82,971 | 35,157 | 189,089 |

(iv) Lease liabilities

The movements in lease liabilities are as follows:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 1,513,084 | 1,139,694 | 520,650 | 543,134 |
| New lease contracts | 426,258 | 1,010,385 | 49,314 | 74,359 |
| Modification | (1,002) | (29,899) | – | – |
| Termination | (97,819) | (7,577) | (526) | (2,367) |
| Lease finance cost (Notes 38(ii) & 42) | 65,714 | 57,595 | 16,595 | 15,382 |
| Lease obligation reduction/repayment | (589,373) | (657,114) | (121,915) | (109,858) |
| At 31 December | 1,316,862 | 1,513,084 | 464,118 | 520,650 |

Notes to the Financial Statements

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26. OTHER LIABILITIES (CONT'D.)

(iv) Lease liabilities (cont'd.)

The undiscounted maturity analysis of lease liabilities are as follows:

| | Group | | Bank | |
|----------------------------|------------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Less than one year | 345,482 | 375,391 | 25,700 | 21,453 |
| Between one and five years | 691,642 | 745,917 | 164,788 | 208,556 |
| More than five years | 686,679 | 660,157 | 309,597 | 349,554 |
| | 1,723,803 | 1,781,465 | 500,085 | 579,563 |

27. PROVISION FOR TAXATION AND ZAKAT

| | Group | |
|----------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Taxation | 192,918 | 147,567 |
| Zakat | 101,725 | 91,822 |
| | 294,643 | 239,389 |

28. DEFERRED TAX

| | Group | | Bank | |
|---|------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | (623,340) | (2,170,692) | (83,505) | (1,099,262) |
| Recognised in income statements: | | | | |
| Tax expenses (Note 47) | (117,656) | (183,814) | (56,649) | (46,245) |
| Tax borne by insurance policyholders/takaful participants | 18,152 | 71,258 | – | – |
| Recognised in statements of other comprehensive income | (211,740) | 1,451,611 | (144,896) | 1,075,662 |
| Exchange differences | 17,763 | 208,297 | (11,605) | (13,660) |
| At 31 December | (916,821) | (623,340) | (296,655) | (83,505) |

Presented after appropriate offsetting as follows:

| | Group | | Bank | |
|--------------------------|--------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Deferred tax assets | (1,672,159) | (1,308,986) | (296,655) | (83,505) |
| Deferred tax liabilities | 755,338 | 685,646 | – | – |
| | (916,821) | (623,340) | (296,655) | (83,505) |



Notes to the Financial Statements

31 December 2024

28. DEFERRED TAX (CONT'D.)

Presented prior to offsetting as follows:

| | Group | | Bank | |
|--------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Deferred tax assets | (2,164,041) | (2,148,218) | (738,095) | (679,570) |
| Deferred tax liabilities | 1,247,220 | 1,524,878 | 441,440 | 596,065 |
| | (916,821) | (623,340) | (296,655) | (83,505) |

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group:

| | Impairment losses on loans, financial investments and other financial assets RM'000 | FVOCI reserve and amortisation of premium RM'000 | Provision for liabilities RM'000 | Other temporary differences RM'000 | Unutilised ICBU business losses RM'000 | Total RM'000 |
|---|--|---|-------------------------------------|---------------------------------------|---|-----------------|
| As at 31 December 2024 | | | | | | |
| At 1 January 2024 | (946,557) | (101,330) | (645,636) | (442,836) | (11,859) | (2,148,218) |
| Recognised in income statements: | | | | | | |
| Tax expenses | (61,740) | (952) | (88,304) | (49,918) | 1,600 | (199,314) |
| Tax borne by insurance policyholders/takaful participants | – | – | – | (2,259) | – | (2,259) |
| Recognised in statements of other comprehensive income | – | (28,948) | 5,564 | 2,225 | – | (21,159) |
| Exchange differences | 14,430 | 20,867 | 56,976 | 98,230 | – | 190,503 |
| At 31 December 2024 | (993,867) | (93,957) | (671,400) | (394,558) | (10,259) | (2,164,041) |
| As at 31 December 2023 | | | | | | |
| At 1 January 2023 | (828,375) | (869,657) | (588,572) | (326,419) | – | (2,613,023) |
| Recognised in income statements: | | | | | | |
| Tax expenses | (114,615) | 5,818 | (49,261) | (131,525) | (11,859) | (301,442) |
| Tax borne by insurance policyholders/takaful participants | – | – | – | (841) | – | (841) |
| Recognised in statements of other comprehensive income | – | 705,137 | 6,734 | (15,545) | – | 696,326 |
| Exchange differences | (3,567) | 57,372 | (14,537) | 31,494 | – | 70,762 |
| At 31 December 2023 | (946,557) | (101,330) | (645,636) | (442,836) | (11,859) | (2,148,218) |

Notes to the Financial Statements

31 December 2024

28. DEFERRED TAX (CONT'D.)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows (cont'd.):

Deferred tax liabilities of the Group:

| | Excess capital allowance RM'000 | FVOCI reserve and accretion of discounts RM'000 | Non- Distributable Life Funds Surplus RM'000 | Other temporary differences RM'000 | Total RM'000 |
|---|--|---|--|---|-----------------|
| As at 31 December 2024 | | | | | |
| At 1 January 2024 | 144,271 | 754,630 | 470,767 | 155,210 | 1,524,878 |
| Recognised in income statements: | | | | | |
| Tax expenses | 20,659 | – | 38,135 | 22,864 | 81,658 |
| Tax borne by insurance policyholders/takaful participants | – | – | – | 20,411 | 20,411 |
| Recognised in statements of other comprehensive income | – | (205,746) | 4,032 | (5,273) | (206,987) |
| Exchange differences | (20,892) | 133,512 | (190,619) | (94,741) | (172,740) |
| At 31 December 2024 | 144,038 | 682,396 | 322,315 | 98,471 | 1,247,220 |
| As at 31 December 2023 | | | | | |
| At 1 January 2023 | 114,522 | 35,230 | 216,180 | 76,399 | 442,331 |
| Recognised in income statements: | | | | | |
| Tax expenses | (2,813) | – | 62,380 | 58,061 | 117,628 |
| Tax borne by insurance policyholders/takaful participants | – | – | – | 72,099 | 72,099 |
| Recognised in statements of other comprehensive income | – | 742,198 | 12,715 | 372 | 755,285 |
| Exchange differences | 32,562 | (22,798) | 179,492 | (51,721) | 137,535 |
| At 31 December 2023 | 144,271 | 754,630 | 470,767 | 155,210 | 1,524,878 |

Deferred tax assets of the Bank:

| | Impairment losses on loans, financial investments and other financial assets RM'000 | FVOCI reserve RM'000 | Provision for liabilities RM'000 | Total RM'000 |
|--|---|----------------------------|---|-----------------|
| As at 31 December 2024 | | | | |
| At 1 January 2024 | (268,304) | (21,941) | (389,325) | (679,570) |
| Recognised in income statements: | | | | |
| Tax expenses | 2,977 | – | (71,832) | (68,855) |
| Recognised in statements of other comprehensive income | – | 16,406 | – | 16,406 |
| Exchange differences | – | 5,535 | (11,611) | (6,076) |
| At 31 December 2024 | (265,327) | – | (472,768) | (738,095) |
| As at 31 December 2023 | | | | |
| At 1 January 2023 | (246,942) | (568,945) | (353,893) | (1,169,780) |
| Recognised in income statements: | | | | |
| Tax expenses | (21,362) | – | (21,772) | (43,134) |
| Recognised in statements of other comprehensive income | – | 524,209 | – | 524,209 |
| Exchange differences | – | 22,795 | (13,660) | 9,135 |
| At 31 December 2023 | (268,304) | (21,941) | (389,325) | (679,570) |



Notes to the Financial Statements

31 December 2024

28. DEFERRED TAX (CONT'D.)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows (cont'd.):

Deferred tax liabilities of the Bank:

| | Excess capital allowance RM'000 | FVOCI reserve RM'000 | Other temporary differences RM'000 | Total RM'000 |
|--|--|----------------------------|---|-----------------|
| As at 31 December 2024 | | | | |
| At 1 January 2024 | 55,780 | 540,056 | 229 | 596,065 |
| Recognised in income statements: | | | | |
| Tax expenses | 12,206 | – | – | 12,206 |
| Recognised in statements of other comprehensive income | – | (161,302) | – | (161,302) |
| Exchange differences | – | (5,529) | – | (5,529) |
| At 31 December 2024 | 67,986 | 373,225 | 229 | 441,440 |
| As at 31 December 2023 | | | | |
| At 1 January 2023 | 58,891 | 11,398 | 229 | 70,518 |
| Recognised in income statements: | | | | |
| Tax expenses | (3,111) | – | – | (3,111) |
| Recognised in statements of other comprehensive income | – | 551,453 | – | 551,453 |
| Exchange differences | – | (22,795) | – | (22,795) |
| At 31 December 2023 | 55,780 | 540,056 | 229 | 596,065 |

Deferred tax assets have not been recognised in respect of the following items:

| Group | 2024 RM'000 | 2023 RM'000 |
|-------------------------------|----------------|----------------|
| Unutilised tax losses | 240,821 | 297,048 |
| Unabsorbed capital allowances | 4,143 | 4,376 |
| | 244,964 | 301,424 |

The Group is within the scope of the Organisation for Economic Co-operation and Development (“OECD”) Pillar Two model rules. Pillar Two legislation was enacted United Kingdom and Vietnam effective 1 January 2024 and the Group has no material current tax exposure in these jurisdictions. For other countries like Malaysia, Singapore, Hong Kong and Thailand, it is effective 1 January 2025.

The Group applies the exception to recognising and disclosing about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

Under the legislation, the Group is liable to pay a top-up tax for the difference between its Global Anti-Base Erosion (“GloBE”) effective tax rate per jurisdiction and the 15% minimum rate. The impact to the Group is estimated to be immaterial as the Group does not benefit from significant tax incentives and as the headline tax rate is above 15% in most of the jurisdictions that Maybank operates in.

The Group has performed an assessment of its potential exposure to Pillar Two top-up taxes based on the recent financial statements information for the constituent entities in the Group. Based on the assessment, the Pillar Two simplified effective tax rates under the Transitional CbC Safe Harbour rules in most of the jurisdictions in which the Group operates are above 15%. On this basis, the Group estimates that the impact of top-up taxes would not be material to the Group.

The Group continues to follow Pillar Two legislative developments, as further countries enact the Pillar Two model rules, to evaluate the potential future impact on its consolidated results of operations, financial position and cash flows beginning.

Notes to the Financial Statements

31 December 2024

29. BORROWINGS

| | Note | Group | | Bank | |
|--------------------------|------|----------------|----------------|----------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Secured: | (a) | | | | |
| (i) Borrowings | | | | | |
| – Less than one year | | | | | |
| Denominated in: | | | | | |
| – USD | | 478,183 | – | 478,183 | – |
| – IDR | | 920,857 | 914,219 | – | – |
| | | 1,399,040 | 914,219 | 478,183 | – |
| – More than one year | | | | | |
| Denominated in: | | | | | |
| – USD | | – | 491,023 | – | 491,023 |
| – EUR | | 2,406,834 | – | – | – |
| – IDR | | 1,325,052 | 1,490,234 | – | – |
| | | 3,731,886 | 1,981,257 | – | 491,023 |
| Total secured borrowings | | 5,130,926 | 2,895,476 | 478,183 | 491,023 |
| Unsecured: | (b) | | | | |
| (i) Borrowings | | | | | |
| – Less than one year | | | | | |
| Denominated in: | | | | | |
| – USD | | 3,724,973 | 3,432,706 | 36,253 | 265,788 |
| – CNY | | 613,047 | 380,848 | 613,047 | 380,848 |
| – SGD | | 1,485,810 | 1,332,132 | 384,457 | 1,091,115 |
| – THB | | 1,372,139 | 1,460,043 | – | – |
| – HKD | | 52,610 | 233,416 | – | – |
| – IDR | | 93,541 | 525,220 | – | – |
| – PHP | | – | 4,152 | – | – |
| – JPY | | 1,030,845 | 137 | – | – |
| – EUR | | – | 10,752 | – | – |
| | | 8,372,965 | 7,379,406 | 1,033,757 | 1,737,751 |
| – More than one year | | | | | |
| Denominated in: | | | | | |
| – USD | | 445,349 | 458,166 | – | 458,166 |
| – IDR | | 276,374 | 206,393 | – | – |
| – CNY | | 1,225,322 | 1,940,775 | 1,225,322 | 1,940,775 |
| – RM ¹ | | 2,570,170 | 2,560,435 | 2,570,170 | 2,560,435 |
| | | 4,517,215 | 5,165,769 | 3,795,492 | 4,959,376 |



Notes to the Financial Statements

31 December 2024

29. BORROWINGS (CONT'D.)

| | Group | | Bank | |
|----------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| (ii) Medium Term Notes | | | | |
| – Less than one year | | | | |
| Denominated in: | | | | |
| – USD | 41,552 | 4,928,923 | 41,552 | 4,928,923 |
| – HKD | 513,413 | 2,304,248 | 513,413 | 2,304,248 |
| – JPY | 1,160,965 | 292,159 | 1,160,965 | 292,159 |
| – CNH | 1,022,775 | 711,824 | 1,022,775 | 711,824 |
| – CNY | 4,063 | 4,525 | 4,063 | 4,525 |
| – RM | 177,573 | 322,721 | 177,573 | 322,721 |
| | 2,920,341 | 8,564,400 | 2,920,341 | 8,564,400 |
| – More than one year | | | | |
| Denominated in: | | | | |
| – USD | 4,853,126 | 2,438,405 | 4,853,126 | 2,438,405 |
| – HKD | 751,078 | 719,935 | 751,078 | 719,935 |
| – JPY | 1,109,222 | 2,263,112 | 1,109,222 | 2,263,112 |
| – AUD | 363,594 | 410,689 | 363,594 | 410,689 |
| – CNH | 121,634 | 1,199,999 | 121,634 | 1,199,999 |
| – CNY | – | 379 | – | 379 |
| – RM | 120,000 | – | 120,000 | – |
| | 7,318,654 | 7,032,519 | 7,318,654 | 7,032,519 |
| Total unsecured borrowings | 23,129,175 | 28,142,094 | 15,068,244 | 22,294,046 |
| Total borrowings | 28,260,101 | 31,037,570 | 15,546,427 | 22,785,069 |

¹ Included in the borrowings is the amount received by the Group and the Bank under government financing scheme as part of the government support measure in response to COVID-19 pandemic amounting to RM1,763,458,000 (2023: RM1,710,435,000) for the purpose of SME lending at a below market rate with a six-year maturity to be repaid on 17 June 2026. The financing under the government scheme is for lending at concession rates to SMEs and for COVID-19 related relief measures.

The movements in the borrowings are as follows:

| | Group | | Bank | |
|---------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 31,037,570 | 31,736,007 | 22,785,069 | 22,486,167 |
| Issuance/(repayment), net | 242,858 | (3,538,674) | (4,703,215) | (1,998,447) |
| Non-cash changes: | | | | |
| Others | 19,489 | 189,239 | (11,753) | 198,032 |
| Exchange differences | (3,039,816) | 2,650,998 | (2,523,674) | 2,099,317 |
| At 31 December | 28,260,101 | 31,037,570 | 15,546,427 | 22,785,069 |

(a) Secured borrowings

The secured borrowings are secured against the following collaterals:

- (i) Fiduciary transfer of the subsidiary's receivables with an aggregate amount of not less than 50% to 110% of the total outstanding loan;
- (ii) Fiduciary transfer of the subsidiary's receivables with day past due not more than 30 to 90 days; and
- (iii) Specific collaterals are as follows:
 - (1) certain motor vehicles;
 - (2) fixed deposits; and
 - (3) financial investments.

Notes to the Financial Statements

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29. BORROWINGS (CONT'D.)

(b) Unsecured borrowings

The unsecured borrowings include term loans, commercial papers ("CP"), medium term notes ("MTN") and overdrafts denominated in multi-currencies.

The following are the changes in the borrowings which include bonds, MTN, CP and structured notes issued/redeemed by the Group and the Bank during the financial year ended 31 December 2024:

(1) Issuance/redemption of medium term notes by the Bank

| Issuance/Redemption | Currency | Description | Aggregate Nominal Value (in million) |
|---------------------|----------|---------------------|--------------------------------------|
| Issuance | JPY | Fixed Rate Notes | 10,000.0 |
| Issuance | USD | Floating Rate Notes | 551.0 |
| Issuance | HKD | Fixed Rate Notes | 900.0 |
| Issuance | RM | Floating Rate Notes | 120.0 |
| Redemption | RM | Zero Coupon Notes | 51.0 |
| Redemption | JPY | Fixed Rate Notes | 9,000.0 |
| Redemption | CNY | Fixed Rate Notes | 1,050.0 |
| Redemption | USD | Floating Rate Notes | 1,061.0 |
| Redemption | HKD | Fixed Rate Notes | 3,800.0 |

(2) Issuance of commercial papers by the Bank

The aggregate nominal value of the commercial papers issued by the Bank and outstanding as at 31 December 2024 are as follows:

| Currency | Description | Aggregate Nominal Value (in million) |
|----------|-------------------|--------------------------------------|
| RM | Zero Coupon Notes | 186.2 |
| SGD | Fixed Rate Notes* | 106.3 |
| USD | Fixed Rate Notes* | 7.1 |

* Extendible money market certificates

(3) Issuance of covered bonds by Maybank Singapore Limited

| Currency | Description | Aggregate Nominal Value (in million) |
|----------|------------------|--------------------------------------|
| EUR | Fixed Rate Notes | 500.0 |

During the financial year, covered bonds of EUR500 million were issued by the Group under its USD10 billion Global Covered Bonds Programme. Covered bond is a senior obligation of the Group backed by a cover pool comprising mortgage portfolio that have been ring-fenced via contractual structures in a bankruptcy-remote structured entity, Silver Fern Covered Bonds Pte. Ltd., as disclosed in Note 64(b). The mortgage portfolio continues to be recognised on the Group's balance sheet as the Group remains exposed to the risks and rewards associated with them.

As at 31 December 2024, the carrying value of secured debt securities designated as fair value hedge includes accrued interest payable of SGD13.8 million (or equivalent amount of RM45.4 million) and fair value loss on hedged item of SGD0.4 million (or equivalent amount of RM1.3 million), while the carrying value of mortgage portfolio assigned was SGD1,237.3 million (or equivalent amount of RM4,067.0 million).



Notes to the Financial Statements

31 December 2024

29. BORROWINGS (CONT'D.)

The following are the changes in the borrowings which include bonds, MTN, CP and structured notes issued/redeemed by the Group and the Bank during the financial year ended 31 December 2024 (cont'd.):

(4) Issuance/redemption of bonds by PT Bank Maybank Indonesia Tbk and its subsidiaries

| Issuance/Redemption | Currency | Description | Aggregate Nominal Value (in million) |
|---------------------|----------|------------------|--------------------------------------|
| Issuance | IDR | Fixed Rate Notes | 1,100,000.0 |
| Redemption | IDR | Fixed Rate Notes | 1,637,000.0 |

(5) Issuance of commercial papers by Maybank Singapore Limited

The aggregate nominal value of the commercial papers issued by Maybank Singapore Limited and outstanding as at 31 December 2024 are as follows:

| Currency | Description | Aggregate Nominal Value (in million) |
|----------|-------------------|--------------------------------------|
| USD | Zero Coupon Notes | 229.2 |

(6) Issuance of borrowings by Maybank IBG Holdings Limited

The aggregate nominal value of the borrowings issued by Maybank IBG Holdings Limited as at 31 December 2024 are as follows:

| Currency | Description | Aggregate Nominal Value (in million) |
|----------|-------------|--------------------------------------|
| JPY | Borrowings | 36,135.4 |

30. SUBORDINATED OBLIGATIONS

| | Note | Group | | Bank | |
|--|-------|-------------------|----------------|-------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| RM2,000.0 million Subordinated Sukuk Murabahah due in 2029 | (i) | – | 2,037,993 | – | 2,037,993 |
| RM1,700.0 million Subordinated Sukuk Murabahah due in 2031 | (ii) | 1,733,279 | 1,732,737 | 1,733,279 | 1,732,737 |
| RM2,300.0 million Subordinated Sukuk Murabahah due in 2030 | (iii) | 2,315,336 | 2,315,088 | 2,315,336 | 2,315,088 |
| RM700.0 million Subordinated Sukuk Murabahah due in 2032 | (iv) | 703,570 | 703,493 | 703,570 | 703,493 |
| RM3,000.0 million Subordinated Sukuk Murabahah due in 2031 | (v) | 3,045,268 | 3,044,187 | 3,043,017 | 3,041,937 |
| RM309.0 million Subordinated bonds due in 2031 | (vi) | 312,118 | 312,051 | – | – |
| RM3,000.0 million Subordinated Sukuk Murabahah due in 2034 | (vii) | 3,048,237 | – | 3,048,237 | – |
| | | 11,157,808 | 10,145,549 | 10,843,439 | 9,831,248 |

The movements in the subordinated obligations are as follows:

| | Group | | Bank | |
|--------------------------------------|--------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 10,145,549 | 10,238,389 | 9,831,248 | 9,830,233 |
| Issuance during the financial year | 3,000,000 | – | 3,000,000 | – |
| Redemption during the financial year | (2,000,000) | (93,390) | (2,000,000) | – |
| Non-cash changes: | | | | |
| Others | 12,259 | 550 | 12,191 | 1,015 |
| At 31 December | 11,157,808 | 10,145,549 | 10,843,439 | 9,831,248 |

Notes to the Financial Statements

31 December 2024

30. SUBORDINATED OBLIGATIONS (CONT'D.)

| Note | Description | Issue date | First call date | Maturity date | Coupon/ Profit rate (% p.a.) | Nominal value |
|--|---|------------|-----------------|---------------|------------------------------------|-------------------|
| Malayan Banking Berhad | | | | | | |
| <u>RM10.0 billion Sukuk Programme</u> | | | | | | |
| (i) | RM Subordinated Sukuk Murabahah ¹ | 31-Jan-19 | 31-Jan-24 | 31-Jan-29 | 4.63 | RM2,000.0 million |
| (ii) | RM Subordinated Sukuk Murabahah ^{2, 3} | 31-Jan-19 | 30-Jan-26 | 31-Jan-31 | 4.71 | RM1,700.0 million |
| (iii) | RM Subordinated Sukuk Murabahah ^{2, 3} | 9-Oct-20 | 9-Oct-25 | 9-Oct-30 | 2.90 | RM2,300.0 million |
| (iv) | RM Subordinated Sukuk Murabahah ^{2, 3} | 9-Oct-20 | 8-Oct-27 | 8-Oct-32 | 3.10 | RM700.0 million |
| <u>RM30.0 billion Sukuk Programme</u> | | | | | | |
| (v) | RM Subordinated Sukuk Murabahah ^{2, 3} | 5-Aug-21 | 5-Aug-26 | 5-Aug-31 | 3.41 | RM3,000.0 million |
| (vii) | RM Subordinated Sukuk Murabahah ^{2, 3} | 31-Jan-24 | 31-Jan-29 | 31-Jan-34 | 4.03 | RM3,000.0 million |
| <u>Maybank Ageas Holdings Sdn Bhd</u> | | | | | | |
| (vi) | RM Subordinated Bonds ^{2, 3} | 7-Oct-21 | 7-Oct-26 | 7-Oct-31 | 3.95 | RM309.0 million |

¹ This subordinated sukuk was fully redeemed on the first call date.

² The Bank may, subject to the prior consent of BNM, redeem these subordinated sukuk/bonds, in whole or in part on the first call date and on each interest/profit payment date thereafter.

³ These subordinated sukuk/bonds are Basel III-compliant.

All the subordinated instruments above constitute unsecured liabilities of the Group and of the Bank and are subordinated to the senior indebtedness of the Group and of the Bank in accordance with the respective terms and conditions of their issues.

31. CAPITAL SECURITIES

| Description | Issue date | First call date | Maturity date | Group and Bank | |
|---|------------|-----------------|---------------|------------------|-------------|
| | | | | 2024 RM'000 | 2023 RM'000 |
| Malayan Banking Berhad | | | | | |
| <u>RM10.0 billion Sukuk Programme</u> | | | | | |
| RM1,240 million 4.08% AT1 Sukuk Mudharabah ¹ | 25-Sep-19 | 25-Sep-24 | Perpetual | – | 1,252,504 |
| RM1,560 million 4.13% AT1 Sukuk Mudharabah ² | 25-Sep-19 | 25-Sep-26 | Perpetual | 1,576,770 | 1,577,298 |
| | | | | 1,576,770 | 2,829,802 |

¹ This AT1 Sukuk Mudharabah was fully redeemed on the first call date.

² The Bank may, subject to the prior consent of BNM, redeem the AT1 Sukuk Mudharabah, in whole or in part, on the first call date and on every periodic distribution date thereafter. These AT1 Sukuk Mudharabah are Basel III-compliant.

The movements in capital securities are as follows:

| | Group and Bank | |
|--------------------------------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 2,829,802 | 2,828,817 |
| Redemption during the financial year | (1,240,000) | – |
| Non-cash changes: | | |
| Others | (13,032) | 985 |
| At 31 December | 1,576,770 | 2,829,802 |



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32. SHARE CAPITAL, SHARE-BASED PAYMENTS AND SHARES HELD-IN-TRUST

| Group and Bank | 2024 '000 | 2023 '000 | 2024 RM'000 | 2023 RM'000 |
|--|-------------------|--------------|-------------------|----------------|
| Issued and fully paid ordinary shares: | | | | |
| At 1 January | 12,060,237 | 12,054,127 | 54,673,596 | 54,619,344 |
| Shares issued under the: | | | | |
| – Maybank Group Employees' Share Grant Plan ("ESGP") | 6,715 | 6,110 | 62,599 | 54,252 |
| At 31 December | 12,066,952 | 12,060,237 | 54,736,195 | 54,673,596 |

(a) Increase in share capital

During the current financial year ended 31 December 2024, the Bank increased its share capital from RM54,673,595,825 to RM54,736,195,010 via issuance of 6,715,600 new ordinary shares amounting to RM62,599,185 arising from the ESGP, as disclosed in Note 32(b)(i) to the financial statements.

(b) Maybank Group Employees' Share Grant Plan ("ESGP") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP")

The existing ESGP ("ESGP2018") is governed by the ESGP By-Laws approved by the shareholders at an Extraordinary General Meeting ("EGM") held on 6 April 2017 and was implemented on 14 December 2018 for a period of seven (7) years from the effective date. A total of five (5) awards have been made under the ESGP2018 from 2018 to 2022. Four (4) out of the five (5) awards made have been vested to eligible employees in 2021 to 2024 whilst balance of the one (1) award will vest in 2025. Starting from 2023, no new awards have been issued to staff under the ESGP2018.

The ESGP consists of two (2) types of performance-based awards: Employees' Share Grant Plan ("ESGP Shares") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP"). The ESGP Shares may be settled by way of issuance and transfer of new Maybank shares or by cash at the absolute discretion of Maybank Group NRC.

The ESGP Shares is a form of Restricted Share Units ("RSU") and the NRC may, from time to time during the ESGP period, make further ESGP grants designated as Supplemental ESGP to a selected group of eligible employees to participate in Supplemental ESGP. This selected group may consist of selected key executives, selected key retentions and selected senior external recruits, and such grants may contain terms and conditions which may vary from earlier ESGP grants made available to selected senior management.

The CESGP is a form of Cash-settled Performance-based Restricted Share Unit Scheme ("CRSU") and the NRC may, from time to time during the ESGP period, make further CESGP grants designated as Supplemental CESGP to a selected group of eligible employees to participate in the ESGP. This selected group may consist of senior management, selected key retentions and selected senior external recruits, and such Supplemental CESGP grants may contain terms and conditions which may vary from earlier CESGP grants made available to selected employees.

Other principal features of the ESGP are as follows:

- (1) The employees eligible to participate in the ESGP must be on the payroll of the Participating Maybank Group and have not served a notice of resignation or received a notice of termination.

Participating Maybank Group includes the Bank and its overseas branches and subsidiaries, but excluding dormant subsidiaries.

- (2) The entitlement under the ESGP for the Executive Directors, including any persons connected to the directors, is subject to the approval of the shareholders of the Bank in a general meeting.
- (3) The existing ESGP ("ESGP2018") is valid for a period of seven (7) years from the effective date. Starting from 2023, no additional new awards have been issued to staff under the ESGP2018.

As continuation of the existing employees' share grant plan, a new ESGP plan ("ESGP2023") has been established in 2023 and is valid for a period of ten (10) years from the effective date. This plan will run concurrently with ESGP2018 until its expiration.

Notwithstanding the above, the Bank may terminate the ESGP at any time during the duration of the scheme subject to consent of Maybank's shareholders at a general meeting, wherein at least a majority of the shareholders, present and voting, vote in favour of termination.

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32. SHARE CAPITAL, SHARE-BASED PAYMENTS AND SHARES HELD-IN-TRUST (CONT'D.)

(b) Maybank Group Employees' Share Grant Plan ("ESGP") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP") (cont'd.)

(i) Details of ESGP Shares awarded

All the ESGP awarded by the Bank were allocated to eligible Senior Management of the Group and of the Bank. Details of shares awarded under the ESGP Shares are as follows:

| Award date | Fair value RM | Number of ESGP shares awarded '000 | Vesting date |
|---------------------------------------|------------------|--|---|
| ESGP2018 | | | |
| 14.12.2018 – First Grant | 7.0235 | 12,392 | Based on 3-year cliff vesting from grant date and performance metrics |
| 30.09.2019 – Second Grant | 6.6510 | 13,118 | |
| 30.09.2020 – Third Grant | 6.1118 | 13,541 | |
| 30.09.2021 – Fourth Grant | 6.0958 | 14,084 | |
| 30.09.2022 – Fifth Grant | 6.4241 | 15,472 | |
| ESGP2023 | | | |
| 20.09.2023 – First Grant | 6.9001 | 19,582 | Based on 3-year cliff vesting from grant date and performance metrics |
| 08.03.2024 – Second Grant – Tranche 1 | 7.5225 | 19,508 | |
| 05.09.2024 – Second Grant – Tranche 2 | 7.5225 | 2,272 | |
| 01.11.2024 – Second Grant – Tranche 3 | 7.5225 | 878 | |

The following table illustrates the number of, and movements in, ESGP Shares during the financial year ended 31 December 2024:

| Award date | Outstanding as at 01.01.2024 '000 | Movements during the financial year | | | Outstanding as at 31.12.2024 '000 |
|---------------------------------------|--|-------------------------------------|----------------|-------------------|--|
| | | Awarded '000 | Vested '000 | Forfeited '000 | |
| ESGP2018 | | | | | |
| 30.09.2021 – Fourth Grant | 12,504 | – | (6,656) | (5,848) | – |
| 30.09.2022 – Fifth Grant | 14,873 | – | – | (288) | 14,585 |
| ESGP2023 | | | | | |
| 20.09.2023 – First Grant | 19,582 | – | – | (626) | 18,956 |
| 08.03.2024 – Second Grant – Tranche 1 | – | 19,508 | – | (413) | 19,095 |
| 05.09.2024 – Second Grant – Tranche 2 | – | 2,272 | – | (46) | 2,226 |
| 01.11.2024 – Second Grant – Tranche 3 | – | 878 | – | – | 878 |
| | 46,959 | 22,658 | (6,656) | (7,221) | 55,740 |



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32. SHARE CAPITAL, SHARE-BASED PAYMENTS AND SHARES HELD-IN-TRUST (CONT'D.)

(b) Maybank Group Employees' Share Grant Plan ("ESGP") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP") (cont'd.)

(ii) Fair value of ESGP Shares awarded

The fair value of ESGP Shares awarded was estimated by an external valuer using the Monte-Carlo Simulation model, taking into account the terms and conditions upon which the ESGP Shares were awarded. The fair value of ESGP Shares measured, closing share price at grant date and the assumptions were as follows:

| Award date | Fair value of ESGP Shares (RM) | Closing share price at award date (RM) | Expected volatility (%) | Vesting period (years) | Risk-free rate (%) | Expected dividend yield (%) |
|---------------------------------------|--------------------------------|--|-------------------------|------------------------|--------------------|-----------------------------|
| ESGP2018 | | | | | | |
| 30.09.2021 – Fourth Grant | 6.0958 | 8.05 | 17.54 | 3 | 2.48 | 7.36 |
| 30.09.2022 – Fifth Grant | 6.4241 | 8.58 | 17.76 | 3 | 3.68 | 6.98 |
| ESGP2023 | | | | | | |
| 20.09.2023 – First Grant | 6.9001 | 8.86 | 14.68 | 3 | 3.43 | 6.75 |
| 08.03.2024 – Second Grant – Tranche 1 | 7.5225 | 9.75 | 11.45 | 3 | 3.42 | 6.62 |
| 05.09.2024 – Second Grant – Tranche 2 | 7.5225 | 10.80 | 11.45 | 3 | 3.42 | 6.62 |
| 01.11.2024 – Second Grant – Tranche 3 | 7.5225 | 10.40 | 11.45 | 3 | 3.42 | 6.62 |

(iii) Details of CESGP awarded

All the CESGP awarded by the Bank were allocated to eligible Senior Management of the Group and the Bank. Details of the CESGP awarded are as follows:

| Award date | Fair value RM | Number of CESGP shares awarded '000 | Vesting date |
|---------------------------------------|------------------|---|--|
| ESGP2018 | | | |
| 14.12.2018 – First Grant | 7.0235 | 4,103 | Based on 3-year cliff vesting from grant date and CESGP vesting conditions |
| 30.09.2019 – Second Grant | 6.6510 | 5,000 | |
| 30.09.2020 – Third Grant | 6.1118 | 5,378 | |
| 30.09.2021 – Fourth Grant | 6.0958 | 5,616 | |
| 30.09.2022 – Fifth Grant | 6.4241 | 6,006 | |
| ESGP2023 | | | |
| 20.09.2023 – First Grant | 6.9001 | 7,390 | Based on 3-year cliff vesting from grant date and performance metrics |
| 08.03.2024 – Second Grant – Tranche 1 | 7.5225 | 7,574 | |
| 05.09.2024 – Second Grant – Tranche 2 | 7.5225 | 525 | |

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31 December 2024

32. SHARE CAPITAL, SHARE-BASED PAYMENTS AND SHARES HELD-IN-TRUST (CONT'D.)

(b) Maybank Group Employees' Share Grant Plan ("ESGP") and Cash-settled Performance-based Employees' Share Grant Plan ("CESGP") (cont'd.)

(iii) Details of CESGP awarded (cont'd.)

The following table illustrates the number of, and movements in, CESGP during the financial year ended 31 December 2024:

| Award date | Outstanding as at 01.01.2024 '000 | Movements during the financial year | | | Outstanding as at 31.12.2024 '000 |
|---------------------------------------|--|-------------------------------------|----------------|-------------------|--|
| | | Awarded '000 | Vested '000 | Forfeited '000 | |
| ESGP2018 | | | | | |
| 30.09.2021 – Fourth Grant | 4,819 | – | (2,521) | (2,298) | – |
| 30.09.2022 – Fifth Grant | 5,687 | – | – | (421) | 5,266 |
| ESGP2023 | | | | | |
| 20.09.2023 – First Grant | 7,390 | – | – | (240) | 7,150 |
| 08.03.2024 – Second Grant – Tranche 1 | – | 7,574 | – | (104) | 7,470 |
| 05.09.2024 – Second Grant – Tranche 2 | – | 525 | – | (44) | 481 |
| | 17,896 | 8,099 | (2,521) | (3,107) | 20,367 |

(iv) Fair value of CESGP awarded

The fair value of CESGP awarded was estimated by an external valuer using the Monte-Carlo Simulation model, taking into account the terms and conditions upon which the CESGP were awarded. The fair value of CESGP measured, closing share price at grant date and the assumptions were as follows:

| Award date | Fair value of CESGP Shares (RM) | Closing share price at award date (RM) | Expected volatility (%) | Vesting period (years) | Risk-free rate (%) | Expected dividend yield (%) |
|---------------------------------------|---------------------------------------|---|-------------------------------|------------------------------|-----------------------|-----------------------------------|
| ESGP2018 | | | | | | |
| 30.09.2020 – Third Grant | 6.1118 | 7.22 | 16.47 | 3 | 2.01 | 5.35 |
| 30.09.2021 – Fourth Grant | 6.0958 | 8.05 | 17.54 | 3 | 2.48 | 7.36 |
| 30.09.2022 – Fifth Grant | 6.4241 | 8.58 | 17.76 | 3 | 3.68 | 6.98 |
| ESGP2023 | | | | | | |
| 20.09.2023 – First Grant | 6.9001 | 8.86 | 14.68 | 3 | 3.43 | 6.75 |
| 08.03.2024 – Second Grant – Tranche 1 | 7.5225 | 9.75 | 11.45 | 3 | 3.42 | 6.62 |
| 05.09.2024 – Second Grant – Tranche 2 | 7.5225 | 10.80 | 11.45 | 3 | 3.42 | 6.62 |

(c) Shares held-in-trust

Shares held-in-trust records the issuance of new Maybank ordinary shares for vesting of ESGP Shares. The shares issued are held in omnibus account at the Bank before it is vested to eligible employees.

The movements of shares held-in-trust are as follows:

| Group and Bank | Number of ordinary shares | | Amount | |
|--|---------------------------|--------------|----------------|----------------|
| | 2024 '000 | 2023 '000 | 2024 RM'000 | 2023 RM'000 |
| At 1 January | 138 | 25 | 1,203 | 198 |
| Issuance of shares in relation to ESGP shares | 6,715 | 6,110 | 63,462 | 54,252 |
| ESGP vested to the eligible employees of the Group and of the Bank | (6,656) | (5,997) | (62,901) | (53,247) |
| At 31 December | 197 | 138 | 1,764 | 1,203 |



Notes to the Financial Statements

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33. RETAINED PROFITS

(a) The Group's retained profits

The retained profits of the Group include the non-distributable life funds surplus of an insurance subsidiary as a result of the Bank Negara Malaysia ("BNM") Guidelines on Financial Reporting for Insurers. This non-distributable life funds surplus is only available for distribution to shareholders based on the amount recommended by the Appointed Actuary in accordance with the Financial Services Act 2013.

The movements of distributable and non-distributable retained profits of the Group are as follows:

| Group | Non-Distributable Life Funds Surplus RM'000 | Distributable Retained Profits RM'000 | Total Retained Profits RM'000 |
|---|---|---------------------------------------|-------------------------------|
| As at 31 December 2024 | | | |
| At 1 January 2024 | 795,273 | 30,877,528 | 31,672,801 |
| Profit for the financial year | 165,860 | 9,922,813 | 10,088,673 |
| Total comprehensive income for the financial year | 165,860 | 9,922,813 | 10,088,673 |
| Transfer from non-participating ("non-par") surplus upon recommendation by the Appointed Actuary | (15,569) | 15,569 | – |
| Reinstatement of Group adjustment on expenses | (1,475) | 1,475 | – |
| Net (loss)/gain on disposal of financial investments at fair value through other comprehensive income | (427) | 958 | 531 |
| Effects of changes in corporate structure within the Group | – | (53,516) | (53,516) |
| Transfer to statutory reserve | – | (66,576) | (66,576) |
| Transfer to regulatory reserve | – | (373,384) | (373,384) |
| Dividends paid (Note 51) | – | (7,240,171) | (7,240,171) |
| Total transactions with shareholders/other equity movements | (17,471) | (7,715,645) | (7,733,116) |
| At 31 December 2024 | 943,662 | 33,084,696 | 34,028,358 |
| As at 31 December 2023 | | | |
| At 1 January 2023 | 801,182 | 28,649,270 | 29,450,452 |
| Profit for the financial year | 145,026 | 9,204,754 | 9,349,780 |
| Total comprehensive income for the financial year | 145,026 | 9,204,754 | 9,349,780 |
| Transfer from non-par surplus upon recommendation by the Appointed Actuary | (146,948) | 146,948 | – |
| Reinstatement of Group adjustment on expenses | (909) | 909 | – |
| Net loss on disposal of financial investments at fair value through other comprehensive income | (3,078) | (2,592) | (5,670) |
| Share-based payment under Maybank Group Employees' Share Grant Plan ("ESGP") (Note 32(b)) | – | 4,864 | 4,864 |
| Transfer to statutory reserve | – | (6,557) | (6,557) |
| Transfer to regulatory reserve | – | (8,133) | (8,133) |
| Dividends paid (Note 51) | – | (7,111,935) | (7,111,935) |
| Total transactions with shareholders/other equity movements | (150,935) | (6,976,496) | (7,127,431) |
| At 31 December 2023 | 795,273 | 30,877,528 | 31,672,801 |

(b) The Bank's retained profits

The retained profits of the Bank as at 31 December 2024 and 31 December 2023 are distributable profits and may be distributed as dividends under the single-tier system based on the tax regulations in Malaysia.

The movements of retained profits of the Bank are disclosed in the statement of changes in equity.

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31 December 2024

34. RESERVES

| | | Group | | Bank | |
|------------------------------|---------------|----------------|----------------|----------------|----------------|
| | Note | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Non-distributable: | | | | | |
| Statutory reserve | (a) | 502,436 | 435,860 | 98,094 | 85,340 |
| Regulatory reserve | (b) | 2,846,576 | 2,473,192 | 2,230,452 | 1,829,556 |
| Other reserves | (c) | (450,832) | (336,042) | (12,132) | 40,930 |
| FVOCI reserve* | 2.3(v)(b)(2) | 2,731,389 | 3,449,495 | 1,763,015 | 2,398,837 |
| Exchange fluctuation reserve | 2.3(xviii)(c) | (532,658) | 2,183,168 | 2,790,276 | 3,488,890 |
| ESGP reserve | 2.3(xxv)(e) | 110,928 | 90,750 | 110,928 | 90,750 |
| | | 5,207,839 | 8,296,423 | 6,980,633 | 7,934,303 |

* Included net gain through other comprehensive income for the Group of RM136.5 million (2023: RM4,758.2 million) and for the Bank of RM136.5 million (2023: RM3,812.4 million) arising from implementation of GIMF in stages as disclosed in Note 53(a).

- (a) The statutory reserves are maintained in compliance with the requirements of certain Central Banks of the respective countries in which the Group and the Bank operate and are not distributable as cash dividends.
- (b) Regulatory reserve is maintained in aggregate, loss allowance for non-credit impaired exposures (commonly known as Stage 1 and Stage 2 provisions) that has been assessed and recognised in accordance with MFRS and which has been transferred from the retained profits, in accordance with BNM's Financial Reporting Policy document.
- (c) Other reserves

| Group | Capital Reserve (Note 34(c)(i)) RM'000 | Revaluation Reserve (Note 34(c)(ii)) RM'000 | Defined Benefit Reserve RM'000 | Hedge Reserve RM'000 | Insurance Finance Reserve RM'000 | Total Other Reserves RM'000 |
|--|--|---|-----------------------------------|-------------------------|-------------------------------------|--------------------------------|
| As at 31 December 2024 | | | | | | |
| At 1 January 2024 | 14,247 | (2,688) | 101,013 | (326,812) | (121,802) | (336,042) |
| Other comprehensive (loss)/income | (1,410) | - | 14,042 | (53,062) | (74,360) | (114,790) |
| Defined benefit plan actuarial gain | - | - | 14,042 | - | - | 14,042 |
| Cost of hedging for fair value hedge | - | - | - | (53,062) | - | (53,062) |
| Net loss on capital reserve | (1,410) | - | - | - | - | (1,410) |
| Net insurance finance/investment result | - | - | - | - | (74,360) | (74,360) |
| Total comprehensive (loss)/income for the financial year | (1,410) | - | 14,042 | (53,062) | (74,360) | (114,790) |
| At 31 December 2024 | 12,837 | (2,688) | 115,055 | (379,874) | (196,162) | (450,832) |
| As at 31 December 2023 | | | | | | |
| At 1 January 2023 | 13,997 | (3,155) | 80,034 | (311,048) | 63,991 | (156,181) |
| Other comprehensive income/(loss) | 250 | 467 | 20,979 | (15,764) | (185,793) | (179,861) |
| Defined benefit plan actuarial gain | - | - | 20,979 | - | - | 20,979 |
| Cost of hedging for fair value hedge | - | - | - | (15,764) | - | (15,764) |
| Net gain on capital reserve | 250 | - | - | - | - | 250 |
| Net gain on revaluation reserve | - | 467 | - | - | - | 467 |
| Net insurance finance/investment result | - | - | - | - | (185,793) | (185,793) |
| Total comprehensive income/(loss) for the financial year | 250 | 467 | 20,979 | (15,764) | (185,793) | (179,861) |
| At 31 December 2023 | 14,247 | (2,688) | 101,013 | (326,812) | (121,802) | (336,042) |

- (i) The capital reserve of the Group arose from the corporate exercises undertaken by certain subsidiaries in previous years.
- (ii) Revaluation reserve relates to the transfer of self-occupied properties to investment properties subsequent to the change on occupation intention.



Notes to the Financial Statements

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35. OPERATING REVENUE

The Group operating revenue comprises of all types of revenue derived from the business of banking, income from Islamic Banking Scheme ("IBS") operations, finance, investment banking, general and life insurance (including takaful), stockbroking, leasing and factoring, trustee and nominee services, asset management and venture capital but excluding all transactions between related companies.

The Bank operating revenue comprises of gross interest income, gross fee and gross commission income, investment income, gross dividends and other income derived from banking and finance operations.

| | Note | Group | | Bank | |
|--|-------|-------------------|----------------|-------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Interest income | 36 | 32,769,873 | 30,230,550 | 22,887,904 | 21,179,981 |
| Income derived from investment of depositors' funds | 63(b) | 13,111,772 | 11,880,732 | – | – |
| Income derived from investment of investment account funds | 63(b) | 1,327,575 | 1,163,306 | – | – |
| Income derived from investment of Islamic Banking Funds | 63(b) | 744,905 | 717,315 | – | – |
| Profit share income from investment accounts | 63(b) | 300 | 443 | – | – |
| Insurance/takaful service revenue | 38 | 8,199,896 | 7,591,987 | – | – |
| Dividends from subsidiaries and associates | 39 | – | – | 4,191,743 | 3,534,284 |
| Other operating income | 40 | 9,066,000 | 7,988,177 | 5,796,183 | 5,846,934 |
| Excluding non-operating revenue which comprises the following items: | | | | | |
| – Interest expense on derivatives* | | 3,747,058 | 3,886,508 | 3,742,174 | 3,835,860 |
| – Direct costs on brokerage and commission income | | 200,546 | 180,275 | – | – |
| – Excess of capital repayment of a subsidiary | 40 | – | – | – | (50,706) |
| – Net loss/(gain) on disposal/change in structure of deemed controlled structured entities | 40 | 2,166 | – | (3,140) | (4,264) |
| – Net (gain)/loss on liquidation of subsidiaries | 40 | (3,096) | 10 | – | – |
| – Net gain on disposal of interest in an associate | 40 | (111,443) | – | – | – |
| – Rental income | 40 | (51,042) | (49,829) | (65,538) | (63,440) |
| – Gain on disposal of property, plant and equipment | 40 | (4,608) | (4,134) | (689) | (773) |
| – Fair value adjustments on investment properties | 40 | (18,395) | (29,977) | – | – |
| – Other non-operating income | 40 | (38,722) | (40,150) | (19,805) | (18,307) |
| | | 12,788,464 | 11,930,880 | 9,449,185 | 9,545,304 |
| | | 68,942,785 | 63,515,213 | 36,528,832 | 34,259,569 |

* Interest expense on derivatives forms part of the "realised gain/(loss) on derivatives" as disclosed in Note 40.

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36. INTEREST INCOME

| | Group | | Bank | |
|---|-------------------|----------------|-------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Loans, advances and financing | 22,488,169 | 20,547,363 | 14,757,768 | 13,409,126 |
| Money at call and deposits and placements with financial institutions | 1,470,346 | 1,409,718 | 1,927,748 | 2,033,787 |
| Financial assets purchased under resale agreements | 819,394 | 948,983 | 863,311 | 766,684 |
| Financial assets at FVTPL | 1,083,122 | 1,025,003 | 291,613 | 228,582 |
| Financial investments at FVOCI | 4,678,616 | 4,354,906 | 2,989,454 | 2,802,601 |
| Financial investments at amortised cost | 2,261,405 | 2,051,811 | 1,755,764 | 1,654,468 |
| | 32,801,052 | 30,337,784 | 22,585,658 | 20,895,248 |
| (Amortisation of premiums)/accretion of discounts, net | (31,179) | (107,234) | 302,246 | 284,733 |
| | 32,769,873 | 30,230,550 | 22,887,904 | 21,179,981 |

Included in interest income for the current financial year was interest on impaired assets amounting to approximately RM254,926,000 (2023: RM215,960,000) for the Group and RM103,734,000 (2023: RM103,982,000) for the Bank.

The following table provides information on financial assets that were modified while they had a loss allowance measured at an amount equal to lifetime ECL:

| | Group | | Bank | |
|---|------------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Financial assets modified during the financial year | | | | |
| Amortised cost before modification | 1,090,014 | 1,329,298 | 276,815 | 318,466 |
| Modification gain | 13,882 | 10,272 | 3,192 | 2,054 |
| Amortised cost after modification | 1,103,896 | 1,339,570 | 280,007 | 320,520 |
| Financial assets modified since initial recognition | | | | |
| Gross carrying amount at 31 December of financial assets for which loss allowance has changed to 12-month measurement during the financial year | 430,507 | 832,908 | 207,615 | 329,030 |

37. INTEREST EXPENSE

| | Group | | Bank | |
|--|-------------------|----------------|-------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Deposits and placements from financial institutions | 2,360,688 | 2,067,671 | 3,047,197 | 2,525,829 |
| Deposits from customers | 13,149,716 | 11,141,997 | 8,795,669 | 7,469,687 |
| Obligations on financial assets sold under repurchase agreements | 1,128,105 | 1,062,599 | 1,710,705 | 1,669,660 |
| Borrowings | 1,548,666 | 1,473,369 | 862,420 | 912,581 |
| Subordinated obligations | 470,103 | 451,340 | 391,902 | 365,082 |
| Capital securities | 102,304 | 115,690 | 102,304 | 115,690 |
| Structured deposits | 39,915 | 271,474 | 30,890 | 13,425 |
| Financial liabilities at fair value through profit or loss | 1,162,953 | 854,888 | 928,292 | 854,888 |
| | 19,962,450 | 17,439,028 | 15,869,379 | 13,926,842 |



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38. INSURANCE/TAKAFUL SERVICE RESULT

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|---|-------|--------------------|--------------------|
| Insurance/takaful revenue | (i) | 8,199,896 | 7,591,987 |
| Insurance/takaful service expenses | (ii) | (6,355,012) | (5,433,330) |
| Net expenses from reinsurance contracts/retakaful certificates held | (iii) | (560,371) | (1,608,559) |
| | | 1,284,513 | 550,098 |
| (i) Insurance/takaful revenue | | | |
| Contracts/certificates not measured under the PAA | | | |
| Amounts relating to changes in liabilities for remaining coverage | | | |
| – CSM recognised for service provided | | 254,543 | 226,744 |
| – Changes in risk adjustment for non-financial risk | | 125,283 | 111,931 |
| – Expected incurred claims and other insurance service expenses | | 1,313,238 | 1,486,834 |
| Allocation of the portion of premiums/contributions that relates to the recovery of insurance/takaful acquisition | | 244,977 | 253,748 |
| Experience adjustments for premium receipts | | 65,243 | 49,206 |
| | | 2,003,284 | 2,128,463 |
| Contracts/certificates measured under the PAA | | | |
| Release of premiums | | 6,196,612 | 5,463,524 |
| Total insurance/takaful revenue | | 8,199,896 | 7,591,987 |
| (ii) Insurance/takaful service expenses | | | |
| Incurred claims and other directly attributable expenses ¹ | | (4,373,163) | (4,804,690) |
| Changes that relate to the past service-adjustment to the Liabilities for Incurred Claims ("LIC") | | (1,198,470) | 575,668 |
| Changes in estimates that result in reversal on onerous contracts | | 164,552 | 37,219 |
| Insurance/takaful acquisition cash flow amortisation | | (947,840) | (1,199,880) |
| Others | | (91) | (41,647) |
| Total insurance/takaful service expenses | | (6,355,012) | (5,433,330) |

¹ Included in incurred claims and other directly attributable expenses are depreciation of property, plant and equipment of RM12,536,000 (2023: RM11,585,000), depreciation of right-of-use assets of RM8,878,000 (2023: RM8,898,000), amortisation of intangible assets of RM19,714,000 (2023: RM19,126,000), lease finance cost of RM255,000 (2023: RM190,000) and ESGP expenses of RM4,649,000 (2023: RM28,312,000) for the Group during the financial year ended 31 December 2024.

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38. INSURANCE/TAKAFUL SERVICE RESULT (CONT'D.)

| Group (cont'd.) | 2024 RM'000 | 2023 RM'000 |
|---|------------------|--------------------|
| (iii) Net expenses from reinsurance contracts/retakaful certificates held: | | |
| Contracts/certificates not measured under PAA | | |
| Amounts relating to changes in assets for remaining coverage | | |
| – CSM recognised for service provided | (11,569) | (23,970) |
| – Changes in risk adjustment for non-financial risk | (6,792) | (4,389) |
| – Expected incurred claims recovery and other reinsurance service expenses | (114,782) | (84,086) |
| – Adjustments to incurred claims | 1,004 | (5,839) |
| – Other directly attributable expenses | – | 213 |
| – Claims recovered | 43,531 | 18,054 |
| | (88,608) | (100,017) |
| Contracts/certificates measured under PAA | | |
| Effect of changes in non-performance risk reinsurer/retakaful operators | 22 | 71 |
| Changes that relate to future services | (132,097) | (246,136) |
| Adjustments to incurred claims | (636,803) | (2,002,743) |
| Other directly attributable expenses | 41,935 | 22,431 |
| Claims recovered | 267,422 | 718,781 |
| Other changes | (12,242) | (946) |
| | (471,763) | (1,508,542) |
| Total net expenses from reinsurance contracts/retakaful certificates held | (560,371) | (1,608,559) |

39. DIVIDENDS FROM SUBSIDIARIES AND ASSOCIATES

| Bank | 2024 RM'000 | 2023 RM'000 |
|-----------------------------|----------------|----------------|
| Gross dividend income from: | | |
| Subsidiaries | 4,191,743 | 3,533,548 |
| Associates | – | 736 |
| | 4,191,743 | 3,534,284 |



Notes to the Financial Statements

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40. OTHER OPERATING INCOME

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Fee income: | | | | |
| Commission | 1,354,945 | 1,244,850 | 997,856 | 947,442 |
| Service charges and fees | 1,835,932 | 1,737,892 | 992,597 | 1,090,735 |
| Underwriting fees | 53,199 | 77,817 | 7,737 | 37,305 |
| Brokerage income | 332,727 | 277,941 | 1,592 | 1,163 |
| Fees on loans, advances and financing | 253,413 | 175,230 | 195,229 | 140,916 |
| | 3,830,216 | 3,513,730 | 2,195,011 | 2,217,561 |
| Investment income: | | | | |
| Net gain/(loss) on disposal of financial assets at FVTPL | | | | |
| – Designated upon initial recognition | 1,096,771 | (6,120) | – | – |
| – Financial investments at FVTPL | 16,106 | 100,448 | 704,027 | 323,577 |
| Net gain on disposal of financial investments at FVOCI | 844,107 | 225,591 | 896,635 | 508,349 |
| Net gain on redemption of financial investments at amortised cost | – | 5 | – | 5 |
| Excess of capital repayment of a subsidiary | – | – | – | 50,706 |
| Net (loss)/gain on disposal/change in structure of deemed controlled structured entities | (2,166) | – | 3,140 | 4,264 |
| Net gain/(loss) on liquidation of subsidiaries | 3,096 | (10) | – | – |
| Net gain on disposal of interest in an associate | 111,443 | – | – | – |
| | 2,069,357 | 319,914 | 1,603,802 | 886,901 |
| Gross dividend income from: | | | | |
| Financial investments at FVOCI | | | | |
| – Quoted in Malaysia | 55,275 | 57,693 | – | 619 |
| – Quoted outside Malaysia | 10,244 | 17,358 | – | – |
| – Unquoted in Malaysia | 2,533 | 592 | 2,513 | 553 |
| – Unquoted outside Malaysia | 1,675 | 1,167 | – | – |
| | 69,727 | 76,810 | 2,513 | 1,172 |
| Financial assets at FVTPL | | | | |
| – Quoted in Malaysia | 95,733 | 70,237 | 481 | – |
| – Quoted outside Malaysia | 85,648 | 49,679 | 807 | – |
| – Unquoted in Malaysia | 6,631 | 6,797 | 4,256 | 4,256 |
| – Unquoted outside Malaysia | 36,773 | 6,572 | – | – |
| | 224,785 | 133,285 | 5,544 | 4,256 |
| | 294,512 | 210,095 | 8,057 | 5,428 |
| Unrealised gain/(loss) on revaluation of: | | | | |
| Financial assets designated upon initial recognition at FVTPL | 124,706 | 564,197 | – | – |
| Financial investments at FVTPL | 957,393 | 464,626 | 256,697 | 95,795 |
| Financial liabilities at FVTPL | 1,874,273 | 1,045,215 | 1,874,273 | 1,045,215 |
| Derivatives | (1,940,256) | (389,330) | (1,954,550) | (519,679) |
| | 1,016,116 | 1,684,708 | 176,420 | 621,331 |

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40. OTHER OPERATING INCOME (CONT'D.)

| | Group | | Bank | |
|---|------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Other income: | | | | |
| Foreign exchange gain, net | 1,355,807 | 1,996,239 | 1,500,235 | 2,036,434 |
| Realised gain/(loss) on derivatives | 182,481 | (60,097) | 48,670 | (170,440) |
| Rental income | 51,042 | 49,829 | 65,538 | 63,440 |
| Gain on disposal of property, plant and equipment | 4,608 | 4,134 | 689 | 773 |
| Gain on disposal of foreclosed properties | 4,737 | 10,202 | 5,877 | - |
| Fair value adjustments on investment properties (Note 16) | 18,395 | 29,977 | - | - |
| Other operating income | 200,007 | 189,296 | 172,079 | 167,199 |
| Other non-operating income | 38,722 | 40,150 | 19,805 | 18,307 |
| | 1,855,799 | 2,259,730 | 1,812,893 | 2,115,713 |
| Total other operating income | 9,066,000 | 7,988,177 | 5,796,183 | 5,846,934 |

41. NET INSURANCE/TAKAFUL INVESTMENT/FINANCE RESULT

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|---|------|------------------|----------------|
| Finance expenses from insurance contracts/takaful certificates issued | (i) | 2,094,148 | 1,556,956 |
| Finance income from reinsurance contracts/retakaful certificates held | (ii) | (162,319) | (11,105) |
| | | 1,931,829 | 1,545,851 |
| (i) Finance expenses from insurance contracts/takaful certificates issued | | | |
| Changes in fair value of underlying assets of contracts measured under the VFA | | 1,425,959 | 947,798 |
| Interest accreted using current financial assumptions | | 223,106 | 117,497 |
| Effect of changes in interest/profit rates and other financial assumptions | | 416,247 | 413,544 |
| Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition | | 28,836 | 78,117 |
| Total finance expenses from insurance contracts/takaful certificates issued | | 2,094,148 | 1,556,956 |
| Represented by: | | | |
| Amount recognised in income statements | | 2,094,148 | 1,556,956 |
| | | 2,094,148 | 1,556,956 |
| (ii) Finance income from reinsurance contracts/retakaful certificates held | | | |
| Interest accreted using current financial assumptions | | (38,762) | 24,174 |
| Effect of changes in interest/profit rates and other financial assumptions | | 21,002 | (40,673) |
| Effect of measuring changes in estimates at current rates and adjusting the CSM at rates on initial recognition | | (424) | (9,815) |
| Effect of changes in non-performance risk reinsurer/retakaful operators | | (144,135) | 15,209 |
| Total finance income from reinsurance contracts/retakaful certificates held | | (162,319) | (11,105) |
| Represented by: | | | |
| Amount recognised in income statements | | (162,319) | (11,105) |
| | | (162,319) | (11,105) |



Notes to the Financial Statements

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42. OVERHEAD EXPENSES

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Personnel expenses | | | | |
| Salaries, allowances and bonuses | 6,356,133 | 5,976,630 | 3,549,152 | 3,406,067 |
| Social security cost | 57,682 | 55,588 | 30,662 | 29,153 |
| Retirement cost | 742,473 | 714,422 | 526,198 | 509,712 |
| ESGP expenses ¹ | 92,852 | 65,499 | 56,676 | 39,667 |
| Other staff related expenses | 1,347,156 | 966,875 | 788,663 | 533,404 |
| | 8,596,296 | 7,779,014 | 4,951,351 | 4,518,003 |
| Establishment costs | | | | |
| Depreciation of property, plant and equipment (Note 20) | 321,975 | 310,911 | 72,021 | 77,957 |
| Depreciation of right-of-use assets (Note 21) | 506,376 | 568,786 | 114,402 | 116,644 |
| Amortisation of computer software (Note 22) | 250,131 | 232,000 | 76,315 | 69,697 |
| Rental of leasehold land and premises | 17,211 | 22,336 | 7,523 | 7,878 |
| Repairs and maintenance of property, plant and equipment | 190,082 | 183,281 | 110,301 | 101,461 |
| Information technology expenses | 1,008,751 | 774,954 | 1,530,557 | 1,352,678 |
| Finance cost on lease liabilities (Note 26(iv)) | 65,459 | 57,405 | 16,595 | 15,382 |
| Others | 19,564 | 22,723 | 16,153 | 18,331 |
| | 2,379,549 | 2,172,396 | 1,943,867 | 1,760,028 |
| Marketing expenses | | | | |
| Advertisement and publicity | 271,797 | 217,411 | 141,265 | 95,588 |
| Others | 361,557 | 347,553 | 250,654 | 233,633 |
| | 633,354 | 564,964 | 391,919 | 329,221 |
| Administration and general expenses | | | | |
| Fees and brokerage | 1,352,040 | 1,440,392 | 909,486 | 1,039,155 |
| Administrative expenses | 558,895 | 587,658 | 239,257 | 254,989 |
| General expenses | 913,453 | 831,960 | 386,478 | 346,573 |
| Others | 26,648 | 12,416 | 9,497 | 8,174 |
| | 2,851,036 | 2,872,426 | 1,544,718 | 1,648,891 |
| Overhead expenses allocated to subsidiaries | – | – | (1,938,361) | (1,959,968) |
| Total overhead expenses | 14,460,235 | 13,388,800 | 6,893,494 | 6,296,175 |
| Cost to income ratio ² | 48.9% | 48.9% | 40.5% | 37.9% |

Notes to the Financial Statements

31 December 2024

42. OVERHEAD EXPENSES (CONT'D.)

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Included in overhead expenses are: | | | | |
| Directors' fees and remuneration (Note 43) | 27,812 | 26,012 | 21,766 | 19,785 |
| Rental of equipment | 52,323 | 39,340 | 2,188 | 2,440 |
| Direct operating expenses of investment properties | 5,405 | 5,140 | – | – |
| Auditors' remuneration: | | | | |
| Statutory audit: | 31,227 | 34,722 | 12,510 | 11,863 |
| - Ernst & Young PLT | 13,528 | 18,214 | 7,689 | 6,817 |
| - Other member firms of Ernst & Young Global | 17,685 | 16,493 | 4,821 | 5,046 |
| - Other auditors ³ | 14 | 15 | – | – |
| Assurance and compliance related services: | | | | |
| - Reporting accountants, review engagements and regulatory-related services | 8,068 | 6,148 | 4,099 | 3,657 |
| Non-audit services: | | | | |
| - Other services | 2,031 | 1,612 | 1,650 | 1,406 |
| Employee benefit expenses (Note 26(i)(b)) | 114,513 | 99,133 | – | – |
| Property, plant and equipment written off (Note 20) | 78 | 7,089 | 3 | 40 |
| Intangible assets written off (Note 22) | 500 | 783 | 500 | 756 |
| Expenses of short-term leases | 8,751 | 11,353 | 2,830 | 2,549 |
| Expenses of low-value assets | 36,129 | 33,735 | 16,549 | 13,476 |

¹ ESGP expenses comprise cash-settled and equity-settled share-based payment transactions. The amount arising from equity-settled share-based payment transactions for the Group and the Bank are approximately RM71,708,000 and RM44,960,000 (2023: RM68,272,000 and RM38,053,000), respectively.

² Cost to income ratio is computed using total cost over the net operating income. Income refers to net operating income amount as disclosed on the face of income statements.

³ Relates to fees paid and payable to accounting firms other than Ernst & Young PLT and other members of Ernst & Young Global.



Notes to the Financial Statements

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43. DIRECTORS' FEES AND REMUNERATION

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Directors of the Bank: | | | | |
| Executive directors: | | | | |
| Salary | 3,120 | 3,120 | 3,120 | 3,120 |
| Bonus | 6,697 | 6,697 | 6,697 | 6,697 |
| Retirement cost | 1,574 | 1,574 | 1,574 | 1,574 |
| ESGP expenses | 1,591 | 703 | 1,591 | 703 |
| Other remuneration | 328 | 269 | 328 | 269 |
| Estimated monetary value of benefits-in-kind | 84 | 63 | 84 | 63 |
| | 13,394 | 12,426 | 13,394 | 12,426 |
| Non-executive directors: | | | | |
| Fees | 10,785 | 10,205 | 5,505 | 4,832 |
| Other remuneration | 3,717 | 3,444 | 2,951 | 2,590 |
| Estimated monetary value of benefits-in-kind | 571 | 396 | 334 | 197 |
| | 15,073 | 14,045 | 8,790 | 7,619 |
| Sub-total for directors of the Bank | 28,467 | 26,471 | 22,184 | 20,045 |
| Indemnity given to or insurance effected for any directors | 1,539 | 1,428 | 1,445 | 1,294 |
| Total (including benefits-in-kind and indemnity given to or insurance effected for any directors) (Note 48(a)(iii)) | 30,006 | 27,899 | 23,629 | 21,339 |
| Total (excluding benefits-in-kind and indemnity given to or insurance effected for any directors) (Note 42) | 27,812 | 26,012 | 21,766 | 19,785 |

The Bank maintained on group basis, a Directors' and Officers' Liability Insurance against any legal liability incurred by the Directors in the discharge of their duties while holding office for the Bank. The Directors shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them.

Notes to the Financial Statements

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43. DIRECTORS' FEES AND REMUNERATION (CONT'D.)

The remuneration attributable to the President & Group Chief Executive Officer of the Bank including benefits-in-kind during the financial year amounted to RM13,394,000 (2023: RM12,426,000).

The total remuneration (including benefits-in-kind) of the directors of the Group and of the Bank are as follows:

| | Group | | | | Bank | | | |
|--|----------------|--|--------------------------------|-----------------|----------------|--|--------------------------------|-----------------|
| | Fees RM'000 | Salary and/ or other emoluments* RM'000 | Benefits- in-kind RM'000 | Total RM'000 | Fees RM'000 | Salary and/ or other emoluments* RM'000 | Benefits- in-kind RM'000 | Total RM'000 |
| 2024 | | | | | | | | |
| Executive director: | | | | | | | | |
| Dato' Khairussaleh bin Ramli | – | 13,310 | 84 | 13,394 | – | 13,310 | 84 | 13,394 |
| Non-executive directors: | | | | | | | | |
| Tan Sri Dato' Sri Ir. Zamzamzairani bin Mohd Isa | 747 | 605 | 125 | 1,477 | 747 | 605 | 125 | 1,477 |
| Dr. Hasnita binti Dato' Hashim | 1,188 | 278 | 46 | 1,512 | 501 | 196 | 11 | 708 |
| Mr Anthony Brent Elam | 1,091 | 366 | 55 | 1,512 | 497 | 238 | 55 | 790 |
| Ms Che Zakiah binti Che Din | 1,125 | 348 | 29 | 1,502 | 461 | 222 | 18 | 701 |
| Ms Fauziah binti Hisham | 1,268 | 351 | 29 | 1,648 | 533 | 274 | 19 | 826 |
| Mr Shariffuddin bin Khalid | 949 | 377 | 11 | 1,337 | 577 | 306 | 11 | 894 |
| Dato' Zulkiflee Abbas bin Abdul Hamid | 1,499 | 341 | 57 | 1,897 | 519 | 256 | 23 | 798 |
| Ms Shirley Goh | 1,003 | 373 | 23 | 1,399 | 529 | 248 | 23 | 800 |
| Datuk Yee Yang Chein | 629 | 276 | 3 | 908 | 504 | 253 | 3 | 760 |
| Ms Chiam Sou Hong ¹ | 186 | 111 | 8 | 305 | 186 | 111 | 8 | 305 |
| Mr Vittorio Furlan ¹ | 186 | 81 | – | 267 | 186 | 81 | – | 267 |
| Mr Edwin Gerungan ² | 914 | 210 | 185 | 1,309 | 265 | 161 | 38 | 464 |
| | 10,785 | 3,717 | 571 | 15,073 | 5,505 | 2,951 | 334 | 8,790 |
| Total directors' remuneration | 10,785 | 17,027 | 655 | 28,467 | 5,505 | 16,261 | 418 | 22,184 |

* Include bonus, retirement cost, ESGP expenses, allowances, social allowances, leave passage and reimbursements.

¹ Appointed on 5 August 2024.

² Retired on 23 August 2024.



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31 December 2024

43. DIRECTORS' FEES AND REMUNERATION (CONT'D.)

The total remuneration (including benefits-in-kind) of the directors of the Group and of the Bank are as follows (cont'd.):

| | Group | | | | Bank | | | |
|--|----------------|--|--------------------------------|-----------------|----------------|--|--------------------------------|-----------------|
| | Fees RM'000 | Salary and/ or other emoluments* RM'000 | Benefits- in-kind RM'000 | Total RM'000 | Fees RM'000 | Salary and/ or other emoluments* RM'000 | Benefits- in-kind RM'000 | Total RM'000 |
| 2023 | | | | | | | | |
| Executive director: | | | | | | | | |
| Dato' Khairussaleh bin Ramli | – | 12,363 | 63 | 12,426 | – | 12,363 | 63 | 12,426 |
| Non-executive directors: | | | | | | | | |
| Tan Sri Dato' Sri Ir. Zamzamzairani bin Mohd Isa | 610 | 553 | 83 | 1,246 | 610 | 553 | 83 | 1,246 |
| Mr Edwin Gerungan | 996 | 221 | 138 | 1,355 | 385 | 170 | 19 | 574 |
| Dr. Hasnita binti Dato' Hashim | 1,175 | 270 | 41 | 1,486 | 465 | 192 | 6 | 663 |
| Mr Anthony Brent Elam | 893 | 371 | 6 | 1,270 | 415 | 178 | 6 | 599 |
| Ms Che Zakiah binti Che Din | 919 | 317 | 1 | 1,237 | 460 | 220 | 1 | 681 |
| Ms Fauziah binti Hisham | 1,087 | 310 | 19 | 1,416 | 490 | 248 | 19 | 757 |
| Mr Shariffuddin bin Khalid | 876 | 297 | 6 | 1,179 | 486 | 208 | 6 | 700 |
| Dato' Zulkiflee Abbas bin Abdul Hamid | 1,436 | 363 | 54 | 1,853 | 494 | 280 | 23 | 797 |
| Ms Shirley Goh | 728 | 268 | 5 | 1,001 | 460 | 208 | 5 | 673 |
| Datuk Yee Yang Chein ¹ | 30 | 12 | – | 42 | 30 | 12 | – | 42 |
| Datuk R. Karunakaran ² | 982 | 211 | 37 | 1,230 | 157 | 96 | 23 | 276 |
| Mr Cheng Kee Check ³ | 473 | 251 | 6 | 730 | 380 | 225 | 6 | 611 |
| | 10,205 | 3,444 | 396 | 14,045 | 4,832 | 2,590 | 197 | 7,619 |
| Total directors' remuneration | 10,205 | 15,807 | 459 | 26,471 | 4,832 | 14,953 | 260 | 20,045 |

* Include bonus, ex-gratia, retirement cost, ESGP expenses, allowances, social allowances, leave passage and reimbursements.

¹ Appointed on 24 November 2023.

² Retired on 3 May 2023.

³ Retired on 18 November 2023.

Notes to the Financial Statements

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44. ALLOWANCES FOR IMPAIRMENT LOSSES ON LOANS, ADVANCES, FINANCING AND OTHER DEBTS, NET

| | Group | | Bank | |
|---|--------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Allowances for/(writeback of) impairment losses on loans, advances and financing: | | | | |
| – Stage 1 – 12-month ECL, net | (260,341) | (166,807) | (53,022) | (48,702) |
| – Stage 2 – Lifetime ECL not credit impaired, net | 609,235 | 437,986 | (42,457) | 128,047 |
| – Stage 3 – Lifetime ECL credit impaired, net | 2,278,927 | 2,131,046 | 791,024 | 763,050 |
| | 2,627,821 | 2,402,225 | 695,545 | 842,395 |
| Bad debts and financing: | | | | |
| – Written off | 94,538 | 61,961 | 64,099 | 58,670 |
| – Recovered | (1,054,551) | (657,263) | (612,435) | (333,084) |
| | (960,013) | (595,302) | (548,336) | (274,414) |
| Allowances for impairment losses on other debts | 2,737 | 19,289 | 1,082 | 3,510 |
| | 1,670,545 | 1,826,212 | 148,291 | 571,491 |

45. (WRITEBACK OF)/ALLOWANCES FOR IMPAIRMENT LOSSES ON FINANCIAL INVESTMENTS, NET

| | Group | | Bank | |
|---|------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Financial investments at FVOCI | | | | |
| – Stage 1 – 12-month ECL, net | 24,045 | (2,097) | 1,688 | (6,340) |
| – Stage 2 – Lifetime ECL not credit impaired, net | 1,578 | (117) | 1,785 | 1,226 |
| – Stage 3 – Lifetime ECL credit impaired, net | (137,718) | (129,140) | (138,965) | (954) |
| | (112,095) | (131,354) | (135,492) | (6,068) |
| Financial investments at amortised cost | | | | |
| – Stage 1 – 12-month ECL, net | (32,339) | 7,673 | (10,925) | 12,378 |
| – Stage 2 – Lifetime ECL not credit impaired, net | 14,385 | (2,878) | 10,285 | – |
| – Stage 3 – Lifetime ECL credit impaired, net | 87,696 | (54,004) | – | – |
| | 69,742 | (49,209) | (640) | 12,378 |
| | (42,353) | (180,563) | (136,132) | 6,310 |



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46. ALLOWANCES FOR/(WRITEBACK OF) IMPAIRMENT LOSSES ON OTHER FINANCIAL ASSETS AND INTEREST IN AN ASSOCIATE, NET

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| (a) Other financial assets | | | | |
| Cash and short-term funds | | | | |
| – Stage 1 – 12-month ECL, net | (4,191) | 19,619 | (1,137) | 455 |
| | (4,191) | 19,619 | (1,137) | 455 |
| Deposit and placements with financial institutions | | | | |
| – Stage 1 – 12-month ECL, net | (1,032) | (1,520) | 6,406 | (3,242) |
| | (1,032) | (1,520) | 6,406 | (3,242) |
| Financial assets purchased under resale agreements | | | | |
| – Stage 1 – 12-month ECL, net | (63) | (5,722) | 698 | 998 |
| | (63) | (5,722) | 698 | 998 |
| Insurance/reinsurance contract/takaful/retakaful certificate assets | | | | |
| – Stage 1 – 12-month ECL, net | (4,442) | 16,455 | – | – |
| | (4,442) | 16,455 | – | – |
| Other assets | | | | |
| – Stage 1 – 12-month ECL, net | 7,424 | 3,032 | – | – |
| – Stage 2 – Lifetime ECL not credit impaired, net | (3) | 9 | – | – |
| – Stage 3 – Lifetime ECL credit impaired, net | 9,019 | 4,365 | 6,145 | 298 |
| | 16,440 | 7,406 | 6,145 | 298 |
| Statutory deposit with central banks | | | | |
| – Stage 1 – 12-month ECL, net | 104 | (822) | – | – |
| | 104 | (822) | – | – |
| | 6,816 | 35,416 | 12,112 | (1,491) |
| (b) Interest in an associate | | | | |
| Impairment on interest in an associate | 12,000 | – | – | – |
| | 18,816 | 35,416 | 12,112 | (1,491) |

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47. TAXATION AND ZAKAT

| | Group | | Bank | |
|---|------------------|----------------|------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Malaysian income tax | 2,867,363 | 2,618,543 | 1,486,170 | 1,509,128 |
| Foreign income tax | 674,849 | 643,282 | 309,242 | 253,917 |
| Less: Double taxation relief | (263,164) | (252,414) | (263,164) | (252,414) |
| | 3,279,048 | 3,009,411 | 1,532,248 | 1,510,631 |
| (Over)/under provision in respect of prior year: | | | | |
| Malaysian income tax | (45,165) | (4,786) | (44,130) | 23,150 |
| Foreign income tax | (20,523) | 17,638 | – | – |
| | 3,213,360 | 3,022,263 | 1,488,118 | 1,533,781 |
| Deferred tax (Note 28): | | | | |
| Relating to origination and reversal of temporary differences | (117,656) | (183,814) | (56,649) | (46,245) |
| Tax expense for the financial year | 3,095,704 | 2,838,449 | 1,431,469 | 1,487,536 |
| Zakat | 99,475 | 78,290 | 3,377 | 1,543 |
| | 3,195,179 | 2,916,739 | 1,434,846 | 1,489,079 |

The Group's and Bank's effective tax rate for the financial year ended 31 December 2024 was lower than the statutory tax rate due to the effects of lower tax rates in other tax jurisdictions and certain income not subject to tax.

Domestic income tax for the Group and the Bank are calculated at the Malaysian statutory tax rate of 24% of the estimated chargeable profit for the financial year. Taxation for foreign entities in other jurisdictions is calculated at the rates prevailing in the respective jurisdictions.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to income tax expense at the effective income tax rate of the Group and of the Bank are as follows:

| | Group | | Bank | |
|---|-------------------|----------------|--------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Profit before taxation | 13,701,565 | 12,531,601 | 10,088,686 | 9,761,872 |
| Taxation at Malaysian statutory tax rate of 24% (2023: 24%) | 3,288,376 | 3,007,584 | 2,421,285 | 2,342,849 |
| Different tax rates in other countries | (191,759) | (177,410) | (62,250) | (105,800) |
| Income not subject to tax | (84,977) | (150,812) | (1,037,676) | (894,087) |
| Expenses not deductible for tax purposes | 239,444 | 245,958 | 154,240 | 121,424 |
| Utilisation of previously unused tax losses and unabsorbed capital allowances | (32,980) | (42,045) | – | – |
| (Over)/under provision in income tax expense in prior year | (65,688) | 12,852 | (44,130) | 23,150 |
| Share of profits in associates and joint venture | (56,712) | (57,678) | – | – |
| Tax expense for the financial year | 3,095,704 | 2,838,449 | 1,431,469 | 1,487,536 |



Notes to the Financial Statements

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48. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES

For the purposes of these financial statements, parties are considered to be related to the Group if the Group or the Bank has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group or the Bank and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Related parties also include key management personnel defined as those persons having authority and responsibility for planning, directing and controlling the activities of the Group and of the Bank either directly or indirectly. The key management personnel includes all the directors and chief executive officers of the Group and of the Bank.

The Group and the Bank have related party relationships with their substantial shareholders, subsidiaries, associates and key management personnel.

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions and balances of the Group and of the Bank are as follows:

(a) Significant related party transactions

(i) Subsidiaries

| | Note | Bank | |
|---|------|------------------|----------------|
| | | 2024 RM'000 | 2023 RM'000 |
| Income: | | | |
| Interest on deposits | 39 | 1,455,185 | 1,505,395 |
| Dividend income | | 4,191,743 | 3,533,548 |
| Other income | | 730,332 | 616,652 |
| | | 6,377,260 | 5,655,595 |
| Expenditure: | | | |
| Interest on deposits | (A) | 857,217 | 597,246 |
| Other expenses | | 1,347,300 | 1,229,321 |
| | | 2,204,517 | 1,826,567 |
| Others: | | | |
| ESGP expenses charged to subsidiaries | 42 | 26,748 | 30,219 |
| Overhead expenses allocated to subsidiaries | | 1,938,361 | 1,959,968 |
| | | 1,965,109 | 1,990,187 |

Notes to the Financial Statements

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48. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions and balances of the Group and of the Bank are as follows (cont'd.):

(a) Significant related party transactions (cont'd.)

(i) Subsidiaries (cont'd.)

(A) Other expenses analysed by type of intercompany charges and by geographical locations are as follows:

| | Malaysia RM'000 | Singapore RM'000 | Total RM'000 |
|---------------------------------|--------------------|---------------------|------------------|
| 2024 | | | |
| Information technology expenses | 1,193,707 | – | 1,193,707 |
| Research fees | – | 21,826 | 21,826 |
| Insurance premiums | 42,796 | – | 42,796 |
| Others | 76,694 | 12,277 | 88,971 |
| | 1,313,197 | 34,103 | 1,347,300 |
| 2023 | | | |
| Information technology expenses | 1,111,093 | – | 1,111,093 |
| Research fees | – | 19,964 | 19,964 |
| Insurance premiums | 52,874 | – | 52,874 |
| Others | 36,725 | 8,665 | 45,390 |
| | 1,200,692 | 28,629 | 1,229,321 |

Transactions between the Bank and its subsidiaries are eliminated on consolidation at Group level.

(ii) Associates

| | Bank | |
|---------------------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Income: | | |
| Dividend income (Note 39) | – | 736 |

There were no significant transactions with joint ventures for the financial year ended 31 December 2024.

(iii) Key management personnel

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Short-term employee benefits | | | | |
| – Fees | 30,232 | 29,949 | 5,505 | 4,832 |
| – Salaries, allowances and bonuses | 63,366 | 73,940 | 13,094 | 12,676 |
| – Retirement cost | 5,015 | 5,745 | 1,574 | 1,574 |
| – Other staff benefits | 6,456 | 8,340 | 420 | 260 |
| Share-based payment | | | | |
| – ESGP expenses | 11,170 | 7,989 | 1,591 | 703 |
| Post employment benefits | | | | |
| – Retirement gratuity | 795 | – | – | – |
| Others | | | | |
| – Indemnity given to or insurance effected for any directors (Note 43) | 1,539 | 1,428 | 1,445 | 1,294 |
| | 118,573 | 127,391 | 23,629 | 21,339 |



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48. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions and balances of the Group and of the Bank are as follows (cont'd.):

(a) Significant related party transactions (cont'd.)

(iii) Key management personnel (cont'd.)

Included in the total key management personnel compensation are:

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Directors' remuneration including benefits-in-kind and indemnity given to or insurance effected for any directors (Note 43) | 30,006 | 27,899 | 23,629 | 21,339 |

The number of shares awarded for ESGP and CESGP to key management personnel are as follows:

(a) ESGP

| | Group | | Bank | |
|----------------|--------------|--------------|--------------|--------------|
| | 2024 '000 | 2023 '000 | 2024 '000 | 2023 '000 |
| At 1 January | 6,744 | 4,527 | 709 | 300 |
| Adjustment* | (109) | 1,181 | – | – |
| Awarded | 2,997 | 2,928 | 409 | 409 |
| Vested | (755) | (758) | – | – |
| Forfeited | (708) | (1,134) | – | – |
| At 31 December | 8,169 | 6,744 | 1,118 | 709 |

* Adjustment relates to changes in key management personnel during the financial year.

(b) CESGP

| | Group | | Bank | |
|----------------|--------------|--------------|--------------|--------------|
| | 2024 '000 | 2023 '000 | 2024 '000 | 2023 '000 |
| At 1 January | 1,602 | 1,334 | – | – |
| Adjustment* | (21) | 220 | – | – |
| Awarded | 707 | 578 | – | – |
| Vested | (239) | (211) | – | – |
| Forfeited | (220) | (319) | – | – |
| At 31 December | 1,829 | 1,602 | – | – |

* Adjustment relates to changes in key management personnel during the financial year.

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48. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions and balances of the Group and of the Bank are as follows (cont'd.):

(b) Significant related party balances

(i) Subsidiaries

| | Bank | |
|--|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Amounts due from: | | |
| Current accounts and deposits | 33,473,286 | 29,282,069 |
| Loans, advances and financing | 51,145,794 | 47,402,794 |
| Interest and other receivable on deposits | 395,433 | 299,095 |
| Corporate bonds and sukuk | 7,892,880 | 8,001,357 |
| Derivative assets | 590,759 | 286,166 |
| | 93,498,152 | 85,271,481 |
| Amounts due to: | | |
| Current accounts and deposits | 35,189,141 | 18,910,834 |
| Obligations on financial assets sold under repurchase agreements | 16,997,997 | 19,681,220 |
| Interest payable on deposits | 8,621 | 22,610 |
| Deposits and other creditors | 22,648,471 | 3,605,185 |
| Derivative liabilities | 571,148 | 272,541 |
| | 75,415,378 | 42,492,390 |
| Commitments and contingencies | 559,182 | 539,483 |

Balances between the Bank and its subsidiaries are eliminated on consolidation at Group level.

(ii) Associates

| | Bank | |
|-------------------------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Amounts due from: | | |
| Current accounts and deposits | 2,863 | 49,539 |

There were no significant balances with joint venture as at 31 December 2024.



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31 December 2024

48. SIGNIFICANT RELATED PARTY TRANSACTIONS AND BALANCES (CONT'D.)

Related party transactions have been entered into in the normal course of business under normal trade terms. The significant related party transactions and balances of the Group and of the Bank are as follows (cont'd.):

(b) Significant related party balances (cont'd.)

(iii) Key management personnel

| | Group | | Bank | |
|-------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Loans, advances and financing | 56,692 | 77,411 | 14,114 | 17,568 |
| Deposits from customers | 90,905 | 145,529 | 47,302 | 58,394 |

The balances relate to transactions with key management personnel of the Group.

(c) Government-related entities

Permodalan Nasional Berhad ("PNB"), is a government-linked entity and a shareholder with significant influence on the Bank, with direct shareholding of 6.52% (2023: 6.76%) and indirect shareholding of 30.51% (2023: 30.12%) via Amanah Raya Trustee Berhad (Skim Amanah Saham Bumiputera) as at 31 December 2024. PNB and entities directly controlled by PNB are collectively referred to as government-related entities to the Group and the Bank.

All the transactions entered into by the Group and the Bank with the government-related entities are conducted in the ordinary course of the Group's and of the Bank's business on terms comparable to those with other entities that are not government-related. The Group has established credit policies, pricing strategy and approval process for loans and financing, which are independent of whether the counterparties are government-related entities or not.

(i) Individually significant transactions and balances with PNB due to its size of transactions:

| | Group | | Bank | |
|--|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Transactions during the financial year: | | | | |
| Interest and finance income | 382,648 | 274,885 | 113,749 | 141,068 |
| Balances as at reporting dates: | | | | |
| Loans, advances and financing | 8,633,799 | 7,285,703 | 2,695,000 | 3,384,493 |

(ii) Collectively, but not individually, significant transactions:

The Group has transactions with other government-related entities including but not limited to provision of loans and financing, deposits placement, brokerage services and underwriting of insurance and takaful.

For the financial year ended 31 December 2024, management estimates that the aggregate amount of the significant transactions with other government-related entities for the Group is at 0.5% (2023: 0.7%) and the Bank is negligible (2023: negligible) of their total interest and finance income.

For the financial year ended 31 December 2024, management estimates that the aggregate amount of the significant balances due from other government-related entities for the Group is 0.4% (2023: 0.6%) and the Bank is negligible (2023: 0.1%) of their total loans, advances and financing.

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49. CREDIT EXPOSURE ARISING FROM CREDIT TRANSACTIONS WITH CONNECTED PARTIES

The credit exposures disclosed below are based on the requirement of Paragraph 9.1 of Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties.

Based on these guidelines, a connected party refers to the following:

- (i) Directors of the Bank and their close relatives;
- (ii) Controlling shareholder of the Bank and his close relatives;
- (iii) Influential shareholder of the Bank and his close relatives;
- (iv) Executive officer, being a member of management having authority and responsibility for planning, directing and/or controlling activities of the Bank and his close relatives;
- (v) Officers who are responsible for or have the authority to appraise and/or approve credit transactions or review the status of existing credit transactions, either as a member of a committee or individually and their close relatives;
- (vi) Firms, partnerships, companies or any legal entities which control, or are controlled by any person listed in (i) to (v) above, or in which they have an interest, as a director, partner, executive officer, agent or guarantor, and their subsidiaries or entities controlled by them;
- (vii) Any person for whom the persons listed in (i) to (v) above is a guarantor; and
- (viii) Subsidiary of or an entity controlled by the Bank and its connected parties.

Credit transactions and exposures to connected parties as disclosed below include the extension of credit facilities and/or off-balance sheet credit exposures such as guarantees, trade-related facilities and loan commitments.

| | Group | | Bank | |
|---|-------------------|------------|-------------------|------------|
| | 2024 | 2023 | 2024 | 2023 |
| Outstanding credit exposures with connected parties (RM'000) | 20,669,442 | 13,434,094 | 17,234,431 | 14,378,940 |
| Percentage of outstanding credit exposures to connected parties as proportion of total credit exposures | 1.9% | 1.3% | 2.9% | 2.5% |
| Percentage of outstanding credit exposures to connected parties which is impaired* or in default | — | — | — | — |

* Impaired refers to non-performing as stated in Paragraph 9.1 of Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties.

50. EARNINGS PER SHARE ("EPS")

(a) Basic EPS

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

| | Group | | Bank | |
|---|-------------------|------------|-------------------|------------|
| | 2024 | 2023 | 2024 | 2023 |
| Net profit for the financial year attributable to equity holders of the Bank (RM'000) | 10,088,673 | 9,349,780 | 8,653,840 | 8,272,793 |
| Weighted average number of ordinary shares in issue ('000) | 12,066,393 | 12,056,164 | 12,066,393 | 12,056,164 |
| Basic earnings per share (sen) | 83.6 | 77.6 | 71.7 | 68.6 |

(b) Diluted EPS

The Group and the Bank have no dilution in their earnings per ordinary share in the current and the preceding financial years as there are no dilutive potential ordinary shares.



Notes to the Financial Statements

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51. DIVIDENDS

| Group and Bank | 2024 RM'000 | 2023 RM'000 | Dividends per share | |
|---|----------------|----------------|---------------------|-------------|
| | | | 2024 sen | 2023 sen |
| Single-tier second interim dividend of 31.0 sen in respect of the financial year ended 31 December 2023 (Note 51(b)(i)) | 3,740,755 | – | 31.00 | – |
| Single-tier first interim dividend of 29.0 sen in respect of the financial year ended 31 December 2024 (Note 51(b)(ii)) | 3,499,416 | – | 29.00 | – |
| Single-tier second interim dividend of 30.0 sen in respect of the financial year ended 31 December 2022 | – | 3,616,238 | – | 30.00 |
| Single-tier first interim dividend of 29.0 sen in respect of the financial year ended 31 December 2023 | – | 3,495,697 | – | 29.00 |
| | 7,240,171 | 7,111,935 | 60.00 | 59.00 |
| Less: Dividend on shares held-in-trust | – | – | | |
| | 7,240,171 | 7,111,935 | | |

(a) Second interim dividend

The Board of Directors has declared a single-tier second interim cash dividend in respect of the current financial year ended 31 December 2024 of 32.0 sen per ordinary share amounting to dividend payable of RM3,861,424,701 (based on 12,066,952,192 ordinary shares issued as at 26 February 2025).

The financial statements for the current financial year ended 31 December 2024 do not reflect this single-tier second interim cash dividend. Such dividend will be accounted for in the statements of changes in equity as an appropriation of retained profits in the next financial year ending 31 December 2025.

(b) Dividends paid during the financial year

- (i) A single-tier second interim cash dividend of 31.0 sen per ordinary share amounted to RM3,740,755,180 on 12,066,952,192 ordinary shares, in respect of the financial year ended 31 December 2023.
- (ii) A single-tier first interim cash dividend of 29.0 sen per ordinary share amounting to RM3,499,416,136 on 12,066,952,192 ordinary shares, in respect of the current financial year ended 31 December 2024.

(c) Dividends paid by Maybank's subsidiaries to non-controlling interests

Dividends paid by Maybank's subsidiaries to non-controlling interests amounted to RM180,680,000 during the financial year ended 31 December 2024 (2023: RM138,441,000).

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52. COMMITMENTS AND CONTINGENCIES

- (a) In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group and of the Bank are as follows:

| Group | 2024 | | | 2023 | | |
|---|---------------------------|-------------------------------------|---------------------------------|---------------------------|-------------------------------------|---------------------------------|
| | Full commitment RM'000 | Credit equivalent amount* RM'000 | Risk-weighted amount* RM'000 | Full commitment RM'000 | Credit equivalent amount* RM'000 | Risk-weighted amount* RM'000 |
| Contingent liabilities | | | | | | |
| Direct credit substitutes | 11,476,839 | 11,497,829 | 6,866,583 | 12,590,604 | 10,548,940 | 6,668,531 |
| Certain transaction-related contingent items | 17,123,562 | 7,993,031 | 4,452,760 | 17,055,885 | 8,006,445 | 4,270,082 |
| Short-term self-liquidating trade-related contingencies | 6,522,883 | 1,087,817 | 528,606 | 4,527,117 | 910,972 | 552,924 |
| | 35,123,284 | 20,578,677 | 11,847,949 | 34,173,606 | 19,466,357 | 11,491,537 |
| Commitments | | | | | | |
| Irrevocable commitments to extend credit: | | | | | | |
| – Maturity within one year | 177,464,605 | 17,777,251 | 4,833,261 | 159,580,959 | 17,194,705 | 4,582,983 |
| – Maturity exceeding one year | 71,010,933 | 87,720,120 | 35,677,083 | 63,768,979 | 78,669,363 | 32,519,449 |
| | 248,475,538 | 105,497,371 | 40,510,344 | 223,349,938 | 95,864,068 | 37,102,432 |
| Miscellaneous commitments and contingencies | 14,154,051 | 1,837,400 | 129,068 | 14,186,766 | 4,346,037 | 116,083 |
| Total credit-related commitments and contingencies | 297,752,873 | 127,913,448 | 52,487,361 | 271,710,310 | 119,676,462 | 48,710,052 |
| Derivative financial instruments | | | | | | |
| Foreign exchange related contracts: | | | | | | |
| – Less than one year | 675,660,830 | 8,276,927 | 2,018,589 | 559,500,074 | 6,920,906 | 1,728,821 |
| – One year to less than five years | 55,660,165 | 3,604,283 | 1,656,040 | 47,713,732 | 2,829,980 | 1,326,784 |
| – Five years and above | 8,819,521 | 881,857 | 506,944 | 7,858,631 | 923,124 | 538,875 |
| | 740,140,516 | 12,763,067 | 4,181,573 | 615,072,437 | 10,674,010 | 3,594,480 |
| Interest rate related contracts: | | | | | | |
| – Less than one year | 1,239,644,467 | 39,352 | 19,862 | 396,045,798 | 30,783 | 15,834 |
| – One year to less than five years | 475,699,773 | 2,244,464 | 848,700 | 370,786,372 | 1,566,076 | 740,116 |
| – Five years and above | 147,162,803 | 2,581,511 | 1,225,913 | 192,906,047 | 3,055,788 | 1,536,755 |
| | 1,862,507,043 | 4,865,327 | 2,094,475 | 959,738,217 | 4,652,647 | 2,292,705 |
| Equity and commodity related contracts: | | | | | | |
| – Less than one year | 7,757,868 | 212,860 | 82,467 | 6,263,404 | 277,150 | 105,521 |
| – One year to less than five years | 10,897,520 | 617,932 | 190,632 | 2,772,827 | 177,735 | 66,588 |
| | 18,655,388 | 830,792 | 273,099 | 9,036,231 | 454,885 | 172,109 |
| Credit related contracts: | | | | | | |
| – Less than one year | 37,275 | – | – | 55,393 | – | – |
| – One year to less than five years | 6,975 | – | – | 5,080 | – | – |
| | 44,250 | – | – | 60,473 | – | – |
| Total treasury-related commitments and contingencies | 2,621,347,197 | 18,459,186 | 6,549,147 | 1,583,907,358 | 15,781,542 | 6,059,294 |
| Total commitments and contingencies | 2,919,100,070 | 146,372,634 | 59,036,508 | 1,855,617,668 | 135,458,004 | 54,769,346 |

* The credit equivalent amount and the risk-weighted amount are derived from using the credit conversion factors and risk-weights, respectively as specified by BNM for regulatory capital adequacy purposes.



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52. COMMITMENTS AND CONTINGENCIES (CONT'D.)

- (a) In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions (cont'd.).

The risk-weighted exposures of the Group and of the Bank are as follows (cont'd.):

| | 2024 | | | 2023 | | |
|---|------------------------------|---|--|------------------------------|---|--|
| | Full commitment RM'000 | Credit equivalent amount* RM'000 | Risk- weighted amount* RM'000 | Full commitment RM'000 | Credit equivalent amount* RM'000 | Risk- weighted amount* RM'000 |
| Bank | | | | | | |
| <u>Contingent liabilities</u> | | | | | | |
| Direct credit substitutes | 7,449,249 | 7,446,166 | 3,598,123 | 8,518,750 | 6,625,817 | 4,352,387 |
| Certain transaction-related contingent items | 11,693,698 | 5,375,799 | 2,935,723 | 12,106,304 | 5,570,744 | 2,769,309 |
| Short-term self-liquidating trade-related contingencies | 4,954,695 | 802,135 | 431,223 | 3,542,837 | 681,768 | 451,552 |
| | 24,097,642 | 13,624,100 | 6,965,069 | 24,167,891 | 12,878,329 | 7,573,248 |
| <u>Commitments</u> | | | | | | |
| Irrevocable commitments to extend credit: | | | | | | |
| – Maturity within one year | 106,658,657 | 8,015,654 | 2,057,708 | 94,547,717 | 8,756,609 | 2,102,256 |
| – Maturity exceeding one year | 44,087,018 | 56,454,651 | 24,610,700 | 38,226,816 | 49,391,317 | 21,691,239 |
| | 150,745,675 | 64,470,305 | 26,668,408 | 132,774,533 | 58,147,926 | 23,793,495 |
| Miscellaneous commitments and contingencies | 10,718,417 | 2,237,768 | 174,105 | 10,937,580 | 4,874,785 | 215,622 |
| Total credit-related commitments and contingencies | 185,561,734 | 80,332,173 | 33,807,582 | 167,880,004 | 75,901,040 | 31,582,365 |
| <u>Derivative financial instruments</u> | | | | | | |
| Foreign exchange related contracts: | | | | | | |
| – Less than one year | 674,822,415 | 7,992,950 | 1,833,023 | 556,387,408 | 6,769,703 | 1,448,406 |
| – One year to less than five years | 60,010,371 | 3,552,068 | 1,360,470 | 48,813,704 | 2,740,054 | 1,095,773 |
| – Five years and above | 6,781,110 | 878,678 | 469,205 | 7,068,613 | 909,781 | 482,025 |
| | 741,613,896 | 12,423,696 | 3,662,698 | 612,269,725 | 10,419,538 | 3,026,204 |
| Interest rate related contracts: | | | | | | |
| – Less than one year | 1,239,733,847 | 39,884 | 19,648 | 396,156,000 | 29,650 | 12,419 |
| – One year to less than five years | 475,890,514 | 2,207,669 | 766,619 | 368,025,013 | 1,434,461 | 546,624 |
| – Five years and above | 147,300,626 | 2,569,674 | 1,214,587 | 192,748,011 | 3,047,785 | 1,525,012 |
| | 1,862,924,987 | 4,817,227 | 2,000,854 | 956,929,024 | 4,511,896 | 2,084,055 |
| Equity and commodity related contracts: | | | | | | |
| – Less than one year | 2,778,953 | 104,604 | 31,316 | 3,073,368 | 167,665 | 60,913 |
| – One year to less than five years | 10,892,098 | 617,932 | 190,632 | 2,772,827 | 177,735 | 66,588 |
| | 13,671,051 | 722,536 | 221,948 | 5,846,195 | 345,400 | 127,501 |
| Credit related contracts: | | | | | | |
| – Less than one year | 37,275 | – | – | 55,393 | – | – |
| – One year to less than five years | 6,975 | – | – | 5,080 | – | – |
| | 44,250 | – | – | 60,473 | – | – |
| Total treasury-related commitments and contingencies | 2,618,254,184 | 17,963,459 | 5,885,500 | 1,575,105,417 | 15,276,834 | 5,237,760 |
| Total commitments and contingencies | 2,803,815,918 | 98,295,632 | 39,693,082 | 1,742,985,421 | 91,177,874 | 36,820,125 |

* The credit equivalent amount and the risk-weighted amount are derived from using the credit conversion factors and risk-weights, respectively as specified by BNM for regulatory capital adequacy purposes.

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31 December 2024

52. COMMITMENTS AND CONTINGENCIES (CONT'D.)

- (a) In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions (cont'd.).
- (i) The Group's and the Bank's derivative financial instruments are subject to market, credit and liquidity risks, as follows:
- Market risk on derivatives is the potential loss to the value of these contracts due to changes in price of the underlying items such as equities, interest rates, foreign exchange rates, credit spreads, commodities or other indices. The notional or contractual amounts provide only the volume of transactions outstanding at the reporting date and do not represent the amount at risk. Exposure to market risk may be reduced through offsetting items from on and off-balance sheet positions;
 - Credit risk arises from the possibility that a counterparty may be unable to meet the terms of a contract in which the Bank and certain subsidiaries have a gain position. As at 31 December 2024, the amount of credit risk in the Group, measured in terms of the cost to replace the profitable contracts, was RM23,417.6 million (2023: RM21,647.6 million). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices; and
 - Liquidity risk on derivatives is the risk that the derivative position cannot be closed out promptly. Exposure to liquidity risk is reduced through contracting derivatives where the underlying items are widely traded.
- (ii) There have been no changes since the end of the previous financial year in respect of the following:
- The types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
 - The risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
 - The related accounting policies.

(b) Contingent liabilities

There is no material contingent liabilities during the financial year ended 31 December 2024.

(c) Operating lease commitments

The Group as a lessor

The Group leases out its properties including investment properties under operating leases with the term of the leases ranging up to 5 years.

The future minimum lease payments under these non-cancellable operating leases are as follows:

| | Group | |
|----------------------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Within one year | 50,820 | 48,669 |
| Between one and five years | 30,171 | 66,172 |
| | 80,991 | 114,841 |



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES

(a) Financial risk management overview

Risk management has evolved into an important driver for strategic decisions in support of business strategies while balancing the appropriate levels of risk taken to the desired levels of returns.

During the financial year ended 31 December 2024, the Group implemented the GIMF in stages for certain entities and business units which constitutes a change in business model for managing financial assets under MFRS 9 *Financial Instruments*. Consequently, all affected financial assets have been reclassified in accordance with MFRS 9 requirements.

The Board of Directors is the Group's ultimate governing body, which has overall responsibility for establishing a sound risk management and internal control system, as well as for reviewing its adequacy and effectiveness in identifying, assessing and responding to risks that may hinder the Group from achieving its objectives. To effectively carry out its risk and control oversight responsibilities, the Board has established the Risk Management Committee ("RMC"), the Compliance Committee of the Board ("CCB"), and the Audit Committee of the Board ("ACB") to oversee matters relating to risk, compliance and controls, respectively.

The Management has established various Executive Level Management Committees ("ELCs") to assist and support the Board committees in overseeing core areas of business operations and controls. These ELCs include the Group Executive Committee, Group Client Onboarding and Review Committee, Group Management Credit Committee, Group Executive Risk and Compliance Committee, Group Asset and Liability Management Committee, EXCO Sustainability Committee, Group Non-Financial Risk Committee, Group Impairment Review Committee, and Group Procurement and Property Committee, amongst others.

The Maybank Group Enterprise Risk Management Framework was established to foster ongoing vigilance and awareness of the most significant risks that could impact the Group's mission.

The framework is built upon a comprehensive set of foundational components designed to cultivate a robust risk management culture, encompassing practices and processes:

- (i) **Risk Culture:** Risk culture is a crucial element in strengthening risk governance and serves as a core principle of effective risk management.
- (ii) **Risk Coverage:** The Group must define its business strategy and evaluate its associated risks to implement effective risk strategies that enhance the likelihood of successfully achieving its objectives.
- (iii) **Risk Appetite:** The risk appetite defines the level of risk that the Group is willing to assume within its risk capacity to meet its overall strategic and business objectives while safeguarding against key sources of risk to the Group such as financial, operational and reputational risk.
- (iv) **Risk Response:** The Group's risk response encompasses strategic actions to address, mitigate, or manage identified risks that may affect its objectives, aligning with the Group's risk appetite, tolerance, and overall business strategy.
- (v) **Governance and Risk Oversight:** The Group's governance structure is clear, effective and robust, featuring well-defined, transparent and consistent lines of responsibility with comprehensive oversight mechanisms in place to strengthen risk management capabilities.

- (vi) **Risk Management Practices and Processes:** Comprehensive risk management processes are established to proactively identify, measure, control, monitor and report on the risks inherent in all products and activities undertaken by the Group.
- (vii) **Stress Test:** Stress testing is used to test the resilience of the Group's exposure against future financial scenarios and gauge the resulting risk and adequacy of capital.
- (viii) **Resources and System Infrastructure:** Adequate resources, infrastructure, and methodologies must be in place to facilitate effective risk management.

(b) Impairment assessment

The references below show where the Group's impairment assessment and measurement approach is set out in this report. It should be read in conjunction with the summary of material accounting policies (Note 2.3).

- The Group's definition and assessment of default and cure (Note 53(b)(i)).
- An explanation of the Group's internal grading system (Note 53(e)(5)).
- How the Group defines, calculates and monitors the probability of default, exposure at default and loss given default (Note 53(e)(1)).
- When the Group considers there has been a significant increase in credit risk of an exposure (Note 53(b)(ii)).
- The Group's policy of segmenting financial assets where ECL is assessed on a collective basis (Note 53(b)(iii)).
- The details of the ECL calculations for Stage 1, Stage 2 and Stage 3 assets (Note 2.3(v)(d)).

(i) Definition of default and cure

The Group considers a financial instrument as defaulted and therefore classified as Stage 3 (credit-impaired) for ECL calculations when:

- Principal or interest/profit or both of the credit facility are past due for more than 90 days or 3 months; or
- In the case of revolving credit facilities (e.g. overdraft), where the outstanding amount has remained in excess of the approved limit for a period of more than 90 days or 3 months; or
- The account is less than 90 days or 3 months past due and exhibit indications of significant increase in credit risk; or
- Impaired loans, advances and financing that have been rescheduled or restructured, the loans, advances and financing will continue to be classified as impaired until repayments based on the rescheduled or restructured terms have been observed continuously for a period of at least six (6) months or longer as determined by the approving authority of the rescheduled or restructured credit, and the counterparties/accounts no longer exhibit signs of significant increase in credit risk; or
- Default occurs for repayments scheduled on intervals of three (3) months or longer.

Notes to the Financial Statements

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(b) Impairment assessment (cont'd.)

(i) Definition of default and cure (cont'd.)

As part of a qualitative assessment on whether a customer is in default, the Group also considers a variety of events that may indicate the unlikelihood to pay. When such events occur, the Group assesses whether these events should result in treating the customer as defaulted and therefore assessed as Stage 3 for ECL calculations, or whether Stage 2 is more appropriate. The following non-exhaustive events will be assessed:-

- Significant downgrade in credit rating from initial recognition or last reviewed date;
- Breach of covenant not waived by the Group;
- Insolvent status;
- High probability of entering into bankruptcy;
- Listed debt or equity suspended at the primary exchange because of either financial difficulties or adverse news; or
- Multiple requests of rescheduling and restructuring.

It is the Group's policy to consider a financial instrument to be re-classified out of Stage 3 when none of the default criteria is present. The decision whether to classify an asset as Stage 2 or Stage 1 depends on prudent credit judgement at the time of the assessment, and that the asset no longer shows significant increase in credit risk with stringent governance from relevant approving authority.

(ii) Significant increase in credit risk

The Group implements impairment assessment based on ECL model from MFRS 9 impairment requirements. Robust models and credit risk assessments are in place to assess significant increase in credit risk since initial recognition in determining the appropriate ECL approach (12-month ECL or lifetime ECL).

The Group also applies a secondary qualitative method for triggering significant increase in credit risk for an asset, such as moving a customer/facility to watch list, or forbore upon observing credit risk grade deterioration since inception and payment are more than 30 days past due. The Group's credit review process considers events explained in Note 53(b)(i) are significant increase in credit risk on top of default criteria.

When estimating ECL on a collective basis for a group of similar assets (as set out in Note 53(b)(iii)), the Group applies the same principles for assessing whether there has been a significant increase in credit risk since initial recognition.

(iii) Grouping financial assets measured on a collective basis

As explained in Note 2.3(v)(d)(ii), depending on the factors below, the Group and the Bank calculate ECL either on a collective or an individual basis.

Financial assets subject to ECL that have been assessed individually but for which no impairment is required and all individually insignificant exposure are then assessed collectively, in groups of assets with similar credit risk characteristics.

The Group and the Bank group these exposure into smaller homogeneous portfolios, based on a combination of internal and external characteristics of the loans.



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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(c) Analysis of inputs to the ECL model under multiple economic scenarios

An overview of the approach to estimate ECL is set out in Note 2.3 Summary of material accounting policies and in Note 3 Significant accounting judgements, estimates and assumptions; in which the macroeconomic factors are regularly monitored as part of the normal credit risk management of the Group and the Bank, including emerging risk consideration arising from adverse industry outlook. To ensure completeness and accuracy, the Group and the Bank obtain the data used from independent research parties (Maybank IB Research and independent research organisation), including determining the weights attributable to the multiple scenarios as at every year end to apply on next financial year's ECL computation.

The following table shows the forecast of the key forward-looking macroeconomic variables used in each of the economic scenarios for the ECL calculations for financial year ended 31 December 2024 and 31 December 2023. The figures for "Subsequent years" represent a long-term average and the same are applied for each scenario.

31 December 2024

| Key Variables | ECL Scenario | Assigned Probabilities | 2024 | 2025 | 2026 | 2027 | 2028 | Subsequent years |
|---------------------------|--------------|------------------------|------|------|------|------|------|------------------|
| Real GDP (%) | Base case | 60 | 4.4 | 5.0 | 5.0 | 5.0 | 5.0 | 5.0 |
| | Upside | 10 | 4.8 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 |
| | Downside | 30 | 3.2 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 |
| Property Price Index (%) | Base case | 60 | 1.0 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| | Upside | 10 | 1.8 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| | Downside | 30 | 0.3 | 0.5 | 0.5 | 0.5 | 0.5 | 0.5 |
| Overnight Policy Rate (%) | Base case | 60 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| | Upside | 10 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 | 2.8 |
| | Downside | 30 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 | 3.5 |
| Unemployment Rate (%) | Base case | 60 | 3.4 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 |
| | Upside | 10 | 3.3 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| | Downside | 30 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 |

31 December 2023

| Key Variables | ECL Scenario | Assigned Probabilities | 2023 | 2024 | 2025 | 2026 | 2027 | Subsequent years |
|---------------------------|--------------|------------------------|------|------|------|------|------|------------------|
| Real GDP (%) | Base case | 60 | 4.0 | 4.8 | 5.0 | 5.0 | 5.0 | 5.0 |
| | Upside | 10 | 4.5 | 5.5 | 5.5 | 5.5 | 5.5 | 5.5 |
| | Downside | 30 | 3.5 | 4.4 | 4.5 | 4.5 | 4.5 | 4.5 |
| Property Price Index (%) | Base case | 60 | 1.5 | 2.0 | 2.0 | 2.0 | 2.0 | 2.0 |
| | Upside | 10 | 2.0 | 2.5 | 2.5 | 2.5 | 2.5 | 2.5 |
| | Downside | 30 | 0.6 | 1.5 | 1.5 | 1.5 | 1.5 | 1.5 |
| Overnight Policy Rate (%) | Base case | 60 | 3.0 | 3.0 | 3.3 | 3.3 | 3.3 | 3.3 |
| | Upside | 10 | 2.8 | 2.8 | 3.0 | 3.0 | 3.0 | 3.0 |
| | Downside | 30 | 3.3 | 3.3 | 3.5 | 3.5 | 3.5 | 3.5 |
| Unemployment Rate (%) | Base case | 60 | 3.5 | 3.3 | 3.3 | 3.3 | 3.3 | 3.3 |
| | Upside | 10 | 3.3 | 3.0 | 3.0 | 3.0 | 3.0 | 3.0 |
| | Downside | 30 | 4.0 | 3.8 | 3.8 | 3.8 | 3.8 | 3.8 |

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(d) Financial instruments by category

| Group 2024 | Fair value through profit or loss RM'000 | Designated at fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | At amortised cost RM'000 | Sub-total RM'000 | Assets not in scope of MFRS 9 RM'000 | Total RM'000 |
|---|--|---|--|--------------------------------|----------------------|---|----------------------|
| Assets | | | | | | | |
| Cash and short-term funds | – | – | – | 40,522,520 | 40,522,520 | – | 40,522,520 |
| Deposits and placements with financial institutions | – | – | – | 22,275,032 | 22,275,032 | – | 22,275,032 |
| Financial assets purchased under resale agreements | – | – | – | 16,630,783 | 16,630,783 | – | 16,630,783 |
| Financial investments portfolio | 33,274,540 | 12,933,334 | 128,177,404 | 79,377,492 | 253,762,770 | – | 253,762,770 |
| Loans, advances and financing to financial institutions | – | – | 147,161 | 1,886,064 | 2,033,225 | – | 2,033,225 |
| Loans, advances and financing to customers | – | – | 31,869,625 | 630,871,235 | 662,740,860 | – | 662,740,860 |
| Derivative assets | 23,417,580 | – | – | – | 23,417,580 | – | 23,417,580 |
| Insurance contract/takaful certificate assets | – | – | – | – | – | 75,199 | 75,199 |
| Reinsurance contract/retakaful certificate assets | – | – | – | – | – | 5,910,059 | 5,910,059 |
| Other assets | – | – | – | 13,056,355 | 13,056,355 | 2,429,669 | 15,486,024 |
| Investment properties | – | – | – | – | – | 1,038,657 | 1,038,657 |
| Statutory deposits with central banks | – | – | – | 17,166,509 | 17,166,509 | – | 17,166,509 |
| Interest in associates and joint venture | – | – | – | – | – | 1,857,728 | 1,857,728 |
| Property, plant and equipment | – | – | – | – | – | 2,283,097 | 2,283,097 |
| Right-of-use assets | – | – | – | – | – | 1,456,464 | 1,456,464 |
| Intangible assets | – | – | – | – | – | 6,993,290 | 6,993,290 |
| Deferred tax assets | – | – | – | – | – | 1,672,159 | 1,672,159 |
| Total assets | 56,692,120 | 12,933,334 | 160,194,190 | 821,785,990 | 1,051,605,634 | 23,716,322 | 1,075,321,956 |

| Group 2024 | Fair value through profit or loss RM'000 | Designated at fair value through profit or loss RM'000 | Other financial liabilities RM'000 | Sub-total RM'000 | Liabilities not in scope of MFRS 9 RM'000 | Total RM'000 |
|--|--|---|---|---------------------|--|--------------------|
| Liabilities | | | | | | |
| Customers' funding: | | | | | | |
| – Deposits from customers | – | – | 712,915,459 | 712,915,459 | – | 712,915,459 |
| – Investment accounts of customers* | – | – | 28,981,847 | 28,981,847 | – | 28,981,847 |
| Deposits and placements from financial institutions | – | – | 47,051,220 | 47,051,220 | – | 47,051,220 |
| Obligations on financial assets sold under repurchase agreements | – | – | 32,831,691 | 32,831,691 | – | 32,831,691 |
| Derivative liabilities^ | 27,494,477 | – | – | 27,494,477 | – | 27,494,477 |
| Financial liabilities at fair value through profit or loss | – | 11,943,454 | – | 11,943,454 | – | 11,943,454 |
| Bills and acceptances payable | – | – | 1,214,634 | 1,214,634 | – | 1,214,634 |
| Insurance contract/takaful certificate liabilities | – | – | – | – | 46,102,335 | 46,102,335 |
| Reinsurance contract/retakaful certificate liabilities | – | – | – | – | 27,063 | 27,063 |
| Other liabilities | – | – | 15,293,922 | 15,293,922 | 12,214,057 | 27,507,979 |
| Provision for taxation and zakat | – | – | – | – | 294,643 | 294,643 |
| Deferred tax liabilities | – | – | – | – | 755,338 | 755,338 |
| Borrowings | – | – | 28,260,101 | 28,260,101 | – | 28,260,101 |
| Subordinated obligations | – | – | 11,157,808 | 11,157,808 | – | 11,157,808 |
| Capital securities | – | – | 1,576,770 | 1,576,770 | – | 1,576,770 |
| Total liabilities | 27,494,477 | 11,943,454 | 879,283,452 | 918,721,383 | 59,393,436 | 978,114,819 |

* Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

^ Included in derivative liabilities are derivative instruments designated as effective hedging instruments. Refer to fair value hedge disclosed in Note 13.



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(d) Financial instruments by category (cont'd.)

| Group 2023 | Fair value through profit or loss RM'000 | Designated at fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | At amortised cost RM'000 | Sub-total RM'000 | Assets not in scope of MFRS 9 RM'000 | Total RM'000 |
|---|--|---|--|--------------------------------|----------------------|---|----------------------|
| Assets | | | | | | | |
| Cash and short-term funds | – | – | – | 28,904,035 | 28,904,035 | – | 28,904,035 |
| Deposits and placements with financial institutions | – | – | – | 13,471,607 | 13,471,607 | – | 13,471,607 |
| Financial assets purchased under resale agreements | – | – | – | 17,344,364 | 17,344,364 | – | 17,344,364 |
| Financial investments portfolio | 35,970,200 | 13,378,789 | 132,182,135 | 84,384,398 | 265,915,522 | – | 265,915,522 |
| Loans, advances and financing to financial institutions | – | – | 132,174 | 1,367,084 | 1,499,258 | – | 1,499,258 |
| Loans, advances and financing to customers | – | – | 34,842,043 | 594,080,737 | 628,922,780 | – | 628,922,780 |
| Derivative assets | 21,647,554 | – | – | – | 21,647,554 | – | 21,647,554 |
| Insurance contract/takaful certificate assets | – | – | – | – | – | 123,204 | 123,204 |
| Reinsurance contract/retakaful certificate assets | – | – | – | – | – | 5,698,832 | 5,698,832 |
| Other assets | – | – | – | 9,658,719 | 9,658,719 | 3,007,237 | 12,665,956 |
| Investment properties | – | – | – | – | – | 1,019,958 | 1,019,958 |
| Statutory deposits with central banks | – | – | – | 15,739,735 | 15,739,735 | – | 15,739,735 |
| Interest in associates and joint venture | – | – | – | – | – | 2,105,534 | 2,105,534 |
| Property, plant and equipment | – | – | – | – | – | 2,309,246 | 2,309,246 |
| Right-of-use assets | – | – | – | – | – | 1,636,137 | 1,636,137 |
| Intangible assets | – | – | – | – | – | 7,361,911 | 7,361,911 |
| Deferred tax assets | – | – | – | – | – | 1,308,986 | 1,308,986 |
| Total assets | 57,617,754 | 13,378,789 | 167,156,352 | 764,950,679 | 1,003,103,574 | 24,571,045 | 1,027,674,619 |

| Group 2023 | Fair value through profit or loss RM'000 | Designated at fair value through profit or loss RM'000 | Other financial liabilities RM'000 | Sub-total RM'000 | Liabilities not in scope of MFRS 9 RM'000 | Total RM'000 |
|--|--|---|---|---------------------|--|--------------------|
| Liabilities | | | | | | |
| Customers' funding: | | | | | | |
| – Deposits from customers | – | – | 670,359,336 | 670,359,336 | – | 670,359,336 |
| – Investment accounts of customers* | – | – | 26,475,396 | 26,475,396 | – | 26,475,396 |
| Deposits and placements from financial institutions | – | – | 44,676,892 | 44,676,892 | – | 44,676,892 |
| Obligations on financial assets sold under repurchase agreements | – | – | 38,072,708 | 38,072,708 | – | 38,072,708 |
| Derivative liabilities^ | 25,082,955 | – | – | 25,082,955 | – | 25,082,955 |
| Financial liabilities at fair value through profit or loss | – | 8,766,563 | – | 8,766,563 | – | 8,766,563 |
| Bills and acceptances payable | – | – | 1,133,170 | 1,133,170 | – | 1,133,170 |
| Insurance contract/takaful certificate liabilities | – | – | – | – | 44,497,551 | 44,497,551 |
| Reinsurance contract/retakaful certificate liabilities | – | – | – | – | 83,001 | 83,001 |
| Other liabilities | – | – | 19,412,674 | 19,412,674 | 6,528,254 | 25,940,928 |
| Provision for taxation and zakat | – | – | – | – | 239,389 | 239,389 |
| Deferred tax liabilities | – | – | – | – | 685,646 | 685,646 |
| Borrowings | – | – | 31,037,570 | 31,037,570 | – | 31,037,570 |
| Subordinated obligations | – | – | 10,145,549 | 10,145,549 | – | 10,145,549 |
| Capital securities | – | – | 2,829,802 | 2,829,802 | – | 2,829,802 |
| Total liabilities | 25,082,955 | 8,766,563 | 844,143,097 | 877,992,615 | 52,033,841 | 930,026,456 |

* Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

^ Included in derivative liabilities are derivative instruments designated as effective hedging instruments. Refer to fair value hedge disclosed in Note 13.

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(d) Financial instruments by category (cont'd.)

| Bank 2024 | Fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | At amortised cost RM'000 | Sub-total RM'000 | Assets not in scope of MFRS 9 RM'000 | Total RM'000 |
|---|--|--|--------------------------------|---------------------|---|--------------------|
| Assets | | | | | | |
| Cash and short-term funds | – | – | 27,212,276 | 27,212,276 | – | 27,212,276 |
| Deposits and placements with financial institutions | – | – | 38,309,616 | 38,309,616 | – | 38,309,616 |
| Financial assets purchased under resale agreements | – | – | 17,608,327 | 17,608,327 | – | 17,608,327 |
| Financial investments portfolio | 15,404,523 | 68,927,203 | 64,681,307 | 149,013,033 | – | 149,013,033 |
| Loans, advances and financing to financial institutions | – | 453,603 | 47,867,612 | 48,321,215 | – | 48,321,215 |
| Loans, advances and financing to customers | – | 34,208,448 | 199,265,566 | 233,474,014 | – | 233,474,014 |
| Derivative assets | 23,331,778 | – | – | 23,331,778 | – | 23,331,778 |
| Other assets | – | – | 9,061,608 | 9,061,608 | 362,322 | 9,423,930 |
| Statutory deposits with central banks | – | – | 4,648,095 | 4,648,095 | – | 4,648,095 |
| Investment in subsidiaries | – | – | – | – | 35,575,751 | 35,575,751 |
| Interest in associates and joint venture | – | – | – | – | 438,859 | 438,859 |
| Property, plant and equipment | – | – | – | – | 861,851 | 861,851 |
| Right-of-use assets | – | – | – | – | 460,130 | 460,130 |
| Intangible assets | – | – | – | – | 664,603 | 664,603 |
| Deferred tax assets | – | – | – | – | 296,655 | 296,655 |
| Total assets | 38,736,301 | 103,589,254 | 408,654,407 | 550,979,962 | 38,660,171 | 589,640,133 |

| Bank 2024 | Fair value through profit or loss RM'000 | Designated at fair value through profit or loss RM'000 | Other financial liabilities RM'000 | Sub-total RM'000 | Liabilities not in scope of MFRS 9 RM'000 | Total RM'000 |
|--|--|---|---|---------------------|--|--------------------|
| Liabilities | | | | | | |
| Deposits from customers | – | – | 310,608,986 | 310,608,986 | – | 310,608,986 |
| Deposits and placements from financial institutions | – | – | 76,999,224 | 76,999,224 | – | 76,999,224 |
| Obligations on financial assets sold under repurchase agreements | – | – | 46,954,812 | 46,954,812 | – | 46,954,812 |
| Derivative liabilities [^] | 26,984,480 | – | – | 26,984,480 | – | 26,984,480 |
| Financial liabilities at fair value through profit or loss | – | 7,429,042 | – | 7,429,042 | – | 7,429,042 |
| Bills and acceptances payable | – | – | 466,170 | 466,170 | – | 466,170 |
| Other liabilities | – | – | 10,927,192 | 10,927,192 | 2,765,786 | 13,692,978 |
| Borrowings | – | – | 15,546,427 | 15,546,427 | – | 15,546,427 |
| Subordinated obligations | – | – | 10,843,439 | 10,843,439 | – | 10,843,439 |
| Capital securities | – | – | 1,576,770 | 1,576,770 | – | 1,576,770 |
| Total liabilities | 26,984,480 | 7,429,042 | 473,923,020 | 508,336,542 | 2,765,786 | 511,102,328 |

[^] Included in derivative liabilities are derivative instruments designated as effective hedging instruments. Refer to fair value hedge disclosed in Note 13.



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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(d) Financial instruments by category (cont'd.)

| Bank 2023 | Fair value through profit or loss RM'000 | Fair value through other comprehensive income RM'000 | At amortised cost RM'000 | Sub-total RM'000 | Assets not in scope of MFRS 9 RM'000 | Total RM'000 |
|---|--|--|--------------------------------|---------------------|---|-----------------|
| Assets | | | | | | |
| Cash and short-term funds | – | – | 20,060,300 | 20,060,300 | – | 20,060,300 |
| Deposits and placements with financial institutions | – | – | 27,639,111 | 27,639,111 | – | 27,639,111 |
| Financial assets purchased under resale agreements | – | – | 15,680,716 | 15,680,716 | – | 15,680,716 |
| Financial investments portfolio | 21,757,370 | 73,299,044 | 65,738,592 | 160,795,006 | – | 160,795,006 |
| Loans, advances and financing to financial institutions | – | 352,956 | 42,950,675 | 43,303,631 | – | 43,303,631 |
| Loans, advances and financing to customers | – | 34,958,823 | 200,064,033 | 235,022,856 | – | 235,022,856 |
| Derivative assets | 21,476,761 | – | – | 21,476,761 | – | 21,476,761 |
| Other assets | – | – | 5,476,103 | 5,476,103 | 782,002 | 6,258,105 |
| Statutory deposits with central banks | – | – | 4,691,146 | 4,691,146 | – | 4,691,146 |
| Investment in subsidiaries | – | – | – | – | 34,486,241 | 34,486,241 |
| Interest in associates and joint venture | – | – | – | – | 438,859 | 438,859 |
| Property, plant and equipment | – | – | – | – | 868,825 | 868,825 |
| Right-of-use assets | – | – | – | – | 519,635 | 519,635 |
| Intangible assets | – | – | – | – | 543,296 | 543,296 |
| Deferred tax assets | – | – | – | – | 83,505 | 83,505 |
| Total assets | 43,234,131 | 108,610,823 | 382,300,676 | 534,145,630 | 37,722,363 | 571,867,993 |

| Bank 2023 | Fair value through profit or loss RM'000 | Designated at fair value through profit or loss RM'000 | Other financial liabilities RM'000 | Sub-total RM'000 | Liabilities not in scope of MFRS 9 RM'000 | Total RM'000 |
|--|--|---|---|---------------------|--|-----------------|
| Liabilities | | | | | | |
| Deposits from customers | – | – | 299,676,139 | 299,676,139 | – | 299,676,139 |
| Deposits and placements from financial institutions | – | – | 58,221,783 | 58,221,783 | – | 58,221,783 |
| Obligations on financial assets sold under repurchase agreements | – | – | 57,152,843 | 57,152,843 | – | 57,152,843 |
| Derivative liabilities [^] | 24,554,173 | – | – | 24,554,173 | – | 24,554,173 |
| Financial liabilities at fair value through profit or loss | – | 8,766,563 | – | 8,766,563 | – | 8,766,563 |
| Bills and acceptances payable | – | – | 442,847 | 442,847 | – | 442,847 |
| Other liabilities | – | – | 6,728,198 | 6,728,198 | 2,449,868 | 9,178,066 |
| Borrowings | – | – | 22,785,069 | 22,785,069 | – | 22,785,069 |
| Subordinated obligations | – | – | 9,831,248 | 9,831,248 | – | 9,831,248 |
| Capital securities | – | – | 2,829,802 | 2,829,802 | – | 2,829,802 |
| Total liabilities | 24,554,173 | 8,766,563 | 457,667,929 | 490,988,665 | 2,449,868 | 493,438,533 |

[^] Included in derivative liabilities are derivative instruments designated as effective hedging instruments. Refer to fair value hedge disclosed in Note 13.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management

1. Credit risk management overview

Credit risk definition

Credit risk is the risk that a counterparty fails to meet its obligations in accordance with the agreed terms of a credit facility. The exposures to credit risk are unilateral and only the lending bank faces the risk of loss upon observing substance over form.

Management of credit risk

The Group's policy on credit classification and impairment on borrower's account is in accordance with MFRS 9, with relevant guiding principles to assess the observed credit behaviour and based upon unbiased probability-weighted credit losses determined by evaluating a range of possible outcomes considering future economic outlook.

Non-retail credits are assessed jointly by Business and Credit where each counterparty is rated based on the assessment of qualitative and quantitative factors, including the counterparty's actual financial position, projected cash flows, types of facilities and collateral offered.

Reviews for non-retail credits are conducted at least once a year with updated information on the counterparty's financial position, key shareholders and senior management, market position, industry and economic conditions, ESG and climate risk requirements, as well as account conduct. These counterparties are also subject to periodic credit classification and impairment assessment to determine the credit staging and if any early intervention is required. Counterparties that exhibit any signs of credit risks will be closely monitored at the relevant asset quality committees. Appropriate corrective actions are taken and tracked to mitigate and prevent credit risk deterioration.

Retail credits are standard credits where the lending criteria are predicated on data analytics and the Group's approved credit risk appetite. Retail credits are governed by the Product Development Assessment ("PDA") or Universal Product Development Assessment ("UPDA"). Reviews for retail credits are generally conducted at the portfolio level, where the PDAs or UPDAs of each retail product are reviewed at a minimum, on an annual basis.

Counterparty credit risk is the risk arising from the possibility that a counterparty will default prior to expiration of a financial contract, and will therefore not make the current and future payments as required by contract for treasury-related activities. Counterparty credit risk originates from the Group's lending business, investment and treasury activities that impact the Group's Trading and Banking books through dealings in foreign exchange, money market instruments, fixed income securities, commodities, equities and over-the-counter derivatives. The primary distinguishing feature of counterparty credit risk compared to other forms of credit risk is that the future value of the underlying contract is uncertain, and may be either positive or negative depending on the value of all future cash flows.

Counterparty credit risk exposures are managed via counterparty limits on a single counterparty basis or counterparty group basis predicated on BNM's Single Counterparty Exposure Limits. The Group actively monitors and manages its exposures to ensure that exposures to a single counterparty group are within prudent limits at all times. Counterparty credit risk exposures may be materially affected by market risk events. The Group has in place dedicated teams to promptly identify, review and prescribe appropriate actions through its respective risk committees.

For derivatives and foreign exchange exposures, the Group adopts the Current Exposure Method to measure counterparty credit risk. The method calculates credit risk exposure by taking into account mark-to-market values and the appropriate add-on factors for potential future exposures that are in accordance with BNM Guidelines and Basel II requirements.

In managing large exposures and to avoid undue concentration of credit risk in its credit portfolio, the Group has emplaced, amongst others, limits/thresholds or related lending guidelines, for:

- Countries;
- Sectors;
- Single counterparty groups;
- Collaterals;
- Connected parties; and
- Product or facility types.

Reviews of the aforesaid limits/thresholds or related lending guidelines are undertaken on a periodic basis, whereupon any emerging concentration risks are addressed accordingly. Any breach/excess of limits/thresholds is escalated for approvals, and any deviations from the lending guidelines are to be justified with strong mitigations.

The Group has dedicated teams at Group and country levels to effectively manage vulnerable non-retail and retail credits. Special attention is given to these vulnerable credits where more frequent and intensive reviews are performed in order to prevent further deterioration or to accelerate remedial action.

As part of enhancing the Group's Environment, Social and Governance ("ESG") practices, the Group takes a proactive approach to incorporate ESG considerations into business processes by developing and periodically reviewing the Group's ESG screening documents and Risk Acceptance Criteria, which addresses the inherent ESG/climate risks. To further support the ESG Risk Management Framework, the Group Climate Risk Policy has been instituted to manage climate risks of the Group's business activities exposure and operations. The policy is guided by both central bank and government policies and serves as a guidance for the Bank in managing climate risks.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

1. Credit risk management overview (cont'd.)

Management of credit risk (cont'd.)

While observing ESG risk and MFRS 9 impairment requirements, the Group adopts reasonable and supportable information that is available without undue cost or effort in addressing climate risk impact on ECL assessment as part of the forward-looking consideration.

The Group's credit process encompasses assessment, approval and independent post-approval credit review. Group Risk is responsible for developing, enhancing and communicating effective and consistent credit risk management policies, tools and methodologies across the Group to ensure that appropriate standards are in place to identify, measure, control, monitor and report such risks.

The Group's credit approval structure is based on joint approvals by both the Business and Credit, or the Group Management Credit Committee ("GMCC"). The parameters that determine the level of approving authority are the counterparty group's exposure, the counterparty's credit rating and the tenor of the term loan (if applicable).

Credit risk measurement

Majority of the Group's retail portfolios are under rated approach, leveraging on models already developed under Basel II Advanced Internal Ratings-Based ("AIRB") Approach. This AIRB approach calls for more extensive reliance on the Bank's own internal experience whereby estimations for Probability of Default ("PD"), Exposure at Default ("EAD") and Loss Given Default ("LGD") are based on its own historical data. Separate PD, EAD and LGD statistical models were developed at the respective retail portfolio level; each model covering borrowers with fundamentally similar risk profiles in a portfolio. The estimates derived from the models are used as input for MFRS 9 estimation to develop the term structures and forward-looking models.

For non-retail portfolios, the Group uses internal credit models for evaluating the majority of its credit risk exposures. For corporate and bank portfolios, the Group has adopted the Foundation Internal Ratings-Based ("FIRB") Approach, which allows the Group to use its own internal PD estimates from Credit Risk Rating System ("CRRS"). These estimates are then used to develop term structures and forward-looking models for MFRS 9 purposes.

CRRS is a statistical default prediction model that was developed and calibrated to suit the Group's banking environment using internal data.

CRRS is designed to account for differences in risk due to country, industry segment (such as manufacturing, services, trading, contractors and real estate), as well as size.

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

2. Maximum exposure to credit risk

The following analysis represents the Group's maximum exposure to credit risk of on-balance sheet financial assets and off-balance sheet exposure, excluding any collateral held or other credit enhancements. For on-balance sheet financial assets, the exposure to credit risk equals their carrying amount. For off-balance sheet exposure, the maximum exposure to credit risk is the maximum amount that the Group would have to pay if the obligations of the instruments issued are called upon and/or the full amount of the undrawn credit facilities granted to customers/borrowers.

| Group | Maximum exposure | |
|---|----------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Credit exposure for on-balance sheet financial assets: | | |
| Cash and short-term funds | 40,522,520 | 28,904,035 |
| Deposits and placements with financial institutions | 22,275,032 | 13,471,607 |
| Financial assets purchased under resale agreements | 16,630,783 | 17,344,364 |
| Financial investments portfolio* | 241,394,535 | 257,876,892 |
| Loans, advances and financing to financial institutions | 2,033,225 | 1,499,258 |
| Loans, advances and financing to customers | 662,740,860 | 628,922,780 |
| Derivative assets | 23,417,580 | 21,647,554 |
| Other assets | 13,056,355 | 9,658,719 |
| Statutory deposits with central banks | 17,166,509 | 15,739,735 |
| | 1,039,237,399 | 995,064,944 |
| Credit exposure for off-balance sheet items: | | |
| Direct credit substitutes | 11,476,839 | 12,590,604 |
| Certain transaction-related contingent items | 17,123,562 | 17,055,885 |
| Short-term self-liquidating trade-related contingencies | 6,522,883 | 4,527,117 |
| Irrevocable commitments to extend credit | 248,475,538 | 223,349,938 |
| Miscellaneous | 14,154,051 | 14,186,766 |
| | 297,752,873 | 271,710,310 |
| Total maximum credit risk exposure | 1,336,990,272 | 1,266,775,254 |

* Financial investments portfolio consists of financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost. The portfolio excludes quoted and unquoted shares.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

2. Maximum exposure to credit risk (cont'd.)

| | Maximum exposure | |
|---|--------------------|--------------------|
| | 2024 RM'000 | 2023 RM'000 |
| Bank | | |
| Credit exposure for on-balance sheet financial assets: | | |
| Cash and short-term funds | 27,212,276 | 20,060,300 |
| Deposits and placements with financial institutions | 38,309,616 | 27,639,111 |
| Financial assets purchased under resale agreements | 17,608,327 | 15,680,716 |
| Financial investments portfolio* | 146,199,427 | 159,657,618 |
| Loans, advances and financing to financial institutions | 48,321,215 | 43,303,631 |
| Loans, advances and financing to customers | 233,474,014 | 235,022,856 |
| Derivative assets | 23,331,778 | 21,476,761 |
| Other assets | 9,061,608 | 5,476,103 |
| Statutory deposits with central banks | 4,648,095 | 4,691,146 |
| | 548,166,356 | 533,008,242 |
| Credit exposure for off-balance sheet items: | | |
| Direct credit substitutes | 7,449,249 | 8,518,750 |
| Certain transaction-related contingent items | 11,693,698 | 12,106,304 |
| Short-term self-liquidating trade-related contingencies | 4,954,695 | 3,542,837 |
| Irrevocable commitments to extend credit | 150,745,675 | 132,774,533 |
| Miscellaneous | 10,718,417 | 10,937,580 |
| | 185,561,734 | 167,880,004 |
| Total maximum credit risk exposure | 733,728,090 | 700,888,246 |

* Financial investments portfolio consists of financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost. The portfolio excludes quoted and unquoted shares.

Credit exposure for on-balance sheet financial assets that are not subject to impairment:

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Financial assets at fair value through profit or loss | | | | |
| – Financial investments [#] | 21,781,924 | 28,709,815 | 12,948,387 | 20,971,925 |
| – Loans, advances and financing to customers | – | – | – | – |
| Financial assets designated at fair value through profit or loss | | | | |
| – Financial investments [#] | 12,905,094 | 13,360,108 | – | – |
| | 34,687,018 | 42,069,923 | 12,948,387 | 20,971,925 |

[#] Financial investments exclude quoted and unquoted shares.

The financial effect of collaterals (quantification of the extent to which collateral and other credit enhancements mitigate credit risk) held for loans, advances and financing as at 31 December 2024 for the Group is at 67% (2023: 68%) and the Bank is at 69% (2023: 63%). The financial effect of collateral held for other financial assets is not significant.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

3. Credit risk concentration profile

Concentration risk is the risk that can materialise from excessive exposures to single counterparty and persons connected to it, a particular instrument or a particular market segment/sector. The Group analysed the concentration of credit risk by geographic purpose and industry sector as follows:

- (a) Concentration of credit risk for both on-balance sheet financial assets and off-balance sheet exposures analysed by geographic purpose are as follows:

| Group | Cash and short-term funds RM'000 | Deposits and placements with financial institutions RM'000 | Financial assets purchased under resale agreements RM'000 | Financial investments portfolio* RM'000 | Loans, advances and financing RM'000 | Derivative assets RM'000 | Other assets RM'000 | Statutory deposits with central banks RM'000 | Total RM'000 | Commitments and contingencies RM'000 |
|----------------------------|-------------------------------------|---|--|--|---|-----------------------------|------------------------|---|----------------------|---|
| 2024 | | | | | | | | | | |
| Malaysia | 22,114,837 | 5,319,673 | 50,174 | 165,464,413 | 413,762,098 | 15,137,068 | 9,807,365 | 6,384,199 | 638,039,827 | 150,021,777 |
| Singapore | 7,992,066 | 11,991,859 | 9,368,457 | 35,685,768 | 170,603,735 | 655,453 | 338,240 | 6,637,871 | 243,273,449 | 96,023,678 |
| Indonesia | 2,009,664 | - | 229,350 | 13,627,055 | 35,318,706 | 449,844 | 958,696 | 2,957,748 | 55,551,063 | 1,460,922 |
| Labuan Offshore | 2 | - | - | 4,968,413 | 9,476,680 | 309 | 1,136 | - | 9,478,127 | - |
| Hong Kong SAR | 651,327 | 4,164 | 3,778,816 | - | 12,536,462 | 898,096 | 413,255 | - | 23,250,533 | 24,967,385 |
| United States of America | 2,571,364 | 4,600,344 | - | 6,605,547 | 686,117 | 50,735 | 51,964 | - | 14,566,071 | 1,133,503 |
| People's Republic of China | 912,806 | - | - | 3,546,743 | 6,273,766 | 976,899 | 232,836 | - | 11,943,050 | 7,920,322 |
| Vietnam | 155,740 | - | - | - | 1,850,752 | 563,823 | 26,004 | 367,969 | 2,964,288 | 1,853,946 |
| United Kingdom | 592,605 | - | - | 785,120 | 1,672,417 | 4,209,067 | 174,240 | - | 7,433,449 | 2,389,483 |
| Philippines | 513,631 | 221,342 | - | 3,130,791 | 4,776,958 | 1,344 | 264,897 | 377,362 | 9,286,325 | 3,749,836 |
| Brunei | 122,322 | - | - | 48,686 | 408,022 | 70,975 | 4 | - | 650,009 | 492,567 |
| Cambodia | 1,467,017 | 100,304 | - | 48,820 | 5,310,723 | 4,527 | 20,465 | 432,018 | 7,381,874 | 1,416,564 |
| Thailand | 53,868 | 2,527 | - | - | 1,913,070 | 8,308 | 347,396 | - | 2,325,169 | 95,597 |
| Laos | 1,237 | 1,979 | - | 73,152 | 15,438 | - | 883 | 1,586 | 94,275 | 894 |
| India | 57,260 | - | - | 5,234,202 | - | - | 7,219 | - | 5,298,681 | 68,183 |
| Others | 1,306,774 | 32,840 | 3,203,986 | 2,177,825 | 169,141 | 391,132 | 411,755 | 7,756 | 7,701,209 | 6,158,216 |
| | 40,522,520 | 22,275,032 | 16,630,783 | 241,394,535 | 664,774,085 | 23,417,580 | 13,056,355 | 17,166,509 | 1,039,237,399 | 297,752,873 |
| 2023 | | | | | | | | | | |
| Malaysia | 16,691,929 | 572,918 | 58,119 | 182,735,721 | 383,896,839 | 14,780,752 | 6,174,138 | 6,329,673 | 611,240,089 | 138,446,068 |
| Singapore | 3,291,617 | 6,711,571 | 7,283,359 | 36,580,386 | 161,900,140 | 1,299,840 | 675,575 | 5,508,131 | 223,250,619 | 96,403,938 |
| Indonesia | 1,872,433 | 754 | 695,212 | 11,534,166 | 34,652,934 | 301,758 | 765,608 | 2,427,352 | 52,250,217 | 2,137,339 |
| Labuan Offshore | - | - | - | - | 11,177,508 | - | 702 | - | 11,178,210 | - |
| Hong Kong SAR | 146,541 | 198,171 | 6,463,935 | 6,592,384 | 17,033,717 | 753,301 | 303,279 | - | 31,491,328 | 11,522,076 |
| United States of America | 1,889,655 | 5,368,897 | - | 5,111,073 | 394,244 | 36,059 | 75,340 | - | 12,875,268 | 1,465,870 |
| People's Republic of China | 1,042,119 | 63 | - | 4,959,762 | 6,173,936 | 722,126 | 137,449 | - | 13,035,455 | 7,817,994 |
| Vietnam | 252,942 | 76,467 | - | - | 1,681,041 | 40,272 | 12,412 | 260,721 | 2,323,855 | 1,906,223 |
| United Kingdom | 322,213 | - | - | 658,471 | 1,308,046 | 3,572,996 | 465,922 | - | 6,327,648 | 507,890 |
| Philippines | 353,879 | 191,596 | 910,317 | 3,037,749 | 4,437,748 | 1,496 | 300,184 | 648,445 | 9,881,414 | 3,835,939 |
| Brunei | 141,930 | - | - | 48,537 | 458,528 | - | 4 | - | 648,999 | 454,795 |
| Cambodia | 1,389,111 | 281,334 | - | - | 5,279,229 | 1,717 | 7,933 | 555,555 | 7,514,879 | 957,707 |
| Thailand | 67,990 | 3,266 | - | 1,265,451 | 1,904,876 | 3,518 | 373,960 | - | 3,619,061 | 140,305 |
| Laos | 5,141 | 33,633 | - | - | 18,222 | - | 37 | 1,984 | 59,017 | 918 |
| India | 5,695 | - | - | - | - | - | 4,989 | - | 10,684 | 26,396 |
| Others | 1,430,840 | 32,937 | 1,933,422 | 5,353,192 | 105,030 | 133,719 | 361,187 | 7,874 | 9,358,201 | 6,086,852 |
| | 28,904,035 | 13,471,607 | 17,344,364 | 257,876,892 | 630,422,038 | 21,647,554 | 9,658,719 | 15,739,735 | 995,064,944 | 271,710,310 |

* Financial investments portfolio consists of financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

3. Credit risk concentration profile (cont'd.)

- (a) Concentration of credit risk for both on-balance sheet financial assets and off-balance sheet exposures analysed by geographic purpose are as follows (cont'd.):

| Bank | Cash and short-term funds RM'000 | Deposits and placements with financial institutions RM'000 | Financial assets purchased under resale agreements RM'000 | Financial investments portfolio* RM'000 | Loans, advances and financing RM'000 | Derivative assets RM'000 | Other assets RM'000 | Statutory deposits with central banks RM'000 | Total RM'000 | Commitments and contingencies RM'000 |
|----------------------------|-------------------------------------|---|--|--|---|-----------------------------|------------------------|---|--------------------|---|
| 2024 | | | | | | | | | | |
| Malaysia | 12,019,626 | 22,077,930 | 1,485,953 | 110,523,878 | 173,553,325 | 15,530,868 | 8,590,104 | 2,139,303 | 345,920,987 | 75,346,908 |
| Singapore | 7,287,717 | 11,344,132 | 9,142,173 | 21,006,719 | 76,492,416 | 604,628 | 94,003 | 2,131,481 | 128,103,269 | 65,334,620 |
| Indonesia | 789,976 | - | - | 1,395,677 | - | 176,779 | - | - | 2,362,432 | 62,627 |
| Labuan Offshore | - | - | - | - | 9,476,223 | 309 | - | - | 9,476,532 | - |
| Hong Kong SAR | 641,112 | - | 3,778,816 | 4,676,958 | 12,131,119 | 879,303 | 143,753 | - | 22,251,061 | 24,937,734 |
| United States of America | 2,253,315 | 4,600,344 | - | 3,543,259 | 686,117 | 50,735 | - | - | 11,133,770 | 1,132,392 |
| People's Republic of China | 912,806 | - | - | 2,240,118 | 6,273,766 | 976,899 | 232,824 | - | 10,636,413 | 7,843,443 |
| Vietnam | 82,211 | - | - | - | 1,055,452 | 561,230 | 37 | 367,969 | 2,066,899 | 1,853,900 |
| United Kingdom | 581,129 | - | - | 577,256 | 1,672,414 | 4,090,132 | - | - | 6,920,931 | 1,758,016 |
| Philippines | 1,358,218 | - | - | 172,541 | - | - | - | - | 1,530,759 | 457,026 |
| Brunei | 122,322 | - | - | 48,686 | 408,022 | 70,975 | 4 | - | 650,009 | 438,554 |
| Cambodia | 14,077 | 285,231 | - | - | - | 3,108 | - | - | 302,416 | 361,802 |
| Thailand | 39,894 | - | - | - | - | - | - | - | 39,894 | - |
| Laos | 1,237 | 1,979 | - | - | 15,438 | - | 883 | 1,586 | 21,123 | 894 |
| India | 523 | - | - | 33,347 | - | - | - | - | 33,870 | 51,394 |
| Others | 1,108,113 | - | 3,201,385 | 1,980,988 | 30,937 | 386,812 | - | 7,756 | 6,715,991 | 5,982,424 |
| | 27,212,276 | 38,309,616 | 17,608,327 | 146,199,427 | 281,795,229 | 23,331,778 | 9,061,608 | 4,648,095 | 548,166,356 | 185,561,734 |
| 2023 | | | | | | | | | | |
| Malaysia | 11,426,308 | 15,371,109 | - | 122,522,651 | 164,040,521 | 15,309,141 | 5,151,529 | 2,708,529 | 336,529,788 | 73,409,100 |
| Singapore | 1,999,824 | 6,467,680 | 7,283,359 | 21,752,487 | 77,063,023 | 915,961 | 103,551 | 1,712,038 | 117,297,923 | 63,957,399 |
| Indonesia | 422,533 | - | - | 1,151,542 | - | 83,343 | - | - | 1,657,418 | 801,410 |
| Labuan Offshore | - | - | - | - | 11,177,031 | - | 560 | - | 11,177,591 | - |
| Hong Kong SAR | 171,412 | 193,926 | 6,463,935 | 6,281,020 | 16,802,273 | 736,863 | 74,492 | - | 30,723,921 | 11,506,071 |
| United States of America | 1,666,008 | 5,368,897 | - | 2,207,437 | 394,244 | - | - | - | 9,636,586 | 1,464,689 |
| People's Republic of China | 1,042,119 | 63 | - | 3,576,016 | 6,173,936 | 722,126 | 137,365 | - | 11,651,625 | 7,645,620 |
| Vietnam | 135,157 | - | - | - | 872,395 | 39,559 | 22 | 260,721 | 1,307,854 | 1,906,174 |
| United Kingdom | 308,922 | - | - | 434,673 | 1,308,046 | 3,572,996 | 8,543 | - | 5,633,180 | 191,354 |
| Philippines | 1,372,814 | - | - | 111,473 | - | - | - | - | 1,484,287 | 572,696 |
| Brunei | 141,930 | - | - | 48,537 | 458,528 | - | 4 | - | 648,999 | 377,215 |
| Cambodia | 13,976 | 203,803 | - | - | - | - | - | - | 217,779 | 129,448 |
| Thailand | 53,192 | - | - | - | - | - | - | - | 53,192 | 57,781 |
| Laos | 5,141 | 33,633 | - | - | 18,222 | - | 37 | 1,984 | 59,017 | 918 |
| India | 668 | - | - | - | - | - | - | - | 668 | 6,884 |
| Others | 1,300,296 | - | 1,933,422 | 1,571,782 | 18,268 | 96,772 | - | 7,874 | 4,928,414 | 5,853,245 |
| | 20,060,300 | 27,639,111 | 15,680,716 | 159,657,618 | 278,326,487 | 21,476,761 | 5,476,103 | 4,691,146 | 533,008,242 | 167,880,004 |

* Financial investments portfolio consists of financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

3. Credit risk concentration profile (cont'd.)

- (b) Concentration of credit risk for both on-balance sheet financial assets and off-balance sheet exposures analysed by industry sector are as follows:

| Group | Cash and short-term funds RM'000 | Deposits and placements with financial institutions RM'000 | Financial assets purchased under resale agreements RM'000 | Financial investments portfolio* RM'000 | Loans, advances and financing RM'000 | Derivative assets RM'000 | Other assets RM'000 | Statutory deposits with central banks RM'000 | Total RM'000 | Commitments and contingencies RM'000 |
|---|-------------------------------------|---|--|--|---|-----------------------------|------------------------|---|-----------------|---|
| 2024 | | | | | | | | | | |
| Agriculture | - | - | - | 1,508,932 | 7,785,837 | 77,672 | - | - | 9,372,441 | 2,953,634 |
| Mining and quarrying | - | - | - | 618,225 | 4,180,625 | 20,696 | - | - | 4,819,546 | 2,987,246 |
| Manufacturing | - | - | - | 1,107,667 | 36,133,160 | 467,646 | - | - | 37,708,473 | 20,454,600 |
| Construction | - | - | - | 6,184,206 | 24,931,127 | 118 | - | - | 31,115,451 | 16,380,451 |
| Electricity, gas and water supply | - | - | - | 9,264,270 | 8,854,534 | 158,555 | 4,361 | - | 18,281,720 | 11,108,386 |
| Wholesale, retail trade, restaurants and hotels | - | - | - | 10,682,568 | 62,821,167 | 3,847 | 510 | - | 73,508,092 | 46,659,440 |
| Finance, insurance, real estate and business | 40,522,520 | 22,275,032 | 16,579,942 | 82,471,880 | 154,925,081 | 22,666,268 | 11,779,471 | 17,166,509 | 368,386,703 | 136,809,506 |
| Transport, storage and communication | - | - | - | 10,244,118 | 14,441,421 | 20,975 | 16 | - | 24,706,530 | 4,927,320 |
| Education, health and others | - | - | 50,841 | 84,670,752 | 16,286,514 | 482 | - | - | 101,008,589 | 8,040,331 |
| Household | - | - | - | - | 331,175,745 | - | 281,702 | - | 331,457,447 | 39,046,607 |
| Others | - | - | - | 34,641,917 | 3,238,874 | 1,321 | 990,295 | - | 38,872,407 | 8,385,352 |
| | 40,522,520 | 22,275,032 | 16,630,783 | 241,394,535 | 664,774,085 | 23,417,580 | 13,056,355 | 17,166,509 | 1,039,237,399 | 297,752,873 |
| 2023 | | | | | | | | | | |
| Agriculture | - | - | - | 1,831,165 | 7,902,607 | 37,708 | - | - | 9,771,480 | 2,850,580 |
| Mining and quarrying | - | - | - | 3,248,370 | 4,112,307 | 10 | - | - | 7,360,687 | 1,456,874 |
| Manufacturing | - | - | - | 1,208,981 | 34,130,006 | 380,194 | - | - | 35,719,181 | 13,135,411 |
| Construction | - | - | - | 7,178,637 | 26,159,934 | 1,053 | - | - | 33,339,624 | 14,145,326 |
| Electricity, gas and water supply | - | - | - | 6,979,467 | 10,548,098 | 118,336 | - | - | 17,645,901 | 5,223,554 |
| Wholesale, retail trade, restaurants and hotels | - | - | - | 275,510 | 63,199,855 | 4,436 | 540 | - | 63,480,341 | 39,018,490 |
| Finance, insurance, real estate and business | 27,259,023 | 13,471,607 | 17,344,364 | 100,250,711 | 142,181,501 | 20,976,527 | 8,111,862 | 15,739,735 | 345,335,330 | 115,027,101 |
| Transport, storage and communication | - | - | - | 11,615,295 | 13,569,318 | 7,862 | 17 | - | 25,192,492 | 3,606,088 |
| Education, health and others | - | - | - | 93,393,488 | 17,222,140 | 197 | - | - | 110,615,825 | 7,181,135 |
| Household | - | - | - | - | 306,583,193 | - | 285,021 | - | 306,868,214 | 61,945,390 |
| Others | 1,645,012 | - | - | 31,895,268 | 4,813,079 | 121,231 | 1,261,279 | - | 39,735,869 | 8,120,361 |
| | 28,904,035 | 13,471,607 | 17,344,364 | 257,876,892 | 630,422,038 | 21,647,554 | 9,658,719 | 15,739,735 | 995,064,944 | 271,710,310 |

* Financial investments portfolio consists of financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.



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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

3. Credit risk concentration profile (cont'd.)

- (b) Concentration of credit risk for both on-balance sheet financial assets and off-balance sheet exposures analysed by industry sector are as follows (cont'd.):

| Bank | Cash and short-term funds RM'000 | Deposits and placements with financial institutions RM'000 | Financial assets purchased under resale agreements RM'000 | Financial investments portfolio* RM'000 | Loans, advances and financing RM'000 | Derivative assets RM'000 | Other assets RM'000 | Statutory deposits with central banks RM'000 | Total RM'000 | Commitments and contingencies RM'000 |
|---|-------------------------------------|---|--|--|---|-----------------------------|------------------------|---|-----------------|---|
| 2024 | | | | | | | | | | |
| Agriculture | - | - | - | 965,532 | 5,344,232 | 75,443 | - | - | 6,385,207 | 2,531,620 |
| Mining and quarrying | - | - | - | - | 3,700,176 | 831 | - | - | 3,701,007 | 2,496,779 |
| Manufacturing | - | - | - | 555,315 | 17,825,849 | 444,902 | - | - | 18,826,066 | 15,656,089 |
| Construction | - | - | - | 3,454,263 | 11,021,343 | 99 | - | - | 14,475,705 | 10,949,115 |
| Electricity, gas and water supply | - | - | - | 1,055,691 | 5,831,831 | 158,555 | - | - | 7,046,077 | 10,364,396 |
| Wholesale, retail trade, restaurants and hotels | - | - | - | 50,443 | 27,412,364 | 2,938 | - | - | 27,465,745 | 39,300,450 |
| Finance, insurance, real estate and business | 27,212,276 | 38,309,616 | 16,122,374 | 50,974,925 | 122,056,197 | 22,626,667 | 9,061,608 | 4,648,095 | 291,011,758 | 88,684,329 |
| Transport, storage and communication | - | - | - | 4,027,829 | 9,681,324 | 20,873 | - | - | 13,730,026 | 3,779,589 |
| Education, health and others | - | - | 1,485,953 | 59,623,357 | 9,527,067 | 481 | - | - | 70,636,858 | 6,409,176 |
| Household | - | - | - | - | 68,213,692 | - | - | - | 68,213,692 | 2,322,929 |
| Others | - | - | - | 25,492,072 | 1,181,154 | 989 | - | - | 26,674,215 | 3,067,262 |
| | 27,212,276 | 38,309,616 | 17,608,327 | 146,199,427 | 281,795,229 | 23,331,778 | 9,061,608 | 4,648,095 | 548,166,356 | 185,561,734 |
| 2023 | | | | | | | | | | |
| Agriculture | - | - | - | 919,631 | 5,167,054 | 37,562 | - | - | 6,124,247 | 822,329 |
| Mining and quarrying | - | - | - | 508,455 | 3,111,424 | - | - | - | 3,619,879 | 882,324 |
| Manufacturing | - | - | - | 637,413 | 17,337,312 | 319,983 | - | - | 18,294,708 | 8,440,599 |
| Construction | - | - | - | 4,130,489 | 11,408,045 | 1,058 | - | - | 15,539,592 | 8,223,404 |
| Electricity, gas and water supply | - | - | - | 1,364,472 | 8,122,315 | 116,985 | - | - | 9,603,772 | 4,001,572 |
| Wholesale, retail trade, restaurants and hotels | - | - | - | 70,906 | 30,972,037 | 2,936 | - | - | 31,045,879 | 32,521,068 |
| Finance, insurance, real estate and business | 20,039,867 | 27,639,111 | 15,680,716 | 56,265,883 | 113,831,388 | 20,987,513 | 5,104,536 | 4,691,146 | 264,240,160 | 73,137,879 |
| Transport, storage and communication | - | - | - | 4,905,391 | 8,805,882 | 7,836 | - | - | 13,719,109 | 2,143,066 |
| Education, health and others | - | - | - | 67,220,771 | 10,616,626 | 197 | - | - | 77,837,594 | 5,999,985 |
| Household | - | - | - | - | 65,615,811 | - | - | - | 65,615,811 | 28,004,911 |
| Others | 20,433 | - | - | 23,634,207 | 3,338,593 | 2,691 | 371,567 | - | 27,367,491 | 3,702,867 |
| | 20,060,300 | 27,639,111 | 15,680,716 | 159,657,618 | 278,326,487 | 21,476,761 | 5,476,103 | 4,691,146 | 533,008,242 | 167,880,004 |

* Financial investments portfolio consists of financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

4. Collateral

Collateral provides a secondary source of repayment in the event that counterparties default on their credit facilities. The Group has in place collateral requirements and concentration thresholds to manage collateral risks. The main types of collateral obtained by the Group and the Bank to mitigate credit risk are as follows:

- For mortgage loans and financing – charges over residential properties;
- For auto loans and financing – ownership claims over the vehicles financed;
- For share margin financing – pledges over securities from listed exchanges;
- For commercial property loans and financing – charges over the properties financed;
- For other loans and financing – charges over business assets such as premises, machineries & equipment financed or deposits; and
- For Over-the-Counter (“OTC”) derivatives – cash and government bonds.

5. Credit quality of financial assets

Credit classification for financial assets

The four (4) risk categories are as set out and defined below, from very low to high, apart from impaired, describe the credit quality of the Group's lending. These classifications encompass a range of more granular, internal gradings assigned to loans, advances and financing whilst external gradings are applied to financial investments. There is no direct correlation between the internal and external ratings at a granular level, except to the extent that each falls within a single credit quality band.

| Risk category | Borrower Risk Rating grade | External credit ratings based on S&P's ratings | External credit ratings based on RAM's ratings |
|---------------|----------------------------|--|--|
| Very low | 1 – 5 | AAA to BBB+ | AAA to AA1 |
| Low | 6 – 10 | BBB+ to BB+ | AA1 to A3 |
| Medium | 11 – 15 | BB+ to B+ | A3 to BB1 |
| High | 16 – 21 | B+ to C | BB1 to C |

Risk category is as described below:

- Very low : Obligors rated in this category have an excellent capacity to meet financial commitments with very low credit risk.
- Low : Obligors rated in this category have a good capacity to meet financial commitments with low credit risk.
- Medium : Obligors rated in this category have a fairly acceptable capacity to meet financial commitments with moderate credit risk.
- High : Obligors rated in this category have uncertain capacity to meet financial commitments and are subject to high credit risk.

Other than the above rated risk categories, other categories used internally are as follows:

- Impaired/default : Obligors with objective evidence of impairment as a result of one or more events that have an impact on the estimated future cash flows of the obligors that can be reliably estimated. The detailed definition is further disclosed in Note 2.3(v) (d).
- Unrated : Refer to obligors which are currently not assigned with obligors' ratings due to unavailability of ratings models.
- Sovereign : Refer to obligors which are governments.



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount.

Financial investments – at FVOCI

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|------------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 43,320,984 | – | – | 43,320,984 |
| Low | 77,430,402 | 751,909 | – | 78,182,311 |
| Medium | 4,226,122 | 544,713 | – | 4,770,835 |
| High | 111,378 | – | – | 111,378 |
| Unrated | 587,141 | – | – | 587,141 |
| Impaired | – | – | 357,376 | 357,376 |
| Carrying amount - fair value | 125,676,027 | 1,296,622 | 357,376 | 127,330,025 |
| Expected credit loss | (55,001) | (7,862) | – | (62,863) |

| | | | | |
|------------------------------|-------------|---------|-----------|-------------|
| 2023 | | | | |
| Very Low | 38,562,243 | 103,504 | – | 38,665,747 |
| Low | 89,423,619 | 554,086 | – | 89,977,705 |
| Medium | 1,906,734 | 71,052 | – | 1,977,786 |
| High | 186,709 | 157,327 | – | 344,036 |
| Impaired | – | – | 457,297 | 457,297 |
| Carrying amount - fair value | 130,079,305 | 885,969 | 457,297 | 131,422,571 |
| Expected credit loss | (31,392) | (6,303) | (137,718) | (175,413) |

| Bank | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|------------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 24,182,016 | – | – | 24,182,016 |
| Low | 43,418,239 | – | – | 43,418,239 |
| Medium | 784,970 | 184,508 | – | 969,478 |
| Carrying amount - fair value | 68,385,225 | 184,508 | – | 68,569,733 |
| Expected credit loss | (12,488) | (6,221) | – | (18,709) |

| | | | | |
|------------------------------|------------|---------|-----------|------------|
| 2023 | | | | |
| Very Low | 16,047,519 | – | – | 16,047,519 |
| Low | 54,930,627 | – | – | 54,930,627 |
| Medium | 1,603,635 | 25,131 | – | 1,628,766 |
| High | – | 157,327 | – | 157,327 |
| Impaired | – | – | 182,862 | 182,862 |
| Carrying amount - fair value | 72,581,781 | 182,458 | 182,862 | 72,947,101 |
| Expected credit loss | (10,938) | (4,436) | (138,965) | (154,339) |

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Financial investments – at amortised cost

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 31,408,366 | – | – | 31,408,366 |
| Low | 43,565,210 | 263,256 | – | 43,828,466 |
| Medium | 2,014,786 | 122,529 | – | 2,137,315 |
| Unrated | 500,849 | – | – | 500,849 |
| Impaired | – | – | 2,633,633 | 2,633,633 |
| | 77,489,211 | 385,785 | 2,633,633 | 80,508,629 |
| Less: Expected credit loss | (34,225) | (15,962) | (1,080,950) | (1,131,137) |
| Net carrying amount | 77,454,986 | 369,823 | 1,552,683 | 79,377,492 |
| 2023 | | | | |
| Very Low | 31,315,815 | – | – | 31,315,815 |
| Low | 46,486,688 | 114,372 | – | 46,601,060 |
| Medium | 4,629,931 | – | – | 4,629,931 |
| High | 132,757 | – | – | 132,757 |
| Impaired | – | – | 2,906,701 | 2,906,701 |
| | 82,565,191 | 114,372 | 2,906,701 | 85,586,264 |
| Less: Expected credit loss | (68,754) | (73) | (1,133,039) | (1,201,866) |
| Net carrying amount | 82,496,437 | 114,299 | 1,773,662 | 84,384,398 |

| Bank | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 23,842,072 | – | – | 23,842,072 |
| Low | 39,904,725 | 252,528 | – | 40,157,253 |
| Medium | 211,407 | – | – | 211,407 |
| Unrated | 500,850 | – | – | 500,850 |
| | 64,459,054 | 252,528 | – | 64,711,582 |
| Less: Expected credit loss | (19,771) | (10,504) | – | (30,275) |
| Net carrying amount | 64,439,283 | 242,024 | – | 64,681,307 |
| 2023 | | | | |
| Very Low | 24,182,042 | – | – | 24,182,042 |
| Low | 39,486,544 | – | – | 39,486,544 |
| Medium | 2,101,617 | – | – | 2,101,617 |
| | 65,770,203 | – | – | 65,770,203 |
| Less: Expected credit loss | (31,611) | – | – | (31,611) |
| Net carrying amount | 65,738,592 | – | – | 65,738,592 |



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Loans, advances and financing to financial institutions – at FVOCI

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|------------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 147,161 | – | – | 147,161 |
| Carrying amount – fair value | 147,161 | – | – | 147,161 |
| Expected credit loss | – | – | – | – |
| 2023 | | | | |
| Very Low | 132,174 | – | – | 132,174 |
| Carrying amount – fair value | 132,174 | – | – | 132,174 |
| Expected credit loss | – | – | – | – |

| Bank | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|------------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 453,603 | – | – | 453,603 |
| Carrying amount – fair value | 453,603 | – | – | 453,603 |
| Expected credit loss | – | – | – | – |
| 2023 | | | | |
| Very Low | 352,956 | – | – | 352,956 |
| Carrying amount – fair value | 352,956 | – | – | 352,956 |
| Expected credit loss | – | – | – | – |

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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Loans, advances and financing to financial institutions – at amortised cost

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 47,389 | – | – | 47,389 |
| Medium | 1,765,255 | 9,199 | – | 1,774,454 |
| High | 69,250 | – | – | 69,250 |
| | 1,881,894 | 9,199 | – | 1,891,093 |
| Less: Expected credit loss | (4,959) | (70) | – | (5,029) |
| Net carrying amount | 1,876,935 | 9,129 | – | 1,886,064 |

| | | | | |
|----------------------------|-----------|-------|---|-----------|
| 2023 | | | | |
| Very Low | 1,256 | – | – | 1,256 |
| Medium | 110,958 | – | – | 110,958 |
| High | 1,252,166 | 7,827 | – | 1,259,993 |
| | 1,364,380 | 7,827 | – | 1,372,207 |
| Less: Expected credit loss | (5,028) | (95) | – | (5,123) |
| Net carrying amount | 1,359,352 | 7,732 | – | 1,367,084 |

| Bank | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 17,164,540 | – | – | 17,164,540 |
| Low | 14,436,644 | 3,995 | – | 14,440,639 |
| Medium | 12,321,723 | 1,182,834 | – | 13,504,557 |
| High | 69,250 | – | – | 69,250 |
| Unrated | 1,105,047 | – | – | 1,105,047 |
| Impaired | – | – | 3,072,595 | 3,072,595 |
| | 45,097,204 | 1,186,829 | 3,072,595 | 49,356,628 |
| Less: Expected credit loss | (58,889) | (17,714) | (1,412,413) | (1,489,016) |
| Net carrying amount | 45,038,315 | 1,169,115 | 1,660,182 | 47,867,612 |

| | | | | |
|----------------------------|------------|-----------|-------------|-------------|
| 2023 | | | | |
| Very Low | 19,757,230 | – | – | 19,757,230 |
| Low | 13,251,112 | 204,822 | – | 13,455,934 |
| Medium | 6,667,176 | 1,184,130 | – | 7,851,306 |
| Unrated | 333,976 | – | – | 333,976 |
| Impaired | – | – | 2,944,406 | 2,944,406 |
| | 40,009,494 | 1,388,952 | 2,944,406 | 44,342,852 |
| Less: Expected credit loss | (50,031) | (25,895) | (1,316,251) | (1,392,177) |
| Net carrying amount | 39,959,463 | 1,363,057 | 1,628,155 | 42,950,675 |



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Loans, advances and financing to customers – at FVOCI

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|------------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 2,919,961 | – | – | 2,919,961 |
| Low | 18,700,945 | – | – | 18,700,945 |
| Medium | 5,930,464 | 649,949 | – | 6,580,413 |
| High | 459,799 | 149,447 | – | 609,246 |
| Unrated | 2,760,854 | – | – | 2,760,854 |
| Impaired | – | – | 298,206 | 298,206 |
| Carrying amount - fair value | 30,772,023 | 799,396 | 298,206 | 31,869,625 |
| Expected credit loss | (108,959) | (40,849) | (222,406) | (372,214) |
| 2023 | | | | |
| Very Low | 159,501 | – | – | 159,501 |
| Low | 23,126,709 | – | – | 23,126,709 |
| Medium | 7,906,572 | 801,803 | – | 8,708,375 |
| High | 552,877 | 139,371 | – | 692,248 |
| Unrated | 1,747,525 | – | – | 1,747,525 |
| Impaired | – | – | 407,685 | 407,685 |
| Carrying amount - fair value | 33,493,184 | 941,174 | 407,685 | 34,842,043 |
| Expected credit loss | (161,078) | (28,426) | (223,441) | (412,945) |

| Bank | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|------------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 2,919,961 | – | – | 2,919,961 |
| Low | 22,089,552 | – | – | 22,089,552 |
| Medium | 5,203,954 | 326,675 | – | 5,530,629 |
| High | 459,799 | 149,447 | – | 609,246 |
| Unrated | 2,760,854 | – | – | 2,760,854 |
| Impaired | – | – | 298,206 | 298,206 |
| Carrying amount - fair value | 33,434,120 | 476,122 | 298,206 | 34,208,448 |
| Expected credit loss | (109,468) | (15,078) | (222,406) | (346,952) |
| 2023 | | | | |
| Very Low | 1,763,963 | – | – | 1,763,963 |
| Low | 23,103,239 | – | – | 23,103,239 |
| Medium | 6,821,223 | 422,941 | – | 7,244,164 |
| High | 552,877 | 139,371 | – | 692,248 |
| Unrated | 1,747,524 | – | – | 1,747,524 |
| Impaired | – | – | 407,685 | 407,685 |
| Carrying amount - fair value | 33,988,826 | 562,312 | 407,685 | 34,958,823 |
| Expected credit loss | (155,617) | (15,040) | (223,441) | (394,098) |

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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Loans, advances and financing to customers – at amortised cost

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 239,841,734 | 596,804 | – | 240,438,538 |
| Low | 221,425,194 | 5,444,958 | – | 226,870,152 |
| Medium | 89,596,864 | 21,117,840 | – | 110,714,704 |
| High | 5,633,432 | 9,284,137 | – | 14,917,569 |
| Unrated | 39,225,109 | 867,469 | – | 40,092,578 |
| Impaired | – | – | 8,027,552 | 8,027,552 |
| | 595,722,333 | 37,311,208 | 8,027,552 | 641,061,093 |
| Less: Expected credit loss | (1,869,401) | (3,448,382) | (4,872,075) | (10,189,858) |
| Net carrying amount | 593,852,932 | 33,862,826 | 3,155,477 | 630,871,235 |

| | | | | |
|----------------------------|-------------|-------------|-------------|--------------|
| 2023 | | | | |
| Very Low | 223,740,202 | 542,256 | – | 224,282,458 |
| Low | 208,193,185 | 4,343,229 | – | 212,536,414 |
| Medium | 80,911,551 | 20,115,598 | – | 101,027,149 |
| High | 17,269,864 | 9,143,307 | – | 26,413,171 |
| Unrated | 31,380,353 | 571,571 | – | 31,951,924 |
| Impaired | – | – | 8,192,741 | 8,192,741 |
| | 561,495,155 | 34,715,961 | 8,192,741 | 604,403,857 |
| Less: Expected credit loss | (2,013,466) | (3,286,344) | (5,023,310) | (10,323,120) |
| Net carrying amount | 559,481,689 | 31,429,617 | 3,169,431 | 594,080,737 |

| Bank | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-----------------|
| 2024 | | | | |
| Very Low | 50,549,435 | 100,233 | – | 50,649,668 |
| Low | 90,853,679 | 3,081,450 | – | 93,935,129 |
| Medium | 35,808,050 | 7,264,893 | – | 43,072,943 |
| High | 1,267,995 | 2,463,055 | – | 3,731,050 |
| Unrated | 9,376,953 | 108,499 | – | 9,485,452 |
| Impaired | – | – | 2,248,658 | 2,248,658 |
| | 187,856,112 | 13,018,130 | 2,248,658 | 203,122,900 |
| Less: Expected credit loss | (843,618) | (982,225) | (2,031,491) | (3,857,334) |
| Net carrying amount | 187,012,494 | 12,035,905 | 217,167 | 199,265,566 |

| | | | | |
|----------------------------|-------------|-------------|-------------|-------------|
| 2023 | | | | |
| Very Low | 48,758,227 | 87,271 | – | 48,845,498 |
| Low | 89,448,029 | 2,465,882 | – | 91,913,911 |
| Medium | 35,144,263 | 6,414,953 | – | 41,559,216 |
| High | 4,021,061 | 3,006,731 | – | 7,027,792 |
| Unrated | 12,267,726 | 79,731 | – | 12,347,457 |
| Impaired | – | – | 3,095,353 | 3,095,353 |
| | 189,639,306 | 12,054,568 | 3,095,353 | 204,789,227 |
| Less: Expected credit loss | (858,429) | (1,175,253) | (2,691,512) | (4,725,194) |
| Net carrying amount | 188,780,877 | 10,879,315 | 403,841 | 200,064,033 |



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

| Group | Cash and short-term funds RM'000 | Deposits and placements with financial institutions RM'000 | Financial assets purchased under resale agreements RM'000 | Statutory deposits with central banks RM'000 |
|----------------------------|-------------------------------------|---|--|---|
| 2024 | | | | |
| Stage 1 | | | | |
| Sovereign | 21,649,048 | 16,906,771 | – | 17,168,443 |
| Very Low | 6,467,228 | 5,289,712 | 15,761,446 | – |
| Low | 5,017,370 | – | 400,286 | – |
| Medium | 477,263 | – | 468,100 | – |
| High | 36,987 | 4,162 | – | – |
| Unrated | 6,905,954 | 78,602 | 2,601 | – |
| | 40,553,850 | 22,279,247 | 16,632,433 | 17,168,443 |
| Less: Expected credit loss | (31,330) | (4,215) | (1,650) | (1,934) |
| Net carrying amount | 40,522,520 | 22,275,032 | 16,630,783 | 17,166,509 |
| 2023 | | | | |
| Stage 1 | | | | |
| Sovereign | 13,883,960 | 7,134,101 | – | 15,741,710 |
| Very Low | 5,131,266 | 5,361,613 | 14,967,520 | – |
| Low | 4,628,053 | 780,036 | 2,043,838 | – |
| Medium | 409,073 | – | 335,036 | – |
| High | 78,428 | 4,237 | – | – |
| Unrated | 4,809,773 | 198,333 | 1,021 | – |
| | 28,940,553 | 13,478,320 | 17,347,415 | 15,741,710 |
| Less: Expected credit loss | (36,518) | (6,713) | (3,051) | (1,975) |
| Net carrying amount | 28,904,035 | 13,471,607 | 17,344,364 | 15,739,735 |

None of the above financial assets is in Stage 2 or Stage 3 as at 31 December 2024 and 31 December 2023.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

| Bank | Cash and short-term funds RM'000 | Deposits and placements with financial institutions RM'000 | Financial assets purchased under resale agreements RM'000 | Statutory deposits with central banks RM'000 |
|----------------------------|-------------------------------------|---|--|---|
| 2024 | | | | |
| Stage 1 | | | | |
| Sovereign | 8,663,030 | 15,648,702 | – | 4,648,095 |
| Very Low | 2,486,391 | 4,600,398 | 15,761,445 | – |
| Low | 8,083,003 | 17,775,786 | 1,728,226 | – |
| Medium | 2,243,169 | – | 122,108 | – |
| High | 37,031 | 290,485 | – | – |
| Unrated | 5,705,614 | 2,071 | – | – |
| | 27,218,238 | 38,317,442 | 17,611,779 | 4,648,095 |
| Less: Expected credit loss | (5,962) | (7,826) | (3,452) | – |
| Net carrying amount | 27,212,276 | 38,309,616 | 17,608,327 | 4,648,095 |
| 2023 | | | | |
| Stage 1 | | | | |
| Sovereign | 7,754,172 | 7,031,277 | – | 4,691,146 |
| Very Low | 1,829,612 | 5,021,706 | 14,967,520 | – |
| Low | 3,232,470 | 1,489,206 | 436,140 | – |
| Medium | 3,383,069 | 13,850,194 | 279,970 | – |
| High | 81,877 | 206,505 | – | – |
| Unrated | 3,786,141 | 43,048 | – | – |
| | 20,067,341 | 27,641,936 | 15,683,630 | 4,691,146 |
| Less: Expected credit loss | (7,041) | (2,825) | (2,914) | – |
| Net carrying amount | 20,060,300 | 27,639,111 | 15,680,716 | 4,691,146 |

None of the above financial assets is in Stage 2 or Stage 3 as at 31 December 2024 and 31 December 2023.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Other assets

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|----------------------------|--------------------------------------|---|---|-------------------|
| 2024 | | | | |
| Sovereign | 9,957 | – | – | 9,957 |
| Very Low | 429,618 | – | – | 429,618 |
| Low | 2,878,586 | 56 | – | 2,878,642 |
| Medium | 1,185,223 | – | – | 1,185,223 |
| High | 670 | – | – | 670 |
| Unrated | 8,552,453 | 4,425 | – | 8,556,878 |
| Impaired | – | – | 79,640 | 79,640 |
| | 13,056,507 | 4,481 | 79,640 | 13,140,628 |
| Less: Expected credit loss | (8,516) | (80) | (75,677) | (84,273) |
| Net carrying amount | 13,047,991 | 4,401 | 3,963 | 13,056,355 |
| 2023 | | | | |
| Very Low | 973,209 | – | – | 973,209 |
| Low | 3,741,572 | 215 | – | 3,741,787 |
| Medium | 29,507 | – | – | 29,507 |
| High | 3,350 | – | – | 3,350 |
| Unrated | 4,901,033 | 397 | – | 4,901,430 |
| Impaired | – | – | 76,338 | 76,338 |
| | 9,648,671 | 612 | 76,338 | 9,725,621 |
| Less: Expected credit loss | (273) | (75) | (66,554) | (66,902) |
| Net carrying amount | 9,648,398 | 537 | 9,784 | 9,658,719 |

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Other assets (cont'd.)

| | Stage 1 | Stage 2 | Stage 3 | |
|----------------------------|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | Total RM'000 |
| Bank | | | | |
| 2024 | | | | |
| Sovereign | 9,957 | – | – | 9,957 |
| Very Low | 117,763 | – | – | 117,763 |
| Low | 2,854,178 | – | – | 2,854,178 |
| Medium | 1,185,223 | – | – | 1,185,223 |
| High | 670 | – | – | 670 |
| Unrated | 4,890,043 | – | – | 4,890,043 |
| Impaired | – | – | 40,527 | 40,527 |
| | 9,057,834 | – | 40,527 | 9,098,361 |
| Less: Expected credit loss | – | – | (36,753) | (36,753) |
| Net carrying amount | 9,057,834 | – | 3,774 | 9,061,608 |
| 2023 | | | | |
| Very Low | 754,796 | – | – | 754,796 |
| Low | 3,733,493 | – | – | 3,733,493 |
| Medium | 29,507 | – | – | 29,507 |
| High | 3,350 | – | – | 3,350 |
| Unrated | 953,560 | – | – | 953,560 |
| Impaired | – | – | 32,553 | 32,553 |
| | 5,474,706 | – | 32,553 | 5,507,259 |
| Less: Expected credit loss | – | – | (31,156) | (31,156) |
| Net carrying amount | 5,474,706 | – | 1,397 | 5,476,103 |



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Loan commitments and financial guarantee contracts

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|----------------------|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| 2024 | | | | |
| Very Low | 1,612,312 | 8,104 | – | 1,620,416 |
| Low | 9,075,726 | 381,701 | – | 9,457,427 |
| Medium | 5,037,631 | 527,941 | – | 5,565,572 |
| High | 577,949 | 225,444 | – | 803,393 |
| Unrated | 1,523,396 | 71,453 | – | 1,594,849 |
| Impaired | – | – | 599,775 | 599,775 |
| Carrying amount | 17,827,014 | 1,214,643 | 599,775 | 19,641,432 |
| Expected credit loss | (167,452) | (99,546) | (130,799) | (397,797) |
| 2023 | | | | |
| Very Low | 1,471,449 | 357 | – | 1,471,806 |
| Low | 8,592,741 | 150,545 | – | 8,743,286 |
| Medium | 6,627,098 | 505,726 | – | 7,132,824 |
| High | 445,939 | 162,753 | – | 608,692 |
| Unrated | 1,647,259 | 90,586 | – | 1,737,845 |
| Impaired | – | – | 673,419 | 673,419 |
| Carrying amount | 18,784,486 | 909,967 | 673,419 | 20,367,872 |
| Expected credit loss | (139,916) | (98,486) | (107,041) | (345,443) |

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

5. Credit quality of financial assets (cont'd.)

The following table sets out information about the credit quality of financial assets measured at fair value through other comprehensive income and at amortised cost. Unless otherwise stated, for financial assets, the amounts in the table represent gross carrying amount (cont'd.).

Loan commitments and financial guarantee contracts (cont'd.)

| Bank | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|----------------------|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| 2024 | | | | |
| Very Low | 613,387 | 7,069 | – | 620,456 |
| Low | 4,558,835 | 318,304 | – | 4,877,139 |
| Medium | 1,498,182 | 180,728 | – | 1,678,910 |
| High | 256,301 | 82,447 | – | 338,748 |
| Unrated | 359,531 | 71,416 | – | 430,947 |
| Impaired | – | – | 80,911 | 80,911 |
| Carrying amount | 7,286,236 | 659,964 | 80,911 | 8,027,111 |
| Expected credit loss | (71,192) | (84,267) | (74,055) | (229,514) |
| 2023 | | | | |
| Very Low | 376,993 | – | – | 376,993 |
| Low | 5,641,864 | 89,692 | – | 5,731,556 |
| Medium | 4,347,996 | 280,317 | – | 4,628,313 |
| High | 327,513 | 73,431 | – | 400,944 |
| Unrated | 714,593 | 90,478 | – | 805,071 |
| Impaired | – | – | 49,917 | 49,917 |
| Carrying amount | 11,408,959 | 533,918 | 49,917 | 11,992,794 |
| Expected credit loss | (70,961) | (82,971) | (35,157) | (189,089) |

The Group and the Bank issue loan commitments and financial guarantees, consist of undrawn commitment, letters of credit, guarantees and acceptances which the loss allowance is recognised as expected credit loss.

The following table sets out information about the credit quality of financial assets measured at fair value through profit or loss:

| | Group | | Bank | |
|---------------------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Financial investments at FVTPL | | | | |
| Very Low | 8,413,053 | 8,897,296 | 4,732,504 | 3,708,354 |
| Low | 17,851,418 | 28,343,275 | 7,660,150 | 14,497,216 |
| Medium | 2,697,042 | 3,653,569 | 15,216 | 1,669,443 |
| High | – | 10,042 | – | 10,042 |
| Unrated | 5,725,505 | 1,165,741 | 540,517 | 1,086,870 |
| Total carrying amount | 34,687,018 | 42,069,923 | 12,948,387 | 20,971,925 |



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

6. Credit quality of impaired financial assets

(i) Impaired financial assets analysed by geographic purpose are as follows:

| Group | Loans, advances and financing RM'000 | Financial investments portfolio* RM'000 | Other assets RM'000 | Total RM'000 |
|----------------------------|--|--|---------------------------|-------------------|
| 2024 | | | | |
| Malaysia | 4,674,768 | 2,991,009 | 20,289 | 7,686,066 |
| Singapore | 740,179 | – | 4,763 | 744,942 |
| Indonesia | 1,419,763 | – | 3,885 | 1,423,648 |
| Labuan Offshore | 724,514 | – | 21,293 | 745,807 |
| Hong Kong SAR | 727 | – | 1,771 | 2,498 |
| United States of America | – | – | 1 | 1 |
| People's Republic of China | 103,932 | – | – | 103,932 |
| Vietnam | 16,981 | – | – | 16,981 |
| United Kingdom | – | – | 141 | 141 |
| Brunei | 12,319 | – | – | 12,319 |
| Cambodia | 355,393 | – | – | 355,393 |
| Philippines | 241,188 | – | 3,318 | 244,506 |
| Thailand | 32,880 | – | 24,166 | 57,046 |
| Laos | 518 | – | – | 518 |
| Myanmar | 2,597 | – | – | 2,597 |
| Others | – | – | 13 | 13 |
| | 8,325,759 | 2,991,009 | 79,640 | 11,396,408 |
| 2023 | | | | |
| Malaysia | 4,708,598 | 3,363,998 | 17,018 | 8,089,614 |
| Singapore | 1,342,265 | – | 12,377 | 1,354,642 |
| Indonesia | 1,376,549 | – | 4,156 | 1,380,705 |
| Labuan Offshore | 327,803 | – | 15,881 | 343,684 |
| Hong Kong SAR | 108,703 | – | 1,530 | 110,233 |
| United States of America | – | – | 1 | 1 |
| People's Republic of China | 181,183 | – | – | 181,183 |
| Vietnam | 35,628 | – | – | 35,628 |
| United Kingdom | – | – | 111 | 111 |
| Brunei | 15,088 | – | – | 15,088 |
| Cambodia | 221,331 | – | – | 221,331 |
| Philippines | 242,320 | – | 318 | 242,638 |
| Thailand | 36,444 | – | 24,931 | 61,375 |
| Laos | 735 | – | – | 735 |
| Myanmar | 3,778 | – | – | 3,778 |
| Others | – | – | 15 | 15 |
| | 8,600,425 | 3,363,998 | 76,338 | 12,040,761 |

* Financial investments portfolio consists of financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

6. Credit quality of impaired financial assets (cont'd.)

(i) Impaired financial assets analysed by geographic purpose are as follows (cont'd.):

| Bank | Loans, advances and financing RM'000 | Financial investments portfolio* RM'000 | Other assets RM'000 | Total RM'000 |
|----------------------------|--|--|---------------------------|------------------|
| 2024 | | | | |
| Malaysia | 4,722,034 | – | 19,447 | 4,741,481 |
| Singapore | 37,157 | – | – | 37,157 |
| Labuan Offshore | 724,514 | – | 21,080 | 745,594 |
| Hong Kong SAR | 716 | – | – | 716 |
| People's Republic of China | 103,932 | – | – | 103,932 |
| Vietnam | 15,673 | – | – | 15,673 |
| Brunei | 12,319 | – | – | 12,319 |
| Laos | 518 | – | – | 518 |
| Myanmar | 2,597 | – | – | 2,597 |
| | 5,619,460 | – | 40,527 | 5,659,987 |
| 2023 | | | | |
| Malaysia | 5,172,202 | 182,862 | 16,672 | 5,371,736 |
| Singapore | 603,677 | – | – | 603,677 |
| Labuan Offshore | 327,803 | – | 15,881 | 343,684 |
| Hong Kong SAR | 108,703 | – | – | 108,703 |
| People's Republic of China | 181,183 | – | – | 181,183 |
| Vietnam | 34,276 | – | – | 34,276 |
| Brunei | 15,088 | – | – | 15,088 |
| Laos | 735 | – | – | 735 |
| Myanmar | 3,778 | – | – | 3,778 |
| | 6,447,445 | 182,862 | 32,553 | 6,662,860 |

* Financial investments portfolio consists of financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

6. Credit quality of impaired financial assets (cont'd.)

(ii) Impaired financial assets analysed by industry sectors are as follows:

| Group | Loans, advances and financing RM'000 | Financial investments portfolio* RM'000 | Other assets RM'000 | Total RM'000 |
|---|--|--|---------------------------|-------------------|
| 2024 | | | | |
| Agriculture | 81,049 | – | – | 81,049 |
| Mining and quarrying | 170,303 | – | – | 170,303 |
| Manufacturing | 1,137,404 | – | – | 1,137,404 |
| Construction | 1,599,336 | – | – | 1,599,336 |
| Electricity, gas and water supply | 16,519 | 2,947,348 | – | 2,963,867 |
| Wholesale, retail trade, restaurants and hotels | 1,935,699 | – | – | 1,935,699 |
| Finance, insurance, real estate and business | 1,100,821 | – | 48,131 | 1,148,952 |
| Transport, storage and communication | 295,910 | – | – | 295,910 |
| Education, health and others | 198,337 | 43,661 | – | 241,998 |
| Household | 1,717,992 | – | 31,505 | 1,749,497 |
| Others | 72,389 | – | 4 | 72,389 |
| | 8,325,759 | 2,991,009 | 79,640 | 11,396,408 |
| 2023 | | | | |
| Agriculture | 95,830 | – | – | 95,830 |
| Mining and quarrying | 114,071 | – | – | 114,071 |
| Manufacturing | 644,409 | – | – | 644,409 |
| Construction | 1,617,287 | 182,862 | – | 1,800,149 |
| Electricity, gas and water supply | 17,367 | 3,138,729 | – | 3,156,096 |
| Wholesale, retail trade, restaurants and hotels | 1,782,148 | – | – | 1,782,148 |
| Finance, insurance, real estate and business | 1,742,902 | – | 35,983 | 1,778,885 |
| Transport, storage and communication | 283,505 | – | – | 283,505 |
| Education, health and others | 147,242 | 42,407 | – | 189,649 |
| Household | 2,081,702 | – | 40,275 | 2,121,977 |
| Others | 73,962 | – | 80 | 74,042 |
| | 8,600,425 | 3,363,998 | 76,338 | 12,040,761 |

* Financial investments portfolio consists of financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

6. Credit quality of impaired financial assets (cont'd.)

(ii) Impaired financial assets analysed by industry sectors are as follows (cont'd.):

| Bank | Loans, advances and financing RM'000 | Financial investments portfolio* RM'000 | Other assets RM'000 | Total RM'000 |
|---|--|--|---------------------------|------------------|
| 2024 | | | | |
| Agriculture | 16,141 | – | – | 16,141 |
| Mining and quarrying | 2,918,396 | – | – | 2,918,396 |
| Manufacturing | 390,836 | – | – | 390,836 |
| Construction | 752,571 | – | – | 752,571 |
| Electricity, gas and water supply | 2,105 | – | – | 2,105 |
| Wholesale, retail trade, restaurants and hotels | 453,034 | – | – | 453,034 |
| Finance, insurance, real estate and business | 533,913 | – | 40,527 | 574,440 |
| Transport, storage and communication | 108,711 | – | – | 108,711 |
| Education, health and others | 18,636 | – | – | 18,636 |
| Household | 424,255 | – | – | 424,255 |
| Others | 862 | – | – | 862 |
| | 5,619,460 | – | 40,527 | 5,659,987 |
| 2023 | | | | |
| Agriculture | 55,045 | – | – | 55,045 |
| Mining and quarrying | 3,020,533 | – | – | 3,020,533 |
| Manufacturing | 168,402 | – | – | 168,402 |
| Construction | 601,503 | 182,862 | – | 784,365 |
| Electricity, gas and water supply | 1,626 | – | – | 1,626 |
| Wholesale, retail trade, restaurants and hotels | 700,345 | – | – | 700,345 |
| Finance, insurance, real estate and business | 1,319,723 | – | 32,553 | 1,352,276 |
| Transport, storage and communication | 116,492 | – | – | 116,492 |
| Education, health and others | 25,947 | – | – | 25,947 |
| Household | 407,529 | – | – | 407,529 |
| Others | 30,300 | – | – | 30,300 |
| | 6,447,445 | 182,862 | 32,553 | 6,662,860 |

* Financial investments portfolio consists of financial investments at fair value through profit or loss, financial investments at fair value through other comprehensive income and financial investments at amortised cost, excluding quoted and unquoted shares.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(e) Credit risk management (cont'd.)

7. Possessed collateral

Assets obtained by taking possession of collateral held as security against loans, advances and financing and held as at the financial year end are as follows:

| | Group | | Bank | |
|------------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Residential properties | 174,420 | 187,963 | – | – |
| Others | 201,230 | 243,970 | – | 28,500 |
| | 375,650 | 431,933 | – | 28,500 |

Reposessed collaterals are sold as soon as practicable. Reposessed collaterals are included under 'other assets' on the statement of financial position. The Group and the Bank do not occupy reposessed properties or assets for its business use.

(f) Market risk management

1. Market risk management overview

Market risk management

Market risk is defined as the risk of loss or adverse impact on earnings or capital arising from movements of market rates or prices such as interest/profit rates, foreign exchange rates, commodity prices and equity prices.

2. Market risk management

Management of trading activities

The Group's market risk exposures of the Trading Book are primarily from trading activities in financial markets. The risk measurement techniques employed by the Group comprise both quantitative and qualitative measures. The Trading Book is governed by market risk policies and limits that includes Value at Risk ("VaR") and risk sensitivity limits.

VaR measures the potential loss of value resulting from market movements over a specified period of time within a specified probability of occurrence. The methodology is based on historical simulation, at a 99.2% confidence level using a 1-day holding period. The VaR model is regularly back tested to evaluate its performance and accuracy. The Group also computes a Stressed VaR based on a selected historical stress period.

The Group utilises risk sensitivity measures, such as price value of one basis point ("PV01") for managing portfolio sensitivity to market interest/profit rate movements and net open position ("NOP") limit for managing foreign currency exposure. Risk sensitivities are applicable to both linear and non-linear/option-related risk. These metrics provide granular information on the Group's market risk exposures and is used for monitoring, control and analytical purposes.

Management and measurement of Interest Rate Risk ("IRR")/Rate of Return Risk ("RoR") in the banking book

The Group emphasises the importance of managing IRR/RoR in the banking book as most of the balance sheet items of the Group generate interest/profit income and interest expense/profit distributed to depositors, which are indexed to interest/profit rates. Volatility of earnings can pose a threat to the Group's profitability while economic value provides a more comprehensive view of the potential long-term effects on the Group's overall capital adequacy.

IRR/RoR in the banking book encompasses repricing risk, yield curve risk, basis risk and option risk arising from movements in interest/profit rates. The objective of the Group's IRR/RoR in the banking book framework is to ensure that all IRR/RoR in the banking book is managed within its risk appetite.

IRR/RoR in the banking book is measured and monitored proactively, using the following principal measurement techniques:

- Repricing Gap Analysis;
- Economic Value at Risk; and
- Earnings at Risk.

3. Interest rate risk

The Group and the Bank are exposed to various risks associated with the effects of fluctuations in the prevailing levels of market interest rates on the financial position and cash flows. Interest rate risk exposure is identified, measured, monitored and controlled through limits and procedures set by the Group ALCO to protect total net interest income from changes in market interest rates.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

3. Interest rate risk (cont'd.)

The tables below summarise the Group's and the Bank's exposure to interest rate risk as at 31 December 2024 and 31 December 2023. The tables indicate effective average interest rates at the reporting date and the periods in which the financial instruments are repriced or mature, whichever is earlier.

| Group 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 12 months RM'000 | >1 to 5 years RM'000 | Over 5 years RM'000 | Non-interest sensitive RM'000 | Trading books RM'000 | Total RM'000 | Effective interest rate % |
|---|----------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|-------------------------------------|----------------------------|----------------------|------------------------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 31,457,793 | - | - | - | - | 9,064,727 | - | 40,522,520 | 1.98 |
| Deposits and placements with financial institutions | - | 21,924,953 | 11,612 | 3,147 | - | 335,320 | - | 22,275,032 | 4.19 |
| Financial assets purchased under resale agreements | 14,068,040 | 1,130,722 | 1,432,021 | - | - | - | - | 16,630,783 | 1.78 |
| Financial assets designated upon initial recognition at fair value through profit or loss | - | - | - | - | - | - | 12,933,334 | 12,933,334 | 3.06 |
| Financial investments at fair value through profit or loss | - | - | - | - | - | - | 33,274,540 | 33,274,540 | 1.80 |
| Financial investments at fair value through other comprehensive income | 10,508,669 | 6,700,045 | 11,411,807 | 23,931,021 | 74,966,626 | 659,236 | - | 128,177,404 | 3.23 |
| Financial investments at amortised cost | 5,379,314 | 1,247,687 | 10,616,892 | 26,777,825 | 35,337,401 | 18,373 | - | 79,377,492 | 2.41 |
| Loans, advances and financing | | | | | | | | | |
| – Non-impaired | 357,470,601 | 67,861,560 | 63,790,570 | 94,550,157 | 82,970,325 | - | - | 666,643,213 | 5.40 |
| – Impaired* | 3,453,684 | - | - | - | - | - | - | 3,453,684 | - |
| – 12-month ECL and Lifetime ECL not credit impaired | - | - | - | - | - | (5,322,812) | - | (5,322,812) | - |
| Derivative assets | - | - | - | - | - | - | 23,417,580 | 23,417,580 | - |
| Insurance contract/takaful certificate assets | - | - | - | - | - | 75,199 | - | 75,199 | - |
| Reinsurance contract/retakaful certificate assets | - | - | - | - | - | 5,910,059 | - | 5,910,059 | - |
| Other assets | - | - | - | - | - | 15,486,024 | - | 15,486,024 | - |
| Investment properties | - | - | - | - | - | 1,038,657 | - | 1,038,657 | - |
| Other non-interest sensitive balances | - | - | - | - | - | 31,429,247 | - | 31,429,247 | - |
| Total assets | 422,338,101 | 98,864,967 | 87,262,902 | 145,262,150 | 193,274,352 | 58,694,030 | 69,625,454 | 1,075,321,956 | |
| Liabilities and shareholders' equity | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 237,356,232 | 137,789,625 | 200,851,014 | 65,486,585 | 71,432,003 | - | - | 712,915,459 | 2.72 |
| – Investment accounts of customers [^] | 4,295,627 | 2,610,728 | 6,988,044 | 4,622,114 | 10,465,334 | - | - | 28,981,847 | 1.63 |
| Deposits and placements from financial institutions | 7,462,352 | 15,735,063 | 18,431,950 | 5,093,400 | 328,455 | - | - | 47,051,220 | 5.49 |
| Obligations on financial assets sold under repurchase agreements | 21,751,645 | 11,025,868 | 54,178 | - | - | - | - | 32,831,691 | 4.85 |
| Derivative liabilities | - | - | - | - | - | - | 27,494,477 | 27,494,477 | - |
| Financial liabilities at fair value through profit or loss | 7,042,314 | - | 59,500 | 272,680 | 4,568,960 | - | - | 11,943,454 | 3.40 |
| Bills and acceptances payable | - | - | - | - | - | 1,214,634 | - | 1,214,634 | - |
| Insurance contract/takaful certificate liabilities | - | - | - | - | - | 46,102,335 | - | 46,102,335 | - |
| Reinsurance contract/retakaful certificate liabilities | - | - | - | - | - | 27,063 | - | 27,063 | - |
| Other liabilities | 422,379 | 267,731 | 602,382 | 1,763 | - | 26,213,724 | - | 27,507,979 | 1.09 |
| Borrowings | 8,629,530 | 3,507,188 | 4,569,519 | 11,454,047 | 99,817 | - | - | 28,260,101 | 2.81 |
| Subordinated obligations | 455,558 | 1,659,719 | 2,300,000 | 6,742,531 | - | - | - | 11,157,808 | 3.51 |
| Capital securities | 16,770 | - | - | 1,560,000 | - | - | - | 1,576,770 | 4.09 |
| Other non-interest sensitive balances | - | - | - | - | - | 1,049,981 | - | 1,049,981 | - |
| Total liabilities | 287,432,407 | 172,595,922 | 233,856,587 | 95,233,120 | 86,894,569 | 74,607,737 | 27,494,477 | 978,114,819 | |
| Shareholders' equity | - | - | - | - | - | 93,970,628 | - | 93,970,628 | - |
| Non-controlling interests | - | - | - | - | - | 3,236,509 | - | 3,236,509 | - |
| | - | - | - | - | - | 97,207,137 | - | 97,207,137 | |
| Total liabilities and shareholders' equity | 287,432,407 | 172,595,922 | 233,856,587 | 95,233,120 | 86,894,569 | 171,814,874 | 27,494,477 | 1,075,321,956 | |
| On-balance sheet interest sensitivity gap | 134,905,694 | (73,730,955) | (146,593,685) | 50,029,030 | 106,379,783 | (113,120,844) | 42,130,977 | | |
| Off-balance sheet interest sensitivity gap | (7,978,518) | (5,536,335) | 878,604 | 5,392,824 | 7,241,423 | - | - | | |
| Total interest sensitivity gap | 126,929,178 | (79,267,290) | (145,715,081) | 55,421,854 | 113,621,206 | (113,120,844) | 42,130,977 | | |
| Cumulative interest rate sensitivity gap | 126,929,178 | 47,661,888 | (98,053,193) | (42,631,339) | 70,989,867 | (42,130,977) | - | | |

* This is arrived after deducting the Lifetime ECL credit impaired from gross impaired loans.

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(I).



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

3. Interest rate risk (cont'd.)

The tables below summarise the Group's and the Bank's exposure to interest rate risk as at 31 December 2024 and 31 December 2023. The tables indicate effective average interest rates at the reporting date and the periods in which the financial instruments are repriced or mature, whichever is earlier (cont'd.).

| Group 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 12 months RM'000 | >1 to 5 years RM'000 | Over 5 years RM'000 | Non-interest sensitive RM'000 | Trading books RM'000 | Total RM'000 | Effective interest rate % |
|---|----------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|-------------------------------------|----------------------------|----------------------|------------------------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 19,618,031 | 267,535 | 218,338 | – | – | 8,800,131 | – | 28,904,035 | 2.40 |
| Deposits and placements with financial institutions | 79,077 | 12,780,474 | 381,134 | 31,707 | – | 199,215 | – | 13,471,607 | 2.18 |
| Financial assets purchased under resale agreements | 16,765,225 | 579,139 | – | – | – | – | – | 17,344,364 | 1.88 |
| Financial assets designated upon initial recognition at fair value through profit or loss | – | – | – | – | – | – | 13,378,789 | 13,378,789 | 3.17 |
| Financial investments at fair value through profit or loss | – | – | – | – | – | – | 35,970,200 | 35,970,200 | 2.43 |
| Financial investments at fair value through other comprehensive income | 13,602,741 | 6,719,762 | 9,600,992 | 18,165,704 | 83,271,009 | 821,927 | – | 132,182,135 | 3.11 |
| Financial investments at amortised cost | 7,660,855 | 740,257 | 7,050,876 | 32,748,511 | 36,183,798 | 101 | – | 84,384,398 | 3.61 |
| Loans, advances and financing | | | | | | | | | |
| – Non-impaired | 341,733,429 | 64,480,092 | 64,035,384 | 81,048,596 | 80,852,355 | – | – | 632,149,856 | 5.77 |
| – Impaired* | 3,577,115 | – | – | – | – | – | – | 3,577,115 | – |
| – 12-month ECL and Lifetime ECL not credit impaired | – | – | – | – | – | (5,304,933) | – | (5,304,933) | – |
| Derivative assets | – | – | – | – | – | – | 21,647,554 | 21,647,554 | – |
| Insurance contract/takaful certificate assets | – | – | – | – | – | 123,204 | – | 123,204 | – |
| Reinsurance contract/retakaful certificate assets | – | – | – | – | – | 5,698,832 | – | 5,698,832 | – |
| Other assets | – | – | – | – | – | 12,665,956 | – | 12,665,956 | – |
| Investment properties | – | – | – | – | – | 1,019,958 | – | 1,019,958 | – |
| Other non-interest sensitive balances | – | – | – | – | – | 30,461,549 | – | 30,461,549 | – |
| Total assets | 403,036,473 | 85,567,259 | 81,286,724 | 131,994,518 | 200,307,162 | 54,485,940 | 70,996,543 | 1,027,674,619 | |
| Liabilities and shareholders' equity | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 207,484,299 | 126,050,036 | 200,338,591 | 76,766,798 | 59,719,612 | – | – | 670,359,336 | 2.31 |
| – Investment accounts of customers [^] | 3,001,338 | 2,254,824 | 5,780,111 | 4,190,402 | 11,248,721 | – | – | 26,475,396 | 1.49 |
| Deposits and placements from financial institutions | 18,181,633 | 17,953,595 | 3,148,699 | 4,861,855 | 468,138 | 62,972 | – | 44,676,892 | 3.35 |
| Obligations on financial assets sold under repurchase agreements | 22,852,797 | 14,581,248 | 638,663 | – | – | – | – | 38,072,708 | 3.92 |
| Derivative liabilities | – | – | – | – | – | – | 25,082,955 | 25,082,955 | – |
| Financial liabilities at fair value through profit or loss | 5,701 | – | 3,337,745 | 1,393,975 | 4,029,142 | – | – | 8,766,563 | 3.68 |
| Bills and acceptances payable | – | – | – | – | 1,257 | 1,131,913 | – | 1,133,170 | – |
| Insurance contract/takaful certificate liabilities | – | – | – | – | – | 44,497,551 | – | 44,497,551 | – |
| Reinsurance contract/retakaful certificate liabilities | – | – | – | – | – | 83,001 | – | 83,001 | – |
| Other liabilities | 599,506 | 89,470 | 2,198,684 | 4,759,896 | – | 18,293,372 | – | 25,940,928 | 1.99 |
| Borrowings | 6,574,007 | 2,301,420 | 8,539,425 | 12,442,115 | 1,180,603 | – | – | 31,037,570 | 2.71 |
| Subordinated obligations | 2,443,299 | – | – | 7,702,250 | – | – | – | 10,145,549 | 3.59 |
| Capital securities | 29,802 | – | 1,240,000 | 1,560,000 | – | – | – | 2,829,802 | 4.07 |
| Other non-interest sensitive balances | – | – | – | – | – | 925,035 | – | 925,035 | – |
| Total liabilities | 261,172,382 | 163,230,593 | 225,221,918 | 113,677,291 | 76,647,473 | 64,993,844 | 25,082,955 | 930,026,456 | |
| Shareholders' equity | – | – | – | – | – | 94,641,617 | – | 94,641,617 | – |
| Non-controlling interests | – | – | – | – | – | 3,006,546 | – | 3,006,546 | – |
| | – | – | – | – | – | 97,648,163 | – | 97,648,163 | |
| Total liabilities and shareholders' equity | 261,172,382 | 163,230,593 | 225,221,918 | 113,677,291 | 76,647,473 | 162,642,007 | 25,082,955 | 1,027,674,619 | |
| On-balance sheet interest sensitivity gap | 141,864,091 | (77,663,334) | (143,935,194) | 18,317,227 | 123,659,689 | (108,156,067) | 45,913,588 | | |
| Off-balance sheet interest sensitivity gap | (10,459,349) | (4,427,713) | 2,844,831 | 8,309,203 | 3,733,028 | – | – | | |
| Total interest sensitivity gap | 131,404,742 | (82,091,047) | (141,090,363) | 26,626,430 | 127,392,717 | (108,156,067) | 45,913,588 | | |
| Cumulative interest rate sensitivity gap | 131,404,742 | 49,313,695 | (91,776,668) | (65,150,238) | 62,242,479 | (45,913,588) | – | | |

* This is arrived after deducting the Lifetime ECL credit impaired from gross impaired loans.

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(I).

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

3. Interest rate risk (cont'd.)

The tables below summarise the Group's and the Bank's exposure to interest rate risk as at 31 December 2024 and 31 December 2023. The tables indicate effective average interest rates at the reporting date and the periods in which the financial instruments are repriced or mature, whichever is earlier (cont'd.).

| Bank 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 12 months RM'000 | >1 to 5 years RM'000 | Over 5 years RM'000 | Non-interest sensitive RM'000 | Trading books RM'000 | Total RM'000 | Effective interest rate % |
|--|----------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|-------------------------------------|----------------------------|--------------------|------------------------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 19,989,219 | - | - | - | - | 7,223,057 | - | 27,212,276 | 1.80 |
| Deposits and placements with financial institutions | - | 29,337,952 | 8,626,242 | - | 325,485 | 19,937 | - | 38,309,616 | 4.26 |
| Financial assets purchased under resale agreements | 15,047,992 | 1,128,314 | 1,432,021 | - | - | - | - | 17,608,327 | 2.07 |
| Financial investments at fair value through profit or loss | - | - | - | - | - | - | 15,404,523 | 15,404,523 | 1.69 |
| Financial investments at fair value through other comprehensive income | 3,976,563 | 3,164,534 | 4,010,191 | 11,834,502 | 45,583,943 | 357,470 | - | 68,927,203 | 3.13 |
| Financial investments at amortised cost | 729 | 3,673,662 | 12,492,032 | 21,782,885 | 26,731,999 | - | - | 64,681,307 | 2.62 |
| Loans, advances and financing | | | | | | | | | |
| - Non-impaired | 154,098,174 | 50,223,314 | 12,412,625 | 43,640,964 | 21,147,042 | - | - | 281,522,119 | 5.22 |
| - Impaired* | 2,175,556 | - | - | - | - | - | - | 2,175,556 | - |
| - 12-month ECL and Lifetime ECL not credit impaired | - | - | - | - | - | (1,902,446) | - | (1,902,446) | - |
| Derivative assets | - | - | - | - | - | - | 23,331,778 | 23,331,778 | - |
| Other assets | - | - | - | - | - | 9,423,930 | - | 9,423,930 | - |
| Other non-interest sensitive balances | - | - | - | - | - | 42,945,944 | - | 42,945,944 | - |
| Total assets | 195,288,233 | 87,527,776 | 38,973,111 | 77,258,351 | 93,788,469 | 58,067,892 | 38,736,301 | 589,640,133 | |
| Liabilities and shareholders' equity | | | | | | | | | |
| Deposits from customers | 103,045,281 | 62,349,597 | 80,552,574 | 28,336,679 | 36,324,855 | - | - | 310,608,986 | 2.60 |
| Deposits and placements from financial institutions | 26,204,557 | 15,293,732 | 30,865,429 | 4,414,615 | 220,891 | - | - | 76,999,224 | 3.95 |
| Obligations on financial assets sold under repurchase agreements | 27,580,320 | 16,387,375 | 2,987,117 | - | - | - | - | 46,954,812 | 4.04 |
| Derivative liabilities | - | - | - | - | - | - | 26,984,480 | 26,984,480 | - |
| Financial liabilities at fair value through profit or loss | 2,527,902 | - | 59,500 | 272,680 | 4,568,960 | 466,170 | - | 7,429,042 | 3.96 |
| Bills and acceptances payable | - | - | - | - | - | 12,531,370 | - | 466,170 | - |
| Other liabilities | 337,883 | 221,977 | 599,985 | 1,763 | - | - | - | 13,692,978 | 0.93 |
| Borrowings | 497,771 | 1,650,789 | 4,376,659 | 7,965,114 | 1,056,094 | - | - | 15,546,427 | 2.54 |
| Subordinated obligations | 143,439 | - | 2,300,000 | 8,400,000 | - | - | - | 10,843,439 | 3.61 |
| Capital securities | 16,770 | - | - | 1,560,000 | - | - | - | 1,576,770 | 4.09 |
| Total liabilities | 160,353,923 | 95,903,470 | 121,741,264 | 50,950,851 | 42,170,800 | 12,997,540 | 26,984,480 | 511,102,328 | |
| Shareholders' equity | - | - | - | - | - | 78,537,805 | - | 78,537,805 | - |
| Total liabilities and shareholders' equity | 160,353,923 | 95,903,470 | 121,741,264 | 50,950,851 | 42,170,800 | 91,535,345 | 26,984,480 | 589,640,133 | |
| On-balance sheet interest sensitivity gap | 34,934,310 | (8,375,694) | (82,768,153) | 26,307,500 | 51,617,669 | (33,467,453) | 11,751,821 | | |
| Off-balance sheet interest sensitivity gap | (1,506,130) | (5,568,589) | 652,704 | (819,408) | 7,241,423 | - | - | | |
| Total interest sensitivity gap | 33,428,180 | (13,944,283) | (82,115,449) | 25,488,092 | 58,859,092 | (33,467,453) | 11,751,821 | | |
| Cumulative interest rate sensitivity gap | 33,428,180 | 19,483,897 | (62,631,552) | (37,143,460) | 21,715,632 | (11,751,821) | - | | |

* This is arrived after deducting the Lifetime ECL credit impaired from gross impaired loans.



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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

3. Interest rate risk (cont'd.)

The tables below summarise the Group's and the Bank's exposure to interest rate risk as at 31 December 2024 and 31 December 2023. The tables indicate effective average interest rates at the reporting date and the periods in which the financial instruments are repriced or mature, whichever is earlier (cont'd.).

| | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 12 months RM'000 | >1 to 5 years RM'000 | Over 5 years RM'000 | Non-interest sensitive RM'000 | Trading books RM'000 | Total RM'000 | Effective interest rate % |
|--|----------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|-------------------------------------|----------------------------|--------------------|------------------------------------|
| Bank 2023 | | | | | | | | | |
| Assets | | | | | | | | | |
| Cash and short-term funds | 13,794,848 | – | – | – | – | 6,265,452 | – | 20,060,300 | 3.25 |
| Deposits and placements with financial institutions | – | 24,209,074 | 3,127,283 | – | 241,505 | 61,249 | – | 27,639,111 | 3.51 |
| Financial assets purchased under resale agreements | 15,159,695 | 521,021 | – | – | – | – | – | 15,680,716 | 2.37 |
| Financial investments at fair value through profit or loss | – | – | – | – | – | – | 21,757,370 | 21,757,370 | 2.34 |
| Financial investments at fair value through other comprehensive income | 8,180,363 | 2,894,535 | 4,896,399 | 10,055,522 | 46,923,275 | 348,950 | – | 73,299,044 | 3.19 |
| Financial investments at amortised cost | 486,584 | 3,356,156 | 8,680,460 | 25,408,860 | 27,806,532 | – | – | 65,738,592 | 2.77 |
| Loans, advances and financing | | | | | | | | | |
| – Non-impaired | 160,574,175 | 47,399,372 | 19,032,880 | 31,571,683 | 19,418,303 | – | – | 277,996,413 | 4.18 |
| – Impaired* | 2,439,682 | – | – | – | – | – | – | 2,439,682 | – |
| – 12-month ECL and Lifetime ECL not credit impaired | – | – | – | – | – | (2,109,608) | – | (2,109,608) | – |
| Derivative assets | – | – | – | – | – | – | 21,476,761 | 21,476,761 | – |
| Other assets | – | – | – | – | – | 6,258,105 | – | 6,258,105 | – |
| Other non-interest sensitive balances | – | – | – | – | – | 41,631,507 | – | 41,631,507 | – |
| Total assets | 200,635,347 | 78,380,158 | 35,737,022 | 67,036,065 | 94,389,615 | 52,455,655 | 43,234,131 | 571,867,993 | |
| Liabilities and shareholders' equity | | | | | | | | | |
| Deposits from customers | 82,312,701 | 66,628,582 | 85,283,444 | 41,080,200 | 24,371,212 | – | – | 299,676,139 | 2.75 |
| Deposits and placements from financial institutions | 28,298,375 | 22,549,866 | 2,831,389 | 4,278,187 | 263,833 | 133 | – | 58,221,783 | 4.37 |
| Obligations on financial assets sold under repurchase agreements | 41,932,932 | 14,581,248 | 638,663 | – | – | – | – | 57,152,843 | 3.80 |
| Derivative liabilities | – | – | – | – | – | – | 24,554,173 | 24,554,173 | – |
| Financial liabilities at fair value through profit or loss | 5,701 | – | 3,337,745 | 1,393,975 | 4,029,142 | – | – | 8,766,563 | 3.70 |
| Bills and acceptances payable | – | – | – | – | – | 442,847 | – | 442,847 | – |
| Other liabilities | 180,357 | 87,317 | 172,280 | 34,463 | – | 8,703,649 | – | 9,178,066 | 1.48 |
| Borrowings | 1,716,587 | 1,189,811 | 7,593,627 | 10,069,882 | 2,215,162 | – | – | 22,785,069 | 2.13 |
| Subordinated obligations | 2,131,248 | – | – | 7,700,000 | – | – | – | 9,831,248 | 3.70 |
| Capital securities | 29,802 | – | 1,240,000 | 1,560,000 | – | – | – | 2,829,802 | 4.07 |
| Total liabilities | 156,607,703 | 105,036,824 | 101,097,148 | 66,116,707 | 30,879,349 | 9,146,629 | 24,554,173 | 493,438,533 | |
| Shareholders' equity | – | – | – | – | – | 78,429,460 | – | 78,429,460 | – |
| Total liabilities and shareholders' equity | 156,607,703 | 105,036,824 | 101,097,148 | 66,116,707 | 30,879,349 | 87,576,089 | 24,554,173 | 571,867,993 | |
| On-balance sheet interest sensitivity gap | 44,027,644 | (26,656,666) | (65,360,126) | 919,358 | 63,510,266 | (35,120,434) | 18,679,958 | | |
| Off-balance sheet interest sensitivity gap | (3,855,972) | (4,423,408) | 2,483,886 | 2,220,505 | 3,574,989 | – | – | | |
| Total interest sensitivity gap | 40,171,672 | (31,080,074) | (62,876,240) | 3,139,863 | 67,085,255 | (35,120,434) | 18,679,958 | | |
| Cumulative interest rate sensitivity gap | 40,171,672 | 9,091,598 | (53,784,642) | (50,644,779) | 16,440,476 | (18,679,958) | – | | |

* This is arrived after deducting the Lifetime ECL credit impaired from gross impaired loans.

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

4. Yield/profit rate risk on IBS portfolio

The Group is exposed to the risk associated with the effects of fluctuations in the prevailing levels of yield/profit rate on the financial position and cash flows of the IBS portfolio. The fluctuations in yield/profit rate can be influenced by changes in profit rates that affect the value of financial instruments under the IBS portfolio. Yield/profit rate risk is monitored and managed by the Group ALCO to protect the income from IBS operations.

The tables below summarise the Group's exposure to yield/profit rate risk for the IBS operations as at 31 December 2024 and 31 December 2023. The tables indicate effective average yield/profit rates at the reporting date and the periods in which the financial instruments are either repriced or mature, whichever is earlier.

| Group 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 12 months RM'000 | >1 to 5 years RM'000 | Over 5 years RM'000 | Non-yield/ profit rate sensitive RM'000 | Trading books RM'000 | Total RM'000 | Effective yield/profit rate % |
|--|----------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|--|----------------------------|--------------------|--|
| Assets | | | | | | | | | |
| Cash and short-term funds | 20,822,472 | - | - | - | - | 5,892 | - | 20,828,364 | 2.80 |
| Deposits and placements with financial institutions | - | 6,821,503 | 1,691,701 | - | - | - | - | 8,513,204 | 3.75 |
| Financial assets purchased under resale agreements | - | 1,434,429 | - | - | - | - | - | 1,434,429 | 3.39 |
| Financial investments at fair value through profit or loss | - | - | - | - | - | - | 1,527,376 | 1,527,376 | 3.56 |
| Financial investments at fair value through other comprehensive income | 149,721 | 20,310 | 70,955 | 4,425,131 | 13,512,767 | - | - | 18,178,884 | 4.07 |
| Financial investments at amortised cost | 18,757 | 17,722 | 169,172 | 3,753,620 | 8,829,661 | - | - | 12,788,932 | 3.47 |
| Financing and advances | | | | | | | | | |
| – Non-impaired | 178,355,661 | 4,560,445 | 2,812,831 | 19,537,543 | 46,763,671 | - | - | 252,030,151 | 4.71 |
| – Impaired* | 1,557,176 | - | - | - | - | - | - | 1,557,176 | - |
| – 12-month ECL and Lifetime ECL not credit impaired | - | - | - | - | - | (2,283,560) | - | (2,283,560) | - |
| Derivative assets | - | - | - | - | - | - | 563,671 | 563,671 | - |
| Other assets | - | - | - | - | - | 6,478,931 | - | 6,478,931 | - |
| Other non-yield/profit sensitive balances | - | - | - | - | - | 4,467,558 | - | 4,467,558 | - |
| Total assets | 200,903,787 | 12,854,409 | 4,744,659 | 27,716,294 | 69,106,099 | 8,668,821 | 2,091,047 | 326,085,116 | |
| Liabilities and Islamic banking capital funds | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 71,348,133 | 52,103,518 | 61,500,445 | 14,090,579 | 35,107,147 | - | - | 234,149,822 | 2.77 |
| – Investment accounts of customers [^] | 4,443,921 | 2,705,297 | 7,207,526 | 4,834,532 | 10,947,088 | - | - | 30,138,364 | 1.62 |
| Deposits and placements from financial institutions | 4,939,358 | 8,779,542 | 8,838,627 | 347,726 | 107,564 | 76,923 | - | 23,089,740 | 3.73 |
| Obligations on financial assets sold under repurchase agreements | - | 1,435,112 | - | - | - | - | - | 1,435,112 | 3.39 |
| Derivative liabilities | - | - | - | - | - | - | 379,353 | 379,353 | - |
| Bills and acceptances payable | - | - | - | - | - | 75,343 | - | 75,343 | - |
| Other liabilities | 2,783 | - | - | - | - | 7,264,544 | - | 7,267,327 | 3.95 |
| Term funding | - | 2,981,076 | 3,938,602 | 3,070,427 | - | - | - | 9,990,105 | 3.65 |
| Subordinated sukuk | - | - | - | 2,020,610 | - | - | - | 2,020,610 | 3.48 |
| Capital securities | - | - | - | 1,002,087 | - | - | - | 1,002,087 | 4.76 |
| Other non-yield/profit sensitive balances | - | - | - | - | - | 74,970 | - | 74,970 | - |
| Total liabilities | 80,734,195 | 68,004,545 | 81,485,200 | 25,365,961 | 46,161,799 | 7,491,780 | 379,353 | 309,622,833 | |
| Islamic banking capital funds | - | - | - | - | - | 16,462,283 | - | 16,462,283 | - |
| Total liabilities and Islamic banking capital funds | 80,734,195 | 68,004,545 | 81,485,200 | 25,365,961 | 46,161,799 | 23,954,063 | 379,353 | 326,085,116 | |
| On-balance sheet yield/profit rate sensitivity gap | 120,169,592 | (55,150,136) | (76,740,541) | 2,350,333 | 22,944,300 | (15,285,242) | 1,711,694 | | |
| Off-balance sheet yield/profit rate sensitivity gap | (296) | - | (4) | 190 | 110 | - | - | | |
| Total yield/profit rate sensitivity gap | 120,169,296 | (55,150,136) | (76,740,545) | 2,350,523 | 22,944,410 | (15,285,242) | 1,711,694 | | |
| Cumulative yield/profit rate sensitivity gap | 120,169,296 | 65,019,160 | (11,721,385) | (9,370,862) | 13,573,548 | (1,711,694) | - | | |

* This is arrived after deducting the Lifetime ECL credit impaired from gross impaired financing outstanding.

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

4. Yield/profit rate risk on IBS portfolio (cont'd.)

The tables below summarise the Group's exposure to yield/profit rate risk for the IBS operations as at 31 December 2024 and 31 December 2023. The tables indicate effective average yield/profit rates at the reporting date and the periods in which the financial instruments are either repriced or mature, whichever is earlier (cont'd.).

| Group 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 12 months RM'000 | >1 to 5 years RM'000 | Over 5 years RM'000 | Non-yield/ profit rate sensitive RM'000 | Trading books RM'000 | Total RM'000 | Effective yield/profit rate % |
|--|----------------------------|-----------------------------|------------------------------|----------------------------|---------------------------|--|----------------------------|-----------------|--|
| Assets | | | | | | | | | |
| Cash and short-term funds | 7,811,482 | – | – | – | – | 1,654 | – | 7,813,136 | 3.59 |
| Deposits and placements with financial institutions | – | 2,801,850 | – | – | – | – | – | 2,801,850 | 3.51 |
| Financial assets purchased under resale agreements | 58,118 | – | – | – | – | – | – | 58,118 | 3.15 |
| Financial investments at fair value through profit or loss | – | – | – | – | – | – | 1,331,059 | 1,331,059 | 3.61 |
| Financial investments at fair value through other comprehensive income | 619,977 | – | 789,483 | 2,007,051 | 20,926,035 | – | – | 24,342,546 | 4.31 |
| Financial investments at amortised cost | 6,395 | 18,881 | 1,376,250 | 3,866,143 | 8,491,520 | – | – | 13,759,189 | 3.39 |
| Financing and advances | | | | | | | | | |
| – Non-impaired | 156,042,345 | 4,560,445 | 2,812,831 | 19,537,543 | 46,478,417 | – | – | 229,431,581 | 4.66 |
| – Impaired* | 1,348,244 | – | – | – | – | – | – | 1,348,244 | – |
| – 12-month ECL and Lifetime ECL not credit impaired | – | – | – | – | – | (1,972,670) | – | (1,972,670) | – |
| Derivative assets | – | – | – | – | – | – | 160,619 | 160,619 | – |
| Other assets | – | – | – | – | – | 4,044,371 | – | 4,044,371 | – |
| Other non-yield/profit sensitive balances | – | – | – | – | – | 3,705,484 | – | 3,705,484 | – |
| Total assets | 165,886,561 | 7,381,176 | 4,978,564 | 25,410,737 | 75,895,972 | 5,778,839 | 1,491,678 | 286,823,527 | |
| Liabilities and Islamic banking capital funds | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 65,550,592 | 40,128,111 | 55,427,134 | 14,244,742 | 35,348,400 | – | – | 210,698,979 | 2.81 |
| – Investment accounts of customers [^] | 3,078,323 | 2,317,248 | 5,919,817 | 4,352,148 | 11,686,801 | – | – | 27,354,337 | 1.49 |
| Deposits and placements from financial institutions | 2,579,222 | 11,867,258 | 2,458,291 | 321,864 | 199,141 | 62,839 | – | 17,488,615 | 3.90 |
| Derivative liabilities | – | – | – | – | – | – | 309,093 | 309,093 | – |
| Bills and acceptances payable | – | – | – | – | – | 80,796 | – | 80,796 | – |
| Other liabilities | 11,008 | – | – | – | – | 1,338,875 | – | 1,349,883 | 3.48 |
| Term funding | – | 2,981,668 | 4,912,678 | 3,037,881 | – | – | – | 10,932,227 | 3.70 |
| Subordinated sukuk | – | – | – | 2,021,893 | – | – | – | 2,021,893 | 3.70 |
| Capital securities | – | – | – | 1,002,347 | – | – | – | 1,002,347 | 4.76 |
| Other non-yield/profit sensitive balances | – | – | – | – | – | 77,757 | – | 77,757 | – |
| Total liabilities | 71,219,145 | 57,294,285 | 68,717,920 | 24,980,875 | 47,234,342 | 1,560,267 | 309,093 | 271,315,927 | |
| Islamic banking capital funds | – | – | – | – | – | 15,507,600 | – | 15,507,600 | – |
| Total liabilities and Islamic banking capital funds | 71,219,145 | 57,294,285 | 68,717,920 | 24,980,875 | 47,234,342 | 17,067,867 | 309,093 | 286,823,527 | |
| On-balance sheet yield/profit rate sensitivity gap | 94,667,416 | (49,913,109) | (63,739,356) | 429,862 | 28,661,630 | (11,289,028) | 1,182,585 | | |
| Off-balance sheet yield/profit rate sensitivity gap | (154) | – | – | 44 | 110 | – | – | | |
| Total yield/profit rate sensitivity gap | 94,667,262 | (49,913,109) | (63,739,356) | 429,906 | 28,661,740 | (11,289,028) | 1,182,585 | | |
| Cumulative yield/profit rate sensitivity gap | 94,667,262 | 44,754,153 | (18,985,203) | (18,555,297) | 10,106,443 | (1,182,585) | – | | |

* This is arrived after deducting the Lifetime ECL credit impaired from gross impaired financing outstanding.

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(I).

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

5. Sensitivity analysis for interest rate risk

The tables below show the sensitivity of the Group's and of the Bank's profit after tax to an up and down 100 basis points parallel rate shocks.

| | Tax rate | Group | | Bank | |
|-----------------------------|------------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | +100 basis points RM'000 | -100 basis points RM'000 | +100 basis points RM'000 | -100 basis points RM'000 |
| 2024 | | | | | |
| Impact to profit before tax | | 413,168 | (413,168) | 8,840 | (8,840) |
| Impact to profit after tax | 24% | 314,007 | (314,007) | 6,718 | (6,718) |
| 2023 | | | | | |
| Impact to profit before tax | | 486,120 | (486,120) | 69,208 | (69,208) |
| Impact to profit after tax | 24% | 369,451 | (369,451) | 52,598 | (52,598) |

Impact to profit after tax is measured using EaR methodology which is simulated based on a set of standardised rate shocks on the interest rate gap profile derived from the financial position of the Group and of the Bank. The interest rate gap is the mismatch of rate sensitive assets and rate sensitive liabilities taking into consideration the earlier of repricing or remaining maturity, behavioural assumptions of certain indeterminate maturity products such as current and savings deposits, to reflect the actual sensitivity behaviour of these interest bearing liabilities.

Impact to revaluation reserve is assessed by applying up and down 100 basis points rate shocks to the yield curve to model the impact on mark-to-market of financial investments at FVOCI.

| | Group | | Bank | |
|--|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | +100 basis points RM'000 | -100 basis points RM'000 | +100 basis points RM'000 | -100 basis points RM'000 |
| 2024 | | | | |
| Impact to revaluation reserve for FVOCI before tax | (6,288,267) | 6,288,267 | (4,178,314) | 4,178,314 |
| 2023 | | | | |
| Impact to revaluation reserve for FVOCI before tax | (7,481,158) | 7,481,158 | (4,529,595) | 4,529,595 |

6. Foreign exchange risk

Foreign exchange ("FX") risk arises as a result of movements in relative currencies due to the Group's operating business activities, trading activities and structural foreign exchange exposures from foreign investments and capital management activities.

Generally, the Group is exposed to three types of foreign exchange risk such as translation risk, transactional risk and economic risk which are managed in accordance with the market risk policy and limits. The FX translation risks are mitigated as the assets are funded in the same currency. In addition, the earnings from the overseas operations are repatriated in line with Management Committees' direction as and when required. The Group controls its FX exposures by transacting in permissible currencies. It has an internal FX NOP to measure, control and monitor its FX risk and implements FX hedging strategies to minimise FX exposures. Stress testing is conducted periodically to ensure sufficient capital buffer on FX risk.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The “others” foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar.

| Group 2024 | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|---|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|---------------------|----------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 19,332,587 | 7,784,321 | 462,109 | 67,408 | 8,978,067 | 556,749 | 536,736 | 2,804,543 | 40,522,520 |
| Deposits and placements with financial institutions | 750,497 | 11,959,041 | 33 | 4,167 | 9,271,902 | – | 35 | 289,357 | 22,275,032 |
| Financial assets purchased under resale agreements | 51,508 | 1,755,750 | – | – | 14,591,575 | 229,350 | – | 2,600 | 16,630,783 |
| Financial assets designated upon initial recognition at fair value through profit or loss | 12,771,186 | 3,836 | – | 2,980 | 110,612 | 552 | – | 44,168 | 12,933,334 |
| Financial investments at fair value through profit or loss | 13,830,556 | 8,811,348 | 8 | 968,707 | 3,284,578 | 2,760,889 | 116,297 | 3,502,157 | 33,274,540 |
| Financial investments at fair value through other comprehensive income | 74,537,560 | 21,890,412 | 683,627 | 695,652 | 9,929,871 | 9,307,697 | 422,794 | 10,709,791 | 128,177,404 |
| Financial investments at amortised cost | 43,843,655 | 14,501,158 | 112,219 | 947,168 | 14,838,781 | 702,305 | 441,597 | 3,990,609 | 79,377,492 |
| Loans, advances and financing to financial institutions | 263,801 | – | – | – | 162,259 | 1,607,165 | – | – | 2,033,225 |
| Loans, advances and financing to customers | 397,461,241 | 138,866,952 | 7,874,403 | 7,397,828 | 53,263,554 | 27,828,506 | 2,545,173 | 27,503,203 | 662,740,860 |
| Derivative assets* | (47,633,392) | (77,068,682) | (6,063,433) | 14,467,170 | 224,863,773 | (6,721,800) | 753,101 | (79,179,157) | 23,417,580 |
| Insurance contract/takaful certificate assets | 2,505 | 52,870 | – | – | (31,014) | 50,838 | – | – | 75,199 |
| Reinsurance contract/retakaful certificate assets | 4,405,612 | 1,395,771 | – | – | 614 | 97,417 | – | 10,645 | 5,910,059 |
| Other assets* | 5,874,967 | 286,866 | 2,096,003 | 3,480 | 4,307,963 | 1,269,936 | 438,663 | 1,208,146 | 15,486,024 |
| Investment properties | 1,033,592 | – | – | – | 873 | – | – | 4,192 | 1,038,657 |
| Statutory deposits with central banks | 6,384,199 | 6,637,871 | – | – | 1,002,984 | 2,418,316 | – | 723,139 | 17,166,509 |
| Interest in associates and joint venture | 4,511 | – | – | – | 615,632 | – | – | 1,237,585 | 1,857,728 |
| Property, plant and equipment | 1,006,728 | 764,519 | 22,836 | 4,461 | 59,709 | 359,962 | – | 64,882 | 2,283,097 |
| Right-of-use assets | 750,743 | 281,259 | 3,121 | 33,120 | 109,000 | 176,528 | – | 102,693 | 1,456,464 |
| Intangible assets | 1,127,372 | 1,982,028 | – | 79,726 | 19,010 | 2,964,699 | – | 820,455 | 6,993,290 |
| Deferred tax assets* | 1,119,405 | 9,767 | – | – | 12,760 | 278,565 | – | 251,662 | 1,672,159 |
| Total assets | 536,918,833 | 139,915,087 | 5,190,926 | 24,671,867 | 345,392,503 | 43,887,674 | 5,254,396 | (25,909,330) | 1,075,321,956 |

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.

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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The "others" foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Group 2024 (cont'd.) | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|--|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|---------------------|--------------------|
| Liabilities | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 377,651,327 | 170,467,361 | 4,191,763 | 6,826,526 | 105,846,384 | 25,237,799 | 2,082,136 | 20,612,163 | 712,915,459 |
| – Investment accounts of customers [^] | 28,981,847 | – | – | – | – | – | – | – | 28,981,847 |
| Deposits and placements from financial institutions | 7,326,020 | 2,362,201 | 42,148 | 4,237,770 | 22,453,093 | 763,083 | 22,023 | 9,844,882 | 47,051,220 |
| Obligations on financial assets sold under repurchase agreements | 21,028,784 | 983,504 | – | – | 6,059,428 | 4,096,014 | – | 663,961 | 32,831,691 |
| Derivative liabilities [*] | (7,010,559) | (77,818,664) | (1,464,708) | 12,670,758 | 181,140,639 | (5,174,254) | 180,956 | (75,029,691) | 27,494,477 |
| Financial liabilities at fair value through profit or loss | 331,670 | 4,483,203 | – | – | 7,128,581 | – | – | – | 11,943,454 |
| Bills and acceptances payable | 512,767 | 303,073 | 201 | 55 | 346,239 | 33,056 | 292 | 18,951 | 1,214,634 |
| Insurance contract/takaful certificate liabilities | 33,677,257 | 11,820,476 | – | – | 5,880 | 180,341 | – | 418,381 | 46,102,335 |
| Reinsurance contract/retakaful certificate liabilities | – | 14,852 | – | – | (257) | 12,468 | – | – | 27,063 |
| Other liabilities [*] | 13,005,265 | 2,707,421 | 2,023,260 | 605,224 | 3,891,826 | 1,605,677 | 660,364 | 3,008,942 | 27,507,979 |
| Provision for taxation and zakat | (164,373) | 375,127 | 2,277 | (1,166) | 20,831 | 32,192 | – | 29,755 | 294,643 |
| Deferred tax liabilities | 754,606 | (12,995) | 31 | – | 3 | – | – | 13,693 | 755,338 |
| Borrowings | 2,867,743 | 1,474,143 | – | 1,317,101 | 9,266,483 | 2,892,524 | 2,418,501 | 8,023,606 | 28,260,101 |
| Subordinated obligations | 11,157,808 | – | – | – | – | – | – | – | 11,157,808 |
| Capital securities | 1,576,770 | – | – | – | – | – | – | – | 1,576,770 |
| Total liabilities | 491,696,932 | 117,159,702 | 4,794,972 | 25,656,268 | 336,159,130 | 29,678,900 | 5,364,272 | (32,395,357) | 978,114,819 |
| On-balance sheet open position | 45,221,901 | 22,755,385 | 395,954 | (984,401) | 9,233,373 | 14,208,774 | (109,876) | 6,486,027 | 97,207,137 |
| Less: Derivative assets | 47,633,392 | 77,068,682 | 6,063,433 | (14,467,170) | (224,863,773) | 6,721,800 | (753,101) | 79,179,157 | (23,417,580) |
| Add: Derivative liabilities | (7,010,559) | (77,818,664) | (1,464,708) | 12,670,758 | 181,140,639 | (5,174,254) | 180,956 | (75,029,691) | 27,494,477 |
| Add: Net forward position | (28,941,607) | 1,061,369 | (4,597,620) | 2,319,323 | 45,326,646 | (3,366,305) | 693,645 | (4,117,087) | 8,378,364 |
| Net open position | 56,903,127 | 23,066,772 | 397,059 | (461,490) | 10,836,885 | 12,390,015 | 11,624 | 6,518,406 | 109,662,398 |
| Net structural currency exposures | – | 17,732,815 | 65,769 | 165,999 | 11,423,422 | 7,833,248 | (1,120) | 5,239,102 | 42,740,277 |

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

^{*} The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The “others” foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Group 2023 | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|---|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|-------------------|----------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 9,308,802 | 3,150,128 | 297,764 | 47,366 | 11,945,602 | 547,585 | 253,944 | 3,352,844 | 28,904,035 |
| Deposits and placements with financial institutions | 390,743 | 6,684,528 | (27) | 4,245 | 5,861,537 | 754 | 7 | 529,820 | 13,471,607 |
| Financial assets purchased under resale agreements | 58,119 | 5,206,793 | – | – | 10,473,923 | 694,191 | – | 911,338 | 17,344,364 |
| Financial assets designated upon initial recognition at fair value through profit or loss | 13,203,960 | 8,928 | – | 1,485 | 115,134 | 1,385 | – | 47,897 | 13,378,789 |
| Financial investments at fair value through profit or loss | 18,565,364 | 7,250,791 | 2,120 | 496,722 | 2,084,181 | 2,306,202 | 122,779 | 5,142,041 | 35,970,200 |
| Financial investments at fair value through other comprehensive income | 86,856,847 | 23,175,851 | – | 1,518,500 | 6,139,989 | 6,902,429 | 68,024 | 7,520,495 | 132,182,135 |
| Financial investments at amortised cost | 48,098,311 | 14,776,665 | – | 342,755 | 15,180,265 | 1,500,096 | 483,181 | 4,003,125 | 84,384,398 |
| Loans, advances and financing to financial institutions | 77,412 | – | – | – | 166,724 | 1,255,122 | – | – | 1,499,258 |
| Loans, advances and financing to customers | 370,060,905 | 130,333,791 | 7,389,979 | 9,487,746 | 56,812,828 | 28,752,754 | 1,211,373 | 24,873,404 | 628,922,780 |
| Derivative assets* | 14,541,753 | 10,137,040 | 26,497 | 413,263 | (17,164,307) | (53,711) | 3,532,662 | 10,214,357 | 21,647,554 |
| Insurance contract/takaful certificate assets | 417 | 51,446 | – | – | (15,682) | 87,023 | – | – | 123,204 |
| Reinsurance contract/retakaful certificate assets | 3,170,402 | 2,407,743 | – | – | 537 | 91,067 | – | 29,083 | 5,698,832 |
| Other assets* | 4,606,115 | 448,750 | 627,454 | 108,757 | 4,244,500 | 1,049,286 | 279,979 | 1,301,115 | 12,665,956 |
| Investment properties | 1,014,450 | – | – | – | 865 | – | – | 4,643 | 1,019,958 |
| Statutory deposits with central banks | 6,329,673 | 5,508,131 | – | – | 908,584 | 2,082,226 | – | 911,121 | 15,739,735 |
| Interest in associates and joint venture | 201,961 | – | – | – | 634,292 | – | – | 1,269,281 | 2,105,534 |
| Property, plant and equipment | 999,625 | 787,260 | 23,025 | 5,784 | 61,447 | 366,198 | – | 65,907 | 2,309,246 |
| Right-of-use assets | 908,608 | 265,866 | 5,364 | 50,222 | 93,583 | 211,675 | – | 100,819 | 1,636,137 |
| Intangible assets | 1,046,835 | 2,088,189 | – | 80,211 | 17,650 | 3,296,123 | – | 832,903 | 7,361,911 |
| Deferred tax assets* | 720,760 | 51,550 | – | – | 14,468 | 283,690 | – | 238,518 | 1,308,986 |
| Total assets | 580,161,062 | 212,333,450 | 8,372,176 | 12,557,056 | 97,576,120 | 49,374,095 | 5,951,949 | 61,348,711 | 1,027,674,619 |

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The "others" foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Group 2023 (cont'd.) | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|--|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|-------------------|--------------------|
| Liabilities | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 347,847,027 | 151,551,049 | 3,927,646 | 14,957,569 | 101,415,093 | 26,240,376 | 3,091,237 | 21,329,339 | 670,359,336 |
| – Investment accounts of customers [^] | 26,475,396 | – | – | – | – | – | – | – | 26,475,396 |
| Deposits and placements from financial institutions | 7,022,532 | 1,537,571 | 112,660 | 1,686,897 | 29,265,305 | 703,780 | 12,812 | 4,335,335 | 44,676,892 |
| Obligations on financial assets sold under repurchase agreements | 33,537,932 | 1,783,321 | – | – | 1,506,239 | 586,185 | – | 659,031 | 38,072,708 |
| Derivative liabilities* | 64,453,444 | 15,226,582 | 409,014 | (73,989) | (65,780,212) | 1,284,743 | 1,952,315 | 7,611,058 | 25,082,955 |
| Financial liabilities at fair value through profit or loss | 322,871 | – | – | – | 8,443,692 | – | – | – | 8,766,563 |
| Bills and acceptances payable | 489,608 | 460,276 | 210 | 56 | 106,266 | 44,331 | 319 | 32,104 | 1,133,170 |
| Insurance contract/takaful certificate liabilities | 30,907,051 | 12,909,529 | – | – | 5,728 | 198,967 | – | 476,276 | 44,497,551 |
| Reinsurance contract/retakaful certificate liabilities | – | 53,611 | – | – | (107) | 29,497 | – | – | 83,001 |
| Other liabilities* | 8,267,907 | 7,082,696 | 479,066 | 324,753 | 3,733,125 | 1,947,905 | 513,320 | 3,592,156 | 25,940,928 |
| Provision for taxation and zakat | (196,483) | 379,083 | (30) | 1,297 | 23,544 | 22,487 | – | 9,491 | 239,389 |
| Deferred tax liabilities | 656,716 | 17,137 | 24 | – | 5 | – | – | 11,764 | 685,646 |
| Borrowings | 2,883,155 | 1,332,395 | – | 3,257,572 | 11,749,980 | 3,135,041 | 10,749 | 8,668,678 | 31,037,570 |
| Subordinated obligations | 10,145,549 | – | – | – | – | – | – | – | 10,145,549 |
| Capital securities | 2,829,802 | – | – | – | – | – | – | – | 2,829,802 |
| Total liabilities | 535,642,507 | 192,333,250 | 4,928,590 | 20,154,155 | 90,468,658 | 34,193,312 | 5,580,752 | 46,725,232 | 930,026,456 |
| On-balance sheet open position | 44,518,555 | 20,000,200 | 3,443,586 | (7,597,099) | 7,107,462 | 15,180,783 | 371,197 | 14,623,479 | 97,648,163 |
| Less: Derivative assets | (14,541,753) | (10,137,040) | (26,497) | (413,263) | 17,164,307 | 53,711 | (3,532,662) | (10,214,357) | (21,647,554) |
| Add: Derivative liabilities | 64,453,444 | 15,226,582 | 409,014 | (73,989) | (65,780,212) | 1,284,743 | 1,952,315 | 7,611,058 | 25,082,955 |
| Add: Net forward position | (36,373,892) | (3,750,060) | (3,296,087) | 7,676,899 | 53,035,727 | (3,746,834) | 1,233,576 | (5,198,618) | 9,580,711 |
| Net open position | 58,056,354 | 21,339,682 | 530,016 | (407,452) | 11,527,284 | 12,772,403 | 24,426 | 6,821,562 | 110,664,275 |
| Net structural currency exposures | – | 18,187,885 | 57,573 | 182,497 | 11,383,671 | 8,686,603 | 4,190 | 5,273,615 | 43,776,034 |

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(I).

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The “others” foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Bank 2024 | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|--|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|---------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 9,544,802 | 7,204,307 | 469,688 | 127,294 | 6,774,627 | 245,950 | 462,340 | 2,383,268 | 27,212,276 |
| Deposits and placements with financial institutions | 17,388,448 | 11,344,133 | 240,513 | – | 9,329,165 | – | – | 7,357 | 38,309,616 |
| Financial assets purchased under resale agreements | 1,485,953 | 1,530,799 | – | – | 14,591,575 | – | – | – | 17,608,327 |
| Financial investments at fair value through profit or loss | 6,659,001 | 4,322,848 | – | 691,632 | 709,206 | 2,044,569 | – | 977,267 | 15,404,523 |
| Financial investments at fair value through other comprehensive income | 40,716,545 | 7,883,485 | 683,627 | 694,335 | 8,830,806 | – | 389,159 | 9,729,246 | 68,927,203 |
| Financial investments at amortised cost | 36,842,451 | 10,322,241 | 112,219 | 947,168 | 14,359,810 | – | 441,597 | 1,655,821 | 64,681,307 |
| Loans, advances and financing to financial institutions | 44,299,052 | – | 728,175 | – | 3,293,988 | – | – | – | 48,321,215 |
| Loans, advances and financing to customers | 114,808,124 | 51,045,979 | 5,935,498 | 6,998,320 | 36,603,107 | – | 2,360,636 | 15,722,350 | 233,474,014 |
| Derivative assets* | (46,596,616) | (73,085,441) | (6,539,623) | 14,354,345 | 220,788,550 | (6,848,973) | (1,890,867) | (76,849,597) | 23,331,778 |
| Other assets* | 3,338,072 | (99,599) | 2,046,192 | (119,727) | 3,982,654 | (6,333) | 117,005 | 165,666 | 9,423,930 |
| Statutory deposits with central banks | 2,139,303 | 2,131,481 | – | – | 63,129 | – | – | 314,182 | 4,648,095 |
| Investment in subsidiaries | 13,959,205 | 14,774,102 | – | – | 388,838 | 3,517,532 | – | 2,936,074 | 35,575,751 |
| Interest in associates and joint venture | 4,511 | – | – | – | 434,348 | – | – | – | 438,859 |
| Property, plant and equipment | 587,197 | 241,576 | 22,158 | 1,141 | 7,451 | – | – | 2,328 | 861,851 |
| Right-of-use assets | 353,824 | 50,278 | 2,227 | 16,874 | 11,997 | – | – | 24,930 | 460,130 |
| Intangible assets | 646,846 | – | – | 1,089 | 5,071 | – | – | 11,597 | 664,603 |
| Deferred tax assets* | 143,052 | 5,974 | – | – | – | – | – | 147,629 | 296,655 |
| Total assets | 246,319,770 | 37,672,163 | 3,700,674 | 23,712,471 | 320,174,322 | (1,047,255) | 1,879,870 | (42,771,882) | 589,640,133 |

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The “others” foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Bank 2024 (cont'd.) | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|--|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|---------------------|--------------------|
| Liabilities | | | | | | | | | |
| Deposits from customers | 163,339,369 | 60,545,884 | 2,719,779 | 6,636,760 | 64,435,732 | 12 | 1,268,474 | 11,662,976 | 310,608,986 |
| Deposits and placements from financial institutions | 18,795,198 | 13,201,422 | 2,326,134 | 4,256,884 | 28,285,966 | 33,425 | 76,473 | 10,023,722 | 76,999,224 |
| Obligations on financial assets sold under repurchase agreements | 22,463,880 | 11,643,694 | – | – | 12,183,277 | – | – | 663,961 | 46,954,812 |
| Derivative liabilities* | (18,132,500) | (76,227,152) | (1,587,844) | 12,664,899 | 190,271,501 | (5,283,874) | 358,948 | (75,079,498) | 26,984,480 |
| Financial liabilities at fair value through profit or loss | 331,669 | – | – | – | 7,097,373 | – | – | – | 7,429,042 |
| Bills and acceptances payable | 437,066 | 8,159 | 201 | 55 | 1,872 | – | 292 | 18,525 | 466,170 |
| Other liabilities* | 8,723,161 | 1,262,370 | 195,066 | 253,000 | 2,402,583 | 3,303 | 137,160 | 716,335 | 13,692,978 |
| Borrowings | 2,867,741 | 384,457 | – | 1,264,491 | 5,409,115 | – | – | 5,620,623 | 15,546,427 |
| Subordinated obligations | 10,843,439 | – | – | – | – | – | – | – | 10,843,439 |
| Capital securities | 1,576,770 | – | – | – | – | – | – | – | 1,576,770 |
| Total liabilities | 211,245,793 | 10,818,834 | 3,653,336 | 25,076,089 | 310,087,419 | (5,247,134) | 1,841,347 | (46,373,356) | 511,102,328 |
| On-balance sheet open position | 35,073,977 | 26,853,329 | 47,338 | (1,363,618) | 10,086,903 | 4,199,879 | 38,523 | 3,601,474 | 78,537,805 |
| Less: Derivative assets | 46,596,616 | 73,085,441 | 6,539,623 | (14,354,345) | (220,788,550) | 6,848,973 | 1,890,867 | 76,849,597 | (23,331,778) |
| Add: Derivative liabilities | (18,132,500) | (76,227,152) | (1,587,844) | 12,664,899 | 190,271,501 | (5,283,874) | 358,948 | (75,079,498) | 26,984,480 |
| Add: Net forward position | (28,941,607) | 3,060,690 | 2,200,563 | 30,550,350 | (1,636,555) | (2,252,462) | – | (1,782,917) | 1,198,062 |
| Net open position | 34,596,486 | 26,772,308 | 7,199,680 | 27,497,286 | (22,066,701) | 3,512,516 | 2,288,338 | 3,588,656 | 83,388,569 |
| Net structural currency exposures | – | 23,914,333 | 56,731 | – | 10,545,549 | 3,517,532 | – | 4,369,958 | 42,404,104 |

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The “others” foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Bank 2023 | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|--|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|-------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 6,068,801 | 1,966,549 | 293,877 | 445,767 | 7,987,809 | 145,803 | 201,003 | 2,950,691 | 20,060,300 |
| Deposits and placements with financial institutions | 12,769,971 | 6,467,680 | 321,793 | – | 7,852,602 | – | – | 227,065 | 27,639,111 |
| Financial assets purchased under resale agreements | – | 5,206,793 | – | – | 10,473,923 | – | – | – | 15,680,716 |
| Financial investments at fair value through profit or loss | 12,881,719 | 3,600,612 | – | 26,613 | 665,124 | 1,826,250 | – | 2,757,052 | 21,757,370 |
| Financial investments at fair value through other comprehensive income | 50,857,762 | 9,343,840 | – | 1,518,500 | 5,005,318 | 108,295 | 32,202 | 6,433,127 | 73,299,044 |
| Financial investments at amortised cost | 37,928,375 | 10,474,560 | – | 342,755 | 14,625,866 | – | 483,181 | 1,883,855 | 65,738,592 |
| Loans, advances and financing to financial institutions | 42,987,100 | – | 309,903 | – | 6,628 | – | – | – | 43,303,631 |
| Loans, advances and financing to customers | 111,256,304 | 49,673,986 | 5,649,041 | 9,062,679 | 43,608,273 | – | 863,060 | 14,909,513 | 235,022,856 |
| Derivative assets* | 22,367,948 | 10,654,895 | (43,306) | 410,400 | (26,137,092) | (195,100) | 4,437,914 | 9,981,102 | 21,476,761 |
| Other assets* | 2,653,809 | (49,877) | 583,250 | (11,781) | 2,937,548 | (22,076) | 27,115 | 140,117 | 6,258,105 |
| Statutory deposits with central banks | 2,708,530 | 1,712,038 | – | – | 35,263 | – | – | 235,315 | 4,691,146 |
| Investment in subsidiaries | 12,978,222 | 14,774,102 | – | – | 264,397 | 3,533,446 | – | 2,936,074 | 34,486,241 |
| Interest in associates and joint venture | 4,511 | – | – | – | 434,348 | – | – | – | 438,859 |
| Property, plant and equipment | 583,901 | 253,276 | 22,419 | 1,169 | 5,101 | – | – | 2,959 | 868,825 |
| Right-of-use assets | 389,854 | 60,161 | 4,035 | 26,355 | 16,889 | – | – | 22,341 | 519,635 |
| Intangible assets | 523,520 | – | – | 1,574 | 6,291 | – | – | 11,911 | 543,296 |
| Deferred tax assets* | (47,146) | 14,388 | – | – | – | – | – | 116,263 | 83,505 |
| Total assets | 316,913,181 | 114,153,003 | 7,141,012 | 11,824,031 | 67,788,288 | 5,396,618 | 6,044,475 | 42,607,385 | 571,867,993 |

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

The tables below analyse the net foreign exchange positions of the Group and of the Bank as at 31 December 2024 and 31 December 2023, by major currencies, which are mainly in Ringgit Malaysia, Singapore Dollar, Great Britain Pound, Hong Kong Dollar, United States Dollar, Indonesia Rupiah and Euro. The "others" foreign exchange risk include mainly exposure to Australian Dollar, Japanese Yen, Chinese Renminbi, Philippine Peso and Brunei Dollar (cont'd.).

| Bank 2023 (cont'd.) | Malaysian Ringgit RM'000 | Singapore Dollar RM'000 | Great Britain Pound RM'000 | Hong Kong Dollar RM'000 | United States Dollar RM'000 | Indonesia Rupiah RM'000 | Euro RM'000 | Others RM'000 | Total RM'000 |
|--|--------------------------------|-------------------------------|-------------------------------------|----------------------------------|--------------------------------------|-------------------------------|------------------|-------------------|--------------------|
| Liabilities | | | | | | | | | |
| Deposits from customers | 155,746,766 | 50,787,718 | 2,406,443 | 14,758,359 | 64,978,950 | 56 | 992,470 | 10,005,377 | 299,676,139 |
| Deposits and placements from financial institutions | 10,490,856 | 7,961,110 | 460,072 | 1,725,390 | 33,135,977 | – | 32,289 | 4,416,089 | 58,221,783 |
| Obligations on financial assets sold under repurchase agreements | 33,537,932 | 13,880,640 | – | – | 9,090,140 | – | – | 644,131 | 57,152,843 |
| Derivative liabilities* | 58,515,491 | 15,784,941 | 1,097,870 | (79,332) | (63,755,668) | 1,133,750 | 4,156,268 | 7,700,853 | 24,554,173 |
| Financial liabilities at fair value through profit or loss | 322,871 | – | – | – | 8,443,692 | – | – | – | 8,766,563 |
| Bills and acceptances payable | 408,455 | 5,471 | 210 | 56 | 2,033 | – | 319 | 26,303 | 442,847 |
| Other liabilities* | 7,415,410 | 422,935 | 704,303 | 59,166 | (141,585) | 265,891 | 25,645 | 426,301 | 9,178,066 |
| Provision for taxation and zakat | (269,006) | 240,856 | – | – | 16,189 | – | – | 11,961 | – |
| Borrowings | 2,883,155 | 1,091,115 | – | 3,024,184 | 8,582,304 | – | – | 7,204,311 | 22,785,069 |
| Subordinated obligations | 9,831,248 | – | – | – | – | – | – | – | 9,831,248 |
| Capital securities | 2,829,802 | – | – | – | – | – | – | – | 2,829,802 |
| Total liabilities | 281,712,980 | 90,174,786 | 4,668,898 | 19,487,823 | 60,352,032 | 1,399,697 | 5,206,991 | 30,435,326 | 493,438,533 |
| On-balance sheet open position | 35,200,201 | 23,978,217 | 2,472,114 | (7,663,792) | 7,436,256 | 3,996,921 | 837,484 | 12,172,059 | 78,429,460 |
| Less: Derivative assets | (22,367,948) | (10,654,895) | 43,306 | (410,400) | 26,137,092 | 195,100 | (4,437,914) | (9,981,102) | (21,476,761) |
| Add: Derivative liabilities | 58,515,491 | 15,784,941 | 1,097,870 | (79,332) | (63,755,668) | 1,133,750 | 4,156,268 | 7,700,853 | 24,554,173 |
| Add: Net forward position | (36,373,892) | (3,547,832) | (3,435,032) | 7,541,291 | 40,685,950 | (1,545,387) | (518,743) | (6,223,577) | (3,417,222) |
| Net open position | 34,973,852 | 25,560,431 | 178,258 | (612,233) | 10,503,630 | 3,780,384 | 37,095 | 3,668,233 | 78,089,650 |
| Net structural currency exposures | – | 24,134,560 | 46,306 | – | 10,314,256 | 3,533,446 | 6,411 | 4,307,805 | 42,342,784 |

* The currency positions of the respective assets and liabilities in the analysis above have been stated on a gross basis. These assets and liabilities have been set-off and presented on a net basis if necessary and as appropriate in accordance with applicable MFRS in the Group's and the Bank's statements of financial position.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

6. Foreign exchange risk (cont'd.)

Net structural foreign currency position represents the Group's and the Bank's net investment in overseas operations. This position comprises the net assets of the Group's and of the Bank's overseas branches and investments in overseas subsidiaries.

Where possible, the Group and the Bank mitigate the effect of currency exposures by funding the overseas operations with borrowings and deposits received in the same functional currencies of the respective overseas locations. The foreign currency exposures are also hedged using foreign exchange derivatives.

The structural currency exposures of the Group and of the Bank as at the reporting dates are as follows:

| | Group | | Bank | |
|----------------------|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Singapore Dollar | 17,732,815 | 18,187,885 | 23,914,333 | 24,134,560 |
| Great Britain Pound | 65,769 | 57,573 | 56,731 | 46,306 |
| Hong Kong Dollar | 165,999 | 182,497 | — | — |
| United States Dollar | 11,423,422 | 11,383,671 | 10,545,549 | 10,314,256 |
| Indonesia Rupiah | 7,833,248 | 8,686,603 | 3,517,532 | 3,533,446 |
| Euro | (1,120) | 4,190 | — | 6,411 |
| Others | 5,239,102 | 5,273,615 | 4,369,958 | 4,307,805 |
| | 42,459,235 | 43,776,034 | 42,404,104 | 42,342,784 |

7. Sensitivity analysis for foreign exchange risk

Foreign exchange risk

Foreign exchange risk arises from the movements in exchange rates that adversely affect the revaluation of the Group's and of the Bank's foreign currency positions. Considering that other risk variables remain constant, the foreign currency revaluation sensitivity for the Group and the Bank on their unhedged position are as follows:

| | Group | | Bank | |
|----------------------------------|------------------------------|------------------------------|------------------------------|------------------------------|
| | 1% Appreciation RM'000 | 1% Depreciation RM'000 | 1% Appreciation RM'000 | 1% Depreciation RM'000 |
| 2024 | | | | |
| Impact to profit before taxation | (36,518) | 36,518 | (25,471) | 25,471 |
| 2023 | | | | |
| Impact to profit before taxation | (40,156) | 40,156 | (35,519) | 35,519 |

Interpretation of impact

The Group and the Bank measures the foreign exchange sensitivity based on the foreign exchange net open positions (excluding foreign exchange structural position) under an adverse movement in all foreign currencies against the functional currency - Ringgit Malaysia ("RM"). The result implies that the Group and the Bank may be subject to additional translation (losses)/gains if the RM appreciates/depreciates against other currencies and vice versa.

8. Equity price risk

Equity price risk arises from the unfavourable movements in share price of quoted equity investments that adversely affect the Group's and the Bank's mark-to-market valuation on quoted equity investments. There is a direct correlation between movements in share price of quoted equity investments and movements in stock market index. The Group's equity price risk policy requires it to manage such risk by setting and monitoring objectives and constraints on investments, diversification plans and limits on investment in each country, sector, market and issuer.

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(f) Market risk management (cont'd.)

8. Equity price risk (cont'd.)

Considering that other risk variables remain constant, the sensitivity of mark-to-market valuation of quoted equity investments for the Group and the Bank against the stock market index are as follows:

| | Group | | Bank | |
|----------------------------|------------------------|------------------|------------------------|------------------|
| | Change in market index | | Change in market index | |
| | +10% RM'000 | -10% RM'000 | +10% RM'000 | -10% RM'000 |
| 2024 | | | | |
| Impact to profit after tax | 972,943 | (972,943) | 174,530 | (174,530) |
| Impact to post-tax equity | 35,708 | (35,708) | 34 | (34) |
| 2023 | | | | |
| Impact to profit after tax | 617,214 | (617,214) | 46,545 | (46,545) |
| Impact to post-tax equity | 29,684 | (29,684) | 26 | (26) |

(g) Liquidity risk management

1. Liquidity risk management overview

Liquidity risk management

Liquidity risk is defined as the risk of an adverse impact to the Group's financial condition or overall safety and soundness that could arise from its inability (or perceived inability) or unexpected higher cost to meet its obligations.

The Group has adopted BNM Liquidity Coverage Ratio, Net Stable Funding Ratio and other industry leading practices as a foundation to measure and manage its liquidity risk exposure. The Group also uses a range of tools to monitor and control liquidity risk exposure such as liquidity gap, early warning signals, liquidity indicators and stress testing. The liquidity positions of the Group are monitored regularly against the established policies, procedures and limits.

The Group has a diversified liability structure to meet its funding requirements. The primary source of funding includes customer deposits, interbank deposits, debt securities, swap market, bank loan syndication and medium term funds. The Group also initiates and implements strategic fund raising programmes as well as institutes standby lines with external parties on a need basis. Sources of fund providers are regularly reviewed to maintain a wide diversification by currency, provider, product and term, thus minimising excessive funding concentration.

Management of liquidity risk

For day-to-day liquidity management, the treasury operations will ensure sufficient funding to meet its intraday payment and settlement obligations on a timely basis. Besides, the process of managing liquidity risk also includes:

- Maintaining a sufficient amount of unencumbered high quality liquidity buffer as a protection against any unforeseen interruption to cash flows;
- Managing short and long-term cash flows via maturity mismatch report and various indicators;
- Monitoring depositor concentration at the Group and the Bank levels to avoid undue reliance on large depositors;
- Managing liquidity exposure by domestic and significant foreign currencies;
- Diversifying funding sources to ensure appropriate funding mix;
- Enhanced Liquidity Coverage Ratio reporting to optimise liquidity management;
- Conducting liquidity stress testing under various scenarios as part of prudent liquidity control;
- Maintaining a robust contingency funding plan that includes strategies, decision-making authorities, internal and external communication and courses of action to be taken under different liquidity crisis scenarios; and
- Conducting Recovery Plan ("RCP") testing to examine the effectiveness and robustness of the plans to avert any potential liquidity disasters affecting the Group's and the Bank's liquidity soundness and financial solvency.



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

2. Contractual maturity of total assets and liabilities

The tables below analyse assets and liabilities (inclusive of non-financial instruments) of the Group and of the Bank in the relevant maturity tenors based on remaining contractual maturities as at 31 December 2024 and 31 December 2023.

These disclosures are made in accordance with the requirement of Policy document on Financial Reporting issued by BNM:

| Group 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | No-specific maturity RM'000 | Total RM'000 |
|---|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------------------------|----------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 40,522,520 | – | – | – | – | – | – | – | 40,522,520 |
| Deposits and placements with financial institutions | 28,882 | 13,244,583 | 8,428,210 | 236,224 | 3,147 | – | 333,986 | – | 22,275,032 |
| Financial assets purchased under resale agreements | 646,913 | 15,983,870 | – | – | – | – | – | – | 16,630,783 |
| Financial assets designated upon initial recognition at fair value through profit or loss | 113,414 | 10,224 | 20,209 | 238,720 | 1,176,497 | 812,685 | 10,542,291 | 19,294 | 12,933,334 |
| Financial investments at fair value through profit or loss | 5,466,590 | 1,794,563 | 3,264,127 | 1,473,868 | 1,506,035 | 1,457,197 | 3,037,332 | 15,274,828 | 33,274,540 |
| Financial investments at fair value through other comprehensive income | 6,474,112 | 7,462,594 | 6,902,010 | 3,798,425 | 10,196,605 | 13,422,399 | 79,020,511 | 900,748 | 128,177,404 |
| Financial investments at amortised cost | 176,335 | 4,917,655 | 7,475,357 | 4,344,570 | 22,957,569 | 8,931,856 | 30,573,366 | 784 | 79,377,492 |
| Loans, advances and financing to financial institutions | 165,622 | 278,347 | 59,465 | 173,217 | 428,718 | 290,759 | 637,097 | – | 2,033,225 |
| Loans, advances and financing to customers | 61,029,794 | 23,031,740 | 14,267,639 | 30,331,015 | 87,516,987 | 86,612,621 | 359,951,064 | – | 662,740,860 |
| Derivative assets | 806,423 | 1,567,492 | 1,470,586 | 1,804,919 | 3,356,246 | 2,185,749 | 12,226,165 | – | 23,417,580 |
| Insurance contract/takaful certificate assets | 24,361 | – | – | 50,838 | – | – | – | – | 75,199 |
| Reinsurance contract/retakaful certificate assets | 5,812,642 | – | – | 97,417 | – | – | – | – | 5,910,059 |
| Other assets | 12,646,383 | 419,805 | 26,736 | 1,347,431 | 63,489 | 194,240 | 5,397 | 782,543 | 15,486,024 |
| Investment properties | – | – | – | – | – | – | – | 1,038,657 | 1,038,657 |
| Statutory deposits with central banks | – | – | – | – | – | – | – | 17,166,509 | 17,166,509 |
| Interest in associates and joint venture | – | – | – | – | – | – | – | 1,857,728 | 1,857,728 |
| Property, plant and equipment | – | – | – | – | – | – | – | 2,283,097 | 2,283,097 |
| Right-of-use assets | – | – | – | – | – | – | – | 1,456,464 | 1,456,464 |
| Intangible assets | – | – | – | – | – | – | – | 6,993,290 | 6,993,290 |
| Deferred tax assets | – | – | – | – | – | – | – | 1,672,159 | 1,672,159 |
| Total assets | 133,913,991 | 68,710,873 | 41,914,339 | 43,896,644 | 127,205,293 | 113,907,506 | 496,327,209 | 49,446,101 | 1,075,321,956 |
| Liabilities | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 398,819,013 | 131,522,973 | 105,953,885 | 68,124,830 | 6,955,789 | 872,062 | 666,907 | – | 712,915,459 |
| – Investment accounts of customers [^] | 26,162,761 | 565,070 | 969,216 | 1,272,490 | 10,827 | 1,483 | – | – | 28,981,847 |
| Deposits and placements from financial institutions | 6,359,583 | 14,521,493 | 8,201,456 | 11,914,895 | 5,702,626 | 243,603 | 107,564 | – | 47,051,220 |
| Obligations on financial assets sold under repurchase agreements | 22,102,433 | 10,691,204 | 38,054 | – | – | – | – | – | 32,831,691 |
| Derivative liabilities | 1,736,675 | 2,232,500 | 873,440 | 1,663,666 | 2,914,072 | 1,746,891 | 16,327,233 | – | 27,494,477 |
| Financial liabilities at fair value through profit or loss | 66,081 | 75,348 | 164,161 | 117,149 | 3,448,797 | 906,091 | 7,165,827 | – | 11,943,454 |
| Bills and acceptances payable | 914,799 | 163,444 | 132,811 | 2,316 | – | – | – | 1,264 | 1,214,634 |
| Insurance contract/takaful certificate liabilities | 19,911,889 | – | – | 180,341 | – | – | – | 26,010,105 | 46,102,335 |
| Reinsurance contract/retakaful certificate liabilities | – | – | – | 12,211 | – | – | – | 14,852 | 27,063 |
| Other liabilities | 22,144,388 | 370,362 | 243,478 | 548,221 | 477,355 | 116,307 | 677,512 | 2,930,356 | 27,507,979 |
| Provision for taxation and zakat | 9,323 | 83 | 8,640 | 3,118 | – | – | – | 273,479 | 294,643 |
| Deferred tax liabilities | – | – | – | – | – | – | – | 755,338 | 755,338 |
| Borrowings | 5,355,510 | 2,662,529 | 1,952,887 | 2,721,420 | 9,192,897 | 4,295,422 | 2,079,436 | – | 28,260,101 |
| Subordinated obligations | 143,440 | – | – | 2,300,000 | 5,400,000 | 3,000,000 | 314,368 | – | 11,157,808 |
| Capital securities | 16,770 | – | – | – | 1,560,000 | – | – | – | 1,576,770 |
| Total liabilities | 503,742,665 | 162,805,006 | 118,538,028 | 88,860,657 | 35,662,363 | 11,181,859 | 27,338,847 | 29,985,394 | 978,114,819 |
| Net liquidity gap | (369,828,674) | (94,094,133) | (76,623,689) | (44,964,013) | 91,542,930 | 102,725,647 | 468,988,362 | 19,460,707 | 97,207,137 |

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

2. Contractual maturity of total assets and liabilities (cont'd.)

The tables below analyse assets and liabilities (inclusive of non-financial instruments) of the Group and of the Bank in the relevant maturity tenors based on remaining contractual maturities as at 31 December 2024 and 31 December 2023 (cont'd.).

These disclosures are made in accordance with the requirement of Policy document on Financial Reporting issued by BNM (cont'd.):

| Group 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | No-specific maturity RM'000 | Total RM'000 |
|---|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------------------------|----------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 28,904,035 | – | – | – | – | – | – | – | 28,904,035 |
| Deposits and placements with financial institutions | 81,946 | 10,272,590 | 2,686,771 | 149,555 | 280,745 | – | – | – | 13,471,607 |
| Financial assets purchased under resale agreements | 16,764,368 | 579,996 | – | – | – | – | – | – | 17,344,364 |
| Financial assets designated upon initial recognition at fair value through profit or loss | 184,357 | 97,284 | 55,493 | 186,299 | 1,893,173 | 723,995 | 10,237,998 | 190 | 13,378,789 |
| Financial investments at fair value through profit or loss | 6,028,449 | 2,743,106 | 3,918,680 | 3,917,939 | 4,753,961 | 2,227,801 | 4,315,613 | 8,064,651 | 35,970,200 |
| Financial investments at fair value through other comprehensive income | 8,021,348 | 6,909,986 | 6,798,250 | 3,043,844 | 10,601,415 | 10,515,685 | 84,477,457 | 1,814,150 | 132,182,135 |
| Financial investments at amortised cost | 541,422 | 3,287,886 | 9,970,783 | 5,984,310 | 13,086,144 | 13,432,949 | 31,566,739 | 6,514,165 | 84,384,398 |
| Loans, advances and financing to financial institutions | 5,694 | 382,255 | 78,002 | 155,990 | 471,454 | 357,726 | 48,137 | – | 1,499,258 |
| Loans, advances and financing to customers | 62,864,041 | 32,524,944 | 15,823,788 | 26,298,498 | 73,052,693 | 80,316,548 | 338,042,268 | – | 628,922,780 |
| Derivative assets | 711,188 | 1,314,169 | 567,024 | 1,053,454 | 2,855,641 | 1,826,449 | 13,319,629 | – | 21,647,554 |
| Insurance contract/takaful certificate assets | 36,181 | – | – | 87,023 | – | – | – | – | 123,204 |
| Reinsurance contract/retakaful certificate assets | 5,607,765 | – | – | 91,067 | – | – | – | – | 5,698,832 |
| Other assets | 4,941,850 | 139,597 | 4,843 | 1,049,797 | 46,626 | 23,294 | 41,780 | 6,418,169 | 12,665,956 |
| Investment properties | – | – | – | – | – | – | – | 1,019,958 | 1,019,958 |
| Statutory deposits with central banks | – | – | – | – | – | – | – | 15,739,735 | 15,739,735 |
| Interest in associates and joint venture | – | – | – | – | – | – | – | 2,105,534 | 2,105,534 |
| Property, plant and equipment | – | – | – | – | – | – | – | 2,309,246 | 2,309,246 |
| Right-of-use assets | – | – | – | – | – | – | – | 1,636,137 | 1,636,137 |
| Intangible assets | – | – | – | – | – | – | – | 7,361,911 | 7,361,911 |
| Deferred tax assets | – | – | – | – | – | – | – | 1,308,986 | 1,308,986 |
| Total assets | 134,692,644 | 58,251,813 | 39,903,634 | 42,017,776 | 107,041,852 | 109,424,447 | 482,049,621 | 54,292,832 | 1,027,674,619 |
| Liabilities | | | | | | | | | |
| Customers' funding: | | | | | | | | | |
| – Deposits from customers | 369,381,579 | 119,616,367 | 87,172,198 | 84,217,306 | 9,788,006 | 183,880 | – | – | 670,359,336 |
| – Investment accounts of customers [^] | 23,578,425 | 657,370 | 1,072,077 | 1,133,453 | 30,557 | 3,514 | – | – | 26,475,396 |
| Deposits and placements from financial institutions | 11,073,305 | 23,575,590 | 2,624,318 | 2,117,029 | 4,887,606 | 199,903 | 199,141 | – | 44,676,892 |
| Obligations on financial assets sold under repurchase agreements | 29,466,233 | 7,323,681 | 1,282,794 | – | – | – | – | – | 38,072,708 |
| Derivative liabilities | 1,264,376 | 1,542,105 | 1,185,246 | 1,160,103 | 3,289,378 | 1,497,550 | 15,144,197 | – | 25,082,955 |
| Financial liabilities at fair value through profit or loss | 5,597 | – | 40,108 | 18,310 | 158,650 | 101,791 | 8,442,107 | – | 8,766,563 |
| Bills and acceptances payable | 1,025,380 | 49,655 | 58,135 | – | – | – | – | – | 1,133,170 |
| Insurance contract/takaful certificate liabilities | 18,158,166 | – | – | 202,283 | – | – | – | 26,137,102 | 44,497,551 |
| Reinsurance contract/retakaful certificate liabilities | – | – | – | 29,390 | – | – | – | 53,611 | 83,001 |
| Other liabilities | 11,602,683 | 386,565 | 704,822 | 809,256 | 6,913,965 | 701,570 | 2,132,510 | 2,689,557 | 25,940,928 |
| Provision for taxation and zakat | 1,982 | 528 | 6,466 | 32,665 | – | – | – | 197,748 | 239,389 |
| Deferred tax liabilities | – | – | – | – | – | – | – | 685,646 | 685,646 |
| Borrowings | 3,568,383 | 2,194,661 | 2,310,998 | 8,783,982 | 5,853,544 | 4,735,056 | 3,590,946 | – | 31,037,570 |
| Subordinated obligations | 2,131,248 | – | – | – | 7,312,051 | 700,000 | 2,250 | – | 10,145,549 |
| Capital securities | 29,802 | – | – | 1,240,000 | 1,560,000 | – | – | – | 2,829,802 |
| Total liabilities | 471,287,159 | 155,346,522 | 96,457,162 | 99,743,777 | 39,793,757 | 8,123,264 | 29,511,151 | 29,763,664 | 930,026,456 |
| Net liquidity gap | (336,594,515) | (97,094,709) | (56,553,528) | (57,726,001) | 67,248,095 | 101,301,183 | 452,538,470 | 24,529,168 | 97,648,163 |

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

2. Contractual maturity of total assets and liabilities (cont'd.)

The tables below analyse assets and liabilities (inclusive of non-financial instruments) of the Group and of the Bank in the relevant maturity tenors based on remaining contractual maturities as at 31 December 2024 and 31 December 2023 (cont'd.).

These disclosures are made in accordance with the requirement of Policy document on Financial Reporting issued by BNM (cont'd.):

| Bank 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | No-specific maturity RM'000 | Total RM'000 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 27,212,276 | – | – | – | – | – | – | – | 27,212,276 |
| Deposits and placements with financial institutions | – | 29,322,800 | 8,416,973 | 235,846 | – | – | 333,997 | – | 38,309,616 |
| Financial assets purchased under resale agreements | 414,962 | 17,193,365 | – | – | – | – | – | – | 17,608,327 |
| Financial investments at fair value through profit or loss | 4,108,171 | 1,299,612 | 2,638,897 | 730,825 | 903,748 | 1,195,368 | 1,448,180 | 3,079,722 | 15,404,523 |
| Financial investments at fair value through other comprehensive income | 3,053,031 | 3,863,524 | 2,117,384 | 1,782,782 | 5,679,392 | 6,410,652 | 45,662,968 | 357,470 | 68,927,203 |
| Financial investments at amortised cost | 8,767 | 4,258,197 | 5,951,719 | 2,560,869 | 18,963,167 | 5,850,879 | 27,086,925 | 784 | 64,681,307 |
| Loans, advances and financing to financial institutions | 7,914,912 | 1,680,228 | 441,291 | 2,149,396 | 10,401,412 | 15,368,011 | 10,365,965 | – | 48,321,215 |
| Loans, advances and financing to customers | 26,464,905 | 10,912,718 | 7,422,237 | 18,526,159 | 54,455,579 | 38,535,212 | 77,157,204 | – | 233,474,014 |
| Derivative assets | 738,759 | 1,484,796 | 1,442,382 | 1,757,477 | 3,520,320 | 2,149,313 | 12,238,731 | – | 23,331,778 |
| Other assets | 8,545,811 | 372,609 | 24,916 | 210,043 | 3,383 | 291 | – | 266,877 | 9,423,930 |
| Statutory deposits with central banks | – | – | – | – | – | – | – | 4,648,095 | 4,648,095 |
| Investment in subsidiaries | – | – | – | – | – | – | – | 35,575,751 | 35,575,751 |
| Interest in associates and joint venture | – | – | – | – | – | – | – | 438,859 | 438,859 |
| Property, plant and equipment | – | – | – | – | – | – | – | 861,851 | 861,851 |
| Right-of-use assets | – | – | – | – | – | – | – | 460,130 | 460,130 |
| Intangible assets | – | – | – | – | – | – | – | 664,603 | 664,603 |
| Deferred tax assets | – | – | – | – | – | – | – | 296,655 | 296,655 |
| Total assets | 78,461,594 | 70,387,849 | 28,455,799 | 27,953,397 | 93,927,001 | 69,509,726 | 174,293,970 | 46,650,797 | 589,640,133 |
| Liabilities | | | | | | | | | |
| Deposits from customers | 186,025,239 | 57,467,524 | 34,157,978 | 31,734,853 | 706,989 | 11,255 | 505,148 | – | 310,608,986 |
| Deposits and placements from financial institutions | 24,720,071 | 14,125,444 | 13,233,812 | 19,458,656 | 5,461,241 | – | – | – | 76,999,224 |
| Obligations on financial assets sold under repurchase agreements | 18,006,419 | 28,910,339 | 38,054 | – | – | – | – | – | 46,954,812 |
| Derivative liabilities | 1,644,444 | 1,969,352 | 823,614 | 1,431,758 | 3,033,047 | 1,725,524 | 16,356,741 | – | 26,984,480 |
| Financial liabilities at fair value through profit or loss | – | – | 24,960 | 34,844 | 176,134 | 95,731 | 7,097,373 | – | 7,429,042 |
| Bills and acceptances payable | 466,170 | – | – | – | – | – | – | – | 466,170 |
| Other liabilities | 11,317,889 | 305,619 | 27,992 | 125,102 | 10,581 | 21,916 | 47,124 | 1,836,755 | 13,692,978 |
| Borrowings | 492,506 | 1,160,965 | 1,120,098 | 1,658,712 | 4,943,931 | 5,157,410 | 1,012,805 | – | 15,546,427 |
| Subordinated obligations | 143,439 | – | – | 2,300,000 | 5,400,000 | 3,000,000 | – | – | 10,843,439 |
| Capital securities | 16,770 | – | – | – | 1,560,000 | – | – | – | 1,576,770 |
| Total liabilities | 242,832,947 | 103,939,243 | 49,426,508 | 56,743,925 | 21,291,923 | 10,011,836 | 25,019,191 | 1,836,755 | 511,102,328 |
| Net liquidity gap | (164,371,353) | (33,551,394) | (20,970,709) | (28,790,528) | 72,635,078 | 59,497,890 | 149,274,779 | 44,814,042 | 78,537,805 |

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

2. Contractual maturity of total assets and liabilities (cont'd.)

The tables below analyse assets and liabilities (inclusive of non-financial instruments) of the Group and of the Bank in the relevant maturity tenors based on remaining contractual maturities as at 31 December 2024 and 31 December 2023 (cont'd.).

These disclosures are made in accordance with the requirement of Policy document on Financial Reporting issued by BNM (cont'd.):

| Bank 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | No-specific maturity RM'000 | Total RM'000 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and short-term funds | 20,060,300 | – | – | – | – | – | – | – | 20,060,300 |
| Deposits and placements with financial institutions | – | 24,587,237 | 2,685,043 | 117,792 | 249,039 | – | – | – | 27,639,111 |
| Financial assets purchased under resale agreements | 15,158,838 | 521,878 | – | – | – | – | – | – | 15,680,716 |
| Financial investments at fair value through profit or loss | 3,773,566 | 2,485,369 | 3,819,372 | 3,737,568 | 2,376,778 | 1,968,510 | 2,250,514 | 1,345,693 | 21,757,370 |
| Financial investments at fair value through other comprehensive income | 2,651,034 | 3,725,794 | 3,632,467 | 2,223,894 | 6,170,753 | 5,738,822 | 48,812,790 | 343,490 | 73,299,044 |
| Financial investments at amortised cost | 497,428 | 3,382,891 | 3,952,289 | 4,717,257 | 13,177,578 | 12,271,790 | 27,739,132 | 227 | 65,738,592 |
| Loans, advances and financing to financial institutions | 11,986,956 | 11,129,416 | 2,724 | 5,892,156 | 875,510 | 7,508,525 | 5,908,344 | – | 43,303,631 |
| Loans, advances and financing to customers | 30,573,846 | 20,729,270 | 8,180,228 | 14,440,444 | 46,495,768 | 36,242,878 | 78,360,422 | – | 235,022,856 |
| Derivative assets | 652,726 | 1,164,491 | 493,445 | 1,046,350 | 2,751,821 | 2,038,789 | 13,329,139 | – | 21,476,761 |
| Other assets | 826,192 | 67,717 | 379 | – | 2,790 | 567 | 33 | 5,360,427 | 6,258,105 |
| Statutory deposits with central banks | – | – | – | – | – | – | – | 4,691,146 | 4,691,146 |
| Investment in subsidiaries | – | – | – | – | – | – | – | 34,486,241 | 34,486,241 |
| Interest in associates and joint venture | – | – | – | – | – | – | – | 438,859 | 438,859 |
| Property, plant and equipment | – | – | – | – | – | – | – | 868,825 | 868,825 |
| Right-of-use assets | – | – | – | – | – | – | – | 519,635 | 519,635 |
| Intangible assets | – | – | – | – | – | – | – | 543,296 | 543,296 |
| Deferred tax assets | – | – | – | – | – | – | – | 83,505 | 83,505 |
| Total assets | 86,180,886 | 67,794,063 | 22,765,947 | 32,175,461 | 72,100,037 | 65,769,881 | 176,400,374 | 48,681,344 | 571,867,993 |
| Liabilities | | | | | | | | | |
| Deposits from customers | 162,968,937 | 61,893,884 | 31,513,989 | 37,037,252 | 6,091,918 | 170,159 | – | – | 299,676,139 |
| Deposits and placements from financial institutions | 26,477,308 | 23,054,545 | 2,539,114 | 1,611,704 | 4,539,112 | – | – | – | 58,221,783 |
| Obligations on financial assets sold under repurchase agreements | 48,649,626 | 7,220,423 | 1,282,794 | – | – | – | – | – | 57,152,843 |
| Derivative liabilities | 1,160,410 | 1,493,510 | 1,057,738 | 905,116 | 3,118,314 | 1,654,119 | 15,164,966 | – | 24,554,173 |
| Financial liabilities at fair value through profit or loss | 5,597 | – | 40,108 | 18,310 | 158,650 | 101,791 | 8,442,107 | – | 8,766,563 |
| Bills and acceptances payable | 442,399 | – | 448 | – | – | – | – | – | 442,847 |
| Other liabilities | 6,554,040 | 188,352 | 219,074 | 80,222 | 103,175 | 143,594 | 350,058 | 1,539,551 | 9,178,066 |
| Borrowings | 1,716,587 | 1,189,811 | 1,593,206 | 5,802,547 | 6,525,491 | 4,592,265 | 1,365,162 | – | 22,785,069 |
| Subordinated obligations | 2,131,248 | – | – | – | 7,000,000 | 700,000 | – | – | 9,831,248 |
| Capital securities | 29,802 | – | – | 1,240,000 | 1,560,000 | – | – | – | 2,829,802 |
| Total liabilities | 250,135,954 | 95,040,525 | 38,246,471 | 46,695,151 | 29,096,660 | 7,361,928 | 25,322,293 | 1,539,551 | 493,438,533 |
| Net liquidity gap | (163,955,068) | (27,246,462) | (15,480,524) | (14,519,690) | 43,003,377 | 58,407,953 | 151,078,081 | 47,141,793 | 78,429,460 |



Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

3. Contractual maturity of financial liabilities on an undiscounted basis

The tables below analyse the cash flows payable by the Group and the Bank under non-derivative financial liabilities by remaining contractual maturities as at 31 December 2024 and 31 December 2023. The amounts disclosed in the tables will not agree to the carrying amounts reported in the statements of financial position as the amounts incorporated all contractual cash flows, on an undiscounted basis, relating to both principal and interest/profit analysis. The Group and the Bank manage inherent liquidity risk based on discounted expected cash flows.

| Group 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------|
| Non-derivative liabilities | | | | | | | | |
| Deposits from customers | 405,603,386 | 133,171,082 | 106,769,702 | 69,108,848 | 3,911,137 | 140,294 | 684,366 | 719,388,815 |
| Investment accounts of customers | 26,176,699 | 571,960 | 982,553 | 1,296,920 | 11,531 | 1,665 | – | 29,041,328 |
| Deposits and placements from financial institutions | 6,682,115 | 14,759,890 | 8,540,964 | 12,667,923 | 5,764,688 | 326,251 | 398,256 | 49,140,087 |
| Obligations on financial assets sold under repurchase agreements | 22,112,172 | 10,706,773 | 38,054 | – | – | – | – | 32,856,999 |
| Financial liabilities at fair value through profit or loss | – | 32,717 | 165,800 | 119,358 | 3,546,119 | 931,284 | 12,194,891 | 16,990,169 |
| Bills and acceptances payable | 1,747,449 | 404 | 23 | 29,933 | 24 | – | 6,571 | 1,784,404 |
| Insurance contract/takaful certificate liabilities | 45,921,995 | – | – | 180,341 | – | – | – | 46,101,758 |
| Reinsurance contract/retakaful certificate liabilities | 14,852 | – | – | 12,211 | – | – | – | 27,063 |
| Other liabilities | 12,946,014 | 3,172,462 | 1,055,708 | 3,253,901 | 5,750,491 | 1,187,595 | 1,539,042 | 28,905,220 |
| Borrowings | 4,614,878 | 2,942,479 | 2,418,308 | 2,018,614 | 10,122,497 | 5,256,959 | 1,331,596 | 28,705,331 |
| Subordinated obligations | 143,440 | 248,460 | 18,769 | 2,402,476 | 5,639,700 | 3,121,791 | 328,363 | 11,902,998 |
| Capital securities | 587,212 | 1,434 | – | 18,771 | 1,816,395 | – | – | 2,423,812 |
| | 526,550,212 | 165,607,661 | 119,989,881 | 91,109,296 | 36,562,582 | 10,965,839 | 16,483,085 | 967,268,563 |
| Commitments and contingencies | | | | | | | | |
| Direct credit substitutes | 990,956 | 2,193,413 | 1,778,263 | 4,773,058 | 1,263,253 | 266,402 | 211,494 | 11,476,839 |
| Certain transaction-related contingent items | 1,480,916 | 1,024,806 | 2,313,080 | 3,666,881 | 5,511,978 | 2,103,997 | 1,021,904 | 17,123,562 |
| Short-term self-liquidating trade-related contingencies | 1,872,722 | 3,791,586 | 705,969 | 95,778 | 56,828 | – | – | 6,522,883 |
| Irrevocable commitments to extend credit | 100,337,544 | 8,212,711 | 9,571,305 | 59,343,045 | 34,573,462 | 30,212,581 | 6,224,890 | 248,475,538 |
| Miscellaneous | 8,956,781 | 1,955,877 | 1,595,947 | 1,377,565 | 202,206 | 65,675 | – | 14,154,051 |
| | 113,638,919 | 17,178,393 | 15,964,564 | 69,256,327 | 41,607,727 | 32,648,655 | 7,458,288 | 297,752,873 |

| Group 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------|
| Non-derivative liabilities | | | | | | | | |
| Deposits from customers | 401,497,286 | 115,084,699 | 84,643,336 | 75,306,904 | 4,407,825 | 6,036,453 | 366,863 | 687,343,366 |
| Investment accounts of customers | 23,590,473 | 664,793 | 1,087,922 | 1,154,552 | 31,370 | 3,902 | – | 26,533,012 |
| Deposits and placements from financial institutions | 12,223,433 | 24,887,909 | 2,805,502 | 5,720,220 | 990,426 | 254,222 | 536,031 | 47,417,743 |
| Obligations on financial assets sold under repurchase agreements | 29,577,461 | 7,246,644 | 1,284,827 | – | – | – | – | 38,108,932 |
| Financial liabilities at fair value through profit or loss | 5,500 | – | 40,000 | 18,200 | 157,020 | 101,950 | 12,449,957 | 12,772,627 |
| Bills and acceptances payable | 1,131,129 | – | 448 | 1,720 | – | – | 79 | 1,133,376 |
| Insurance contract/takaful certificate liabilities | 44,294,980 | – | – | 202,283 | – | – | – | 44,497,263 |
| Reinsurance contract/retakaful certificate liabilities | 53,611 | – | – | 29,390 | – | – | – | 83,001 |
| Other liabilities | 8,604,359 | 1,321,973 | 2,169,612 | 7,130,136 | 5,335,551 | 1,663,613 | 1,343,563 | 27,568,807 |
| Borrowings | 3,863,179 | 3,782,063 | 2,725,750 | 9,449,450 | 5,863,196 | 5,195,385 | 1,648,318 | 32,527,341 |
| Subordinated obligations | 2,046,934 | 1,295 | 1,267 | 62,189 | 7,953,438 | 786,859 | 435,820 | 11,287,802 |
| Capital securities | – | – | – | 1,290,869 | 1,753,635 | – | – | 3,044,504 |
| | 526,888,345 | 152,989,376 | 94,758,664 | 100,365,913 | 26,492,461 | 14,042,384 | 16,780,631 | 932,317,774 |
| Commitments and contingencies | | | | | | | | |
| Direct credit substitutes | 3,097,932 | 3,173,257 | 1,452,232 | 3,487,157 | 868,447 | 159,317 | 352,262 | 12,590,604 |
| Certain transaction-related contingent items | 1,657,725 | 930,277 | 2,353,503 | 4,287,706 | 5,452,418 | 1,599,177 | 775,079 | 17,055,885 |
| Short-term self-liquidating trade-related contingencies | 1,274,350 | 2,960,030 | 259,908 | 32,829 | – | – | – | 4,527,117 |
| Irrevocable commitments to extend credit | 110,175,025 | 5,717,776 | 713,115 | 42,975,045 | 30,672,222 | 21,508,579 | 11,588,176 | 223,349,938 |
| Miscellaneous | 8,822,717 | 2,637,167 | 761,696 | 1,595,370 | 199,518 | 52,242 | 118,056 | 14,186,766 |
| | 125,027,749 | 15,418,507 | 5,540,454 | 52,378,107 | 37,192,605 | 23,319,315 | 12,833,573 | 271,710,310 |

Notes to the Financial Statements

31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

3. Contractual maturity of financial liabilities on an undiscounted basis (cont'd.)

The tables below analyse the cash flows payable by the Group and the Bank under non-derivative financial liabilities by remaining contractual maturities as at 31 December 2024 and 31 December 2023. The amounts disclosed in the tables will not agree to the carrying amounts reported in the statements of financial position as the amounts incorporated all contractual cash flows, on an undiscounted basis, relating to both principal and interest/profit analysis. The Group and the Bank manage inherent liquidity risk based on discounted expected cash flows (cont'd.).

| Bank 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------|
| Non-derivative liabilities | | | | | | | | |
| Deposits from customers | 187,101,359 | 57,709,247 | 34,382,624 | 32,138,599 | 810,638 | 58,498 | 658,965 | 312,859,930 |
| Deposits and placements from financial institutions | 24,130,358 | 14,384,684 | 13,575,791 | 20,262,012 | 5,523,017 | 82,027 | 290,249 | 78,248,138 |
| Obligations on financial assets sold under repurchase agreements | 18,016,158 | 28,925,908 | 38,054 | – | – | – | – | 46,980,120 |
| Financial liabilities at fair value through profit or loss | – | – | 24,900 | 34,600 | 175,910 | 96,770 | 12,124,397 | 12,456,577 |
| Bills and acceptances payable | 466,170 | – | – | – | – | – | – | 466,170 |
| Other liabilities | 2,118,088 | 3,060,342 | 758,035 | 1,334,731 | 5,204,196 | 763,927 | 470,470 | 13,709,789 |
| Borrowings | 71,797 | 1,160,966 | 1,122,647 | 1,672,545 | 5,029,466 | 5,157,410 | 1,012,805 | 15,227,636 |
| Subordinated obligations | 143,439 | 218,304 | 18,769 | 2,371,820 | 5,518,077 | 3,000,000 | – | 11,270,409 |
| Capital securities | 16,770 | – | – | – | 1,560,000 | – | – | 1,576,770 |
| | 232,064,139 | 105,459,451 | 49,920,820 | 57,814,307 | 23,821,304 | 9,158,632 | 14,556,886 | 492,795,539 |
| Commitments and contingencies | | | | | | | | |
| Direct credit substitutes | 625,567 | 2,059,488 | 1,063,101 | 2,933,817 | 704,513 | 54,038 | 8,725 | 7,449,249 |
| Certain transaction-related contingent items | 1,091,255 | 685,025 | 1,760,217 | 2,464,508 | 3,314,641 | 1,653,103 | 724,949 | 11,693,698 |
| Short-term self-liquidating trade-related contingencies | 967,844 | 3,212,335 | 685,785 | 88,731 | – | – | – | 4,954,695 |
| Irrevocable commitments to extend credit | 77,883,044 | 7,301,034 | 8,546,257 | 12,928,322 | 16,422,250 | 26,815,832 | 848,936 | 150,745,675 |
| Miscellaneous | 5,625,131 | 1,947,249 | 1,591,978 | 1,545,121 | 8,938 | – | – | 10,718,417 |
| | 86,192,841 | 15,205,131 | 13,647,338 | 19,960,499 | 20,450,342 | 28,522,973 | 1,582,610 | 185,561,734 |

| Bank 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|--|----------------------------|-----------------------------|-----------------------------|----------------------------------|----------------------------|----------------------------|---------------------------|-----------------|
| Non-derivative liabilities | | | | | | | | |
| Deposits from customers | 182,987,283 | 56,473,540 | 28,430,932 | 32,331,306 | 1,231,070 | 62,656 | 240,069 | 301,756,856 |
| Deposits and placements from financial institutions | 26,977,198 | 24,265,811 | 2,618,972 | 5,210,019 | 1,064,144 | 53,500 | 336,890 | 60,526,534 |
| Obligations on financial assets sold under repurchase agreements | 48,657,596 | 7,246,644 | 1,284,827 | – | – | – | – | 57,189,067 |
| Financial liabilities at fair value through profit or loss | 5,500 | – | 40,000 | 18,200 | 157,020 | 101,950 | 12,449,957 | 12,772,627 |
| Bills and acceptances payable | 442,399 | – | 448 | – | – | – | – | 442,847 |
| Other liabilities | 425,609 | 1,099,579 | 1,584,694 | 878,702 | 2,960,643 | 1,253,239 | 1,619,813 | 9,822,279 |
| Borrowings | 1,411,237 | 1,393,954 | 1,742,516 | 6,132,663 | 6,761,634 | 4,903,680 | 1,648,318 | 23,994,002 |
| Subordinated obligations | 2,046,934 | – | – | – | 7,641,385 | 786,859 | – | 10,475,178 |
| Capital securities | – | – | – | 1,290,869 | 1,753,635 | – | – | 3,044,504 |
| | 262,953,756 | 90,479,528 | 35,702,389 | 45,861,759 | 21,569,531 | 7,161,884 | 16,295,047 | 480,023,894 |
| Commitments and contingencies | | | | | | | | |
| Direct credit substitutes | 2,175,261 | 3,025,304 | 647,010 | 2,040,631 | 581,743 | 48,314 | 487 | 8,518,750 |
| Certain transaction-related contingent items | 1,156,856 | 677,660 | 1,718,525 | 3,381,680 | 3,657,429 | 998,747 | 515,407 | 12,106,304 |
| Short-term self-liquidating trade-related contingencies | 867,311 | 2,411,746 | 236,826 | 26,954 | – | – | – | 3,542,837 |
| Irrevocable commitments to extend credit | 86,516,264 | 5,717,776 | 713,115 | 1,600,562 | 14,705,338 | 11,933,302 | 11,588,176 | 132,774,533 |
| Miscellaneous | 5,930,538 | 2,628,607 | 758,452 | 1,501,927 | – | – | 118,056 | 10,937,580 |
| | 96,646,230 | 14,461,093 | 4,073,928 | 8,551,754 | 18,944,510 | 12,980,363 | 12,222,126 | 167,880,004 |



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

3. Contractual maturity of financial liabilities on an undiscounted basis (cont'd.)

The tables below analyse the Group's and the Bank's derivative financial liabilities that will be settled on a net basis into relevant maturity groupings by remaining contractual maturities as at 31 December 2024 and 31 December 2023. The amounts disclosed in the tables are the contractual undiscounted cash flows.

| Group 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|---|-------------------------------------|---|---|--|--|--|------------------------------------|-------------------------|
| Net settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| – Foreign exchange related contracts | 698,250 | (353,616) | 85,119 | 2,326,730 | (2,922,946) | (30,321) | (388) | (197,172) |
| – Interest rate related contracts | (146,170) | (371,073) | (327,031) | (827,392) | (2,188,179) | (2,115,073) | (12,780,052) | (18,754,970) |
| – Equity related contracts | 23,669 | – | – | – | 832 | – | – | 24,501 |
| Hedging derivatives | | | | | | | | |
| – Interest rate related contracts | – | (15,392) | – | – | – | – | – | (15,392) |
| | 575,749 | (740,081) | (241,912) | 1,499,338 | (5,110,293) | (2,145,394) | (12,780,440) | (18,943,033) |
| Gross settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (43,289,060) | (43,965,671) | (23,972,922) | (16,999,274) | (15,006,597) | (6,108,837) | (3,346,527) | (152,688,888) |
| – Inflow | 41,898,157 | 43,025,240 | 23,408,216 | 14,127,668 | 14,512,383 | 5,684,593 | 3,255,054 | 145,911,311 |
| Hedging derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (146,441) | (2,588,814) | (880,877) | (353,361) | (1,015,655) | (1,160,090) | (507,999) | (6,653,237) |
| – Inflow | 128,280 | 2,196,676 | 802,509 | 293,032 | 751,927 | 920,229 | 339,510 | 5,432,163 |
| | (1,409,064) | (1,332,569) | (643,074) | (2,931,935) | (757,942) | (664,105) | (259,962) | (7,998,651) |
| Group 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
| Net settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| – Foreign exchange related contracts | (58,810) | 31,243 | (77,923) | (117,979) | (195,872) | – | – | (419,341) |
| – Interest rate related contracts | (140,637) | (510,796) | (612,182) | (795,950) | (2,251,168) | (1,611,867) | (10,233,669) | (16,156,269) |
| – Equity related contracts | 5,349 | – | – | – | – | – | 5,144 | 10,493 |
| – Credit related contracts | 912 | (399) | (104) | (28,919) | 2,049 | 77 | 64 | (26,320) |
| Hedging derivatives | | | | | | | | |
| – Interest rate related contracts | – | (6,696) | – | – | – | – | – | (6,696) |
| | (193,186) | (486,648) | (690,209) | (942,848) | (2,444,991) | (1,611,790) | (10,228,461) | (16,598,133) |
| Gross settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (169,943,556) | (103,534,396) | (67,265,264) | (49,442,506) | (13,075,425) | (3,899,302) | (2,029,390) | (409,189,839) |
| – Inflow | 174,549,107 | 104,629,007 | 66,581,110 | 48,994,366 | 12,339,432 | 3,554,213 | 1,991,423 | 412,638,658 |
| Hedging derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (26,660) | (87,618) | (1,403,635) | (990,117) | (3,611,050) | (720,305) | (907,044) | (7,746,429) |
| – Inflow | 7,610 | 19,361 | 1,292,383 | 836,315 | 3,130,811 | 628,878 | 738,787 | 6,654,145 |
| | 4,586,501 | 1,026,354 | (795,406) | (601,942) | (1,216,232) | (436,516) | (206,224) | 2,356,535 |

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53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(g) Liquidity risk management (cont'd.)

3. Contractual maturity of financial liabilities on an undiscounted basis (cont'd.)

The tables below analyse the Group's and the Bank's derivative financial liabilities that will be settled on a net basis into relevant maturity groupings by remaining contractual maturities as at 31 December 2024 and 31 December 2023. The amounts disclosed in the tables are the contractual undiscounted cash flows. (cont'd.).

| Bank 2024 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
|---|-------------------------------------|---|---|--|--|--|------------------------------------|-------------------------|
| Net settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| – Foreign exchange related contracts | 698,250 | (353,616) | 85,119 | (55,457) | (2,922,946) | (30,321) | (388) | (2,579,359) |
| – Interest rate related contracts | (146,170) | (371,073) | (327,031) | (827,392) | (2,222,109) | (2,115,073) | (12,780,052) | (18,788,900) |
| – Equity related contracts | – | – | – | – | 679 | – | – | 679 |
| Hedging derivatives | | | | | | | | |
| – Interest rate related contracts | – | (15,392) | – | – | – | – | – | (15,392) |
| | 552,080 | (740,081) | (241,912) | (882,849) | (5,144,376) | (2,145,394) | (12,780,440) | (21,382,972) |
| Gross settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (39,951,985) | (44,829,586) | (23,467,468) | (14,486,992) | (5,913,733) | (2,454,574) | (1,733,279) | (132,837,617) |
| – Inflow | 38,640,395 | 43,807,626 | 22,989,445 | 14,214,829 | 5,413,054 | 2,027,849 | 1,643,280 | 128,736,478 |
| Hedging derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (146,441) | (2,588,814) | (880,877) | (353,361) | (1,015,655) | (1,160,090) | (508,000) | (6,653,238) |
| – Inflow | 128,280 | 2,196,676 | 802,509 | 293,032 | 751,927 | 920,229 | 339,510 | 5,432,163 |
| | (1,329,751) | (1,414,098) | (556,391) | (332,492) | (764,407) | (666,586) | (258,489) | (5,322,214) |
| Bank 2023 | Up to 1 month RM'000 | >1 to 3 months RM'000 | >3 to 6 months RM'000 | >6 months to 1 year RM'000 | >1 to 3 years RM'000 | >3 to 5 years RM'000 | Over 5 years RM'000 | Total RM'000 |
| Net settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| – Foreign exchange related contracts | (58,810) | 31,243 | (77,923) | (124,831) | (195,872) | – | – | (426,193) |
| – Interest rate related contracts | (140,654) | (510,755) | (612,115) | (796,087) | (2,322,319) | (1,611,987) | (10,232,339) | (16,226,256) |
| – Equity related contracts | 729 | – | – | – | – | – | 5,144 | 5,873 |
| – Credit related contracts | 912 | (399) | (104) | (28,919) | 2,049 | 77 | 64 | (26,320) |
| Hedging derivatives | | | | | | | | |
| – Interest rate related contracts | – | (6,696) | – | – | – | – | – | (6,696) |
| | (197,823) | (486,607) | (690,142) | (949,837) | (2,516,142) | (1,611,910) | (10,227,131) | (16,679,592) |
| Gross settled derivatives | | | | | | | | |
| Derivative financial liabilities | | | | | | | | |
| Trading derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (165,451,681) | (104,371,872) | (67,318,639) | (48,004,941) | (10,230,766) | (3,465,689) | (2,107,684) | (400,951,272) |
| – Inflow | 170,101,523 | 105,549,857 | 66,689,137 | 47,823,798 | 9,378,402 | 3,125,194 | 2,063,975 | 404,731,886 |
| Hedging derivatives | | | | | | | | |
| Derivatives: | | | | | | | | |
| – Outflow | (26,660) | (87,618) | (1,403,635) | (990,117) | (3,611,050) | (720,305) | (907,044) | (7,746,429) |
| – Inflow | 7,610 | 19,361 | 1,292,383 | 836,315 | 3,130,811 | 628,878 | 738,787 | 6,654,145 |
| | 4,630,792 | 1,109,728 | (740,754) | (334,945) | (1,332,603) | (431,922) | (211,966) | 2,688,330 |



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31 December 2024

53. FINANCIAL RISK MANAGEMENT POLICIES (CONT'D.)

(h) Non-financial risk management

Non-financial risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk, but excludes strategic and reputational risk. In Maybank, the management of operational risk has evolved to encompass a wider range of non-financial risks such as business continuity risk and outsourcing risk.

The Group's Non-Financial Risk ("NFR") management is grounded on a well-established risk strategy that includes a clearly articulated risk appetite that reflects the Group's acceptable level of tolerance for non-financial risks. A strong risk governance framework, based on the three lines of defense, along with a resilient risk culture, is essential for effectively managing non-financial risk within the Group. Additional details on the risk governance model and risk culture are available in the Group Risk section of the Corporate Book.

To enhance the management of non-financial risk, risk methodologies and tools are implemented and embedded into processes, supporting businesses from the initial discovery of an incident through to its resolution. The risk methodologies and tools work together to form an effective process for identifying, assessing, measuring, controlling, monitoring, and reporting non-financial risk exposures in a timely manner, aiming to minimize financial loss and reputational damage. An integrated risk management system for non-financial risks serves as the foundation for implementing the methodologies and tools.

The Group currently applies the Basic Indicator Approach ("BIA") to calculate the minimum capital requirement for operational risk. Effective January 2025, all banking institutions in Malaysia are required to adopt the Standardised Approach ("SA") under the BNM Capital Adequacy Framework (Operational Risk).

(i) Environment, social and governance risk management

Environment, social and governance risks ("ESG risks") are potential losses arising from the failure to address the Group's environmental, social and corporate governance concerns, which would then adversely impact the sustainability of business operations or the value of assets and liabilities or reputation.

Recognising the strategic importance of sustainability, the Group has in place the Maybank Group ESG Risk Management Framework ("ESGRMF") which provides guidance on management of ESG risks across the operations and business activities. The ESGRMF is applicable to all entities within the Group, and all activities that the Group undertakes, including financing, deposit taking, insurance/takaful, asset management, investment and advisory services.

The Group conducts impact assessment on ESG risks from the two following perspectives:

- (a) Inside-out: the environmental and societal impacts arising from the Group's business operations and service delivery; and
- (b) Outside-in: the impact of ESG events and conditions to the Group's business operations, service delivery portfolios as well as business continuity.

Although ESG events and conditions presents risks, the Group has introduced various initiatives to help mitigate and adapt to these risks to ensure that the business is resilient and better-positioned to meet stakeholder's needs and expectations over the long term.

In terms of products, services and advices, the Group intends to capitalise on new areas for business growth while supporting customers in the transition to a low-carbon economy, thus fulfilling the Group's commitment towards mobilising sustainable finance. On the other hand, in ensuring resource-efficient and climate-resilient operations, the Group strives towards achieving cost-savings, reducing our direct impact on climate change and protecting our business against the risks of climate change.

54. FAIR VALUE MEASUREMENTS

This disclosure provides information on fair value measurements for financial and non-financial assets and financial liabilities and is structured as follows:

- (a) Valuation principles;
- (b) Valuation techniques;
- (c) Fair value measurements and classifications within the fair value hierarchy;
- (d) Transfers between Level 1 and Level 2 in the fair value hierarchy;
- (e) Movements of Level 3 instruments;
- (f) Sensitivity of fair value measurements to changes in unobservable input assumptions; and
- (g) Financial instruments not measured at fair value.

(a) Valuation principles

Fair value is defined as the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants in the principal or most advantageous market as of the measurement date. The Group and the Bank determine the fair value by reference to quoted prices in active markets or by using valuation techniques based on observable inputs or unobservable inputs.

Management judgement is exercised in the selection and application of appropriate parameters, assumptions and modelling techniques where some or all of the parameter inputs are not observable in deriving fair value. The Group established a framework and policies that provide guidance concerning the practical considerations, principles and analytical approaches for the establishment of prudent valuation for financial instruments measured at fair value.

Valuation adjustment is also an integral part of the valuation process. Valuation adjustment is to reflect the uncertainty in valuations generally for products that are less standardised, less frequently traded and more complex in nature. In making a valuation adjustment, the Group and the Bank follow methodologies that consider factors such as bid-offer spread, unobservable prices/inputs in the market and uncertainties in the assumptions/parameters.

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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(a) Valuation principles (cont'd.)

The Group and the Bank continuously enhance their designs, validation methodologies and processes to ensure the valuations are reflective. The valuation models are validated both internally and externally, with periodic reviews to ensure the model remains suitable for their intended use.

For disclosure purposes, the level in the hierarchy within which the instruments are classified in its entirety is based on the lowest level input that is significant to the position's fair value measurements:

- Level 1: Quoted prices (unadjusted) in active markets for identical assets and liabilities**
 Refers to financial instruments which are regarded as quoted in an active market if quoted prices are readily and regularly available from an exchange, and those prices which represent actual and regularly occurring market transactions in an arm's length basis. Such financial instruments include actively traded government securities, listed derivatives and cash products traded on exchange.
- Level 2: Valuation techniques for which all significant inputs are, or are based on, observable market data**
 Refers to inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices). Examples of Level 2 financial instruments include over-the-counter ("OTC") derivatives, corporate and other government bonds, illiquid equities and consumer loans and financing with homogeneous or similar features in the market.
- Level 3: Valuation techniques for which significant inputs are not based on observable market data**
 Refers to instruments where fair value is measured using significant unobservable inputs. The valuation techniques used are consistent with Level 2 but incorporate the Group's and the Bank's own assumptions and data. Examples of Level 3 instruments include corporate bonds in illiquid markets, private equity investments and loans and financing priced primarily based on internal credit assessment.

(b) Valuation techniques

The valuation techniques used for the financial and non-financial assets and financial liabilities that are not determined by reference to quoted prices (Level 1) are described below:

Derivatives

The fair values of the Group's and the Bank's derivative instruments are derived using discounted cash flow analysis, option pricing and benchmarking models.

Financial assets designated upon initial recognition at fair value through profit or loss, financial investments at fair value through profit or loss and financial investments at fair value through other comprehensive income

The fair values of these financial assets/financial investments are determined by reference to prices quoted by independent data providers and independent brokers. Fair values for unquoted equity securities held for socioeconomic reasons (classified as Level 3) are determined based on the net tangible assets of the companies.

Loans, advances and financing at fair value through profit or loss and at fair value through other comprehensive income

The fair values are estimated based on expected future cash flows of contractual instalment payments, discounted at applicable and prevailing rates at reporting date offered for similar facilities to new borrowers with similar credit profiles.

Financial liabilities at fair value through profit or loss

The fair values of financial liabilities designated at fair value through profit or loss were derived using discounted cash flows.

Investment properties

The fair values of investment properties are determined by an accredited independent valuer using a variety of approaches such as comparison method and income capitalisation approach. Under the comparison method, fair value is estimated by considering the selling price per square foot of comparable investment properties sold adjusted for location, quality and finishes of the building, design and size of the building, title conditions, market trends and time factor. Income capitalisation approach considers the capitalisation of net income of the investment properties such as the gross rental less current maintenance expenses and outgoings. This process may consider the relationships including yield and discount rates.



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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(c) Fair value measurements and classifications within the fair value hierarchy

The classification in the fair value hierarchy of the Group's and of the Bank's financial and non-financial assets and financial liabilities measured at fair value is summarised in the table below:

| Group 2024 | Quoted market price (Level 1) RM'000 | Valuation technique using | | Total RM'000 |
|---|---|---|---|-----------------|
| | | Observable inputs (Level 2) RM'000 | Unobservable inputs (Level 3) RM'000 | |
| Non-financial assets measured at fair value: | | | | |
| Investment properties | – | – | 1,038,657 | 1,038,657 |
| Financial assets measured at fair value: | | | | |
| Financial assets designated upon initial recognition at fair value through profit or loss | 28,240 | 12,905,094 | – | 12,933,334 |
| Money market instruments | – | 996,018 | – | 996,018 |
| Quoted securities | 28,240 | – | – | 28,240 |
| Unquoted securities | – | 11,909,076 | – | 11,909,076 |
| Financial investments at fair value through profit or loss | 14,634,985 | 17,634,130 | 1,005,425 | 33,274,540 |
| Money market instruments | – | 11,506,001 | – | 11,506,001 |
| Quoted securities | 14,634,985 | – | – | 14,634,985 |
| Unquoted securities | – | 6,128,129 | 1,005,425 | 7,133,554 |
| Financial investments at fair value through other comprehensive income | 6,709,806 | 121,104,718 | 362,880 | 128,177,404 |
| Money market instruments | – | 64,845,688 | – | 64,845,688 |
| Quoted securities | 6,709,806 | – | – | 6,709,806 |
| Unquoted securities | – | 56,259,030 | 362,880 | 56,621,910 |
| Loans, advances and financing at fair value through other comprehensive income | – | – | 32,016,786 | 32,016,786 |
| Derivative assets | – | 22,613,612 | 803,968 | 23,417,580 |
| Foreign exchange related contracts | – | 7,670,066 | – | 7,670,066 |
| Interest rate related contracts | – | 17,783,970 | – | 17,783,970 |
| Equity and commodity related contracts | – | 409,731 | 803,968 | 1,213,699 |
| Credit related contracts | – | 1,305 | – | 1,305 |
| Netting effects under MFRS 132 Amendments | – | (3,251,460) | – | (3,251,460) |
| | 21,373,031 | 174,257,554 | 34,189,059 | 229,819,644 |
| Financial liabilities measured at fair value: | | | | |
| Financial liabilities at fair value through profit or loss | – | 11,943,454 | – | 11,943,454 |
| Structured deposits | – | 4,846,081 | – | 4,846,081 |
| Borrowings | – | 7,097,373 | – | 7,097,373 |
| Derivative liabilities | – | 26,690,509 | 803,968 | 27,494,477 |
| Foreign exchange related contracts | – | 7,731,538 | – | 7,731,538 |
| Interest rate related contracts | – | 21,602,131 | – | 21,602,131 |
| Equity and commodity related contracts | – | 608,044 | 803,968 | 1,412,012 |
| Credit related contracts | – | 256 | – | 256 |
| Netting effects under MFRS 132 Amendments | – | (3,251,460) | – | (3,251,460) |
| | – | 38,633,963 | 803,968 | 39,437,931 |

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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(c) Fair value measurements and classifications within the fair value hierarchy (cont'd.)

The classification in the fair value hierarchy of the Group's and of the Bank's financial and non-financial assets and financial liabilities measured at fair value is summarised in the table below (cont'd.):

| Group 2023 | Quoted market price (Level 1) RM'000 | Valuation technique using | | Total RM'000 |
|---|---|---|---|-----------------|
| | | Observable inputs (Level 2) RM'000 | Unobservable inputs (Level 3) RM'000 | |
| Non-financial assets measured at fair value: | | | | |
| Investment properties | – | – | 1,019,958 | 1,019,958 |
| Financial assets measured at fair value: | | | | |
| Financial assets designated upon initial recognition at fair value through profit or loss | 18,681 | 13,360,108 | – | 13,378,789 |
| Money market instruments | – | 1,094,093 | – | 1,094,093 |
| Quoted securities | 18,681 | – | – | 18,681 |
| Unquoted securities | – | 12,266,015 | – | 12,266,015 |
| Financial investments at fair value through profit or loss | 10,899,622 | 24,166,950 | 903,628 | 35,970,200 |
| Money market instruments | – | 16,781,295 | – | 16,781,295 |
| Quoted securities | 10,899,622 | – | – | 10,899,622 |
| Unquoted securities | – | 7,385,655 | 903,628 | 8,289,283 |
| Financial investments at fair value through other comprehensive income | 6,999,520 | 124,640,831 | 541,784 | 132,182,135 |
| Money market instruments | – | 73,397,558 | – | 73,397,558 |
| Quoted securities | 6,999,520 | – | – | 6,999,520 |
| Unquoted securities | – | 51,243,273 | 541,784 | 51,785,057 |
| Loans, advances and financing at fair value through other comprehensive income | – | – | 34,974,217 | 34,974,217 |
| Derivative assets | – | 21,243,457 | 404,097 | 21,647,554 |
| Foreign exchange related contracts | – | 6,284,702 | – | 6,284,702 |
| Interest rate related contracts | – | 17,933,795 | – | 17,933,795 |
| Equity and commodity related contracts | – | 195,937 | 404,097 | 600,034 |
| Credit related contracts | – | 1,698 | – | 1,698 |
| Netting effects under MFRS 132 Amendments | – | (3,172,675) | – | (3,172,675) |
| | 17,917,823 | 183,411,346 | 36,823,726 | 238,152,895 |
| Financial liabilities measured at fair value: | | | | |
| Financial liabilities at fair value through profit or loss | – | 8,766,563 | – | 8,766,563 |
| Structured deposits | – | 322,871 | – | 322,871 |
| Borrowings | – | 8,443,692 | – | 8,443,692 |
| Derivative liabilities | – | 24,678,858 | 404,097 | 25,082,955 |
| Foreign exchange related contracts | – | 8,030,457 | – | 8,030,457 |
| Interest rate related contracts | – | 19,413,159 | – | 19,413,159 |
| Equity and commodity related contracts | – | 407,142 | 404,097 | 811,239 |
| Credit related contracts | – | 775 | – | 775 |
| Netting effects under MFRS 132 Amendments | – | (3,172,675) | – | (3,172,675) |
| | – | 33,445,421 | 404,097 | 33,849,518 |



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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(c) Fair value measurements and classifications within the fair value hierarchy (cont'd.)

The classification in the fair value hierarchy of the Group's and of the Bank's financial and non-financial assets and financial liabilities measured at fair value is summarised in the table below (cont'd.):

| | Quoted market price (Level 1) RM'000 | Valuation technique using | | Total RM'000 |
|---|---|---|---|--------------------|
| | | Observable inputs (Level 2) RM'000 | Unobservable inputs (Level 3) RM'000 | |
| Bank 2024 | | | | |
| Financial assets measured at fair value: | | | | |
| Financial investments at fair value through profit or loss | 2,296,449 | 12,324,734 | 783,340 | 15,404,523 |
| Money market instruments | – | 9,492,419 | – | 9,492,419 |
| Quoted securities | 2,296,449 | – | – | 2,296,449 |
| Unquoted securities | – | 2,832,315 | 783,340 | 3,615,655 |
| Financial investments at fair value through other comprehensive income | 447 | 68,569,734 | 357,022 | 68,927,203 |
| Money market instruments | – | 31,786,657 | – | 31,786,657 |
| Quoted securities | 447 | – | – | 447 |
| Unquoted securities | – | 36,783,077 | 357,022 | 37,140,099 |
| Loans, advances and financing at fair value through other comprehensive income | – | – | 34,662,051 | 34,662,051 |
| Derivative assets | – | 22,527,810 | 803,968 | 23,331,778 |
| Foreign exchange related contracts | – | 7,611,469 | – | 7,611,469 |
| Interest rate related contracts | – | 17,869,589 | – | 17,869,589 |
| Equity and commodity related contracts | – | 251,533 | 803,968 | 1,055,501 |
| Credit related contracts | – | 1,305 | – | 1,305 |
| Netting effects under MFRS 132 Amendments | – | (3,206,086) | – | (3,206,086) |
| | 2,296,896 | 103,422,278 | 36,606,381 | 142,325,555 |
| Financial liabilities measured at fair value: | | | | |
| Financial liabilities at fair value through profit or loss | – | 7,429,042 | – | 7,429,042 |
| Structured deposits | – | 331,669 | – | 331,669 |
| Borrowings | – | 7,097,373 | – | 7,097,373 |
| Derivative liabilities | – | 26,180,512 | 803,968 | 26,984,480 |
| Foreign exchange related contracts | – | 7,620,708 | – | 7,620,708 |
| Interest rate related contracts | – | 21,640,537 | – | 21,640,537 |
| Equity and commodity related contracts | – | 125,097 | 803,968 | 929,065 |
| Credit related contracts | – | 256 | – | 256 |
| Netting effects under MFRS 132 Amendments | – | (3,206,086) | – | (3,206,086) |
| | – | 33,609,554 | 803,968 | 34,413,522 |

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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(c) Fair value measurements and classifications within the fair value hierarchy (cont'd.)

The classification in the fair value hierarchy of the Group's and of the Bank's financial and non-financial assets and financial liabilities measured at fair value is summarised in the table below (cont'd.):

| | Quoted market price (Level 1) RM'000 | Valuation technique using | | Total RM'000 |
|---|---|---|---|-----------------|
| | | Observable inputs (Level 2) RM'000 | Unobservable inputs (Level 3) RM'000 | |
| Bank 2023 | | | | |
| Financial assets measured at fair value: | | | | |
| Financial investments at fair value through profit or loss | 612,438 | 20,411,607 | 733,325 | 21,757,370 |
| Money market instruments | – | 15,046,240 | – | 15,046,240 |
| Quoted securities | 612,438 | – | – | 612,438 |
| Unquoted securities | – | 5,365,367 | 733,325 | 6,098,692 |
| Financial investments at fair value through other comprehensive income | 340 | 72,764,141 | 534,563 | 73,299,044 |
| Money market instruments | – | 40,536,947 | – | 40,536,947 |
| Quoted securities | 340 | – | – | 340 |
| Unquoted securities | – | 32,227,194 | 534,563 | 32,761,757 |
| Loans, advances and financing at fair value through other comprehensive income | – | – | 35,311,779 | 35,311,779 |
| Derivative assets | – | 21,072,664 | 404,097 | 21,476,761 |
| Foreign exchange related contracts | – | 6,196,190 | – | 6,196,190 |
| Interest rate related contracts | – | 17,959,004 | – | 17,959,004 |
| Equity and commodity related contracts | – | 9,626 | 404,097 | 413,723 |
| Credit related contracts | – | 1,698 | – | 1,698 |
| Netting effects under MFRS 132 Amendments | – | (3,093,854) | – | (3,093,854) |
| | 612,778 | 114,248,412 | 36,983,764 | 151,844,954 |
| Financial liabilities measured at fair value: | | | | |
| Financial liabilities at fair value through profit or loss | – | 8,766,563 | – | 8,766,563 |
| Structured deposits | – | 322,871 | – | 322,871 |
| Borrowings | – | 8,443,692 | – | 8,443,692 |
| Derivative liabilities | – | 24,150,076 | 404,097 | 24,554,173 |
| Foreign exchange related contracts | – | 7,822,656 | – | 7,822,656 |
| Interest rate related contracts | – | 19,419,684 | – | 19,419,684 |
| Equity and commodity related contracts | – | 815 | 404,097 | 404,912 |
| Credit related contracts | – | 775 | – | 775 |
| Netting effects under MFRS 132 Amendments | – | (3,093,854) | – | (3,093,854) |
| | – | 32,916,639 | 404,097 | 33,320,736 |



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31 December 2024

54. FAIR VALUE MEASUREMENTS (CONT'D.)

(d) Transfers between Level 1 and Level 2 in the fair value hierarchy

The accounting policy for determining when transfers between levels of the fair value hierarchy occurred is disclosed in Note 2.3(xxii). There were no transfers between Level 1 and Level 2 for the Group and the Bank during the financial year ended 31 December 2024.

(e) Movements of Level 3 instruments

The following tables present additional information about Level 3 financial assets and financial liabilities measured at fair value on a recurring basis:

| Group As at 31 December 2024 | At 1 January 2024 RM'000 | Other gains/ (losses) recognised in income statements* RM'000 | Unrealised gains/ (losses) recognised in income statements# RM'000 | Unrealised (losses)/ gains recognised in other comprehensive income RM'000 | Purchases/ Issuances/ Additions RM'000 | Sales RM'000 | Settlements RM'000 | Exchange differences RM'000 | At 31 December 2024 RM'000 |
|---|-----------------------------------|---|--|---|---|-----------------|-----------------------|-----------------------------------|-------------------------------------|
| Financial investments at fair value through profit or loss | | | | | | | | | |
| Unquoted securities | 903,628 | - | 101,821 | - | - | - | - | (24) | 1,005,425 |
| Financial investments at fair value through other comprehensive income | | | | | | | | | |
| Unquoted securities | 541,784 | 2,993 | - | (180,508) | - | - | (1,250) | (139) | 362,880 |
| Loans, advances and financing at fair value through other comprehensive income | | | | | | | | | |
| | 34,974,217 | - | - | 266,308 | 10,090,991 | - | (11,781,683) | (1,533,047) | 32,016,786 |
| Derivative assets | | | | | | | | | |
| Equity and commodity related contracts | 404,097 | 125,398 | (4,450) | - | 217,530 | 61,393 | - | - | 803,968 |
| Total Level 3 financial assets | 36,823,726 | 128,391 | 97,371 | 85,800 | 10,308,521 | 61,393 | (11,782,933) | (1,533,210) | 34,189,059 |
| Derivative liabilities | | | | | | | | | |
| Equity and commodity related contracts | (404,097) | (136,275) | 4,450 | - | (217,530) | (50,516) | - | - | (803,968) |
| Total Level 3 financial liabilities | (404,097) | (136,275) | 4,450 | - | (217,530) | (50,516) | - | - | (803,968) |
| Total net Level 3 financial assets/ (liabilities) | 36,419,629 | (7,884) | 101,821 | 85,800 | 10,090,991 | 10,877 | (11,782,933) | (1,533,210) | 33,385,091 |

* Included within 'Other operating income', 'Writeback of/(allowances for) impairment losses on financial investments, net' and 'Income from Islamic Banking Scheme operations'.

Included within 'Other operating income' and 'Income from Islamic Banking Scheme operations'.

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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(e) Movements of Level 3 instruments (cont'd.)

The following tables present additional information about Level 3 financial assets and financial liabilities measured at fair value on a recurring basis (cont'd.):

| Group As at 31 December 2023 | At 1 January 2023 RM'000 | Other (losses)/ gains recognised in income statements* | Unrealised gains/ (losses) recognised in income statements# | Unrealised gains recognised in other comprehensive income RM'000 | Purchases/ Issuances/ Additions RM'000 | Sales RM'000 | Settlements RM'000 | Exchange differences RM'000 | At 31 December 2023 RM'000 |
|---|-----------------------------------|---|--|--|---|------------------|-----------------------|-----------------------------------|-------------------------------------|
| Financial investments at fair value through profit or loss | | | | | | | | | |
| Unquoted securities | 882,222 | – | 21,388 | – | – | – | – | 18 | 903,628 |
| Financial investments at fair value through other comprehensive income | | | | | | | | | |
| Unquoted securities | 406,133 | (1,744) | – | 137,299 | – | – | – | 96 | 541,784 |
| Loans, advances and financing at fair value through profit or loss | | | | | | | | | |
| | 1,668 | – | – | – | – | – | (1,624) | (44) | – |
| Loans, advances and financing at fair value through other comprehensive income | | | | | | | | | |
| | 30,016,341 | – | – | 161,966 | 13,582,998 | – | (10,188,991) | 1,401,903 | 34,974,217 |
| Derivative assets | | | | | | | | | |
| Equity and commodity related contracts | 440,179 | 336,576 | (82,310) | – | 269,942 | (560,290) | – | – | 404,097 |
| Total Level 3 financial assets | 31,746,543 | 334,832 | (60,922) | 299,265 | 13,852,940 | (560,290) | (10,190,615) | 1,401,973 | 36,823,726 |
| Derivative liabilities | | | | | | | | | |
| Equity and commodity related contracts | (440,179) | (344,576) | 83,052 | – | (269,942) | 567,548 | – | – | (404,097) |
| Total Level 3 financial liabilities | (440,179) | (344,576) | 83,052 | – | (269,942) | 567,548 | – | – | (404,097) |
| Total net Level 3 financial assets/ (liabilities) | 31,306,364 | (9,744) | 22,130 | 299,265 | 13,582,998 | 7,258 | (10,190,615) | 1,401,973 | 36,419,629 |

* Included within 'Other operating income', 'Writeback of/(allowances for) impairment losses on financial investments, net' and 'Income from Islamic Banking Scheme operations'.

Included within 'Other operating income' and 'Income from Islamic Banking Scheme operations'.



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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(e) Movements of Level 3 instruments (cont'd.)

The following tables present additional information about Level 3 financial assets and financial liabilities measured at fair value on a recurring basis (cont'd.):

| Bank As at 31 December 2024 | At 1 January 2024 RM'000 | Other gains/ (losses) recognised in income statements* | Unrealised gains/ (losses) recognised in income statements# | Unrealised (losses)/ gains recognised in other comprehensive income RM'000 | Purchases/ Issuances/ Additions RM'000 | Sales RM'000 | Settlements RM'000 | Exchange differences RM'000 | At 31 December 2024 RM'000 |
|---|-----------------------------------|---|--|---|---|-----------------|-----------------------|-----------------------------------|-------------------------------------|
| Financial investments at fair value through profit or loss | | | | | | | | | |
| Unquoted securities | 733,325 | - | 50,015 | - | - | - | - | - | 783,340 |
| Financial investments at fair value through other comprehensive income | | | | | | | | | |
| Unquoted securities | 534,563 | 2,993 | - | (180,534) | - | - | - | - | 357,022 |
| Loans, advances and financing at fair value through other comprehensive income | | | | | | | | | |
| | 35,311,779 | - | - | 141,244 | 12,028,633 | - | (11,288,774) | (1,530,831) | 34,662,051 |
| Derivative assets | | | | | | | | | |
| Equity and commodity related contracts | 404,097 | 125,398 | (4,450) | - | 217,530 | 61,393 | - | - | 803,968 |
| Total Level 3 financial assets | 36,983,764 | 128,391 | 45,565 | (39,290) | 12,246,163 | 61,393 | (11,288,774) | (1,530,831) | 36,606,381 |
| Derivative liabilities | | | | | | | | | |
| Equity and commodity related contracts | (404,097) | (136,275) | 4,450 | - | (217,530) | (50,516) | - | - | (803,968) |
| Total Level 3 financial liabilities | (404,097) | (136,275) | 4,450 | - | (217,530) | (50,516) | - | - | (803,968) |
| Total net Level 3 financial assets/ (liabilities) | 36,579,667 | (7,884) | 50,015 | (39,290) | 12,028,633 | 10,877 | (11,288,774) | (1,530,831) | 35,802,413 |

* Included within 'Other operating income' and 'Writeback of/(allowances for) impairment losses on financial investments, net'.

Included within 'Other operating income'.

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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(e) Movements of Level 3 instruments (cont'd.)

The following tables present additional information about Level 3 financial assets and financial liabilities measured at fair value on a recurring basis (cont'd.):

| Bank As at 31 December 2023 | At 1 January 2023 RM'000 | Other (losses)/ gains recognised in income statements* | Unrealised gains/ (losses) recognised in income statements# | Unrealised gains recognised in other comprehensive income RM'000 | Purchases/ Issuances/ Additions RM'000 | Sales RM'000 | Settlements RM'000 | Exchange differences RM'000 | At 31 December 2023 RM'000 |
|---|-----------------------------------|---|--|--|---|-----------------|-----------------------|-----------------------------------|-------------------------------------|
| Financial investments at fair value through profit or loss | | | | | | | | | |
| Unquoted securities | 715,908 | – | 17,417 | – | – | – | – | – | 733,325 |
| Financial investments at fair value through other comprehensive income | | | | | | | | | |
| Unquoted securities | 398,128 | (826) | – | 137,261 | – | – | – | – | 534,563 |
| Loans, advances and financing at fair value through profit or loss | 1,668 | – | – | – | – | – | (1,624) | (44) | – |
| Loans, advances and financing at fair value through other comprehensive income | 26,855,119 | – | – | 85,763 | 14,567,569 | – | (7,593,493) | 1,396,821 | 35,311,779 |
| Derivative assets | | | | | | | | | |
| Equity and commodity related contracts | 440,179 | 336,576 | (82,310) | – | 269,942 | (560,290) | – | – | 404,097 |
| Total Level 3 financial assets | 28,411,002 | 335,750 | (64,893) | 223,024 | 14,837,511 | (560,290) | (7,595,117) | 1,396,777 | 36,983,764 |
| Derivative liabilities | | | | | | | | | |
| Equity and commodity related contracts | (440,179) | (344,576) | 83,052 | – | (269,942) | 567,548 | – | – | (404,097) |
| Total Level 3 financial liabilities | (440,179) | (344,576) | 83,052 | – | (269,942) | 567,548 | – | – | (404,097) |
| Total net Level 3 financial assets/(liabilities) | 27,970,823 | (8,826) | 18,159 | 223,024 | 14,567,569 | 7,258 | (7,595,117) | 1,396,777 | 36,579,667 |

* Included within 'Other operating income' and 'Writeback of/(allowances for) impairment losses on financial investments, net'.

Included within 'Other operating income'.

There were no transfers into or out of Level 3 for the Group and the Bank during the financial year ended 31 December 2024.

(f) Sensitivity of fair value measurements to changes in unobservable input assumptions

Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets and financial liabilities in Level 3 of the fair value hierarchy.

Recent sale transactions transacted in the real estate market would result in a significant change of estimated fair value for investment properties.



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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(g) Financial instruments not measured at fair value

The on-balance sheet financial assets and financial liabilities of the Group and of the Bank whose fair values are required to be disclosed in accordance with MFRS 132 comprise of all their assets and liabilities with the exception of investments in subsidiaries, interest in associates and joint ventures, property, plant and equipment and provision for current and deferred taxation.

For loans, advances and financing to customers, where such market prices are not available, various methodologies have been used to estimate the approximate fair values of such instruments. These methodologies are significantly affected by the assumptions used and judgements made regarding risk characteristics of various financial instruments, discount rates, estimates of future cash flows, future expected loss experience and other factors. Changes in the assumptions could significantly affect these estimates and the resulting fair value estimates. Therefore, for a significant portion of the Group's and of the Bank's financial instruments, including loans, advances and financing to customers, their respective fair value estimates do not purport to represent, nor should they be construed to represent, the amounts that the Group and the Bank could realise in a sale transaction as at the reporting date. The fair value information presented herein should also in no way be construed as representative of the underlying value of the Group and of the Bank as a going concern.

The estimated fair values of those on-balance sheet financial assets and financial liabilities as at the reporting date approximate their carrying amounts as shown in the statement of financial position, except for the financial assets and financial liabilities as disclosed below.

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with carrying amount shown in the statement of financial position:

| Group | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total fair value RM'000 | Carrying amount RM'000 |
|---|-------------------|-------------------|-------------------|-------------------------------|------------------------------|
| 2024 | | | | | |
| Financial assets | | | | | |
| Deposits and placements with financial institutions | – | 22,275,032 | – | 22,275,032 | 22,275,032 |
| Financial investments at amortised cost | – | 74,699,857 | 1,737,392 | 76,437,249 | 79,377,492 |
| Loans, advances and financing to financial institutions | – | – | 1,889,877 | 1,889,877 | 1,886,064 |
| Loans, advances and financing to customers | – | 243,398,669 | 425,840,731 | 669,239,400 | 630,871,235 |
| Financial liabilities | | | | | |
| Customers' funding: | | | | | |
| – Deposits from customers | – | 715,072,236 | – | 715,072,236 | 712,915,459 |
| – Investment accounts of customers [^] | – | 28,981,821 | – | 28,981,821 | 28,981,847 |
| Deposits and placements from financial institutions | – | 47,128,513 | – | 47,128,513 | 47,051,220 |
| Borrowings | – | 16,850,768 | 11,609,245 | 28,460,013 | 28,260,101 |
| Subordinated obligations | – | 10,973,022 | – | 10,973,022 | 11,157,808 |
| Capital securities | – | 1,560,437 | – | 1,560,437 | 1,576,770 |
| 2023 | | | | | |
| Financial assets | | | | | |
| Deposits and placements with financial institutions | – | 13,471,607 | – | 13,471,607 | 13,471,607 |
| Financial investments at amortised cost | – | 79,189,192 | 1,568,301 | 80,757,493 | 84,384,398 |
| Loans, advances and financing to financial institutions | – | – | 1,373,712 | 1,373,712 | 1,367,084 |
| Loans, advances and financing to customers | – | 235,839,263 | 391,407,031 | 627,246,294 | 594,080,737 |
| Financial liabilities | | | | | |
| Customers' funding: | | | | | |
| – Deposits from customers | – | 672,701,591 | – | 672,701,591 | 670,359,336 |
| – Investment accounts of customers [^] | – | 26,475,437 | – | 26,475,437 | 26,475,396 |
| Deposits and placements from financial institutions | – | 44,735,667 | – | 44,735,667 | 44,676,892 |
| Borrowings | – | 28,120,250 | 7,049,544 | 35,169,794 | 31,037,570 |
| Subordinated obligations | – | 9,911,323 | – | 9,911,323 | 10,145,549 |
| Capital securities | – | 2,797,669 | – | 2,797,669 | 2,829,802 |

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(g) Financial instruments not measured at fair value (cont'd.)

The table below analyses financial instruments not carried at fair value for which fair value is disclosed, together with carrying amount shown in the statement of financial position (cont'd.):

| Bank | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total fair value RM'000 | Carrying amount RM'000 |
|---|-------------------|-------------------|-------------------|-------------------------------|------------------------------|
| 2024 | | | | | |
| Financial assets | | | | | |
| Deposits and placements with financial institutions | – | 38,309,616 | – | 38,309,616 | 38,309,616 |
| Financial investments at amortised cost | – | 62,189,956 | – | 62,189,956 | 64,681,307 |
| Loans, advances and financing to financial institutions | – | – | 47,871,426 | 47,871,426 | 47,867,612 |
| Loans, advances and financing to customers | – | 127,166,896 | 80,756,195 | 207,923,091 | 199,265,566 |
| Financial liabilities | | | | | |
| Deposits from customers | – | 311,974,764 | – | 311,974,764 | 310,608,986 |
| Deposits and placements from financial institutions | – | 77,108,272 | – | 77,108,272 | 76,999,224 |
| Borrowings | – | 15,818,286 | – | 15,818,286 | 15,546,427 |
| Subordinated obligations | – | 10,658,654 | – | 10,658,654 | 10,843,439 |
| Capital securities | – | 1,560,437 | – | 1,560,437 | 1,576,770 |
| 2023 | | | | | |
| Financial assets | | | | | |
| Deposits and placements with financial institutions | – | 27,639,111 | – | 27,639,111 | 27,639,111 |
| Financial investments at amortised cost | – | 62,848,677 | – | 62,848,677 | 65,738,592 |
| Loans, advances and financing to financial institutions | – | – | 42,957,303 | 42,957,303 | 42,950,675 |
| Loans, advances and financing to customers | – | 129,951,460 | 88,271,066 | 218,222,526 | 200,064,033 |
| Financial liabilities | | | | | |
| Deposits from customers | – | 300,506,656 | – | 300,506,656 | 299,676,139 |
| Deposits and placements from financial institutions | – | 58,315,154 | – | 58,315,154 | 58,221,783 |
| Borrowings | – | 26,859,140 | – | 26,859,140 | 22,785,069 |
| Subordinated obligations | – | 9,597,022 | – | 9,597,022 | 9,831,248 |
| Capital securities | – | 2,797,669 | – | 2,797,669 | 2,829,802 |

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments:

(i) Financial investments at amortised cost

Fair values of securities that are actively traded is determined by quoted bid prices. For non-actively traded securities, independent broker quotations are obtained. Fair values of equity securities are estimated using a number of methods, including earnings multiples and discounted cash flows analysis. Where discounted cash flows technique is used, the estimated future cash flows are discounted using applicable prevailing market or indicative rates of similar instruments at the reporting date.

(ii) Loans, advances and financing

The fair values of variable rate loans are estimated to approximate their carrying amount. For fixed rate loans and Islamic financing, the fair values are estimated based on expected future cash flows of contractual instalment payments, discounted at applicable and prevailing rates at reporting date offered for similar facilities to new borrowers with similar credit profiles. In respect of impaired loans, the fair values are deemed to approximate the carrying amount which are net of impairment allowances.



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54. FAIR VALUE MEASUREMENTS (CONT'D.)

(g) Financial instruments not measured at fair value (cont'd.)

The following methods and assumptions are used to estimate the fair values of the following classes of financial instruments (cont'd.):

(iii) Deposits from customers, deposits and placements with/from financial institutions and investment accounts of customers

The fair values of deposits payable on demand and deposits and placements with maturities of less than one year approximate their carrying amount due to the relatively short maturity of these instruments. The fair values of fixed deposits and placements with remaining maturities of more than one year are estimated based on discounted cash flows using applicable rates currently offered for deposits and placements with similar remaining maturities.

(iv) Borrowings, subordinated obligations and capital securities

The fair values of borrowings, subordinated obligations and capital securities are estimated by discounting the expected future cash flows using the applicable prevailing interest rates for similar instruments as at reporting date.

55. OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Financial assets and financial liabilities are offset and the net amounts are reported in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

Amounts which are not offset in the statement of financial position are related to:

- (i) The counterparties' offsetting exposures with the Group and the Bank where the right to set-off is only enforceable in the event of default, insolvency or bankruptcy of the counterparties; and
- (ii) Cash and securities that are received from or pledged with counterparties.

Financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements are as follows:

| Group | Gross amount of recognised financial assets/ financial liabilities RM'000 | Gross amount offset in the statement of financial position RM'000 | Amount presented in the statement of financial position RM'000 | Amount not offset in the statement of financial position | | Net amount RM'000 |
|---|---|---|--|--|---|-------------------|
| | | | | Financial instruments RM'000 | Financial collateral received/ pledged RM'000 | |
| 2024 | | | | | | |
| Financial assets | | | | | | |
| Derivative assets | 26,669,040 | (3,251,460) | 23,417,580 | (15,633,653) | (3,926,356) | 3,857,571 |
| Other assets: | | | | | | |
| Amount due from brokers and clients (Note 15) | 14,213,106 | (12,130,051) | 2,083,055 | – | – | 2,083,055 |
| Financial liabilities | | | | | | |
| Derivative liabilities | 30,745,937 | (3,251,460) | 27,494,477 | (15,633,653) | (1,142,943) | 10,717,881 |
| Other liabilities: | | | | | | |
| Amount due to brokers and clients (Note 26) | 16,725,108 | (12,130,051) | 4,595,057 | – | – | 4,595,057 |
| 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative assets | 24,820,229 | (3,172,675) | 21,647,554 | (14,985,727) | (4,516,715) | 2,145,112 |
| Other assets: | | | | | | |
| Amount due from brokers and clients (Note 15) | 14,671,905 | (12,266,142) | 2,405,763 | – | – | 2,405,763 |
| Financial liabilities | | | | | | |
| Derivative liabilities | 28,255,630 | (3,172,675) | 25,082,955 | (14,985,727) | (1,301,226) | 8,796,002 |
| Other liabilities: | | | | | | |
| Amount due to brokers and clients (Note 26) | 17,269,449 | (12,266,142) | 5,003,307 | – | – | 5,003,307 |

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55. OFFSETTING OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES (CONT'D.)

Financial assets and financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements are as follows (cont'd.):

| | Gross amount of recognised financial assets/ financial liabilities RM'000 | Gross amount offset in the statement of financial position RM'000 | Amount presented in the statement of financial position RM'000 | Amount not offset in the statement of financial position | | Net amount RM'000 |
|------------------------------|---|---|--|--|---|-------------------|
| | | | | Financial instruments RM'000 | Financial collateral received/ pledged RM'000 | |
| Bank | | | | | | |
| 2024 | | | | | | |
| Financial assets | | | | | | |
| Derivative assets | 26,537,864 | (3,206,086) | 23,331,778 | (15,550,037) | (4,148,656) | 3,633,085 |
| Financial liabilities | | | | | | |
| Derivative liabilities | 30,190,566 | (3,206,086) | 26,984,480 | (15,550,037) | (1,142,943) | 10,291,500 |
| 2023 | | | | | | |
| Financial assets | | | | | | |
| Derivative assets | 24,570,615 | (3,093,854) | 21,476,761 | (14,958,726) | (4,277,214) | 2,240,821 |
| Financial liabilities | | | | | | |
| Derivative liabilities | 27,648,027 | (3,093,854) | 24,554,173 | (14,958,726) | (1,420,086) | 8,175,361 |

56. CAPITAL AND OTHER COMMITMENTS

Capital expenditure approved by directors but not provided for in the financial statements amounting to:

| | Group | | Bank | |
|---------------------------------|-------------|-------------|-------------|-------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Approved and contracted for | 635,284 | 455,292 | 213,247 | 34,571 |
| Approved but not contracted for | 707,090 | 536,146 | 190,390 | 179,820 |
| | 1,342,374 | 991,438 | 403,637 | 214,391 |

57. CAPITAL MANAGEMENT

The Group's approach to capital management is driven by its strategic objectives and takes into account all relevant regulatory, economic and commercial environments in which the Group operates. The Group regards having a strong capital position as essential to the Group's business strategy and competitive position. As such, the Board and senior management take into account implications on the Group's capital position prior to implementing major business decisions in order to preserve the Group's overall capital strength.

Effective capital management is fundamental to the sustainability of the Group. The Group proactively manages its capital to meet the expectations of key stakeholders such as regulators, shareholders, investors, rating agencies and analysts whilst ensuring that the returns on capital commensurate with risks undertaken by respective business units. The objectives are to:

- Maintain capital ratios at levels sufficiently above the regulatory minimum requirements;
- Support the Group's strong credit ratings from local and international rating agencies;
- Deploy capital efficiently to businesses and optimise returns on capital;
- Remain flexible to capitalise on future opportunities; and
- Build and invest in businesses, even in a stressed environment.



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31 December 2024

57. CAPITAL MANAGEMENT (CONT'D.)

The quality and composition of capital are key factors in the Board and senior management's evaluation of the Group's capital adequacy position. The Group places strong emphasis on the quality of its capital and, accordingly, holds a significant amount of its capital in the form of common equity which is permanent and has the highest loss absorption capability on a going concern basis.

The Group's capital management is guided by the Group Capital Management Framework to ensure that capital is managed on an integrated approach and ensure a strong and flexible financial position to manage through economic cycles across the Group.

The Group's capital management is also supplemented by the Group Annual Capital and Funding Plan to facilitate efficient capital levels and utilisation across the Group. The plan is updated on an annual basis covering at least a three-year horizon and reviewed and approved by the Board for implementation at the beginning of each financial year in order to keep abreast with the latest developments on capital management and also to ensure effective and timely execution of the plans contained therein.

Pursuant to Bank Negara Malaysia's ("BNM") Capital Adequacy Framework (Capital Components) ("Framework") issued on 14 June 2024, all financial institutions shall hold and maintain at all times, the minimum Common Equity Tier 1 Ratio of 4.5%, Tier 1 Ratio of 6.0%, and Total Capital Ratio of 8.0%. The Framework also provides guidance on additional capital buffer requirements which comprise Capital Conservation Buffer of 2.5% of total RWA and Countercyclical Capital Buffer ranging between 0% - 2.5% of total RWA.

Pursuant to BNM's policy document on Domestic Systemically Important Banks ("D-SIB") Framework and identified Maybank as one of the banks categorised as a D-SIB. Under the D-SIB framework, Maybank is categorised under Bucket 2 of the Higher Loss Absorbency ("HLA") requirements wherein Maybank is required to maintain an additional Common Equity Tier 1 Ratio of 1.0% on top of the regulatory minimum with effect from 31 January 2021.

In the Group's pursuit of an efficient and healthy capital position, the Group had established a recurrent and optional Dividend Reinvestment Plan ("DRP") that allows the shareholders of the Group to reinvest electable portions of their dividends into new ordinary shares in the Bank. The DRP is part of the Group's strategy to preserve equity capital to meet the regulatory requirement as well as to grow its business whilst providing healthy dividend income to shareholders. The Group did not implement any DRP during the financial year.

58. INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS ("ICAAP")

(a) General

The Group's overall capital adequacy in relation to its risk profile is assessed through a process articulated in the Maybank Group ICAAP Policy ("ICAAP Policy"). The ICAAP Policy is designed to ensure that adequate levels of capital, including capital buffers, are held to support the Group's current and projected demand for capital under existing and stressed conditions. Regular ICAAP reports are submitted to the Group Executive Risk and Compliance

Committee ("GERCC"), Risk Management Committee ("RMC") and Board on quarterly basis for comprehensive review of all material risks faced by the Group and assessment of the adequacy of capital to support them. The ICAAP closely integrates the risk and capital planning and management processes.

Since March 2013, the Group has prepared a Board-approved ICAAP document to fulfil the requirements under the BNM Pillar 2 guideline, which came into effect on 31 March 2013. The document includes an overview of ICAAP, current and projected financial and capital position, ICAAP governance, risk assessment models and processes, risk appetite and capital management, stress testing and capital planning and the use of ICAAP. Annually, the Group submits an update of the material changes made to the document to BNM.

Supplementing the ICAAP reports is the Group Capital and Funding Plan, which is updated on an annual basis, where the internal capital targets are set and reviewed, among others as part of a sound capital management.

(b) Comprehensive risk assessment under ICAAP Policy

Under the Group's ICAAP methodology, the following risk types are identified and measured:

- Risks captured under Pillar 1 (credit risk, market risk, operational risk and large exposures risk requirement ("LERR"));
- Risks not covered or fully captured under Pillar 1 e.g. credit concentration risk, interest rate risk/rate of return risk (both banking and trading book), model risk, regulatory ASB add-on, liquidity risk, business and strategic risk, reputational risk, regulatory risk, profitability risk, country risk, compliance risk, Shariah non-compliance risk, cyber risk, Information Technology risk, information risk, conduct risk, data quality risk, workforce risk, and ESG risk amongst others; and
- External factors, including changes in economic environment (i.e. emerging risk, regulations and accounting rules).

Material risks are defined as "risks which would materially impact the financial performance (profitability), capital adequacy, asset quality and/or reputation of the Group should the risk occur".

In the ICAAP Policy, the Material Risk Assessment Process ("MRAP") is designed to identify key risks from the Group's Risk Universe. Annually, a group-wide risk landscape survey is carried out as part of a robust risk management approach to identify and prioritise the key risks based on potential impact of the risks on earnings and capital faced by the Group. The survey results provide a synthesis of perceptions of current and future market outlook, based on perspectives of the key stakeholders across retail, commercial, investment banking and insurance operations across the Group's major entities. In addition, the outcomes of the survey assist in identifying the major risk scenarios over the near future.

Risks deemed "material" are reported to the GERCC and RMC via the ICAAP report. For each material risk identified, the Group will ensure appropriate risk mitigation is in place to address these key risks, which include regular risk monitoring through Group Chief Risk Officer letter reporting, stress testing, risk mitigation, capital planning and crisis management strategies.

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58. INTERNAL CAPITAL ADEQUACY ASSESSMENT PROCESS ("ICAAP") (CONT'D.)

(c) Assessment of Pillar 1 and Pillar 2 risks

In line with industry best practices, the Group quantifies its risks using methodologies that have been reasonably tested and determined to be fit-for-purpose.

Where risks may not be easily quantified due to lack of commonly accepted risk measurement techniques, expert judgement is used to determine the size and materiality of risk. The Group has also incorporated trending analysis (based on historical information) and forward-looking element to strengthen the Pillar 2 scorecard assessment. The Group's ICAAP would then focus on the qualitative controls in managing such material non-quantifiable risks. These qualitative measures include the following:

- Adequate governance process;
- Adequate systems, procedures and internal controls;
- Effective risk mitigation strategies; and
- Regular monitoring and reporting.

(d) Regular and robust stress testing

The Group's stress testing programme is embedded within the risk and capital management process of the Group and is a key function of the capital and business planning processes. The programme serves as a forward-looking risk and capital management tool to understand the risk profile under exceptional but plausible and worst case scenarios. Such scenarios may arise mainly from economic, political and/or environmental factors.

Under Maybank Group Stress Testing Policy, the potential unfavourable effects of stressed scenarios on the Group's profitability, asset quality, risk-weighted assets, capital adequacy, liquidity and ability to comply with the risk appetites set, are considered.

Specifically, the stress test programme is designed to:

- Highlight the dynamics of stress events and their potential implications on the Group's trading and banking book exposures, liquidity positions and likely reputational impacts;
- Proactively identify key strategies to mitigate the effects of stress events;
- Produce stress results as inputs into the Group Capital and Funding Plan in determining capital adequacy and capital targets;
- Produce scenario analysis for the Group's recovery planning to evaluate overall recovery capacity, identify preferred recovery strategies and ultimately link to risk appetite setting; and
- Provide insights on risk return profile by entity and by line of business under stress.

There are several types of stress tests conducted across the Group:

- Group-wide stress tests – Developed hypothetical stress scenarios (typically an exceptional-but-plausible scenario and a worst-case scenario) that comply with regulatory requirements and approved by RMC, of which the stress test results are submitted to BNM on a half-yearly basis;

- Localised stress tests – Targeted scope stress tests undertaken at portfolio, branch/sector or entity levels based on scenarios relevant to specific localities;
- Ad-hoc stress tests – Stress tests conducted in response to emerging risk events;
- Reverse stress tests – Identification of a range of adverse scenarios which could threaten the viability of Maybank;
- Additional stress tests required by BNM – Ad-hoc regulatory stress tests (e.g. Industry-wide Stress Test, Overseas Operations Stress Test) as requested by BNM where the scenarios are pre-defined;
- Rapid exposure drills – Assessment of direct impact or potential contagion effect including upside and downside risks; and
- Scenario analysis for Maybank Group Recovery Plan – Requirements according to BNM's Recovery Planning.

Stress test themes reviewed by the Stress Test Working Group in the past 2-3 years include US Trade Policy Revamp Triggers Global Trade War, Escalated Geopolitical Tension and Growing Fragmentation, US Recession with China Slowdown, Global Recession & Debt Crisis, Stagflation & Aggressive Interest Rate Hikes, amongst others.

The Stress Test Working Group, which comprises of business, countries and risk management teams, tables the stress test reports to the senior management and Board Committees and discusses the results with the regulators on a regular basis.

59. CAPITAL ADEQUACY

(a) Compliance and application of capital adequacy ratios

The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's Capital Adequacy Framework (Capital Components) issued on 14 June 2024 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 18 December 2023. The total RWA are computed based on the following approaches:

- Credit risk under Internal Ratings-Based Approach and Standardised Approach;
- Market risk under Standardised Approach;
- Operational risk under Basic Indicator Approach; and
- Large exposure risk requirements.

On an entity level basis, the computation of capital adequacy ratios of the subsidiaries of the Group are as follows:

- For Maybank Islamic Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 14 June 2024 and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued on 18 December 2023. The total RWA are computed based on the following approaches:
 - Credit risk under Internal Ratings-Based Approach and Standardised Approach;



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59. CAPITAL ADEQUACY (CONT'D.)

(a) Compliance and application of capital adequacy ratios (cont'd.)

On an entity level basis, the computation of capital adequacy ratios of the subsidiaries of the Group are as follows (cont'd.):

- (i) For Maybank Islamic Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 14 June 2024 and Capital Adequacy Framework for Islamic Banks (Risk-Weighted Assets) issued on 18 December 2023. The total RWA are computed based on the following approaches (cont'd.):

- (B) Market risk under Standardised Approach;
- (C) Operational risk under Basic Indicator Approach; and
- (D) Large exposure risk requirements.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ended 31 December 2024 (2023: 4.5%, 6.0% and 8.0% of total RWA).

- (ii) For Maybank Investment Bank Berhad, the computation of capital adequacy ratios are based on BNM's Capital Adequacy Framework (Capital Components) issued on 14 June 2024 and Capital Adequacy Framework (Basel II - Risk-Weighted Assets) issued on 18 December 2023. The total RWA are computed based on the following approaches:

- (A) Credit risk under Standardised Approach;
- (B) Market risk under Standardised Approach;
- (C) Operational risk under Basic Indicator Approach; and
- (D) Large exposure risk requirements.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 4.5%, 6.0% and 8.0% of total RWA for the financial year ended 31 December 2024 (2023: 4.5%, 6.0% and 8.0% of total RWA).

- (iii) For PT Bank Maybank Indonesia Tbk, the computation of capital adequacy ratios are in accordance with local requirements, which is based on the Basel II capital accord. The total RWA are computed based on the following approaches:

- (A) Credit risk under Standardised Approach;
- (B) Market risk under Standardised Approach; and
- (C) Operational risk under Basic Indicator Approach.

The minimum regulatory capital adequacy requirement for

PT Bank Maybank Indonesia Tbk for the financial year ended 31 December 2024 is 9.0% up to less than 10.0% (2023: 9.0% up to less than 10.0%) of total RWA.

- (iv) For Maybank Singapore Limited, the computation of capital adequacy ratios are based on MAS Notice 637 dated 20 September 2023 (last revised on 25 November 2024) issued by the Monetary Authority of Singapore ("MAS"). The total RWA are computed based on the following approaches:

- (A) Credit risk under Internal Ratings-Based Approach and Standardised Approach;
- (B) Market risk under Standardised Approach;
- (C) Operational risk under Standardised Approach; and
- (D) Capital floor adjustment to RWA under MAS Notice 637.

The minimum regulatory capital adequacy requirements for CET1, Tier 1 and Total Capital are 6.5%, 8.0% and 10.0% of total RWA for the financial year ended 31 December 2024 (2023: 6.5%, 8.0% and 10.0% of total RWA).

(b) The capital adequacy ratios of the Group and of the Bank

With effect from 30 June 2013, the amount of declared dividend to be deducted in the calculation of CET1 Capital under a DRP shall be determined in accordance with BNM's Implementation Guidance on Capital Adequacy Framework (Capital Components) ("Implementation Guidance") issued on 8 May 2013. Under the said Implementation Guidance, where a portion of the dividend may be reinvested under a DRP (the electable portion), the amount of declared dividend to be deducted in the calculation of CET1 Capital may be reduced as follows:

- (i) where an irrevocable written undertaking from a shareholder has been obtained to reinvest the electable portion of the dividend; or
- (ii) where there is no irrevocable written undertaking provided, the average of the preceding 3-year take-up rates subject to the amount being not more than 50% of the total electable portion of the dividend.

In respect of the financial year ended 31 December 2024, the Bank has declared a single-tier second interim cash dividend of 32.0 sen per ordinary share subsequent to financial year end.

In arriving at the capital adequacy ratios for the financial year ended 31 December 2024, the single-tier second interim cash dividend has not been deducted from the calculation of CET1 Capital.

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59. CAPITAL ADEQUACY (CONT'D.)

(b) The capital adequacy ratios of the Group and of the Bank (cont'd.)

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

| | Group | | Bank | |
|----------------------|----------------|---------|----------------|---------|
| | 2024 | 2023 | 2024 | 2023 |
| CET1 Capital Ratio | 15.765% | 16.191% | 15.210% | 15.701% |
| Tier 1 Capital Ratio | 16.135% | 16.845% | 15.433% | 16.417% |
| Total Capital Ratio | 18.906% | 19.404% | 18.325% | 18.844% |

(c) Components of capital:

| | Group | | Bank | |
|---|---------------------|----------------|---------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| CET1 Capital | | | | |
| Share capital | 54,736,195 | 54,673,596 | 54,736,195 | 54,673,596 |
| Retained profits ¹ | 25,300,315 | 23,750,815 | 16,823,574 | 15,824,633 |
| Other reserves ¹ | 4,955,212 | 7,873,697 | 6,613,195 | 7,384,668 |
| Qualifying non-controlling interests | 132,424 | 122,620 | – | – |
| CET1 Capital before regulatory adjustments | 85,124,146 | 86,420,728 | 78,172,964 | 77,882,897 |
| Less: Regulatory adjustments applied on CET1 Capital | (14,736,937) | (15,038,723) | (40,040,772) | (38,398,518) |
| Deferred tax assets | (1,437,830) | (1,092,648) | (296,655) | (83,505) |
| Goodwill | (5,482,445) | (5,967,622) | (81,015) | (81,015) |
| Other intangibles | (1,343,316) | (1,224,188) | (583,588) | (462,281) |
| Gain on financial instruments classified as 'fair value through other comprehensive income' | (1,283,144) | (1,590,777) | (844,740) | (1,027,349) |
| Regulatory reserve | (2,846,576) | (2,473,192) | (2,230,452) | (1,829,556) |
| Investment in ordinary shares of unconsolidated financial and insurance/takaful entities ² | (2,343,626) | (2,690,296) | (36,004,322) | (34,914,812) |
| Total CET1 Capital | 70,387,209 | 71,382,005 | 38,132,192 | 39,484,379 |
| Additional Tier 1 Capital | | | | |
| Capital securities | 1,560,000 | 2,800,000 | 1,560,000 | 2,800,000 |
| Qualifying CET1 and Additional Tier 1 capital instruments held by third parties | 90,631 | 84,973 | – | – |
| Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities | – | – | (1,000,000) | (1,000,000) |
| Total Tier 1 Capital | 72,037,840 | 74,266,978 | 38,692,192 | 41,284,379 |
| Tier 2 Capital | | | | |
| Subordinated obligations | 10,700,000 | 9,700,000 | 10,700,000 | 9,700,000 |
| Qualifying CET1, Additional Tier 1 and Tier 2 capital instruments held by third parties | 41,659 | 39,623 | – | – |
| General provisions ³ | 384,405 | 378,234 | 128,082 | 110,946 |
| Surplus of total eligible provision over total expected loss | 1,934,821 | 1,857,137 | 1,108,726 | 1,092,736 |
| Less: Investment in capital instruments of unconsolidated financial and insurance/takaful entities | (691,000) | (691,000) | (4,687,714) | (4,799,793) |
| Total Tier 2 Capital | 12,369,885 | 11,283,994 | 7,249,094 | 6,103,889 |
| Total Capital | 84,407,725 | 85,550,972 | 45,941,286 | 47,388,268 |

¹ For the Group, the amount excludes retained profits and other reserves from insurance and takaful business. For the Bank, the amount includes retained profits and other reserves of Maybank International (L) Ltd.

² For the Bank, the regulatory adjustment includes cost of investment in subsidiaries and associates, except for: (i) Myfin Berhad as at 31 December 2024 of RM1 as its business, assets and liabilities have been transferred to the Bank and (ii) Maybank International (L) Ltd. of RM10,289,000 as its assets are included in the Bank's RWA. For the Group, the regulatory adjustment includes carrying amount of associates and investment in insurance and takaful entities.

³ Refers to loss allowances measured at an amount to 12-month and lifetime expected credit losses and regulatory reserve, to the extent they are ascribed to non-credit impaired exposures, determined under Standardised Approach for credit risk.

The capital adequacy ratios of the Group are derived from consolidated balances of the Bank and its subsidiaries, excluding the investments in insurance and takaful entities and associates.

The capital adequacy ratios of the Bank are derived from the Bank and its wholly-owned offshore banking subsidiary, Maybank International (L) Ltd., excluding the investments in subsidiaries and associates (except for Myfin Berhad and Maybank International (L) Ltd. as disclosed above).



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59. CAPITAL ADEQUACY (CONT'D.)

(d) The breakdown of RWA by each major risk categories for the Group and the Bank are as follows:

| | Group | | Bank | |
|---|----------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Standardised Approach exposure | 55,201,939 | 59,471,039 | 23,837,842 | 26,487,842 |
| Internal Ratings-Based Approach exposure after scaling factor | 322,470,214 | 309,522,834 | 184,787,630 | 182,122,733 |
| Total RWA for credit risk | 377,672,153 | 368,993,873 | 208,625,472 | 208,610,575 |
| Total RWA for market risk | 21,798,086 | 20,690,780 | 18,968,608 | 18,222,303 |
| Total RWA for operational risk | 46,137,958 | 50,280,489 | 22,250,109 | 23,836,121 |
| Large exposure risk RWA for equity holdings | 862,371 | 922,052 | 859,454 | 809,938 |
| Total RWA | 446,470,568 | 440,887,194 | 250,703,643 | 251,478,937 |

(e) The capital adequacy ratios and RWA of subsidiaries of the Bank are as follows:

(i) Capital adequacy ratios

| | Maybank Islamic Berhad | Maybank Investment Bank Berhad | PT Bank Maybank Indonesia Tbk | Maybank Singapore Limited |
|----------------------|------------------------------|--------------------------------------|-------------------------------------|---------------------------------|
| 2024 | | | | |
| CET1 Capital Ratio | 13.414% | 22.213% | – | 16.176% |
| Tier 1 Capital Ratio | 14.289% | 22.213% | – | 16.176% |
| Total Capital Ratio | 16.568% | 24.292% | 25.555% | 20.224% |
| 2023 | | | | |
| CET1 Capital Ratio | 14.303% | 24.024% | – | 14.466% |
| Tier 1 Capital Ratio | 15.300% | 24.024% | – | 14.466% |
| Total Capital Ratio | 17.824% | 26.158% | 27.744% | 18.263% |

(ii) The breakdown of RWA by each major risk categories of subsidiaries of the Bank are as follows:

| | Maybank Islamic Berhad RM'000 | Maybank Investment Bank Berhad RM'000 | PT Bank Maybank Indonesia Tbk RM'000 | Maybank Singapore Limited RM'000 |
|---|--|--|---|---|
| 2024 | | | | |
| Standardised Approach exposure | 3,375,976 | 782,128 | 28,265,876 | 9,831,611 |
| Internal Ratings-Based Approach exposure after scaling factor | 121,548,907 | – | – | 35,918,081 |
| Total RWA for credit risk | 124,924,883 | 782,128 | 28,265,876 | 45,749,692 |
| Total RWA for credit risk absorbed by Maybank and Investment Account Holders* | (24,473,794) | – | – | – |
| Total RWA for market risk | 1,150,850 | 659,127 | 1,554,555 | 169,245 |
| Total RWA for operational risk | 12,665,099 | 813,985 | 2,940,201 | 2,223,906 |
| Total RWA | 114,267,038 | 2,255,240 | 32,760,632 | 48,142,843 |
| 2023 | | | | |
| Standardised Approach exposure | 2,654,993 | 881,595 | 27,590,217 | 17,920,825 |
| Internal Ratings-Based Approach exposure after scaling factor | 101,660,571 | – | – | 33,159,590 |
| Credit valuation adjustment | – | – | – | 173,909 |
| Total RWA for credit risk | 104,315,564 | 881,595 | 27,590,217 | 51,254,324 |
| Total RWA for credit risk absorbed by Maybank and Investment Account Holders* | (17,268,203) | – | – | – |
| Total RWA for market risk | 1,035,378 | 463,255 | 1,105,143 | 120,820 |
| Total RWA for operational risk | 12,166,196 | 842,333 | 3,353,928 | 4,428,170 |
| Large exposure risk RWA for equity holdings | – | 112,114 | – | – |
| Total RWA | 100,248,935 | 2,299,297 | 32,049,288 | 55,803,314 |

* In accordance with the BNM Investment Account Policy document, the credit risk weighted assets funded by investment accounts (Unrestricted Investment Account and Restricted Investment Account) are excluded from the calculation of capital adequacy ratio of the Bank.

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60. SEGMENT INFORMATION

(i) By business segments

The Group's operating segments are Group Community Financial Services, Group Global Banking and Group Insurance and Takaful. The Group determines and presents operating segments based on information provided to the Board and senior management of the Group.

The Group is organised into three (3) operating segments based on services and products available within the Group as follows:

(a) Group Community Financial Services ("CFS")

(i) Consumer Banking

Consumer Banking comprises the full range of products and services offered to individuals in the region, which includes savings and fixed deposits, remittance services, current accounts, consumer loans such as housing loans and personal loans, hire purchases, unit trusts, bancassurance products and credit cards.

(ii) Small, Medium Enterprise ("SME") Banking

SME Banking comprises the full range of products and services offered to small and medium enterprises in the region. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(iii) Business Banking

Business Banking comprises the full range of products and services offered to commercial enterprises in the region. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services such as cash management and custodian services.

(b) Group Global Banking ("GB")

(i) Group Corporate Banking and Global Markets

Group Corporate Banking and Global Markets comprise of Corporate Banking and Global Markets businesses.

Corporate Banking comprises the full range of products and services offered to business customers in the region, ranging from large corporate and the public sector. The products and services offered include long-term loans such as project financing, short-term credit such as overdrafts and trade financing, and fee-based services.

Global Markets comprise the full range of products and services relating to treasury activities and services, which includes foreign exchange, money market, derivatives and trading of capital market.

(ii) Group Investment Banking

Investment Banking comprises the investment banking and securities broking business. This segment focuses on business needs of mainly large corporate customers and financial institutions. The products and services offered to customers include corporate advisory services, bond issuance, equity issuance, syndicated acquisition advisory services, debt restructuring advisory services, and share and futures dealings.

(iii) Group Asset Management

Asset Management comprises the asset and fund management services, providing a diverse range of Conventional and Islamic investment solutions to retail, corporate and institutional clients.

(c) Group Insurance and Takaful

Insurance and Takaful comprise the business of underwriting all classes of general and life insurance businesses, offshore investment life insurance business, general takaful and family takaful businesses.



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60. SEGMENT INFORMATION (CONT'D.)

(i) By business segments (cont'd.)

| Group 2024 | <----- Business Segments -----> | | | | | Head Office and Others RM'000 | Total RM'000 |
|--|---|--|--|--|---|-------------------------------------|-----------------|
| | Group Community Financial Services RM'000 | <----- Group Global Banking -----> | | | Group Insurance and Takaful RM'000 | | |
| | | Group Corporate Banking & Global Markets RM'000 | Group Investment Banking RM'000 | Group Asset Management RM'000 | | | |
| Net interest income/(expense): | | | | | | | |
| – External | 8,432,978 | 3,083,177 | 550,304 | 30 | 1,648,543 | (907,609) | 12,807,423 |
| – Inter-segment | – | – | (164,730) | 4,356 | 74,247 | 86,127 | – |
| | 8,432,978 | 3,083,177 | 385,574 | 4,386 | 1,722,790 | (821,482) | 12,807,423 |
| Net interest income/(expense) | 8,432,978 | 3,083,177 | 385,574 | 4,386 | 1,722,790 | (821,482) | 12,807,423 |
| Income from IBS operations | 5,866,569 | 2,094,909 | 48,466 | – | – | 336,455 | 8,346,399 |
| Insurance/takaful service result | – | – | – | – | 883,889 | 400,624 | 1,284,513 |
| Other operating income/(expense) | 3,712,536 | 3,411,805 | 1,128,887 | 83,724 | 1,164,498 | (435,450) | 9,066,000 |
| Total operating income/(expense) | 18,012,083 | 8,589,891 | 1,562,927 | 88,110 | 3,771,177 | (519,853) | 31,504,335 |
| Net insurance/takaful investment/finance result | – | – | – | – | (1,931,829) | – | (1,931,829) |
| Net operating income/(expense) | 18,012,083 | 8,589,891 | 1,562,927 | 88,110 | 1,839,348 | (519,853) | 29,572,506 |
| Overhead expenses | (10,333,048) | (2,507,923) | (1,200,189) | (100,904) | (318,171) | – | (14,460,235) |
| Operating profit/(loss) before impairment losses | 7,679,035 | 6,081,968 | 362,738 | (12,794) | 1,521,177 | (519,853) | 15,112,271 |
| (Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net | (1,450,359) | (187,892) | (33,352) | – | 1,058 | – | (1,670,545) |
| Writeback of/(allowances for) impairment losses on financial investments, net | 5 | 58,885 | – | – | (16,537) | – | 42,353 |
| (Allowances for)/writeback of impairment losses on other financial assets, net | (27) | (21,326) | (2,384) | – | 4,921 | – | (18,816) |
| Operating profit/(loss) | 6,228,654 | 5,931,635 | 327,002 | (12,794) | 1,510,619 | (519,853) | 13,465,263 |
| Share of profits in associates and joint ventures | 5,300 | 229,392 | 1,610 | – | – | – | 236,302 |
| Profit/(loss) before taxation and zakat | 6,233,954 | 6,161,027 | 328,612 | (12,794) | 1,510,619 | (519,853) | 13,701,565 |
| Taxation and zakat | | | | | | | (3,195,179) |
| Profit after taxation and zakat | | | | | | | 10,506,386 |
| Non-controlling interests | | | | | | | (417,713) |
| Profit for the financial year attributable to equity holders of the Bank | | | | | | | 10,088,673 |
| Included in other operating income/ (expense) are: | | | | | | | |
| Fee income: | | | | | | | |
| Commission | 1,501,111 | 87,855 | 60,403 | 52,054 | – | (346,478) | 1,354,945 |
| Service charges and fees | 1,185,396 | 327,384 | 225,015 | 97,493 | (2,975) | 3,619 | 1,835,932 |
| Underwriting fees | – | 7,737 | 45,462 | – | – | – | 53,199 |
| Brokerage income | 1,592 | – | 331,135 | – | – | – | 332,727 |
| Fees on loans, advances and financing | 72,055 | 181,240 | 2,953 | – | – | (2,835) | 253,413 |
| Fee income from IBS operations | 554,813 | 109,455 | 44,120 | – | – | 7,505 | 715,893 |
| Included in overhead expenses and insurance/takaful service result are: | | | | | | | |
| Depreciation of property, plant and equipment | (225,527) | (55,448) | (30,100) | (321) | (23,115) | – | (334,511) |
| Depreciation of right-of-use assets | (341,302) | (90,206) | (61,312) | (4,043) | (18,391) | – | (515,254) |
| Amortisation of intangible assets | (190,418) | (48,580) | (5,779) | (83) | (24,985) | – | (269,845) |

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60. SEGMENT INFORMATION (CONT'D.)

(i) By business segments (cont'd.)

| Group 2023 | <----- Business Segments -----> | | | | | Head Office and Others RM'000 | Total RM'000 |
|--|---|--|--|--|---|-------------------------------------|-----------------|
| | Group Community Financial Services RM'000 | <----- Group Global Banking -----> | | | Group Insurance and Takaful RM'000 | | |
| | | Group Corporate Banking & Global Markets RM'000 | Group Investment Banking RM'000 | Group Asset Management RM'000 | | | |
| Net interest income/(expense): | | | | | | | |
| – External | 8,141,667 | 3,563,479 | 494,399 | 47 | 1,626,663 | (1,034,733) | 12,791,522 |
| – Inter-segment | – | – | (116,829) | 4,738 | 92,050 | 20,041 | - |
| | 8,141,667 | 3,563,479 | 377,570 | 4,785 | 1,718,713 | (1,014,692) | 12,791,522 |
| Net interest income/(expense) | 8,141,667 | 3,563,479 | 377,570 | 4,785 | 1,718,713 | (1,014,692) | 12,791,522 |
| Income from IBS operations | 5,375,479 | 2,095,016 | 65,891 | – | – | 40,809 | 7,577,195 |
| Insurance/takaful service result | – | – | – | – | 318,158 | 231,940 | 550,098 |
| Other operating income | 3,394,969 | 2,396,550 | 791,285 | 96,863 | 672,209 | 636,301 | 7,988,177 |
| Total operating income/(expense) | 16,912,115 | 8,055,045 | 1,234,746 | 101,648 | 2,709,080 | (105,642) | 28,906,992 |
| Net insurance/takaful investment/finance result | – | – | – | – | (1,545,851) | – | (1,545,851) |
| Net operating income/(expense) | 16,912,115 | 8,055,045 | 1,234,746 | 101,648 | 1,163,229 | (105,642) | 27,361,141 |
| Overhead expenses | (9,646,277) | (2,278,738) | (1,062,501) | (97,007) | (304,277) | – | (13,388,800) |
| Operating profit/(loss) before impairment losses | 7,265,838 | 5,776,307 | 172,245 | 4,641 | 858,952 | (105,642) | 13,972,341 |
| (Allowances for)/writeback of impairment losses on loans, advances, financing and other debts, net | (1,559,921) | (263,141) | (15,191) | – | 12,041 | – | (1,826,212) |
| Writeback of impairment losses on financial investments, net | 12 | 54,073 | – | – | 126,478 | – | 180,563 |
| Writeback of/(allowances for) impairment losses on other financial assets, net | 5,862 | (18,219) | (3,093) | 1 | (19,967) | – | (35,416) |
| Operating profit/(loss) | 5,711,791 | 5,549,020 | 153,961 | 4,642 | 977,504 | (105,642) | 12,291,276 |
| Share of profits in associates and joint ventures | 2,657 | 236,907 | 761 | – | – | – | 240,325 |
| Profit/(loss) before taxation and zakat | 5,714,448 | 5,785,927 | 154,722 | 4,642 | 977,504 | (105,642) | 12,531,601 |
| Taxation and zakat | | | | | | | (2,916,739) |
| Profit after taxation and zakat | | | | | | | 9,614,862 |
| Non-controlling interests | | | | | | | (265,082) |
| Profit for the financial year attributable to equity holders of the Bank | | | | | | | 9,349,780 |
| Included in other operating income/(expense) are: | | | | | | | |
| Fee income: | | | | | | | |
| Commission | 1,304,651 | 90,499 | 57,281 | 23,209 | – | (230,790) | 1,244,850 |
| Service charges and fees | 1,161,391 | 284,997 | 163,407 | 115,005 | 18,221 | (5,129) | 1,737,892 |
| Underwriting fees | – | 37,305 | 45,423 | – | – | (4,911) | 77,817 |
| Brokerage income | 1,163 | – | 276,778 | – | – | – | 277,941 |
| Fees on loans, advances and financing | 28,916 | 140,465 | 11,649 | – | – | (5,800) | 175,230 |
| Fee income from IBS operations | 449,301 | 117,850 | 60,055 | – | – | 2,678 | 629,884 |
| Included in overhead expenses and insurance/takaful service result are: | | | | | | | |
| Depreciation of property, plant and equipment | (217,976) | (52,603) | (30,272) | (429) | (21,216) | – | (322,496) |
| Depreciation of right-of-use assets | (384,686) | (106,142) | (67,714) | (3,829) | (15,313) | – | (577,684) |
| Amortisation of intangible assets | (177,389) | (46,320) | (2,833) | (23) | (24,561) | – | (251,126) |



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60. SEGMENT INFORMATION (CONT'D.)

(ii) By geographical locations

The Group has operations in Malaysia, Singapore, Indonesia, the Philippines, Brunei Darussalam, People's Republic of China, Hong Kong SAR, Vietnam, United Kingdom, United States of America, Cambodia, Laos, Myanmar, Labuan Offshore and Thailand.

With the exception of Malaysia, Singapore and Indonesia, no other individual country contributed more than 10% of the consolidated operating revenue before operating expenses and of the total assets.

Operating revenue, net operating income, profit before taxation and zakat, and assets based on geographical locations of customers are as follows:

| Income statement items For the financial year ended | Operating revenue RM'000 | Net operating income RM'000 | Profit before taxation and zakat RM'000 |
|--|--------------------------------|--------------------------------------|---|
| 31 December 2024 | | | |
| Malaysia | 52,355,825 | 27,676,480 | 16,277,447 |
| Singapore | 15,936,469 | 6,089,656 | 3,000,613 |
| Indonesia | 4,401,681 | 2,588,303 | 379,957 |
| Others | 6,902,802 | 1,863,792 | 546,824 |
| | 79,596,777 | 38,218,231 | 20,204,841 |
| Elimination* | (10,653,992) | (8,645,725) | (6,503,276) |
| Group | 68,942,785 | 29,572,506 | 13,701,565 |
| 31 December 2023 | | | |
| Malaysia | 47,801,293 | 25,013,675 | 13,685,075 |
| Singapore | 13,012,872 | 4,804,829 | 2,318,004 |
| Indonesia | 4,247,637 | 2,758,032 | 776,446 |
| Others | 7,336,853 | 1,702,769 | 606,071 |
| | 72,398,655 | 34,279,305 | 17,385,596 |
| Elimination* | (8,883,442) | (6,918,164) | (4,853,995) |
| Group | 63,515,213 | 27,361,141 | 12,531,601 |

* Inter-segment revenues are eliminated on consolidation.

The total non-current and current assets based on geographical locations are as follows:

| Statement of financial position items: | Non-current assets ¹ | | Current assets ² | |
|--|---------------------------------|----------------|-----------------------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Malaysia | 9,944,093 | 10,526,017 | 708,722,037 | 655,535,179 |
| Singapore | 1,145,433 | 1,139,410 | 329,375,838 | 307,829,080 |
| Indonesia | 335,832 | 346,852 | 53,685,475 | 50,449,024 |
| Others | 399,955 | 392,834 | 86,967,546 | 92,694,274 |
| | 11,825,313 | 12,405,113 | 1,178,750,896 | 1,106,507,557 |
| Elimination ³ | (53,805) | (77,861) | (115,200,448) | (91,160,190) |
| Group | 11,771,508 | 12,327,252 | 1,063,550,448 | 1,015,347,367 |

¹ Non-current assets consist of investment properties, property, plant and equipment, right-of-use assets and intangible assets.

² Current assets are total assets excluding non-current assets as mentioned above.

³ Inter-segment balances are eliminated on consolidation.

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61. SIGNIFICANT AND SUBSEQUENT EVENTS

(i) The following are the significant events of the Group and of the Bank during the financial year ended 31 December 2024:

(a) Redemption of Tier 2 Subordinated Sukuk Murabahah of RM2.0 billion in nominal value pursuant to the Sukuk Programme of up to RM30.0 billion in nominal value by the Bank

On 31 January 2024, the Bank fully redeemed the RM2.0 billion Tier 2 Subordinated Sukuk Murabahah on its first call date. RM2.0 billion Tier 2 Subordinated Sukuk Murabahah was issued on 31 January 2019.

(b) Issuance of Tier 2 Subordinated Sukuk Murabahah of RM3.0 billion in nominal value under the Sukuk Programme

On 31 January 2024, the Bank has completed the issuance of RM3.0 billion Subordinated Sukuk Murabahah under the RM30.0 billion Sukuk Programme. Details of the issuance are as follows:

| Maturity Date | Nominal Value | Description | Tenor |
|-----------------|---------------|---|----------|
| 31 January 2034 | RM3.0 billion | Tier 2 Subordinated Sukuk Murabahah (10 non-call 5) | 10 years |

(c) Acquisition of 20% equity interest in Maybank Asset Management Group Berhad ("MAMG") pursuant to the exercise of the put option

The Bank had on 19 October 2023 entered into a conditional share sale agreement with Permodalan Nasional Berhad ("PNB") in relation to the acquisition of 8,336,404 ordinary shares in Maybank Asset Management Group Berhad ("MAMG"), representing 20% of the total issued share capital of MAMG for a cash consideration of RM70,391,800 pursuant to the exercise of the put option granted by the Bank to PNB. The acquisition was completed on 23 February 2024.

(d) Issuance of 6,715,600 new ordinary shares pursuant to the ESGP

The share capital of the Bank increased from RM54,673,595,825 as at 31 December 2023 to RM54,736,195,010 as at 28 February 2024 via issuance of 6,715,600 new ordinary shares amounting to RM62,599,185 arising from the ESGP.

The issued ordinary shares of the Bank as at 28 February 2024 is 12,066,952,192 units.

(e) Redemption of RM1.24 billion Additional Tier 1 Sukuk Mudharabah pursuant to the RM30.0 billion Sukuk Programme of the Bank

On 25 September 2024, the Bank fully redeemed the RM1.24 billion Additional Tier 1 Sukuk Mudharabah on its first call date. RM1.24 billion Additional Tier 1 Sukuk Mudharabah was issued on 25 September 2019.

(ii) The following are the significant event of the Group subsequent to the financial year ended 31 December 2024:

(a) Redemption of borrowings by Maybank IBG Holdings Limited

| Maturity Date | Nominal Value | Tenor |
|----------------|---------------------|---------|
| 7 January 2025 | JPY36,135.4 million | 1 month |

62. INCOME STATEMENT AND STATEMENT OF FINANCIAL POSITION OF INSURANCE AND TAKAFUL BUSINESS

(a) Income statement

| Group | Life Business | | Family Takaful Business | | General Takaful Business | | General Business and Others | | Total | |
|--|----------------|----------------|-------------------------|----------------|--------------------------|----------------|-----------------------------|----------------|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Operating revenue | 3,422,783 | 3,003,099 | 2,573,089 | 2,889,274 | 2,538,834 | 3,090,589 | 4,924,332 | 3,901,663 | 13,459,038 | 12,884,625 |
| Interest income | 781,937 | 821,638 | 672,913 | 650,788 | 198,130 | 186,322 | 149,526 | 138,823 | 1,802,506 | 1,797,571 |
| Interest expense | (20,594) | (20,372) | (1) | – | – | – | (59,121) | (58,486) | (79,716) | (78,858) |
| Net interest income | 761,343 | 801,266 | 672,912 | 650,788 | 198,130 | 186,322 | 90,405 | 80,337 | 1,722,790 | 1,718,713 |
| Insurance/takaful service result | 565,286 | 121,518 | (81,693) | (11,435) | 207,846 | 93,235 | 192,450 | 114,840 | 883,889 | 318,158 |
| Other operating income | 772,731 | 278,762 | 242,013 | 311,032 | 57,088 | 26,989 | 92,666 | 55,426 | 1,164,498 | 672,209 |
| Total operating income | 2,099,360 | 1,201,546 | 833,232 | 950,385 | 463,064 | 306,546 | 375,521 | 250,603 | 3,771,177 | 2,709,080 |
| Net insurance/takaful investment/finance result | (1,309,280) | (997,115) | (474,980) | (554,678) | (130,879) | 96 | (16,690) | 5,846 | (1,931,829) | (1,545,851) |
| Net operating income | 790,080 | 204,431 | 358,252 | 395,707 | 332,185 | 306,642 | 358,831 | 256,449 | 1,839,348 | 1,163,229 |
| Overhead expenses | (147,972) | (129,421) | (7,459) | (18,846) | (9,789) | (22,374) | (142,162) | (127,739) | (307,382) | (298,380) |
| Operating profit before impairment losses | 642,108 | 75,010 | 350,793 | 376,861 | 322,396 | 284,268 | 216,669 | 128,710 | 1,531,966 | 864,849 |
| Writeback of/(allowances for) impairment losses on loans, advances, financing and other debts, net | 335 | (2,549) | 7 | 293 | – | 1 | 716 | 14,296 | 1,058 | 12,041 |
| Writeback of/(allowances for) impairment losses on financial investments, net | 1,729 | 127,053 | 664 | (278) | 196 | (208) | (19,126) | (89) | (16,537) | 126,478 |
| (Allowances for)/writeback of impairment losses on other financial assets, net | (214) | (3,985) | (3) | (618) | 393 | (317) | 4,745 | (15,047) | 4,921 | (19,967) |
| Profit before taxation and zakat | 643,958 | 195,529 | 351,461 | 376,258 | 322,985 | 283,744 | 203,004 | 127,870 | 1,521,408 | 983,401 |
| Taxation and zakat | (48,848) | (57,449) | (104,491) | (75,155) | (90,225) | (94,141) | (95,332) | (56,130) | (338,896) | (282,875) |
| Profit for the financial year | 595,110 | 138,080 | 246,970 | 301,103 | 232,760 | 189,603 | 107,672 | 71,740 | 1,182,512 | 700,526 |



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62. INCOME STATEMENT AND STATEMENT OF FINANCIAL POSITION OF INSURANCE AND TAKAFUL BUSINESS (CONT'D.)

(b) Statement of financial position

| Group | Life Business | | Family Takaful Business | | General Takaful Business | | General Business and Others* | | Total | |
|---|-------------------|-------------------|-------------------------|-------------------|--------------------------|------------------|------------------------------|------------------|-------------------|-------------------|
| | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 | 2024 RM'000 | 2023 RM'000 |
| Assets | | | | | | | | | | |
| Cash and short-term funds | 556,573 | 843,234 | 86,485 | 32,360 | 57,881 | 65,759 | 137,015 | 105,679 | 837,954 | 1,047,032 |
| Deposits and placements with bank and other financial institutions | 1,066,307 | 722,350 | 1,204,971 | 1,155,217 | 1,339,965 | 1,176,136 | 926,931 | 645,229 | 4,538,174 | 3,698,932 |
| Financial assets purchased under resale agreements | 223,774 | – | – | – | – | – | – | – | 223,774 | – |
| Financial assets designated upon initial recognition at fair value through profit or loss | 6,003,196 | 6,751,895 | 6,821,943 | 6,528,658 | 13,560 | 13,723 | 60,487 | 30,231 | 12,899,186 | 13,324,507 |
| Financial investments at fair value through profit or loss | 8,640,961 | 7,291,095 | 1,132,549 | 913,165 | 272,221 | 134,258 | 295,057 | 267,351 | 10,340,788 | 8,605,869 |
| Financial investments at fair value through other comprehensive income | 8,299,824 | 8,369,655 | 7,573,302 | 7,259,005 | 3,780,115 | 3,519,871 | 1,621,364 | 1,534,899 | 21,274,605 | 20,683,430 |
| Financial investments at amortised cost | – | – | – | – | – | – | 19,054 | 45,998 | 19,054 | 45,998 |
| Loans, advances and financing | 92,721 | 52,945 | 9,362 | 10,172 | 825 | 647 | 48,156 | 40,313 | 151,064 | 104,077 |
| Derivative assets | 2,876 | 139,605 | – | – | – | – | – | 43 | 2,876 | 139,648 |
| Insurance contract/takaful certificate assets | 21,856 | 35,764 | 2,506 | 417 | – | – | 50,837 | 87,023 | 75,199 | 123,204 |
| Reinsurance contract/retakaful certificate assets | 1,480,588 | 2,509,439 | 307,415 | 278,644 | 429,312 | 289,678 | 3,692,744 | 2,621,071 | 5,910,059 | 5,698,832 |
| Other assets | 323,993 | 363,057 | 160,799 | 114,122 | 5,303 | 717 | 243,481 | 306,486 | 733,576 | 784,382 |
| Investment properties | 849,270 | 835,270 | – | – | – | – | 185,195 | 180,045 | 1,034,465 | 1,015,315 |
| Statutory deposits with central banks | 3,129 | 3,213 | – | – | – | – | – | – | 3,129 | 3,213 |
| Property, plant and equipment | 112,069 | 98,468 | 194 | 228 | 37 | 62 | 81,696 | 68,890 | 193,996 | 167,648 |
| Right-of-use assets | 43,030 | 11,385 | 526 | 713 | – | – | 12,931 | 12,146 | 56,487 | 24,244 |
| Intangible assets | 93,602 | 95,091 | 11,810 | 11,012 | 5,785 | 1,641 | 41,480 | 47,507 | 152,677 | 155,251 |
| Deferred tax assets | 16,605 | 12,425 | 99,524 | 51,597 | 84,367 | 70,158 | 33,833 | 82,158 | 234,329 | 216,338 |
| Total assets | 27,830,374 | 28,134,891 | 17,411,386 | 16,355,310 | 5,989,371 | 5,272,650 | 7,450,261 | 6,075,069 | 58,681,392 | 55,837,920 |
| Liabilities | | | | | | | | | | |
| Derivative liabilities | 224,546 | 9,562 | 213 | – | – | – | 34,007 | 70,480 | 258,766 | 80,042 |
| Insurance contract/takaful certificate liabilities | 23,549,839 | 24,373,113 | 14,207,236 | 13,247,304 | 3,546,701 | 3,136,983 | 4,798,559 | 3,740,151 | 46,102,335 | 44,497,551 |
| Reinsurance contract/retakaful certificate liabilities | 14,595 | 53,504 | – | – | – | – | 12,468 | 29,497 | 27,063 | 83,001 |
| Other liabilities [#] | 1,605,511 | 1,433,949 | 367,959 | 300,242 | 244,668 | 208,596 | 369,514 | 433,846 | 2,587,652 | 2,376,633 |
| Provision for taxation and zakat | (50,402) | (38,861) | 65,383 | 22,652 | 40,674 | 35,026 | 5,593 | (1,048) | 61,248 | 17,769 |
| Deferred tax liabilities | 472,622 | 467,011 | 43,240 | 26,081 | 38,558 | 16,801 | 73,872 | 50,417 | 628,292 | 560,310 |
| Subordinated obligations | – | – | – | – | – | – | 312,118 | 312,051 | 312,118 | 312,051 |
| Total liabilities | 25,816,711 | 26,298,278 | 14,684,031 | 13,596,279 | 3,870,601 | 3,397,406 | 5,606,131 | 4,635,394 | 49,977,474 | 47,927,357 |
| Equity attributable to equity holders of the Subsidiaries | | | | | | | | | | |
| Share capital | 1,388,122 | 1,388,122 | 100,000 | 100,000 | 970,001 | 970,001 | (1,797,257) | (1,797,257) | 660,866 | 660,866 |
| Other reserves | 625,541 | 448,491 | 2,627,355 | 2,659,031 | 1,148,769 | 905,243 | 3,641,387 | 3,236,932 | 8,043,052 | 7,249,697 |
| | 2,013,663 | 1,836,613 | 2,727,355 | 2,759,031 | 2,118,770 | 1,875,244 | 1,844,130 | 1,439,675 | 8,703,918 | 7,910,563 |
| Total liabilities and shareholders' equity | 27,830,374 | 28,134,891 | 17,411,386 | 16,355,310 | 5,989,371 | 5,272,650 | 7,450,261 | 6,075,069 | 58,681,392 | 55,837,920 |

* Included inter-company transactions within insurance/takaful entities which are eliminated on consolidation at Group level.

[#] Included in other liabilities are the amounts due to/(from) life, general and investment-linked funds which are unsecured, not subject to any interest elements and are repayable on demand.

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63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS")

(a) Statement of financial position

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|--------------------|----------------|
| Assets | | | |
| Cash and short-term funds | (f) | 20,828,364 | 7,813,136 |
| Deposits and placements with banks and other financial institutions | (g) | 8,513,204 | 2,801,850 |
| Financial assets purchased under resale agreements | (h) | 1,434,429 | 58,118 |
| Financial investments at fair value through profit or loss | (i) | 1,527,376 | 1,331,059 |
| Financial investments at fair value through other comprehensive income | (j) | 18,178,884 | 24,342,546 |
| Financial investments at amortised cost | (k) | 12,788,932 | 13,759,189 |
| Financing and advances | (l) | 251,303,767 | 228,807,155 |
| Derivative assets | (m) | 563,671 | 160,619 |
| Other assets | (n) | 6,478,931 | 4,044,371 |
| Statutory deposits with central banks | (o) | 4,244,896 | 3,621,143 |
| Property, plant and equipment | (p) | 374 | 199 |
| Right-of-use assets | (q) | 1,325 | 4,494 |
| Deferred tax assets | (r) | 220,963 | 79,648 |
| Total assets | | 326,085,116 | 286,823,527 |
| Liabilities | | | |
| Customers' funding: | | | |
| – Deposits from customers | (s) | 234,149,822 | 210,698,979 |
| – Investment accounts of customers ¹ | (t) | 30,138,364 | 27,354,337 |
| Deposits and placements from financial institutions | (u) | 23,089,740 | 17,488,615 |
| Obligations on financial assets sold under repurchase agreements | (h) | 1,435,112 | – |
| Bills and acceptances payable | | 75,343 | 80,796 |
| Derivative liabilities | (m) | 379,353 | 309,093 |
| Other liabilities | (v) | 7,267,327 | 1,349,883 |
| Provision for taxation and zakat | (w) | 74,970 | 77,757 |
| Term funding | (x) | 9,990,105 | 10,932,227 |
| Subordinated sukuk | (y) | 2,020,610 | 2,021,893 |
| Capital securities | (z) | 1,002,087 | 1,002,347 |
| Total liabilities | | 309,622,833 | 271,315,927 |
| Islamic Banking Capital Funds | | | |
| Islamic Banking Funds | (d) | 12,579,879 | 11,681,910 |
| Retained profits | (d) | 2,922,948 | 2,577,023 |
| Other reserves | | 959,456 | 1,248,667 |
| | | 16,462,283 | 15,507,600 |
| Total liabilities and Islamic Banking Capital Funds | | 326,085,116 | 286,823,527 |
| Restricted investment accounts managed by the Group | (t) | 47,711,393 | 42,884,778 |
| TOTAL ISLAMIC BANKING ASSETS OWNED AND MANAGED BY THE GROUP | | 373,796,509 | 329,708,305 |
| Commitments and contingencies | (aj) | 116,095,566 | 100,661,175 |

¹ Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

The accompanying notes form an integral part of the financial statements.



Notes to the Financial Statements

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63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(b) Income statement

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|------------------|------------------|
| Income derived from investment of depositors' funds | (aa) | 13,111,772 | 11,880,732 |
| Income derived from investment of investment account funds | (ab) | 1,327,575 | 1,163,306 |
| Income derived from investment of Islamic Banking Funds | (ac) | 744,905 | 717,315 |
| Allowances for impairment losses on financing and advances, net | (ad) | (1,112,584) | (928,570) |
| (Allowances for)/writeback of impairment losses on financial investments, net | (ae) | (4,211) | 13,939 |
| (Allowances for)/writeback of impairment losses on other financial assets, net | (af) | (5,699) | 716 |
| Total distributable income | | 14,061,758 | 12,847,438 |
| Profit share income from investment accounts | | 204,040 | 190,604 |
| Profit distributed to depositors | (ag) | (6,659,360) | (6,161,469) |
| Profit distributed to investment account holders | | (459,109) | (434,604) |
| Total net income | | 7,147,329 | 6,441,969 |
| Finance cost | | (542,824) | (561,563) |
| Overhead expenses | (ah) | (2,779,775) | (2,711,366) |
| Profit before taxation and zakat | | 3,824,730 | 3,169,040 |
| Taxation | (ai) | (922,076) | (719,163) |
| Zakat | | (53,377) | (51,552) |
| Profit for the financial year | | 2,849,277 | 2,398,325 |

For consolidation and amalgamation with the conventional banking operations, income from Islamic Banking Scheme as shown on the face of the consolidated income statement, comprises the following items:

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Income derived from investment of depositors' funds | 13,111,772 | 11,880,732 |
| Income derived from investment of investment account funds | 1,327,575 | 1,163,306 |
| Income derived from investment of Islamic Banking Funds | 744,905 | 717,315 |
| Total income before allowances for impairment losses on financial assets and overhead expenses | 15,184,252 | 13,761,353 |
| Profit share income from investment accounts | 204,040 | 190,604 |
| Profit distributed to depositors | (6,659,360) | (6,161,469) |
| Profit distributed to investment account holders | (459,109) | (434,604) |
| | 8,269,823 | 7,355,884 |
| Finance cost | (542,824) | (561,563) |
| Net of intercompany income and expenses | 823,140 | 973,035 |
| Profit share income from investment accounts funded by the Bank | (203,740) | (190,161) |
| Income from Islamic Banking Scheme operations reported in the income statement of the Group | 8,346,399 | 7,577,195 |

(c) Statement of comprehensive income

| Group | 2024 RM'000 | 2023 RM'000 |
|---|------------------|------------------|
| Profit for the financial year | 2,849,277 | 2,398,325 |
| Other comprehensive (loss)/income: | | |
| Items that may be reclassified subsequently to profit or loss: | | |
| Net gain/(loss) on foreign exchange translation | 1,299 | (2,569) |
| Net (loss)/gain on financial investments at fair value through other comprehensive income | (265,166) | 789,994 |
| – Net (loss)/gain from change in fair value | (364,610) | 1,025,120 |
| – Changes in expected credit losses | 11,938 | 10,903 |
| – Income tax effect | 87,506 | (246,029) |
| | (263,867) | 787,425 |
| Other comprehensive (loss)/income for the financial year, net of tax | (263,867) | 787,425 |
| Total comprehensive income for the financial year | 2,585,410 | 3,185,750 |

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(d) Statement of changes in Islamic Banking Capital Funds

| Group As at 31 December 2024 | Islamic Banking Funds RM'000 | Non-distributable | | | | Distributable Retained Profits RM'000 | Total RM'000 |
|--|---------------------------------------|---------------------------------|--|--|---|--|-------------------|
| | | Regulatory Reserve RM'000 | Fair Value Through Other Comprehensive Income Reserve RM'000 | Exchange Fluctuation Reserve RM'000 | *Equity Contribution From the Holding Company RM'000 | | |
| At 1 January 2024 | 11,681,910 | 629,580 | 620,147 | (2,757) | 1,697 | 2,577,023 | 15,507,600 |
| Profit for the financial year | – | – | – | – | – | 2,849,277 | 2,849,277 |
| Other comprehensive (loss)/income | – | – | (265,166) | 1,299 | – | – | (263,867) |
| Net gain on foreign exchange translation | – | – | – | 1,299 | – | – | 1,299 |
| Net loss on financial investments at fair value through other comprehensive income | – | – | (265,166) | – | – | – | (265,166) |
| Total comprehensive (loss)/income for the financial year | – | – | (265,166) | 1,299 | – | 2,849,277 | 2,585,410 |
| Transfer to conventional banking operations | – | – | – | – | – | (5,948) | (5,948) |
| Transfer from regulatory reserve | – | (25,344) | – | – | – | 25,344 | – |
| Issue of ordinary shares | 897,969 | – | – | – | – | – | 897,969 |
| Dividends paid | – | – | – | – | – | (2,522,748) | (2,522,748) |
| At 31 December 2024 | 12,579,879 | 604,236 | 354,981 | (1,458) | 1,697 | 2,922,948 | 16,462,283 |

| Group As at 31 December 2023 | Islamic Banking Funds RM'000 | Non-distributable | | | | Distributable Retained Profits RM'000 | Total RM'000 |
|--|---------------------------------------|---------------------------------|--|--|---|--|-------------------|
| | | Regulatory Reserve RM'000 | Fair Value Through Other Comprehensive Income Reserve RM'000 | Exchange Fluctuation Reserve RM'000 | *Equity Contribution From the Holding Company RM'000 | | |
| At 1 January 2023 | 11,034,955 | 904,654 | (169,847) | (188) | 1,697 | 2,901,255 | 14,672,526 |
| Profit for the financial year | – | – | – | – | – | 2,398,325 | 2,398,325 |
| Other comprehensive income/(loss) | – | – | 789,994 | (2,569) | – | – | 787,425 |
| Net loss on foreign exchange translation | – | – | – | (2,569) | – | – | (2,569) |
| Net gain on financial investments at fair value through other comprehensive income | – | – | 789,994 | – | – | – | 789,994 |
| Total comprehensive income/(loss) for the financial year | – | – | 789,994 | (2,569) | – | 2,398,325 | 3,185,750 |
| Transfer to conventional banking operations | – | – | – | – | – | (199,141) | (199,141) |
| Transfer from regulatory reserve | – | (275,074) | – | – | – | 275,074 | – |
| Issue of ordinary shares | 646,955 | – | – | – | – | – | 646,955 |
| Dividends paid | – | – | – | – | – | (2,798,490) | (2,798,490) |
| At 31 December 2023 | 11,681,910 | 629,580 | 620,147 | (2,757) | 1,697 | 2,577,023 | 15,507,600 |

* This equity contribution reserve from the holding company is pertaining to waiver of intercompany balances between respective subsidiaries and its holding company.

The accompanying notes form an integral part of the financial statements.



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(e) Statement of cash flows

| Group | 2024 RM'000 | 2023 RM'000 |
|---|--------------------|--------------------|
| Cash flows from operating activities | | |
| Profit before taxation and zakat | 3,824,730 | 3,169,040 |
| Adjustments for: | | |
| Allowances for impairment losses on financing and advances, net | 1,305,200 | 1,112,076 |
| Allowances for/(writeback of) impairment losses on financial investments, net | 4,211 | (13,939) |
| Allowances for/(writeback of) impairment losses on other financial assets, net | 5,699 | (716) |
| Amortisation of premiums, net | 56,038 | 56,718 |
| Unrealised loss/(gain) on revaluation of derivatives | 2,604 | (39,010) |
| Unrealised gain on revaluation of financial investments at fair value through profit or loss | (9,778) | (692) |
| Net gain on disposal of financial investments at fair value through profit or loss | (30,405) | (23,385) |
| Net gain on disposal of financial investments through other comprehensive income | (483,547) | (146,852) |
| Gain on foreign exchange transactions | (339,885) | (351,081) |
| Depreciation of property, plant and equipment | 116 | 147 |
| Depreciation of right-of-use assets | 3,154 | 3,228 |
| ESGP expenses | 2,701 | 2,070 |
| Finance cost | 542,824 | 561,563 |
| Finance cost on lease liabilities | 89 | 162 |
| Operating profit before working capital changes | 4,883,751 | 4,329,329 |
| Change in deposits and placements with banks and other financial institutions | (5,248,946) | 5,329,880 |
| Change in cash and short-term funds with original maturity of more than three months | (260,326) | – |
| Change in financial assets purchased under resale agreements | (1,376,898) | 2,064,293 |
| Change in financing and advances | (28,471,601) | (24,060,486) |
| Change in derivative assets and liabilities | (335,395) | 66,574 |
| Change in other assets | (2,307,555) | 2,095,266 |
| Change in statutory deposits with central banks | (623,753) | (115,407) |
| Change in deposits from customers | 23,450,842 | 915,515 |
| Change in deposits and placements from financial institutions | 10,821,299 | 6,350,002 |
| Change in investment accounts of customers | 2,730,307 | 1,944,875 |
| Change in obligations on financial assets sold under repurchase agreements | 1,435,112 | (461,081) |
| Change in bills and acceptances payable | (5,453) | 48,227 |
| Change in financial investments portfolio | 6,891,586 | 1,337,632 |
| Change in other liabilities | 5,917,618 | (1,867,906) |
| Cash generated from/(used in) operations | 17,500,588 | (2,023,287) |
| Taxes and zakat paid | (1,034,960) | (1,231,032) |
| Net cash generated from/(used in) from operating activities | 16,465,628 | (3,254,319) |
| Cash flows from investing activities | | |
| Purchase of property, plant and equipment | (294) | – |
| Net cash used in investing activities | (294) | – |
| Cash flows from financing activities | | |
| Dividends paid | (2,522,748) | (2,798,490) |
| Dividends paid for subordinated sukuk | (72,219) | (74,000) |
| Dividends paid for term funding | (366,279) | (428,938) |
| Dividends paid for capital securities | (47,991) | (47,600) |
| Proceeds from issuance of ordinary shares | 897,969 | 646,955 |
| (Repayment)/issuance of term funding | (1,000,000) | 1,500,000 |
| Funds transferred to holding company | (5,949) | (199,141) |
| Repayment of lease liabilities | (2,930) | (3,227) |
| Net cash used in financing activities | (3,120,147) | (1,404,441) |
| Net increase/(decrease) in cash and cash equivalents | 13,345,187 | (4,658,760) |
| Cash and cash equivalents at 1 January | 10,614,986 | 15,094,889 |
| Effects of foreign exchange rate changes | (125,399) | 178,857 |
| Cash and cash equivalents at 31 December | 23,834,774 | 10,614,986 |
| Cash and cash equivalents comprise: | | |
| Cash and short-term funds (Note 63(f)) | 20,830,309 | 7,813,136 |
| Deposits and placements with banks and other financial institutions (Note 63(g)) | 8,513,737 | 2,801,850 |
| | 29,344,046 | 10,614,986 |
| Less: | | |
| Cash and short-term funds and deposits and placements with banks and other financial institutions, with original maturity of more than three months | (5,509,272) | – |
| Cash and cash equivalents at 31 December | 23,834,774 | 10,614,986 |

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(f) Cash and short-term funds

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|----------------|----------------|
| Cash, bank balances and deposits with financial institutions | | 3,798 | 1,628 |
| Money at call | | 20,826,511 | 7,811,508 |
| | | 20,830,309 | 7,813,136 |
| Allowances for impairment losses | (i) | (1,945) | – |
| | | 20,828,364 | 7,813,136 |

- (i) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on cash and short-term funds are as follows:

As at 31 December 2024

Changes in the gross carrying amount of cash and short-term funds that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The Bank's increase in the ECL for Stage 1 was arising from newly recognised financial assets during the year which resulted in higher ECL allowances for cash and short-term funds.

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| At 1 January 2024 | – | – | – | – |
| New financial assets originated or purchased | 1,836 | – | – | 1,836 |
| Exchange differences | 109 | – | – | 109 |
| At 31 December 2024 | 1,945 | – | – | 1,945 |

(g) Deposits and placements with banks and other financial institutions

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|----------------------------------|------|----------------|----------------|
| Licensed banks | | 7,527,526 | 2,801,850 |
| Bank Negara Malaysia | | 986,211 | – |
| | | 8,513,737 | 2,801,850 |
| Allowances for impairment losses | (i) | (533) | – |
| | | 8,513,204 | 2,801,850 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(g) Deposits and placements with banks and other financial institutions (cont'd.)

- (i) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on deposits and placements with banks and other financial institutions are as follows:

As at 31 December 2024

Changes in the gross carrying amount of deposits and placements with banks and other financial institutions that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The Bank's increase in the ECL for Stage 1 was arising from newly recognised financial assets during the year which resulted in higher ECL allowances for deposits and placements with banks and other financial institutions.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | – | – | – | – |
| New financial assets originated or purchased | 511 | – | – | 511 |
| Exchange differences | 22 | – | – | 22 |
| At 31 December 2024 | 533 | – | – | 533 |

(h) Financial assets purchased under resale agreements and obligations on financial assets sold under repurchase agreements

- (i) The financial assets purchased under resale agreements are as follows:

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|----------------|----------------|
| Malaysian Government Investment Issues | | – | 58,198 |
| Corporate Bonds and Sukuk | | 1,435,096 | – |
| | | 1,435,096 | 58,198 |
| Allowances for impairment losses | (a) | (667) | (80) |
| | | 1,434,429 | 58,118 |

- (a) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial assets purchased under resale agreements are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financial assets purchased under resale agreements that contributed to changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The increase in the gross carrying amount due to financial assets recognised during the year which correspondingly increased ECL allowances.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | 80 | – | – | 80 |
| New financial assets originated or purchased | 667 | – | – | 667 |
| Financial assets derecognised | (80) | – | – | (80) |
| At 31 December 2024 | 667 | – | – | 667 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(h) Financial assets purchased under resale agreements and obligations on financial assets sold under repurchase agreements (cont'd.)

(i) The financial assets purchased under resale agreements are as follows (cont'd.):

(a) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial assets purchased under resale agreements are as follows (cont'd.):

As at 31 December 2023

Changes in the gross carrying amount of financial assets purchased under resale agreements that contributed to changes in the loss allowances during the financial year ended 31 December 2023 was mainly due to the following:

- The decrease in the gross carrying amount due to financial assets derecognised during the year which correspondingly decreased ECL allowances.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2023 | 796 | – | – | 796 |
| New financial assets originated or purchased | 80 | – | – | 80 |
| Financial assets derecognised | (796) | – | – | (796) |
| At 31 December 2023 | 80 | – | – | 80 |

(ii) Obligations on financial assets sold under repurchase agreements are as follows:

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|------|----------------|----------------|
| Financial investments at fair value through other comprehensive income | (j) | 1,435,112 | – |

(i) Financial investments at fair value through profit or loss

| Group | 2024 RM'000 | 2023 RM'000 |
|---|------------------|------------------|
| At fair value | | |
| Money market instruments: | | |
| Malaysian Government Treasury Bills | 973,890 | – |
| Malaysian Government Investment Issues | 123,287 | 378,487 |
| Bank Negara Malaysia Monetary Notes | – | 713,291 |
| Cagamas Sukuk | 190,507 | 30,009 |
| | 1,287,684 | 1,121,787 |
| Unquoted securities: | | |
| In Malaysia: | | |
| Corporate Sukuk | – | 126,293 |
| Outside Malaysia: | | |
| Corporate Sukuk | 239,692 | 82,979 |
| Total financial investments at FVTPL | 1,527,376 | 1,331,059 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(j) Financial investments at fair value through other comprehensive income

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|---|------|-------------------|----------------|
| At fair value | | | |
| Money market instruments: | | | |
| Malaysian Government Investment Issues | | 14,466,707 | 16,320,593 |
| Negotiable instruments of deposits | | 149,721 | – |
| Bank Negara Malaysia Monetary Notes | | – | 584,212 |
| | | 14,616,428 | 16,904,805 |
| Unquoted securities: | | | |
| In Malaysia: | | | |
| Corporate Sukuk | (i) | 3,562,456 | 7,436,491 |
| Equity | | – | 1,250 |
| | | 3,562,456 | 7,437,741 |
| Total financial investments at FVOCI | | 18,178,884 | 24,342,546 |

(i) As at 31 December 2024, the Corporate Sukuk funded by RPSIA amounting to RM3,351.7 million (2023: RM940.9 million) was recorded off-balance sheet under the operations of IBS.

(ii) The maturity profile of money market instruments are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|---------------------------|-------------------|----------------|
| Within one year | 180,145 | 808,618 |
| One year to three years | 380,707 | 172,771 |
| Three years to five years | 3,895,378 | 1,451,415 |
| After five years | 10,160,198 | 14,472,001 |
| | 14,616,428 | 16,904,805 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(j) Financial investments at fair value through other comprehensive income (cont'd.)

- (iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at fair value through other comprehensive income are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financial investments at fair value through other comprehensive income that contributed to the changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The decrease in ECL for Stage 1 was due to net remeasurement of allowances financial assets which correspondingly decreased the ECL allowances.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | 380 | – | – | 380 |
| Net remeasurement of allowances | (1,164) | – | – | (1,164) |
| New financial assets originated or purchased | 895 | – | – | 895 |
| Financial assets derecognised | (13) | – | – | (13) |
| At 31 December 2024 | 98 | – | – | 98 |

As at 31 December 2023

Changes in the gross carrying amount of financial investments at fair value through other comprehensive income that contributed to the changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The overall increase in the gross carrying amount of financial investments at FVOCI was mainly contributed by Government Investment Issues ("GII") and Corporate Sukuk. GII and Corporate Sukuk mainly includes Government Guaranteed securities which did not attract ECL allowances; and
- The decrease in ECL for Stage 2 was due to derecognition of financial assets which correspondingly decreased the ECL allowances.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2023 | 607 | 1,414 | – | 2,021 |
| Net remeasurement of allowances | (533) | – | – | (533) |
| New financial assets originated or purchased | 343 | – | – | 343 |
| Financial assets derecognised | (31) | (1,414) | – | (1,445) |
| Changes in models/risk parameters | (7) | – | – | (7) |
| Exchange differences | 1 | – | – | 1 |
| At 31 December 2023 | 380 | – | – | 380 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(j) Financial investments at fair value through other comprehensive income (cont'd.)

(iv) Included in investments at FVOCI are financial assets sold under repurchase agreements as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Malaysian Government Investment Issues | 1,435,112 | – |

(k) Financial investments at amortised cost

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|-------|-------------------|----------------|
| At amortised cost | | | |
| Money market instruments: | | | |
| Malaysian Government Investment Issues | | 9,266,129 | 9,260,073 |
| Khazanah Sukuk | | – | 562,011 |
| | | 9,266,129 | 9,822,084 |
| Unquoted securities: | | | |
| In Malaysia: | | | |
| Corporate Sukuk | (i) | 3,546,115 | 3,955,924 |
| Allowances for impairment losses | (iii) | (23,312) | (18,819) |
| Total financial investments at amortised cost | | 12,788,932 | 13,759,189 |

(i) As at 31 December 2024, the Corporate Sukuk funded by RPSIA amounting to RM5,129.0 million (2023: RM7,357.8 million) was recorded off-balance sheet under the operations of IBS.

(ii) The maturity profile of money market instruments are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|---------------------------|------------------|----------------|
| Within one year | 81,766 | 808,247 |
| One year to three years | 771,732 | 603,712 |
| Three years to five years | 2,010,404 | 2,107,795 |
| After five years | 6,402,227 | 6,302,330 |
| | 9,266,129 | 9,822,084 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(k) Financial investments at amortised cost (cont'd.)

- (iii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financial investments at amortised cost are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financial investments at amortised cost that contributed to the changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- The decrease in the ECL for Stage 1 was due to derecognition of financial assets mainly from Corporate Sukuk; and
- The increase in the ECL for Stage 2 was due to deterioration in credit risk which correspondingly increased the net remeasurement of allowances.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | 2,078 | – | 16,741 | 18,819 |
| Transferred to Stage 2 | (1,285) | 1,285 | – | – |
| Net remeasurement of allowances | 853 | 4,100 | (51) | 4,902 |
| New financial assets originated or purchased | 1,190 | – | – | 1,190 |
| Financial assets derecognised | (1,599) | – | – | (1,599) |
| At 31 December 2024 | 1,237 | 5,385 | 16,690 | 23,312 |

As at 31 December 2023

Changes in the gross carrying amount of financial investments at amortised cost that contributed to the changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- The decrease in the gross carrying amount of financial investments at amortised cost was contributed by Corporate Sukuk, due to decrease in the net remeasurement of allowances which correspondingly decreased the ECL allowances; and
- The increase in the ECL for Stage 3 was due to deterioration in credit risk which correspondingly increased the net remeasurement of allowances.

| Group | Stage 1 | Stage 2 | Stage 3 | Total RM'000 |
|--|---------------------------|--|--|-----------------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2023 | 30,266 | 850 | – | 31,116 |
| Transferred to Stage 3 | – | (850) | 850 | – |
| Net remeasurement of allowances | (28,117) | – | 15,891 | (12,226) |
| New financial assets originated or purchased | 66 | – | – | 66 |
| Financial assets derecognised | (873) | – | – | (873) |
| Changes in models/risk parameters | 736 | – | – | 736 |
| At 31 December 2023 | 2,078 | – | 16,741 | 18,819 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances

| Group | 2024 RM'000 | 2023 RM'000 |
|---|---------------------|----------------|
| Financing and advances*: | | |
| (A) Financing and advances at fair value through other comprehensive income | 1,362,401 | 1,491,790 |
| (B) Financing and advances at amortised cost | 310,070,486 | 289,328,434 |
| | 311,432,887 | 290,820,224 |
| Unearned income | (56,539,578) | (58,938,346) |
| Gross financing and advances | 254,893,309 | 231,881,878 |
| Allowances for financing and advances: | | |
| – Stage 1 – 12-month ECL | (545,845) | (548,816) |
| – Stage 2 – Lifetime ECL not credit impaired | (1,737,715) | (1,423,854) |
| – Stage 3 – Lifetime ECL credit impaired | (1,305,982) | (1,102,053) |
| Net financing and advances | 251,303,767 | 228,807,155 |

* As at 31 December 2024, the financing and advances funded by RPSIA amounting to RM38,992.0 million (2023: RM34,308.6 million) was recorded off-balance sheet under the operations of IBS.

The gross exposure of the financing funded by Investment Accounts of Customers ("IA") as at 31 December 2024 was RM30,138.4 million (2023: RM27,354.3 million).

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances (cont'd.)

| Group | Bai ¹ RM'000 | Murabahah RM'000 | Musharakah RM'000 | Al-Ijarah Thumma Al-Bai ("AITAB") ² RM'000 | Ijarah ³ RM'000 | Others RM'000 | Total financing and advances RM'000 |
|--|----------------------------|---------------------|----------------------|---|-------------------------------|------------------|---|
| 2024 | | | | | | | |
| Cashline | – | 7,392,557 | – | – | – | – | 7,392,557 |
| Term financing: | | | | | | | |
| – Housing financing | 9,897,757 | 111,091,992 | 1,250,705 | – | – | 2,078 | 122,242,532 |
| – Syndicated financing | – | 3,374,265 | – | – | – | – | 3,374,265 |
| – Hire purchase receivables | – | 12,705,891 | – | 51,928,928 | – | – | 64,634,819 |
| – Lease receivables | – | – | – | – | 3,046,495 | – | 3,046,495 |
| – Other term financing | 3,583,245 | 87,481,333 | 345,802 | – | – | 43,488 | 91,453,868 |
| Trust receipts | – | 158,947 | – | – | – | – | 158,947 |
| Claims on customers under acceptance credits | – | 7,940,915 | – | – | – | – | 7,940,915 |
| Staff financing | 203,163 | 3,240,491 | 4,998 | 150,653 | – | 60,663 | 3,659,968 |
| Credit card receivables | – | – | – | – | – | 2,524,867 | 2,524,867 |
| Revolving credit | – | 4,962,899 | – | – | – | – | 4,962,899 |
| Share margin financing | – | 39,347 | – | – | – | – | 39,347 |
| Financing to: | | | | | | | |
| – Directors of the Bank | – | 1,180 | – | 131 | – | 45 | 1,356 |
| – Directors of subsidiaries | – | 52 | – | – | – | – | 52 |
| | 13,684,165 | 238,389,869 | 1,601,505 | 52,079,712 | 3,046,495 | 2,631,141 | 311,432,887 |
| Unearned income | | | | | | | (56,539,578) |
| Gross financing and advances ⁴ | | | | | | | 254,893,309 |
| Allowances for financing and advances: | | | | | | | |
| – Stage 1 – 12-month ECL | | | | | | | (545,845) |
| – Stage 2 – Lifetime ECL not credit impaired | | | | | | | (1,737,715) |
| – Stage 3 – Lifetime ECL credit impaired | | | | | | | (1,305,982) |
| Net financing and advances | | | | | | | 251,303,767 |

¹ Bai' comprises Bai' Bithaman Ajil, Bai' Al-Inah and Bai' Al-Dayn Al-Sila'.

² The Group is the owner of the asset. The ownership of an asset will be transferred to the customer via sale at the end of the Ijarah financing.

³ The Group is the owner of the asset. The ownership of an asset will be transferred to the customer at the end of the Ijarah financing subject to the customer's execution of the purchase option.

⁴ Included in financing and advances are the underlying assets under the IA.



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31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances (cont'd.)

| Group | Bai' ¹ RM'000 | Murabahah RM'000 | Musharakah RM'000 | Al-Ijarah Thumma Al-Bai ("AITAB") ² RM'000 | Ijarah ³ RM'000 | Others RM'000 | Total financing and advances RM'000 |
|--|-----------------------------|---------------------|----------------------|---|-------------------------------|------------------|---|
| 2023 | | | | | | | |
| Cashline | – | 7,068,707 | – | – | – | – | 7,068,707 |
| Term financing: | | | | | | | |
| – Housing financing | 10,805,361 | 97,680,534 | 1,397,371 | – | – | 590 | 109,883,856 |
| – Syndicated financing | – | 5,213,306 | – | – | – | – | 5,213,306 |
| – Hire purchase receivables | – | 14,063,247 | – | 47,001,375 | – | – | 61,064,622 |
| – Lease receivables | – | – | – | – | 2,548,038 | – | 2,548,038 |
| – Other term financing | 4,645,909 | 82,088,431 | 402,904 | – | – | 41,582 | 87,178,826 |
| Bills receivables | – | – | – | – | – | 52 | 52 |
| Trust receipts | – | 212,698 | – | – | – | – | 212,698 |
| Claims on customers under acceptance credits | – | 7,786,061 | – | – | – | – | 7,786,061 |
| Staff financing | 234,631 | 2,894,181 | 5,608 | 141,127 | – | 48,654 | 3,324,201 |
| Credit card receivables | – | – | – | – | – | 2,158,462 | 2,158,462 |
| Revolving credit | – | 4,340,427 | – | – | – | – | 4,340,427 |
| Share margin financing | – | 38,482 | – | – | – | – | 38,482 |
| Financing to: | | | | | | | |
| – Directors of the Bank | – | 1,631 | – | 186 | – | 84 | 1,901 |
| – Directors of subsidiaries | – | 348 | – | 237 | – | – | 585 |
| | 15,685,901 | 221,388,053 | 1,805,883 | 47,142,925 | 2,548,038 | 2,249,424 | 290,820,224 |
| Unearned income | | | | | | | (58,938,346) |
| Gross financing and advances ⁴ | | | | | | | 231,881,878 |
| Allowances for financing and advances: | | | | | | | |
| – Stage 1 – 12-month ECL | | | | | | | (548,816) |
| – Stage 2 – Lifetime ECL not credit impaired | | | | | | | (1,423,854) |
| – Stage 3 – Lifetime ECL credit impaired | | | | | | | (1,102,053) |
| Net financing and advances | | | | | | | 228,807,155 |

¹ Bai' comprises Bai' Bithaman Ajil, Bai' Al-Inah and Bai' Al-Dayn Al-Sila'.

² The Group is the owner of the asset. The ownership of an asset will be transferred to the customer via sale at the end of the Ijarah financing.

³ The Group is the owner of the asset. The ownership of an asset will be transferred to the customer at the end of the Ijarah financing subject to the customer's execution of the purchase option.

⁴ Included in financing and advances are the underlying assets under the IA.

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances (cont'd.)

(i) Financing and advances analysed by type of customers are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|-----------------------------------|----------------|----------------|
| Domestic non-banking institutions | 7,611,424 | 5,074,447 |
| Domestic business enterprises: | | |
| – Small and medium enterprises | 48,779,715 | 44,525,336 |
| – Others | 15,631,044 | 16,548,233 |
| Government and statutory bodies | 109,458 | 116,470 |
| Individuals | 181,217,724 | 163,584,593 |
| Other domestic entities | 176,682 | 157,160 |
| Foreign entities | 1,367,262 | 1,875,639 |
| Gross financing and advances | 254,893,309 | 231,881,878 |

(ii) Financing and advances analysed by profit rate sensitivity are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|------------------------------|----------------|----------------|
| Fixed rate: | | |
| – House financing | 1,696,867 | 1,618,028 |
| – Hire purchase receivables | 46,295,416 | 42,032,224 |
| – Other financing | 11,056,243 | 11,120,924 |
| | 59,048,526 | 54,771,176 |
| Floating rate: | | |
| – House financing | 92,671,723 | 78,113,967 |
| – Other financing | 103,173,060 | 98,996,735 |
| | 195,844,783 | 177,110,702 |
| Gross financing and advances | 254,893,309 | 231,881,878 |

(iii) Financing and advances analysed by economic purpose are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Purchase of securities | 20,619,376 | 22,391,172 |
| Purchase of transport vehicles | 57,309,463 | 54,676,294 |
| Purchase of landed properties: | | |
| – Residential | 97,529,316 | 82,158,475 |
| – Non-residential | 24,416,816 | 20,653,905 |
| Purchase of fixed assets (exclude landed properties) | 340,924 | 294,376 |
| Personal use | 4,804,847 | 3,674,884 |
| Purchase of consumer durables | 1,109 | 584 |
| Constructions | 2,833,351 | 2,418,548 |
| Mergers and acquisitions | 31,999 | – |
| Working capital | 44,412,817 | 43,388,891 |
| Credit cards | 2,593,291 | 2,224,749 |
| Gross financing and advances | 254,893,309 | 231,881,878 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances (cont'd.)

(iv) The maturity profile of financing and advances are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|------------------------------|----------------|----------------|
| Within one year | 26,410,011 | 23,900,036 |
| One year to three years | 8,924,192 | 8,916,511 |
| Three years to five years | 22,779,164 | 19,117,586 |
| After five years | 196,779,942 | 179,947,745 |
| Gross financing and advances | 254,893,309 | 231,881,878 |

(v) Movements in the impaired financing and advances ("impaired financing") are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| At 1 January | 2,450,297 | 2,061,080 |
| Newly impaired | 1,631,315 | 1,605,365 |
| Reclassified as non-impaired | (144,253) | (56,988) |
| Amount recovered | (331,181) | (99,115) |
| Amount written off | (743,020) | (1,060,045) |
| Gross impaired financing at 31 December | 2,863,158 | 2,450,297 |
| Less: Stage 3 – Lifetime ECL credit impaired | (1,305,982) | (1,102,053) |
| Net impaired financing at 31 December | 1,557,176 | 1,348,244 |
| Calculation of ratio of net impaired financing (excluding financing funded by IA): | | |
| Gross impaired financing at 31 December | 2,863,158 | 2,323,152 |
| Less: Stage 3 – Lifetime ECL credit impaired | (1,305,982) | (1,102,053) |
| Net impaired financing at 31 December | 1,557,176 | 1,221,099 |
| Gross financing and advances | 224,754,945 | 204,527,541 |
| Less: Allowances for impaired financing and advances at amortised cost and FVOCI | (3,621,575) | (3,094,536) |
| Net financing and advances | 221,133,370 | 201,433,005 |
| Net impaired financing as a percentage of net financing and advances | 0.70% | 0.61% |

(vi) Impaired financing and advances by economic purpose are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Purchase of securities | 9,957 | 12,098 |
| Purchase of transport vehicles | 341,260 | 222,367 |
| Purchase of landed properties: | | |
| – Residential | 570,442 | 357,454 |
| – Non-residential | 438,000 | 325,396 |
| Purchase of fixed assets (exclude landed properties) | 6,318 | 2,154 |
| Personal use | 353,973 | 407,599 |
| Purchase of consumer durables | 1 | 1 |
| Constructions | 76,678 | 224,916 |
| Working capital | 1,054,609 | 883,749 |
| Credit cards | 11,920 | 14,563 |
| Impaired financing and advances | 2,863,158 | 2,450,297 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances (cont'd.)

(vii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financing and advances are as follows:

As at 31 December 2024

Changes in the gross carrying amount of financing and advances carried at fair value through other comprehensive income and amortised cost for the Group that contributed to the changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to the following:

- Gross carrying amount grew primarily from retail hire purchase receivables and house financing by 11% and 6%, respectively;
- The ECL for Stage 1 (12-month ECL) and Stage 2 (lifetime ECL not credit impaired) increased by RM323.1 million. The increase is in tandem with higher growth in financing and advances and customer migration as a result of the Group's active credit risk management; and
- The ECL for Stage 3 (lifetime ECL credit impaired) increased by RM203.9 million primarily due to provisions provided for significant financing and advances, offset with write-off during the year, which remain under active recovery efforts, amounting to RM743.0 million (2023: RM1,060.0 million).

At fair value through other comprehensive income

| Group | Stage 1 | Stage 2 | Stage 3 | Total |
|--|------------------------|--|--|---------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | 6,424 | 13,389 | – | 19,813 |
| Net remeasurement of allowances | 6,431 | 12,386 | – | 18,817 |
| New financial assets originated or purchased | (2,932) | – | – | (2,932) |
| Financial assets derecognised | (3,665) | 12 | – | (3,653) |
| Exchange differences | – | (12) | – | (12) |
| At 31 December 2024 | 6,258 | 25,775 | – | 32,033 |

At amortised cost

| Group | Stage 1 | Stage 2 | Stage 3 | Total |
|--|------------------------|--|--|-----------|
| | 12-month ECL RM'000 | Lifetime ECL not credit impaired RM'000 | Lifetime ECL credit impaired RM'000 | |
| At 1 January 2024 | 548,816 | 1,423,854 | 1,102,053 | 3,074,723 |
| Transferred to Stage 1 | 127,086 | (115,139) | (11,947) | – |
| Transferred to Stage 2 | (26,326) | 57,790 | (31,464) | – |
| Transferred to Stage 3 | (10,290) | (108,399) | 118,689 | – |
| Net remeasurement of allowances | (186,711) | 449,537 | 871,678 | 1,134,504 |
| New financial assets originated or purchased | 155,747 | 85,748 | – | 241,495 |
| Financial assets derecognised | (56,729) | (55,167) | – | (111,896) |
| Changes in models/risk parameters | (5,837) | (544) | (7) | (6,388) |
| Amount written off | – | – | (743,020) | (743,020) |
| Exchange differences | 89 | 35 | – | 124 |
| At 31 December 2024 | 545,845 | 1,737,715 | 1,305,982 | 3,589,542 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(I) Financing and advances (cont'd.)

(vii) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on financing and advances are as follows (cont'd.):

As at 31 December 2023

Changes in the gross carrying amount of financing and advances carried at fair value through other comprehensive income and amortised cost for the Group that contributed to the changes in the loss allowances during the financial year ended 31 December 2023 were mainly due to the following:

- Gross carrying amount grew primarily from retail hire purchase receivables and house financing by 11% and 9%, respectively;
- The ECL for Stage 1 (12-month ECL) increased by RM105.2 million in tandem with higher growth in financing and advances and accounts migrated into Stage 1 from Stage 2 or Stage 3 due to credit quality improvement;
- The ECL for Stage 2 (lifetime ECL not credit impaired) increased by RM127.7 million primarily due to accounts migrated to Stage 2 which was offset by financing and advances that were fully repaid or having movement in the existing balances during the financial year, and accounts migrated to Stage 3 due to deterioration in credit quality; and
- The ECL for Stage 3 (lifetime ECL credit impaired) decreased by RM135.3 million primarily due to significant financing and advances written off during the year, which is still subject to recovery activity amounting to RM1,060.0 million (2022: RM380.1 million). This is offset by RM1,605.4 million of the Bank's financing and advances that were transferred into Stage 3 due to credit quality deterioration.

At fair value through other comprehensive income

| | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| Group | | | | |
| At 1 January 2023 | 7,269 | – | – | 7,269 |
| Transferred to Stage 2 | (3,186) | 3,186 | – | – |
| Net remeasurement of allowances | – | 10,203 | – | 10,203 |
| New financial assets originated or purchased | 1,827 | – | – | 1,827 |
| Financial assets derecognised | (371) | – | – | (371) |
| Changes in models/risk parameters | 873 | – | – | 873 |
| Exchange differences | 12 | – | – | 12 |
| At 31 December 2023 | 6,424 | 13,389 | – | 19,813 |

At amortised cost

| | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| Group | | | | |
| At 1 January 2023 | 442,735 | 1,309,534 | 1,237,312 | 2,989,581 |
| Transferred to Stage 1 | 114,366 | (108,573) | (5,793) | – |
| Transferred to Stage 2 | (31,198) | 46,414 | (15,216) | – |
| Transferred to Stage 3 | (8,799) | (98,770) | 107,569 | – |
| Net remeasurement of allowances | 41,988 | 299,978 | 803,183 | 1,145,149 |
| New financial assets originated or purchased | 134,253 | 71,265 | – | 205,518 |
| Financial assets derecognised | (67,846) | (58,074) | 25,299 | (100,621) |
| Changes in models/risk parameters | (77,070) | (38,031) | (10,877) | (125,978) |
| Amount written off | – | – | (1,060,045) | (1,060,045) |
| Exchange differences | 387 | 111 | 20,621 | 21,119 |
| At 31 December 2023 | 548,816 | 1,423,854 | 1,102,053 | 3,074,723 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(m) Derivative financial instruments and hedge accounting

The table below shows the fair value of derivative financial instruments recorded as assets or liabilities, together with their principal amounts. The principal amount, recorded gross, is the amount of the derivative's underlying asset, reference rate or index and is the basis upon which change in the value of derivatives are measured. The principal amounts indicate the volume of transactions outstanding at the financial year end and are indicative of neither the market risk nor the credit risk.

The Group enters into derivative financial instruments at the request and on behalf of its customers as well as to hedge the Group's own exposures and not for speculative purposes.

| Group | 2024 | | | 2023 | | |
|---|----------------------------|---------------------------|-----------------------|----------------------------|---------------------------|-----------------------|
| | Principal amount RM'000 | <----- Fair Values -----> | | Principal amount RM'000 | <----- Fair Values -----> | |
| | | Assets RM'000 | Liabilities RM'000 | | Assets RM'000 | Liabilities RM'000 |
| Trading derivatives | | | | | | |
| <u>Foreign exchange related contracts</u> | | | | | | |
| Currency forward: | | | | | | |
| – Less than one year | 10,929,559 | 102,689 | (141,637) | 8,006,888 | 38,165 | (97,359) |
| – One year to three years | 2,117,674 | 16,968 | (16,968) | 1,214,410 | 17,595 | (17,595) |
| – More than three years | 1,559,000 | 31,423 | (31,450) | 2,211,892 | 16,097 | (16,097) |
| Currency swaps: | | | | | | |
| – Less than one year | 26,319,184 | 395,070 | (169,394) | 23,968,277 | 75,316 | (163,348) |
| Currency spots: | | | | | | |
| – Less than one year | 57,160 | 448 | (1,906) | 261,522 | 140 | (313) |
| Currency options: | | | | | | |
| – Less than one year | 4,484 | 13 | (13) | 20,271 | 53 | (53) |
| Cross currency profit rate swaps: | | | | | | |
| – Less than one year | 77,876 | 4,088 | (4,088) | – | – | – |
| – One year to three years | 419,607 | 6,976 | (7,971) | – | – | – |
| – More than three years | – | – | – | 425,504 | 12,896 | (14,049) |
| | 41,484,544 | 557,675 | (373,427) | 36,108,764 | 160,262 | (308,814) |
| <u>Profit rate related contracts</u> | | | | | | |
| Profit rate swaps: | | | | | | |
| – One year to three years | – | – | – | 37,321 | 164 | (164) |
| – More than three years | 560,649 | 5,996 | (5,926) | 220,000 | 193 | (115) |
| | 560,649 | 5,996 | (5,926) | 257,321 | 357 | (279) |
| Total | 42,045,193 | 563,671 | (379,353) | 36,366,085 | 160,619 | (309,093) |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(m) Derivative financial instruments and hedge accounting (cont'd.)

Fair value hedge

Included within hedging derivatives are derivatives where the Group have used to apply hedge accounting.

Fair value hedge is used by the Group to protect against changes in the fair value of financial assets and financial liabilities due to movements in profit rates. The financial instruments hedged for profit rate risk include the Group's financial investments.

During the previous financial year ended 31 December 2023, the Group discontinued a number of hedge relationships between the hedged items and hedging instruments due to change in risk management objective resulted from the implementation of the GIMF.

A total loss of RM4,255,334 (2023: RM1,578,592) is amortised to the profit or loss during the financial year with the remaining unamortised Fair Value Hedge adjustment being RM30,336,415 (2023: RM34,591,749) which will be amortised over the average remaining maturity of the related financial assets.

For the financial year ended 31 December 2024, the Group recognised the following net (loss)/gain for discontinued hedge:

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Loss on the hedging instruments | – | (21,671) |
| (Loss)/gain on the hedged items attributable to the hedged risk | (4,255) | 34,592 |

(n) Other assets

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|----------------------------------|------|----------------------|----------------|
| Amount due from holding company | | 4,585,091 | 2,848,949 |
| Prepayment and deposits | | 74,343 | 15,407 |
| Tax recoverable | | 352,961 | 350,050 |
| Other debtors | | 1,469,301 | 829,965 |
| Allowances for impairment losses | (i) | 6,481,696 (2,765) | 4,044,371 – |
| | | 6,478,931 | 4,044,371 |

(i) Analysis of changes in gross carrying amount and the corresponding allowances for impairment losses on other assets are as follows:

As at 31 December 2024

Changes in the gross carrying amount of other assets that contributed to the changes in the loss allowances during the financial year ended 31 December 2024 were mainly due to newly purchased impaired financial assets.

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| At 1 January 2024 | – | – | – | – |
| New financial assets originated or purchased | 2,283 | 482 | – | 2,765 |
| At 31 December 2024 | 2,283 | 482 | – | 2,765 |

(o) Statutory deposits with central bank

The non-profit bearing statutory deposits maintained with BNM is in compliance with the requirement of the Central Bank of Malaysia Act 2009, the amount of which is determined as set percentages of total eligible liabilities.

Notes to the Financial Statements

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63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(p) Property, plant and equipment

| Group | Office Furniture, Fittings, Equipment and Renovations RM'000 | Computers and Peripherals RM'000 | Motor Vehicles RM'000 | Total RM'000 |
|--|--|----------------------------------|-----------------------|--------------|
| As at 31 December 2024 | | | | |
| Cost | | | | |
| At 1 January 2024 | 1,053 | 300 | 385 | 1,738 |
| Additions | – | – | 294 | 294 |
| Exchange differences | (28) | (8) | (10) | (46) |
| At 31 December 2024 | 1,025 | 292 | 669 | 1,986 |
| Accumulated depreciation | | | | |
| At 1 January 2024 | 1,043 | 156 | 340 | 1,539 |
| Depreciation charge for the financial year (Note 63(ah)) | 8 | 53 | 55 | 116 |
| Exchange differences | (27) | (6) | (10) | (43) |
| At 31 December 2024 | 1,024 | 203 | 385 | 1,612 |
| Net carrying amount | | | | |
| At 31 December 2024 | 1 | 89 | 284 | 374 |

| Group | Office Furniture, Fittings, Equipment and Renovations RM'000 | Computers and Peripherals RM'000 | Motor Vehicles RM'000 | Total RM'000 |
|--|--|----------------------------------|-----------------------|--------------|
| As at 31 December 2023 | | | | |
| Cost | | | | |
| At 31 December 2023 | 1,037 | 295 | 379 | 1,711 |
| Exchange differences | 16 | 5 | 6 | 27 |
| At 31 December 2023 | 1,053 | 300 | 385 | 1,738 |
| Accumulated depreciation | | | | |
| At 1 January 2023 | 1,017 | 94 | 259 | 1,370 |
| Depreciation charge for the financial year (Note 63(ah)) | 10 | 60 | 77 | 147 |
| Exchange differences | 16 | 2 | 4 | 22 |
| At 31 December 2023 | 1,043 | 156 | 340 | 1,539 |
| Net carrying amount | | | | |
| At 31 December 2023 | 10 | 144 | 45 | 199 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(q) Right-of-use assets

| Group | Premises | |
|--|----------------|----------------|
| | 2024 RM'000 | 2023 RM'000 |
| Cost | | |
| At 1 January | 13,394 | 14,242 |
| Additions | – | 303 |
| Termination | – | (1,289) |
| Exchange differences | (105) | 138 |
| At 31 December | 13,289 | 13,394 |
| Accumulated depreciation | | |
| At 1 January | 8,900 | 6,963 |
| Depreciation charge for the financial year (Note 63(ah)) | 3,154 | 3,228 |
| Termination | – | (1,289) |
| Exchange differences | (90) | (2) |
| At 31 December | 11,964 | 8,900 |
| Net carrying amount | | |
| At 31 December | 1,325 | 4,494 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(r) Deferred tax

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| At 1 January | 79,648 | 288,433 |
| Recognised in income statement (Note 63(ai)) | 53,809 | 37,244 |
| Relating to origination and reversal of temporary differences | 53,809 | 37,244 |
| Recognised in statement of other comprehensive income | 87,506 | (246,029) |
| At 31 December | 220,963 | 79,648 |

Presented after appropriate offsetting as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|--------------------------|----------------|----------------|
| Deferred tax assets | 322,957 | 269,142 |
| Deferred tax liabilities | (101,994) | (189,494) |
| At 31 December | 220,963 | 79,648 |

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set-off current tax assets against current tax liabilities and when the deferred income taxes relate to the same fiscal authority.

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows:

Deferred tax assets of the Group:

| Group | Unutilised ICBU business losses RM'000 | Impairment losses on financing, financial investments and other financial assets RM'000 | FVOCI reserve RM'000 | Other temporary differences RM'000 | Total RM'000 |
|---|--|---|----------------------------|---|-----------------|
| As at 31 December 2024 | | | | | |
| At 1 January 2024 | 11,859 | 241,906 | 1 | 15,376 | 269,142 |
| Recognised in income statement: | | | | | |
| Relating to origination and reversal of temporary differences | (1,600) | 44,798 | – | 10,617 | 53,815 |
| At 31 December 2024 | 10,259 | 286,704 | 1 | 25,993 | 322,957 |
| As at 31 December 2023 | | | | | |
| At 1 January 2023 | – | 207,372 | 56,567 | 24,526 | 288,465 |
| Recognised in income statement: | | | | | |
| Relating to origination and reversal of temporary differences | 11,859 | 34,534 | – | (9,150) | 37,243 |
| Recognised in statement of other comprehensive income | – | – | (56,566) | – | (56,566) |
| At 31 December 2023 | 11,859 | 241,906 | 1 | 15,376 | 269,142 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(r) Deferred tax (cont'd.)

The components and movements of deferred tax assets and liabilities during the financial year prior to offsetting are as follows (cont'd.):

Deferred tax liabilities of the Group:

| Group | FVOCI reserve RM'000 | Unabsorbed capital allowances RM'000 | Total RM'000 |
|---|----------------------------|---|-----------------|
| As at 31 December 2024 | | | |
| At 1 January 2024 | (189,463) | (31) | (189,494) |
| Recognised in income statement: | | | |
| Relating to origination and reversal of temporary differences | – | (6) | (6) |
| Recognised in statement of other comprehensive income | 87,506 | – | 87,506 |
| At 31 December 2024 | (101,957) | (37) | (101,994) |
| As at 31 December 2023 | | | |
| At 1 January 2023 | – | (32) | (32) |
| Recognised in income statement: | | | |
| Relating to origination and reversal of temporary differences | – | 1 | 1 |
| Recognised in statement of other comprehensive income | (189,463) | – | (189,463) |
| At 31 December 2023 | (189,463) | (31) | (189,494) |

Pursuant to Finance Bill 2021, the tax losses can be utilised up to a maximum of ten consecutive years effective retrospectively from year of assessment 2019.

(s) Deposits from customers

| Group | 2024 RM'000 | 2023 RM'000 |
|-------------------------------|--------------------|----------------|
| Savings deposits | | |
| Murabahah | 28,309,482 | 27,898,298 |
| Qard | 1,440,679 | 537,261 |
| | 29,750,161 | 28,435,559 |
| Demand deposits | | |
| Murabahah | 38,307,257 | 38,688,322 |
| Qard | 4,210,298 | 497,776 |
| | 42,517,555 | 39,186,098 |
| Term deposits | | |
| Murabahah | 161,105,195 | 142,778,570 |
| Qard | 776,911 | 298,752 |
| | 161,882,106 | 143,077,322 |
| Total deposits from customers | 234,149,822 | 210,698,979 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(s) Deposits from customers (cont'd.)

(i) The maturity profile of term deposits are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|---------------------------|----------------|----------------|
| Within six months | 146,154,762 | 130,681,313 |
| Six months to one year | 15,640,105 | 12,265,164 |
| One year to three years | 76,459 | 118,555 |
| Three years to five years | 10,780 | 12,290 |
| | 161,882,106 | 143,077,322 |

(ii) The deposits are sourced from the following type of customers:

| Group | 2024 RM'000 | 2023 RM'000 |
|---------------------------------|----------------|----------------|
| Business enterprises | 99,415,256 | 88,595,093 |
| Individuals | 73,875,821 | 62,192,971 |
| Government and statutory bodies | 33,111,193 | 32,383,000 |
| Others | 27,747,552 | 27,527,915 |
| | 234,149,822 | 210,698,979 |

(t) Investment accounts

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Investment accounts of customers | | |
| – Unrestricted investment accounts | 30,138,364 | 27,354,337 |
| Restricted investment accounts managed by the Group ¹ | 47,711,393 | 42,884,778 |

The unrestricted investment accounts (net of intercompany balances) was RM28,981.8 million (2023: RM26,475.4 million) as reported in the Group's statements of financial position.

(i) Movements in the investment accounts are as follows:

| Group | Unrestricted investment accounts | | | Restricted investment accounts managed by the Group ¹ Mudharabah RM'000 |
|--|-----------------------------------|-------------------|-----------------|---|
| | Mudharabah ² RM'000 | Wakalah RM'000 | Total RM'000 | |
| 2024 | | | | |
| Funding inflows/(outflows) | | | | |
| At 1 January 2024 | 27,103,783 | 250,554 | 27,354,337 | 42,884,778 |
| New placements during the financial year | 61,200,942 | 445,000 | 61,645,942 | 18,158,857 |
| Redemptions during the financial year | (58,861,488) | – | (58,861,488) | (13,446,720) |
| Changes in profit payable | (964) | 537 | (427) | 114,478 |
| At 31 December 2024 | 29,442,273 | 696,091 | 30,138,364 | 47,711,393 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(t) Investment accounts (cont'd.)

(i) Movements in the investment accounts are as follows (cont'd.):

| Group | Unrestricted investment accounts | | | Restricted investment accounts managed by the Group ¹ Mudharabah RM'000 |
|--|-----------------------------------|-------------------|-----------------|---|
| | Mudharabah ² RM'000 | Wakalah RM'000 | Total RM'000 | |
| 2023 | | | | |
| Funding inflows/(outflows) | | | | |
| At 1 January 2023 | 25,637,702 | – | 25,637,702 | 30,552,966 |
| New placements during the financial year | 61,539,566 | 250,000 | 61,789,566 | 23,493,865 |
| Redemptions during the financial year | (60,071,737) | – | (60,071,737) | (11,329,348) |
| Changes in profit payable | (1,748) | 554 | (1,194) | 167,295 |
| At 31 December 2023 | 27,103,783 | 250,554 | 27,354,337 | 42,884,778 |

(ii) Investment accounts are sourced from the following type of customers:

| Group | Unrestricted investment accounts | | | Restricted investment accounts managed by the Group ¹ Mudharabah RM'000 |
|---------------------------------|-----------------------------------|-------------------|-----------------|---|
| | Mudharabah ² RM'000 | Wakalah RM'000 | Total RM'000 | |
| 2024 | | | | |
| Business enterprises | 14,678,650 | – | 14,678,650 | – |
| Individuals | 11,913,062 | – | 11,913,062 | – |
| Government and statutory bodies | 440,417 | – | 440,417 | – |
| Licensed banks | – | – | – | 47,107,072 |
| Others | 2,410,144 | 696,091 | 3,106,235 | 604,321 |
| | 29,442,273 | 696,091 | 30,138,364 | 47,711,393 |
| 2023 | | | | |
| Business enterprises | 14,795,428 | – | 14,795,428 | – |
| Individuals | 10,344,687 | – | 10,344,687 | – |
| Government and statutory bodies | 322,997 | – | 322,997 | – |
| Licensed banks | – | – | – | 42,226,738 |
| Others | 1,640,671 | 250,554 | 1,891,225 | 658,040 |
| | 27,103,783 | 250,554 | 27,354,337 | 42,884,778 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME (“IBS”) (CONT'D.)

(t) Investment accounts (cont'd.)

(iii) The maturity profile of investment accounts are as follows:

| Group | Unrestricted investment accounts | | | Restricted investment accounts managed by the Group ¹ Mudharabah RM'000 |
|---------------------------|-----------------------------------|-------------------|-----------------|---|
| | Mudharabah ² RM'000 | Wakalah RM'000 | Total RM'000 | |
| 2024 | | | | |
| – Without maturity | 26,242,369 | – | 26,242,369 | – |
| – With maturity | | | | |
| Within six months | 2,120,437 | 490,758 | 2,611,195 | 10,853,927 |
| Six months to one year | 1,067,157 | 205,333 | 1,272,490 | 310,641 |
| One year to three years | 10,827 | – | 10,827 | 10,606,804 |
| Three years to five years | 1,483 | – | 1,483 | 25,940,021 |
| | 3,199,904 | 696,091 | 3,895,995 | 47,711,393 |
| | 29,442,273 | 696,091 | 30,138,364 | 47,711,393 |
| 2023 | | | | |
| – Without maturity | 23,437,559 | – | 23,437,559 | – |
| – With maturity | | | | |
| Within six months | 2,558,744 | 190,510 | 2,749,254 | 12,974,987 |
| Six months to one year | 1,073,409 | 60,044 | 1,133,453 | 163,298 |
| One year to three years | 30,557 | – | 30,557 | 6,470,699 |
| Three years to five years | 3,514 | – | 3,514 | 23,275,794 |
| | 3,666,224 | 250,554 | 3,916,778 | 42,884,778 |
| | 27,103,783 | 250,554 | 27,354,337 | 42,884,778 |

(iv) The allocation of investments asset are as follows:

| Group | Unrestricted investment accounts | | | Restricted investment accounts managed by the Group ¹ Mudharabah RM'000 |
|----------------------|-----------------------------------|-------------------|-----------------|---|
| | Mudharabah ² RM'000 | Wakalah RM'000 | Total RM'000 | |
| 2024 | | | | |
| Retail financing | 27,442,273 | 696,091 | 28,138,364 | – |
| Non-retail financing | 2,000,000 | – | 2,000,000 | 39,155,205 |
| Corporate Sukuk | – | – | – | 8,556,188 |
| | 29,442,273 | 696,091 | 30,138,364 | 47,711,393 |
| 2023 | | | | |
| Retail financing | 26,103,783 | 250,554 | 26,354,337 | – |
| Non-retail financing | 1,000,000 | – | 1,000,000 | 34,496,355 |
| Corporate Sukuk | – | – | – | 8,388,423 |
| | 27,103,783 | 250,554 | 27,354,337 | 42,884,778 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(t) Investment accounts (cont'd.)

(v) Profit sharing ratio and rate of return are as follows:

| Group | Investment account holder ("IAH") | |
|--|-----------------------------------|--------------------------|
| | Average profit sharing ratio % | Average rate of return % |
| 2024 | | |
| Investment accounts of customers | | |
| – Unrestricted investment accounts | | |
| – Mudharabah | 35.33 | 1.57 |
| – Wakalah | – | 3.92 |
| Restricted investment accounts managed by the Group ¹ | 83.04 | 4.27 |
| 2023 | | |
| Investment accounts of customers | | |
| – Unrestricted investment accounts | | |
| – Mudharabah ² | 38.18 | 1.61 |
| – Wakalah | – | 4.11 |
| Restricted investment accounts managed by the Group ¹ | 79.41 | 4.17 |

¹ Included in the restricted investment accounts managed by the Group is an arrangement between MIB with the Bank and with the third party where MIB acts as an investment agent to manage and administer the restricted investment accounts amounting to RM47,107.1 million and RM604.3 million (2023: RM42,226.7 million and RM658.0 million), respectively. The amount of restricted investment accounts managed by MIB are disclosed net of any impairment allowances required on the underlying financial assets funded by the restricted investment accounts.

² Included in the unrestricted investment accounts as at 31 December 2023 were the funds invested in Multi-Asset Investment Account-i ("MAIA") product which has been matured amounted to RM121.1 million.

(u) Deposits and placements from financial institutions

| Group | 2024 RM'000 | 2023 RM'000 |
|------------------------------|-------------------|----------------|
| Non-Mudharabah Fund | | |
| Licensed banks | 22,164,757 | 16,296,503 |
| Licensed Islamic banks | – | 399,757 |
| Licensed investment banks | 50,542 | 59,879 |
| Other financial institutions | 874,441 | 732,476 |
| | 23,089,740 | 17,488,615 |

(v) Other liabilities

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|---|------|------------------|----------------|
| Due to holding company | | 205,583 | 48,824 |
| Other creditors, provisions and accruals | | 6,943,907 | 1,179,339 |
| Allowances for impairment losses on financing commitments and financial guarantee contracts | (i) | 114,387 | 107,173 |
| Lease liabilities | (ii) | 667 | 3,539 |
| Structured deposits | | 2,783 | 11,008 |
| | | 7,267,327 | 1,349,883 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(v) Other liabilities (cont'd.)

(i) Movements in the allowances for impairment losses on financing commitments and financial guarantee contracts are as follows:

| Group | Stage 1 12-month ECL RM'000 | Stage 2 Lifetime ECL not credit impaired RM'000 | Stage 3 Lifetime ECL credit impaired RM'000 | Total RM'000 |
|--|--------------------------------------|---|---|-----------------|
| As at 31 December 2024 | | | | |
| At 1 January 2024 | 29,713 | 8,728 | 68,732 | 107,173 |
| Transferred to Stage 1 | 520 | (520) | – | – |
| Transferred to Stage 2 | (498) | 498 | – | – |
| Transferred to Stage 3 | – | (3) | 3 | – |
| Net remeasurement of allowances | 6,216 | 1,635 | 53,187 | 61,038 |
| New credit exposures originated or purchased | 32,579 | 7,131 | – | 39,710 |
| Credit exposures derecognised | (20,697) | (6,808) | (65,886) | (93,391) |
| Changes in models/risk parameters | (1) | – | – | (1) |
| Exchange differences | (127) | (13) | (2) | (142) |
| At 31 December 2024 | 47,705 | 10,648 | 56,034 | 114,387 |
| As at 31 December 2023 | | | | |
| At 1 January 2023 | 33,241 | 11,552 | 93,144 | 137,937 |
| Transferred to Stage 1 | 679 | (679) | – | – |
| Transferred to Stage 2 | (941) | 1,156 | (215) | – |
| Transferred to Stage 3 | (8) | – | 8 | – |
| Net remeasurement of allowances | (2,404) | (1,366) | 67,382 | 63,612 |
| New credit exposures originated or purchased | 25,568 | 5,533 | – | 31,101 |
| Credit exposures derecognised | (25,658) | (7,478) | (91,587) | (124,723) |
| Changes in models/risk parameters | (802) | – | – | (802) |
| Exchange differences | 38 | 10 | – | 48 |
| At 31 December 2023 | 29,713 | 8,728 | 68,732 | 107,173 |

(ii) The movements in lease liabilities are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|-----------------------------------|----------------|----------------|
| At 1 January | 3,539 | 6,622 |
| New lease contracts | – | 232 |
| Termination | – | (354) |
| Finance cost on lease liabilities | 89 | 162 |
| Lease obligation reduction | (2,930) | (3,227) |
| Exchange differences | (31) | 104 |
| At 31 December | 667 | 3,539 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(w) Provision for taxation and zakat

| Group | 2024 RM'000 | 2023 RM'000 |
|----------|----------------|----------------|
| Taxation | 17,525 | 13,818 |
| Zakat | 57,445 | 63,939 |
| | 74,970 | 77,757 |

(x) Term funding

| Group | 2024 RM'000 | 2023 RM'000 |
|-----------------------------------|----------------|----------------|
| Unsecured term funding: | | |
| (i) Commercial Papers | | |
| – Less than one year | 6,919,678 | 7,894,346 |
| (ii) Medium Term Notes | | |
| – More than one year | 2,003,796 | 2,003,322 |
| (iii) Term funding | | |
| – More than one year ¹ | 1,066,631 | 1,034,559 |
| Total term funding | 9,990,105 | 10,932,227 |

¹ Term funding relates to amounts received by the Group under government financing scheme as part of the government support measures in response to COVID-19 pandemic for the purpose of SME financing at a below market rate with a six-year maturity to be repaid on 17 June 2026. The financing under the government scheme is for financing at concession rates to SMEs and for COVID-19 related relief measures.

The unsecured term fundings are denominated in Ringgit Malaysia ("RM").

The following are the changes in the term funding which include the commercial papers/medium term notes/sukuk issued/redeemed by the Group during the financial year ended 31 December 2024:

Issuance of Islamic Commercial Papers ("ICP") by Maybank Islamic Berhad

The aggregate nominal value of the commercial papers issued by Maybank Islamic Berhad and outstanding as at 31 December 2024 are as follows:

| Currency | Description | Aggregated Nominal Value (RM' million) |
|----------|------------------------------|---|
| RM | Zero Profit ICP ² | 7,000.0 |

² These MTN/ICP are fully subscribed by the Bank.

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(y) Subordinated sukuk

| Group | Note | 2024 RM'000 | 2023 RM'000 |
|--|-------|------------------|----------------|
| RM1,000 million Islamic subordinated Sukuk Murabahah due in 2029 | (i) | – | 1,010,849 |
| RM1,000 million Islamic subordinated Sukuk Murabahah due in 2031 | (ii) | 1,011,044 | 1,011,044 |
| RM1,000 million Islamic subordinated Sukuk Murabahah due in 2034 | (iii) | 1,009,566 | – |
| | | 2,020,610 | 2,021,893 |

Details of the issued subordinated sukuk are as follows:

| Note | Description/nominal value | Issue date | First call date | Maturity date | Profit rate (% p.a.) | Nominal value (RM' million) |
|--|---|------------|-----------------|---------------|----------------------|-----------------------------|
| Maybank Islamic Berhad | | | | | | |
| RM10.0 billion Subordinated Sukuk Murabahah Programme | | | | | | |
| (i) | Subordinated Sukuk Murabahah ¹ | 5-Apr-19 | 5-Apr-24 | 5-Apr-29 | 4.50 | 1,000.0 |
| (ii) | Subordinated Sukuk Murabahah ^{2,3} | 15-Feb-21 | 16-Feb-26 | 14-Feb-31 | 2.90 | 1,000.0 |
| (iii) | Subordinated Sukuk Murabahah ^{2,3} | 5-Apr-24 | 5-Apr-29 | 5-Apr-34 | 4.06 | 1,000.0 |

¹ These subordinated sukuk were fully redeemed on the first call date.

² The subsidiary may, subject to the prior consent of BNM, redeem these subordinated sukuk, in whole or in part, on the first call date and on each semi-annual profit payment date thereafter.

³ The subordinated sukuk are fully subscribed by the Bank.

(z) Capital securities

| Description | Issue date | First call date | Maturity date | 2024 RM'000 | 2023 RM'000 |
|--|------------|-----------------|---------------|------------------|----------------|
| Maybank Islamic Berhad | | | | | |
| RM10.0 billion Additional Tier 1 Sukuk Wakalah Programme | | | | | |
| RM1,000.0 million 4.76% Additional Tier 1 Sukuk Wakalah ^{1,2} | 14-Dec-22 | 14-Dec-27 | Perpetual | 1,002,087 | 1,002,347 |

¹ The subsidiary, may redeem this capital securities, in whole or in part, on the first call date and on every periodic distribution date thereafter.

² These capital securities are fully subscribed by the Bank.



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31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(aa) Income derived from investment of depositors' funds

| Group | 2024 RM'000 | 2023 RM'000 |
|---------------------------------|----------------|----------------|
| Income from investment of: | | |
| (i) General investment deposits | 9,064,971 | 8,067,732 |
| (ii) Other deposits | 4,046,801 | 3,813,000 |
| | 13,111,772 | 11,880,732 |

(i) Income derived from investment of general investment deposits:

| Group | 2024 RM'000 | 2023 RM'000 |
|---|------------------|------------------|
| Finance income and hibah: | | |
| Financing and advances | 6,832,159 | 6,001,781 |
| Financial assets purchased under resale agreements | 43,869 | 43,779 |
| Financial investments at FVOCI | 585,161 | 488,556 |
| Financial investments at amortised cost | 323,383 | 596,002 |
| Financial investments at FVTPL | 20,001 | 6,178 |
| Money at call and deposits and placements with financial institutions | 286,456 | 257,597 |
| | 8,091,029 | 7,393,893 |
| Amortisation of premiums, net | (36,768) | (36,493) |
| Total finance income and hibah | 8,054,261 | 7,357,400 |
| Other operating income: | | |
| Fee income | 443,778 | 367,427 |
| Gain on disposal of financial investments at FVTPL | 18,309 | 12,521 |
| Gain on disposal of financial investments at FVOCI | 317,267 | 94,485 |
| Unrealised gain/(loss) on revaluation of: | | |
| – Financial investments at FVTPL | 6,416 | 445 |
| – Derivatives | (1,708) | 25,099 |
| Foreign exchange gain, net | 223,097 | 225,784 |
| Realised loss on derivatives | – | (17,322) |
| Others | 3,551 | 1,893 |
| Total other operating income | 1,010,710 | 710,332 |
| Total | 9,064,971 | 8,067,732 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(aa) Income derived from investment of depositors' funds (cont'd.)

(ii) Income derived from investment of other deposits:

| Group | 2024 RM'000 | 2023 RM'000 |
|---|------------------|------------------|
| Finance income and hibah: | | |
| Financing and advances | 3,050,026 | 2,836,581 |
| Financial assets purchased under resale agreements | 19,584 | 20,691 |
| Financial investments at FVOCI | 261,229 | 230,903 |
| Financial investments at amortised cost | 144,365 | 281,685 |
| Financial investments at FVTPL | 8,929 | 2,920 |
| Money at call and deposits and placements with financial institutions | 127,880 | 121,746 |
| | 3,612,013 | 3,494,526 |
| Amortisation of premiums, net | (16,414) | (17,247) |
| Total finance income and hibah | 3,595,599 | 3,477,279 |
| Other operating income: | | |
| Fee income | 198,113 | 173,654 |
| Gain on disposal of financial investments at FVTPL | 8,174 | 5,918 |
| Gain on disposal of financial investments at FVOCI | 141,635 | 44,656 |
| Unrealised gain/(loss) on revaluation of: | | |
| – Financial investments at FVTPL | 2,864 | 211 |
| – Derivatives | (763) | 11,863 |
| Foreign exchange gain, net | 99,595 | 106,711 |
| Realised loss on derivatives | – | (8,187) |
| Others | 1,584 | 895 |
| Total other operating income | 451,202 | 335,721 |
| Total | 4,046,801 | 3,813,000 |

(ab) Income derived from investment of investment account funds

| Group | 2024 RM'000 | 2023 RM'000 |
|----------------------------------|------------------|------------------|
| Finance income and hibah: | | |
| Financing and advances | 1,326,427 | 1,159,512 |
| Other operating income: | | |
| Fee income | 1,148 | 3,794 |
| Total | 1,327,575 | 1,163,306 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(ac) Income derived from investment of Islamic Banking Funds

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Finance income and hibah: | | |
| Financing and advances | 530,717 | 489,601 |
| Financial assets purchased under resale agreements | 3,408 | 3,573 |
| Financial investments at FVOCI | 45,455 | 39,872 |
| Financial investments at amortised cost | 25,120 | 48,641 |
| Financial investments at FVTPL | 1,554 | 504 |
| Money at call and deposits and placements with financial institutions | 22,252 | 21,023 |
| | 628,506 | 603,214 |
| Amortisation of premiums, net | (2,856) | (2,978) |
| Total finance income and hibah | 625,650 | 600,236 |
| Other operating income: | | |
| Fee income | 72,854 | 85,009 |
| Gain on disposal of financial investments at FVTPL | 3,922 | 4,946 |
| Gain on disposal of financial investments at FVOCI | 24,645 | 7,711 |
| Unrealised gain/(loss) on revaluation of: | | |
| – Financial investments at FVTPL | 498 | 36 |
| – Derivatives | (133) | 2,048 |
| Foreign exchange gain, net | 17,193 | 18,586 |
| Realised loss on derivatives | – | (1,414) |
| Others | 276 | 157 |
| Total other operating income | 119,255 | 117,079 |
| Total | 744,905 | 717,315 |

(ad) Allowances for impairment losses on financing and advances, net

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Stage 1 – 12-month ECL, net | (75,599) | 30,358 |
| Stage 2 – Lifetime ECL not credit impaired, net | 493,930 | 282,030 |
| Stage 3 – Lifetime ECL credit impaired, net | 858,972 | 793,400 |
| Bad debts and financing: | | |
| – Written off | 27,508 | 6,568 |
| – Recovered | (192,616) | (183,506) |
| Allowances for/(writeback of) impairment losses on other debts | 389 | (280) |
| | 1,112,584 | 928,570 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(ae) Allowances for/(writeback of) impairment losses on financial investments, net

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Financial investments at fair value through other comprehensive income | | |
| Stage 1 – 12-month ECL, net | (282) | (228) |
| Stage 2 – Lifetime ECL not credit impaired, net | – | (1,414) |
| | (282) | (1,642) |
| Financial investments at amortised cost | | |
| Stage 1 – 12-month ECL, net | 444 | (28,188) |
| Stage 2 – Lifetime ECL not credit impaired, net | 4,100 | – |
| Stage 3 – Lifetime ECL credit impaired, net | (51) | 15,891 |
| | 4,493 | (12,297) |
| | 4,211 | (13,939) |

(af) Allowances for/(writeback of) impairment losses on other financial assets, net

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Cash and short-term funds | | |
| Stage 1 – 12-month ECL, net | 1,836 | – |
| Deposits and placements with financial institutions | | |
| Stage 1 – 12-month ECL, net | 511 | – |
| Financial assets purchased under resale agreements | | |
| Stage 1 – 12-month ECL, net | 587 | (716) |
| Other financial assets | | |
| Stage 1 - 12-month ECL, net | 2,283 | – |
| Stage 2 - Lifetime ECL not credit impaired, net | 482 | – |
| | 2,765 | – |
| | 5,699 | (716) |

(ag) Profit distributed to depositors

| Group | 2024 RM'000 | 2023 RM'000 |
|--|----------------|----------------|
| Deposits from customers: | | |
| – Non-Mudharabah Fund | 5,876,224 | 5,351,294 |
| Deposits and placements from financial institutions: | | |
| – Non-Mudharabah Fund | 782,784 | 809,673 |
| Structured deposits | 352 | 502 |
| | 6,659,360 | 6,161,469 |



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(ah) Overhead expenses

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Personnel expenses: | | |
| – Salaries, allowances and bonuses | 51,843 | 46,317 |
| – Social security cost | 251 | 227 |
| – Retirement cost | 7,697 | 6,866 |
| – ESGP expenses | 2,701 | 2,070 |
| – Other staff related expenses | 6,770 | 6,110 |
| | 69,262 | 61,590 |
| Establishment costs: | | |
| – Depreciation of property, plant and equipment (Note 63(p)) | 116 | 147 |
| – Depreciation of right-of-use assets (Note 63(q)) | 3,154 | 3,228 |
| – Information technology expenses | 8,093 | 4,989 |
| – Finance cost on lease liabilities | 89 | 162 |
| – Others | 156 | 104 |
| | 11,608 | 8,630 |
| Marketing expenses: | | |
| – Advertisement and publicity | 14,153 | 15,929 |
| – Others | 992 | 1,202 |
| | 15,145 | 17,131 |
| Administration and general expenses: | | |
| – Fees and brokerage | 89,328 | 131,088 |
| – Administrative expenses | 3,927 | 2,445 |
| – General expenses | 74,800 | 34,350 |
| | 168,055 | 167,883 |
| Shared service cost paid/payable to Maybank and related company | 2,515,705 | 2,456,132 |
| Total | 2,779,775 | 2,711,366 |
| Included in overhead expenses are: | | |
| Shariah Committee members' fees and remuneration | 1,091 | 1,218 |

(ai) Taxation

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Tax expense for the financial year: | | |
| Malaysian income tax | 972,778 | 768,394 |
| Under/(over) provision in respect of prior year: | | |
| Malaysian income tax | 3,107 | (11,987) |
| | 975,885 | 756,407 |
| Deferred tax (Note 63(r)): | | |
| Relating to origination and reversal of temporary differences | (53,809) | (37,244) |
| | 922,076 | 719,163 |

Notes to the Financial Statements

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63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(aj) Commitments and contingencies

In the normal course of business, the Group makes various commitments and incurs certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

The risk-weighted exposures of the Group as at each reporting date are as follows:

| Group | 2024 | | | 2023 | | |
|---|------------------------------|---|--|------------------------------|---|--|
| | Full Commitment RM'000 | Credit Equivalent Amount* RM'000 | Risk- Weighted Amount* RM'000 | Full Commitment RM'000 | Credit Equivalent Amount* RM'000 | Risk- Weighted Amount* RM'000 |
| <u>Contingent liabilities</u> | | | | | | |
| Direct credit substitutes | 3,262,747 | 3,151,618 | 2,614,932 | 3,347,374 | 3,182,771 | 1,809,347 |
| Certain transaction-related contingent items | 4,653,620 | 2,311,067 | 1,333,482 | 4,239,635 | 2,090,400 | 1,284,447 |
| Short-term self-liquidating trade-related contingencies | 973,572 | 196,112 | 46,295 | 527,091 | 106,965 | 30,600 |
| | 8,889,939 | 5,658,797 | 3,994,709 | 8,114,100 | 5,380,136 | 3,124,394 |
| <u>Commitments</u> | | | | | | |
| Irrevocable commitments to extend credit: | | | | | | |
| – Maturity within one year | 47,753,997 | 2,336,794 | 443,056 | 41,374,483 | 2,010,363 | 380,901 |
| – Maturity exceeding one year | 17,237,737 | 34,411,187 | 10,931,161 | 14,719,870 | 28,371,689 | 9,710,537 |
| | 64,991,734 | 36,747,981 | 11,374,217 | 56,094,353 | 30,382,052 | 10,091,438 |
| Miscellaneous commitments and contingencies | 168,700 | – | – | 86,637 | – | – |
| Total credit-related commitments and contingencies | 74,050,373 | 42,406,778 | 15,368,926 | 64,295,090 | 35,762,188 | 13,215,832 |
| <u>Derivative financial instruments</u> | | | | | | |
| Foreign exchange related contracts: | | | | | | |
| – Less than one year | 37,388,263 | 583,636 | 156,922 | 32,256,958 | 188,190 | 63,509 |
| – One year to less than five years | 3,664,275 | 272,650 | 101,308 | 3,102,341 | 210,071 | 111,072 |
| – Five years and above | 432,006 | 36,880 | 10,737 | 749,465 | 56,175 | 21,610 |
| | 41,484,544 | 893,166 | 268,967 | 36,108,764 | 454,436 | 196,191 |
| Profit rate related contracts: | | | | | | |
| – One year to less than five years | 340,649 | 16,921 | 4,499 | 37,321 | 261 | 95 |
| – Five years and above | 220,000 | 14,346 | 5,025 | 220,000 | 12,320 | 4,698 |
| | 560,649 | 31,267 | 9,524 | 257,321 | 12,581 | 4,793 |
| Total treasury-related commitments and contingencies | 42,045,193 | 924,433 | 278,491 | 36,366,085 | 467,017 | 200,984 |
| Total commitments and contingencies | 116,095,566 | 43,331,211 | 15,647,417 | 100,661,175 | 36,229,205 | 13,416,816 |

* The credit equivalent amount and risk-weighted amount are derived at using the credit conversion factors and risk-weights, respectively as specified by BNM.



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(ak) Capital adequacy

The capital adequacy ratios of the IBS operations are as follows:

| Group | 2024 | 2023 |
|----------------------|---------|---------|
| CET1 Capital Ratio | 13.458% | 14.339% |
| Tier 1 Capital Ratio | 14.333% | 15.335% |
| Total Capital Ratio | 16.610% | 17.855% |

Components of capital:

| Group | 2024 RM'000 | 2023 RM'000 |
|---|-------------------|----------------|
| CET1 Capital | | |
| Share capital/Islamic Banking Fund | 12,579,879 | 11,681,910 |
| Retained profits | 2,922,948 | 2,577,023 |
| Other reserves | 927,326 | 1,228,475 |
| CET1 Capital before regulatory adjustments | 16,430,153 | 15,487,408 |
| Less: Regulatory adjustment applied in CET1 Capital | (1,039,350) | (1,091,375) |
| Total CET1 Capital | 15,390,803 | 14,396,033 |
| Additional Tier 1 Capital | | |
| Capital securities | 1,000,000 | 1,000,000 |
| Total Tier 1 Capital | 16,390,803 | 15,396,033 |
| Tier 2 Capital | | |
| Subordinated sukuk | 2,000,000 | 2,000,000 |
| General provisions ¹ | 21,166 | 23,634 |
| Surplus of eligible provision over expected loss | 582,451 | 506,354 |
| Total Tier 2 Capital | 2,603,617 | 2,529,988 |
| Total Capital | 18,994,420 | 17,926,021 |

¹ Refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses and regulatory reserve, to the extent they are ascribed to non-credit impaired exposures, determined under Standardised Approach for credit risk.

The breakdown of RWA by each major risk categories are as follows:

| Group | 2024 RM'000 | 2023 RM'000 |
|---|--------------------|----------------|
| Standardised Approach exposure | 3,443,080 | 2,709,444 |
| Internal Ratings-Based Approach exposure after scaling factor | 121,548,907 | 101,660,571 |
| Total RWA for credit risk | 124,991,987 | 104,370,015 |
| Total RWA for credit risk absorbed by Maybank and IAH* | (24,473,794) | (17,268,203) |
| Total RWA for market risk | 1,150,850 | 1,035,378 |
| Total RWA for operational risk | 12,689,460 | 12,263,075 |
| Total RWA | 114,358,503 | 100,400,265 |

* In accordance with the BNM Investment Account policy, the credit risk weighted assets funded by investment accounts (Unrestricted Investment Account and Restricted Investment Account) are excluded from the calculation of capital adequacy ratio of the Bank.

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(al) Fair values of financial assets and financial liabilities

The estimated fair values of financial assets and financial liabilities as at the reporting date approximate their carrying amounts as shown in the statement of financial position, except for the following financial assets and liabilities:

| Group | Level 1 RM'000 | Level 2 RM'000 | Level 3 RM'000 | Total fair value RM'000 | Carrying amount RM'000 |
|---|-------------------|-------------------|-------------------|-------------------------------|------------------------------|
| 2024 | | | | | |
| Financial assets | | | | | |
| Financial investments at amortised cost | – | 12,466,382 | 27,050 | 12,493,432 | 12,788,932 |
| Financing and advances | – | 19,980,894 | 243,936,582 | 263,917,476 | 249,941,366 |
| Financial liabilities | | | | | |
| Customers' funding: | | | | | |
| – Deposits from customers | – | 234,149,828 | – | 234,149,828 | 234,149,822 |
| – Investment accounts of customers [^] | – | 30,138,338 | – | 30,138,338 | 30,138,364 |
| Deposits and placements from financial institutions | – | 23,076,988 | – | 23,076,988 | 23,089,740 |
| Term funding | – | 10,014,185 | – | 10,014,185 | 9,990,105 |
| Subordinated sukuk | – | 2,001,730 | – | 2,001,730 | 2,020,610 |
| Capital securities | – | 1,014,427 | – | 1,014,427 | 1,002,087 |
| 2023 | | | | | |
| Financial assets | | | | | |
| Financial investments at amortised cost | – | 13,332,508 | 25,830 | 13,358,338 | 13,759,189 |
| Financing and advances | – | 19,507,317 | 222,532,579 | 242,039,896 | 227,315,365 |
| Financial liabilities | | | | | |
| Customers' funding: | | | | | |
| – Deposits from customers | – | 210,698,985 | – | 210,698,985 | 210,698,979 |
| – Investment accounts of customers [^] | – | 27,354,378 | – | 27,354,378 | 27,354,337 |
| Deposits and placements from financial institutions | – | 17,453,568 | – | 17,453,568 | 17,488,615 |
| Term funding | – | 10,963,127 | – | 10,963,127 | 10,932,227 |
| Subordinated sukuk | – | 2,000,283 | – | 2,000,283 | 2,021,893 |
| Capital securities | – | 1,020,387 | – | 1,020,387 | 1,002,347 |

[^] Investment accounts of customers are used to fund financing and advances as disclosed in Note 63(l).

The methods and assumptions used to estimate the fair values of the financial assets and financial liabilities of IBS operations are as disclosed in Note 55.

(am) Allocation of income

The policy of allocation of income to the various types of deposits and investments is subject to the "Framework of Rate of Return" issued by BNM in October 2001 and has been updated on 13 March 2013. The objective is to set the minimum standard and terms of reference for the Islamic banking institutions in calculating and deriving the rate of return for the depositors.



Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(an) Shariah disclosures

(i) Shariah Committee and governance

The operations of Islamic businesses of the Group are governed by Sections 28 and 29 of the Islamic Financial Services Act 2013 ("IFSA"), which stipulates, that any licensed institution shall at all times ensure that its aims and operations, business, affairs and activities are in compliance with Shariah, and, in accordance with the advice or rulings of Shariah Advisory Council ("SAC"), specifies standards on Shariah matters in respect of the carrying on of its business, affairs or activity. Meanwhile, BNM's Shariah Governance Policy Document (BNM/RH/PD 028-100) relates to, among other things, Shariah Committee's objectivity to reinforce sound decision-making process and robustness of internal control functions for effective management of Shariah non-compliance risks.

Based on the above, the duties and responsibilities of the Shariah Committee ("SC") are to advise on the overall operations of the Group's Islamic business in order to ensure compliance with the Shariah requirements.

The roles and responsibilities of SC in monitoring the Group's activities include, but not limited to the following:

- To provide a decision or advice to the financial institution on the application of any rulings of the SAC or standards on Shariah matters to its operations, business, affairs and activities;
- To provide a decision or advice on matters which require a reference to be made to the SAC;
- To provide a decision or advice on the operations, business, affairs and activities of the financial institution which may trigger a Shariah non-compliance event;
- To deliberate and affirm a Shariah non-compliance finding by any relevant functions; and
- To endorse a rectification measure to address a Shariah non-compliance event.

As for the financial year of 2024, the SC at the Group level has six members.

Any transaction classified as potential Shariah non-compliant will be escalated to the SC for deliberation and decision whether any Shariah requirements have been breached. Shariah Risk Management will track on the incident and rectification status, and ensure timely reporting to the SC, Board and BNM. For Shariah non-compliant transactions, any related income earned will be purified by channeling the amount to charity or given back to the customer, as determined by the SC.

(ii) Shariah non-compliant events

The nature of transactions deliberated to SC for Shariah non-compliance are as follows:

| Group | No. of events | RM'000 |
|--|---------------|------------|
| 2024 | | |
| Subsequent change in business activities for financing granted to a customer resulting in revenue generated from rental of property used for non-Halal business activities | 1 | 37 |
| Compounding of accrued profit for restructured term financing account ¹ | 1 | – |
| Imposition of Islamic Interbank Money Market ("IIMM") rate for computation of late payment charges ¹ | 1 | – |
| | 3 | 37 |
| 2023 | | |
| Subsequent change in business activities for financing granted to a customer resulting in revenue generated from rental of property used for non-Halal business activities | 1 | 216 |
| Compounding of accrued profit for restructured term financing account | 1 | – |
| Financing granted to a food and beverage operator with mixture of Halal and non-Halal business activities ² | – | 463 |
| | 2 | 679 |

Notes to the Financial Statements

31 December 2024

63. THE OPERATIONS OF ISLAMIC BANKING SCHEME ("IBS") (CONT'D.)

(an) Shariah disclosures (cont'd.)

(ii) Shariah non-compliant events (cont'd.)

Apart from the purification of income from Shariah non-compliant events, Maybank Islamic Berhad has instituted several rectification measures relating to systems, processes and procedures to enhance control mechanisms and minimise recurrence of Shariah non-compliant incidents.

The rectification action plans are as follows:

| Nature of events | Measures undertaken | Status |
|---|--|--|
| Islamic Hire Purchase financing facility granted to a customer whose Nature of Business is manufacturing of Halal and non-Halal | Conversion of the current Islamic Business Hire Purchase Facilities to Conventional Purification of income earned by the Bank | Income has been purified and channelled to charity |
| Compounding of accrued profit for restructured term financing account ¹ | Adjustment of the Bank Selling Price in the system; credit of the overcharge profit into the customer's financing account; and refresher training on Restructuring and Rescheduling for all Commercial Banking Centres and Credit Administration Centres | Targeted to complete in Q1 FY2025 |
| Imposition of Islamic Interbank Money Market ("IIMM") rate for computation of late payment charges ¹ | The difference shall be set off against the outstanding balance/refunded to customer; checks on the accuracy of the system in applying the correct rate; refresher training and engagement with Commercial Banking Centres and Credit Administration Centres | Targeted to complete in Q1 FY2025 |

¹ These events were identified in 2024 but concluded as Shariah non-compliant by the SC on 15 January 2025.

² During the financial year ended 31 December 2023, an additional income of RM463,101 has been purified in relation to financing granted to food and beverages operator with mixture of Halal and non-Halal business in 2022, as the account was fully closed on 4 September 2023.

(iii) Sources and uses of charity funds

| Group | 2024 RM'000 | 2023 RM'000 |
|---|----------------|----------------|
| Sources of charity funds | | |
| Shariah non-compliance/prohibited income ³ | 716 | 679 |
| Penalty from BNM Funded Scheme ⁴ | 83 | – |
| Total sources of charity funds during the financial year | 799 | 679 |
| Uses of charity funds | | |
| Contribution to non-profit organisation | 722 | – |
| Total uses of charity funds during the financial year | 722 | – |
| Undistributed charity funds as at 31 December | 77 | 679 |

³ The balance of RM679,361 in 2023 was brought forward and distributed in 2024

⁴ Selling of property less than five (5) years under BNM Funded Scheme

(iv) Recognition and measurement by main class of Shariah contracts

The recognition and measurement of each main class of Shariah contracts are dependent on the nature of the products, either financing or deposit product. The accounting policies for each of these products are disclosed in their respective policies.



Notes to the Financial Statements

31 December 2024

64. DETAILS OF SUBSIDIARIES, DEEMED CONTROLLED STRUCTURED ENTITIES, ASSOCIATES AND JOINT VENTURE

(a) Details of the subsidiaries are as follows:

| Name of Company | Principal Activities | Country of Incorporation/ Principal Place of Business | Share Capital | | Effective Interest held by the Group | | Effective Interest held by the Non-Controlling Interest | | Total | |
|--|---|--|---------------------------------|---------------------------------|--------------------------------------|---------------------|---|--------|--------|--------|
| | | | 2024 RM | 2023 RM | 2024 % | 2023 % | 2024 % | 2023 % | 2024 % | 2023 % |
| Banking | | | | | | | | | | |
| Maybank Islamic Berhad | Islamic banking | Malaysia | 12,574,879,419 | 11,676,910,001 | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Maybank International (L) Ltd. | Offshore banking | Malaysia | 3,500,000 ² | 3,500,000 ² | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Maybank Philippines, Incorporated ¹⁰ | Banking | Philippines | 10,545,500,338 ³ | 10,545,500,338 ³ | 99.98 | 99.98 | 0.02 | 0.02 | 100.00 | 100.00 |
| PT Bank Maybank Indonesia Tbk ¹⁰ | Banking | Indonesia | 10,213,284,063,018 ¹ | 10,213,284,063,018 ¹ | 98.52 ¹⁴ | 98.52 ¹⁴ | 1.48 | 1.48 | 100.00 | 100.00 |
| Maybank (Cambodia) Plc. ¹⁰ | Banking | Cambodia | 75,000,000 ² | 75,000,000 ² | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Maybank Singapore Limited ¹⁰ | Banking | Singapore | 2,000,000,100 ⁴ | 2,000,000,100 ⁴ | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Finance | | | | | | | | | | |
| PT Maybank Indonesia Finance ¹⁰ | Multi-financing | Indonesia | 32,370,000,000 ¹ | 32,370,000,000 ¹ | 98.51 ¹⁴ | 98.51 ¹⁴ | 1.49 | 1.49 | 100.00 | 100.00 |
| PT Wahana Ottomitra Multiartha Tbk ¹⁰ | Multi-financing | Indonesia | 508,338,022,174 ¹ | 508,338,022,174 ¹ | 67.54 ¹⁴ | 67.54 ¹⁴ | 32.46 | 32.46 | 100.00 | 100.00 |
| Kim Eng Finance (Singapore) Pte. Ltd. ¹⁰ | Under member's voluntary liquidation | Singapore | 100,000 ⁴ | 100,000 ⁴ | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Insurance | | | | | | | | | | |
| Maybank Ageas Holdings Berhad | Investment holding | Malaysia | 660,866,223 | 660,866,223 | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika Life International (L) Ltd. | Offshore investment-linked business | Malaysia | 3,500,000 ² | 3,500,000 ² | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika General Insurance Berhad | General insurance business | Malaysia | 229,878,927 | 229,878,927 | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika Family Takaful Berhad | Family takaful and investment-linked businesses | Malaysia | 100,000,000 | 100,000,000 | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika Offshore Insurance (L) Ltd. | Bureau services | Malaysia | 215,500 ² | 215,500 ² | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika International Holdings Sdn. Bhd. | Investment holding | Malaysia | 485,310,828 | 485,310,828 | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Etika Life and General Assurance Philippines, Inc. ¹⁰ | General insurance and life insurance businesses | Philippines | 1,206,511,152 ³ | 1,206,511,152 ³ | 95.24 | 95.24 | 4.76 | 4.76 | 100.00 | 100.00 |
| Etika Insurance Pte. Ltd. ¹⁰ | General insurance and life insurance businesses | Singapore | 368,000,000 ⁴ | 368,000,000 ⁴ | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| PT Asuransi Etika Internasional Indonesia ¹⁰ | General insurance business | Indonesia | 267,429,068,000 ¹ | 267,429,068,000 ¹ | 79.87 | 79.87 | 20.13 | 20.13 | 100.00 | 100.00 |
| Etika Life Insurance Berhad | Life insurance and investment-linked businesses | Malaysia | 100,000,000 | 100,000,000 | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika General Takaful Berhad | General takaful business | Malaysia | 970,000,500 | 970,000,500 | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Etika General Insurance (Cambodia) Plc. ¹⁰ | General insurance business | Cambodia | 11,000,000 ² | 11,000,000 ² | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Etika Life Insurance (Cambodia) Plc. ¹⁰ | Life insurance and investment-linked businesses | Cambodia | 12,000,000 ² | 12,000,000 ² | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Investment Banking | | | | | | | | | | |
| Maybank Investment Bank Berhad | Investment banking | Malaysia | 222,785,000 | 222,785,000 | 100.00 | 100.00 | - | - | 100.00 | 100.00 |
| Maysec Sdn. Bhd. | Investment holding | Malaysia | 162,000,000 | 162,000,000 | 100.00 | 100.00 | - | - | 100.00 | 100.00 |

Notes to the Financial Statements

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64. DETAILS OF SUBSIDIARIES, DEEMED CONTROLLED STRUCTURED ENTITIES, ASSOCIATES AND JOINT VENTURE (CONT'D.)

(a) Details of the subsidiaries are as follows (cont'd.):

| Name of Company | Principal Activities | Country of Incorporation/ Principal Place of Business | Share Capital | | Effective Interest held by the Group | | Effective Interest held by the Non-Controlling Interest | | Total | |
|--|---|--|--------------------------------|--------------------------------|--------------------------------------|--------|---|-------|--------|--------|
| | | | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 | 2024 | 2023 |
| | | | RM | RM | % | % | % | % | % | % |
| Investment Banking (cont'd.) | | | | | | | | | | |
| PhileoAllied Securities (Philippines) Inc. ¹⁰ | Liquidated | Philippines | – | 21,875,000 ³ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank International Holdings Sdn. Bhd. | Investment holding | Malaysia | 4,333,256,980 | 4,333,256,980 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank IBG Holdings Limited ¹⁰ | Investment holding | Singapore | 211,114,224 ⁴ | 211,114,224 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities Pte. Ltd. ¹⁰ | Dealing in securities | Singapore | 75,000,000 ⁴ | 75,000,000 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| PT Maybank Sekuritas Indonesia ¹⁰ | Dealing in securities | Indonesia | 589,805,000,000 ¹ | 589,805,000,000 ¹ | 99.78 | 99.78 | 0.22 | 0.22 | 100.00 | 100.00 |
| Maybank Securities (Thailand) Public Company Limited ¹⁰ | Dealing in securities | Thailand | 3,377,643,229 ⁷ | 3,377,643,229 ⁷ | 83.50 | 83.50 | 16.50 | 16.50 | 100.00 | 100.00 |
| Maybank Securities (London) Limited ¹⁰ | Dealing in securities | United Kingdom | 600,000 ⁶ | 600,000 ⁶ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities USA Inc. ¹¹ | Dormant | United States of America | 31,054,000 ² | 30,454,000 ² | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| MLB Securities India Private Limited ¹⁰ | Dealing in securities | India | 950,000,000 ⁸ | 950,000,000 ⁸ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| MLB Finance (Hong Kong) Limited ¹⁰ | Securities trading | Hong Kong | 5,000,000 ⁵ | 5,000,000 ⁵ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Research Pte. Ltd. ¹⁰ | Provision of research services | Singapore | 300,000 ⁴ | 300,000 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| MLB Securities (Hong Kong) Limited ¹⁰ | Dealing in securities | Hong Kong | 310,000,000 ⁵ | 310,000,000 ⁵ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| MLB Futures (Hong Kong) Limited ¹⁰ | Futures contracts broker | Hong Kong | 6,000,000 ⁵ | 6,000,000 ⁵ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Capital, Inc. ¹⁰ | Corporate finance & financial and investment advisory | Philippines | 872,558,000 ³ | 872,558,000 ³ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities, Inc. ¹⁰ | Dealing in securities | Philippines | 404,795,900 ³ | 404,795,900 ³ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities Limited ¹⁰ | Dealing in securities | Vietnam | 2,200,000,000,000 ⁹ | 2,200,000,000,000 ⁹ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Asset Management/Trustees/ Custody | | | | | | | | | | |
| Maybank Asset Management Group Berhad | Investment holding | Malaysia | 262,300,030 | 262,300,030 | 100.00 | 80.00 | – | 20.00 | 100.00 | 100.00 |
| Maybank (Indonesia) Berhad | Dormant | Malaysia | 2 | 2 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Cekap Mentari Berhad | Investment holding | Malaysia | 6,070,828,970 | 6,070,828,970 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank International Trust (Labuan) Berhad | Investment holding | Malaysia | 2,064,861,449 | 2,064,861,449 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Offshore Corporate Services (Labuan) Sdn. Bhd. | Investment holding | Malaysia | 7,824,635,855 | 7,673,507,771 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Trustees Berhad | Trustee services | Malaysia | 500,000 | 500,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Private Equity Sdn. Bhd. | Under member's voluntary liquidation | Malaysia | 3,500,000 | 3,500,000 | 100.00 | 80.00 | – | 20.00 | 100.00 | 100.00 |
| Maybank Asset Management Sdn. Bhd. | Fund management | Malaysia | 47,720,000 | 47,720,000 | 100.00 | 80.00 | – | 20.00 | 100.00 | 100.00 |
| Philmay Property, Inc. ¹⁰ | Property leasing and trading | Philippines | 100,000,000 ³ | 100,000,000 ³ | 100.00 | 60.00 | – | 40.00 | 100.00 | 100.00 |



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64. DETAILS OF SUBSIDIARIES, DEEMED CONTROLLED STRUCTURED ENTITIES, ASSOCIATES AND JOINT VENTURE (CONT'D.)

(a) Details of the subsidiaries are as follows (cont'd.):

| Name of Company | Principal Activities | Country of Incorporation/ Principal Place of Business | Share Capital | | Effective Interest held by the Group | | Effective Interest held by the Non-Controlling Interest | | Total | |
|--|--|--|------------------------------|------------------------------|--------------------------------------|--------|---|--------|--------|--------|
| | | | 2024 RM | 2023 RM | 2024 % | 2023 % | 2024 % | 2023 % | 2024 % | 2023 % |
| | | | | | | | | | | |
| Asset Management/Trustees/ Custody (cont'd.) | | | | | | | | | | |
| Maybank (Nominees) Sdn. Bhd. | Nominee services | Malaysia | 31,000 | 31,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Nominees (Tempatan) Sdn. Bhd. | Nominee services | Malaysia | 10,000 | 10,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Nominees (Asing) Sdn. Bhd. | Nominee services | Malaysia | 10,000 | 10,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Nominees (Singapore) Private Limited ¹⁰ | Nominee services | Singapore | 60,000 ⁴ | 60,000 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Nominees (Hong Kong) Limited ¹⁰ | Nominee services | Hong Kong | 3 ⁵ | 3 ⁵ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities Nominees (Tempatan) Sdn. Bhd. | Nominee services | Malaysia | 10,000 | 10,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities Nominees (Asing) Sdn. Bhd. | Nominee services | Malaysia | 10,000 | 10,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Allied Berhad | Investment holding | Malaysia | 753,908,638 | 753,908,638 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Dourado Tora Holdings Sdn. Bhd. | Investment holding | Malaysia | 81,196,888 | 81,196,888 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Aurea Lakra Holdings Sdn. Bhd. | Property investment | Malaysia | 1,000,000 | 1,000,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| KBB Nominees (Tempatan) Sdn. Bhd. | Ceased operations | Malaysia | 10,000 | 10,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| KBB Properties Sdn. Bhd. | Ceased operations | Malaysia | 410,000 | 410,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Double Care Sdn. Bhd. ¹³ | Under member's voluntary liquidation | Malaysia | 35,000,000 | 35,000,000 | 69.05 | 69.05 | 30.95 | 30.95 | 100.00 | 100.00 |
| Sorak Financial Holdings Pte. Ltd. ¹⁰ | Investment holding | Singapore | 911,337,499 ⁴ | 882,010,600 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Myfin Berhad | Ceased operations | Malaysia | 73,755 | 73,755 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Alliances Sdn. Bhd. | Investment holding | Malaysia | 204,070,181 | 204,070,181 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Ventures Sdn. Bhd. | Business/Economic consultancy and advisory | Malaysia | 742,011 | 742,011 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| MIB Strategic Pte. Ltd. ¹⁰ | Investment holding | Singapore | 2 ⁴ | 2 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Properties Pte. Ltd. ¹⁰ | Property investment | Singapore | 8,000,000 ⁴ | 8,000,000 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Strategic Acquisitions Pte. Ltd. ¹⁰ | Investment holding | Singapore | 94,556 ⁴ | 94,556 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| MIB Investment Limited ¹⁰ | Investment holding | Hong Kong | 415,000,000 ⁵ | 415,000,000 ⁵ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Securities Nominees Pte. Ltd. ¹⁰ | Acting as nominee for beneficiary shareholders | Singapore | 10,000 ⁴ | 10,000 ⁴ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Asset Management Singapore Pte. Ltd. ¹⁰ | Fund management | Singapore | 9,768,512 ⁴ | 9,768,512 ⁴ | 100.00 | 80.00 | – | 20.00 | 100.00 | 100.00 |
| MIB Nominees (Hong Kong) Limited ¹⁰ | Nominee services | Hong Kong | 2 ⁵ | 2 ⁵ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Kim Eng Properties USA Inc. ¹² | Property investment | United States of America | 3,000,000 ² | 3,000,000 ² | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| PT Prosperindo ¹¹ | Investment holding | Indonesia | 275,730,000,000 ¹ | 275,730,000,000 ¹ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Maybank Shared Services Sdn. Bhd. | IT shared services | Malaysia | 5,000,000 | 5,000,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| PT Maybank Asset Management ¹⁰ | Fund management | Indonesia | 193,902,032,258 ¹ | 169,500,000,000 ¹ | 99.00 | 79.20 | 1.00 | 20.80 | 100.00 | 100.00 |
| Maybank Islamic Asset Management Sdn. Bhd. | Fund management | Malaysia | 3,000,000 | 3,000,000 | 100.00 | 80.00 | – | 20.00 | 100.00 | 100.00 |

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64. DETAILS OF SUBSIDIARIES, DEEMED CONTROLLED STRUCTURED ENTITIES, ASSOCIATES AND JOINT VENTURE (CONT'D.)

(a) Details of the subsidiaries are as follows (cont'd.):

| Name of Company | Principal Activities | Country of Incorporation/ Principal Place of Business | Share Capital | | Effective Interest held by the Group | | Effective Interest held by the Non-Controlling Interest | | Total | |
|---|--|--|-------------------------|-------------------------|--------------------------------------|-----------|---|-----------|-----------|-----------|
| | | | 2024 RM | 2023 RM | 2024 % | 2023 % | 2024 % | 2023 % | 2024 % | 2023 % |
| | | | | | | | | | | |
| Asset Management/Trustees/ Custody (cont'd.) | | | | | | | | | | |
| MBB Labs Private Limited ¹⁰ | IT development services | India | 60,000,000 ⁸ | 60,000,000 ⁸ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Amanah Mutual Berhad | Fund management | Malaysia | 1,000,000 | 1,000,000 | 100.00 | 80.00 | – | 20.00 | 100.00 | 100.00 |
| Etika Digital Solutions Sdn. Bhd. | Other IT, business management consultancy/ support services | Malaysia | 2,500,000 | 2,500,000 | 100.00 | 100.00 | – | – | 100.00 | 100.00 |
| Philmay Holding, Inc. ¹⁰ | Investment holding | Philippines | 60,000,000 ³ | 60,000,000 ³ | 100.00 | 100.00 | – | – | 100.00 | 100.00 |

(b) Details of the deemed controlled structured entities are as follows:

| Name of Company | Principal Activities | Country of Incorporation/Principal Place of Business | Effective Interest | |
|---|------------------------|--|--------------------|--------|
| | | | 2024 % | 2023 % |
| <u>Held by the Bank</u> | | | | |
| Maybank Money Market Fund ¹⁰ (formerly known as Maybank Enhanced Income Fund) | Equity Fund | Singapore | 42 | 75 |
| Maybank All-Weather Quantitative Fund ¹⁰ | Equity Fund | Singapore | 37 | 66 |
| Maybank Dana Ekuitas | Equity Fund | Indonesia | – | 74 |
| MAMG Inverse ETF Fund | Equity Fund | Malaysia | – | 100 |
| Maybank Global Strategic Growth-I Fund ¹⁰ | Equity Fund | Malaysia | 99 | – |
| <u>Held through subsidiaries</u> | | | | |
| MAM PE Asia Fund I (Labuan) LLP | Private Equity Fund | Malaysia | – | 100 |
| Silver Fern Covered Bonds Pte. Ltd. | Covered Bond Guarantor | Singapore | 100 | – |

(c) Details of the associates are as follows:

| Name of Company | Principal Activities | Country of Incorporation/Principal Place of Business | Effective Interest | |
|--|---|--|--------------------|--------|
| | | | 2024 % | 2023 % |
| <u>Held by the Bank</u> | | | | |
| Uzbek Leasing International A.O. ¹¹ | Leasing | Uzbekistan | 10 | 10 |
| An Binh Commercial Joint Stock Bank ¹¹ | Banking | Vietnam | 16 | 16 |
| <u>Held through subsidiaries</u> | | | | |
| MCB Bank Limited ¹¹ | Banking | Pakistan | 19 | 19 |
| Tullet Prebon (Philippines), Inc. ¹¹ | Broker between participants in forex and fixed income | Philippines | 49 | 49 |
| Adrian V. Ocampo Insurance Brokers, Inc. ¹⁰ | Insurance brokerage | Philippines | 23 | 23 |
| GPay Network (M) Sdn. Bhd. | Undertake e-payment business | Malaysia | – | 30 |



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64. DETAILS OF SUBSIDIARIES, DEEMED CONTROLLED STRUCTURED ENTITIES, ASSOCIATES AND JOINT VENTURE (CONT'D.)

(d) Details of the joint venture are as follows:

| Name of Company | Principal Activities | Country of Incorporation/Principal Place of Business | Effective Interest | |
|------------------------------|--------------------------------------|--|--------------------|--------|
| | | | 2024 % | 2023 % |
| Anfaal Capital ¹¹ | Under member's voluntary liquidation | Kingdom of Saudi Arabia | 35 | 35 |

Note:

¹ Indonesia Rupiah (IDR)

² United States Dollars (USD)

³ Philippine Peso (Peso)

⁴ Singapore Dollars (SGD)

⁵ Hong Kong Dollars (HKD)

⁶ Great Britain Pound (GBP)

⁷ Thailand Baht (THB)

⁸ Indian Rupee (INR)

⁹ Vietnamese Dong (VND)

¹⁰ Audited by other member firms of Ernst & Young Global

¹¹ Audited by firms of auditors other than Ernst & Young Global

¹² No audit required as allowed by the laws of the respective country of incorporation

¹³ No audit required as the entity is under members' voluntary liquidation

¹⁴ In the financial year ended 31 December 2013, the Group completed the disposal of 18.3% equity interest in PT Bank Maybank Indonesia Tbk ("BMI") to a third party investor. The disposal was undertaken to ensure compliance with the Otoritas Jasa Keuangan ("OJK")'s mandatory sell down requirement under the OJK Regulation No. IX.H.1. The Group had also entered into a commercial arrangement where the economic exposure resulting from the disposal was retained. During the financial year ended 31 December 2023, the Group terminated the previous commercial arrangement and completed a new commercial arrangement to retain the same economic exposure of 18.31% equity interest. Hence, there is no change in the Group's effective interest in BMI.

65. CURRENCY

The financial statements are presented in Ringgit Malaysia ("RM"), which is also the Bank's functional currency and rounded to the nearest thousand (RM'000) unless otherwise stated.

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66. DIRECTORS OF SUBSIDIARIES OF THE GROUP

The following is the list of directors who served on the Boards of the subsidiaries of the Group since the beginning of the current financial year to the date of the directors' report:

| Name of Company | Name of Directors | Name of Company | Name of Directors |
|--|---|---|---|
| Maybank Islamic Berhad | Dato' Zulkiflee Abbas bin Abdul Hamid Professor Dato' Dr. Aznan bin Hasan Shariffuddin bin Khalid Natasha binti Kamaluddin Datuk Zainal Izlan bin Zainal Abidin | PT Maybank Indonesia Finance | Steffano Ridwan Budhi Dyah Sitawati (appointed on 21 March 2024) Herwan Ng (appointed on 21 March 2024) Deswandhy Agusman (resigned on 21 March 2024) |
| Maybank International (L) Ltd. | Nor Rashidi bin Mohammad Malique Firdauz bin Ahmad Sidique Aziah binti Abdullah (resigned on 25 July 2024) | PT Wahana Ottomitra Multiartha Tbk | Thilagavathy Nadason Myrnie Zachraini Tamin Sarastrri Baskoro (appointed on 28 March 2024) Rallyati Arianto Wibowo, S.E. (appointed on 28 March 2024) Taufik Aulia (appointed on 9 October 2024) I Nyoman Tjager (The term of office has ended at the closing of the 2024 Annual General Meeting of Shareholders on 28 March 2024) |
| Maybank Philippines, Incorporated | Anthony Brent Elam Renato Tinio De Guzman Jesus Roberto S. Reyes Simoun S. Ung Dr. Siew Chan Cheong Maria Victoria España (appointed on 6 December 2024) Fauziah binti Hisham (retired on 12 April 2024) Abigail Tina M. Del Rosario (retired on 30 September 2024) Atty. Ray C. Espinosa (retired on 14 October 2024) | Kim Eng Finance (Singapore) Pte. Ltd.* | Lee Lian Soon Ng Mui Hong (appointed on 28 June 2024) Rajiv Vijendran (resigned on 28 June 2024) |
| PT Bank Maybank Indonesia Tbk | Dato' Khairussaleh bin Ramli Edwin Gerungan Datuk Lim Hong Tat Achjar Iijas Dr. Hendar Putut Eko Bayuseno Dato' Zulkiflee Abbas bin Abdul Hamid Marina R Tusin (appointed on 1 April 2024) Daniel James Rompas (appointed on 27 September 2024) Budhi Dyah Sitawati (termination of term of office on 1 April 2024) | Maybank Ageas Holdings Berhad | Gary Lee Crist Dato' Majid bin Mohamad Datuk Mohd Najib bin Abdullah Fauziah binti Hisham Emmanuel Gerard C. Van Grimbergen Che Zakiah binti Che Din (appointed on 1 July 2024) Datuk R. Karunakaran (resigned on 5 July 2024) Khalijah binti Ismail (ceased office on 17 February 2025) |
| Maybank (Cambodia) Plc. | Shariffuddin bin Khalid Khieu Mealy Shirley Goh Syed Ahmad Taufik Albar (appointed on 26 June 2024) Datuk Lim Hong Tat (appointed on 22 November 2024) Dato' John Chong Eng Chuan (resigned on 26 June 2024) Spencer Lee Tien Chye (resigned on 22 November 2024) Khalijah binti Ismail (ceased office on 17 February 2025) | Etika Life International (L) Ltd. | Dato' Majid bin Mohamad Johan Lam Chung Yin Wong Shu Yoon |
| Maybank Singapore Limited | Dato' Khairussaleh bin Ramli Anthony Brent Elam Spencer Lee Tien Chye Wong Heng Ning Kevin Lee Yong Guan Renato Tinio De Guzman Datuk Yee Yang Chien (appointed on 15 August 2024) Datuk R. Karunakaran (retired on 30 September 2024) | Etika General Insurance Berhad | Datuk Mohd Najib bin Abdullah Mohamad Shukor bin Ibrahim Tan Kwang Kherng Siti Nita Zuhra binti Mohd Nazri (appointed on 1 January 2025) Thomas Frank Caris Alias Reynders (appointed on 1 February 2025) Datuk Normala binti A. Manaf (retired on 31 December 2024) Frank J.G. Van Kempen (resigned on 16 July 2024) Serina binti Abdul Samad (resigned on 1 December 2024) Daniela Adaggi (resigned on 31 January 2025) |
| | | Etika Family Takaful Berhad | Dato' Majid bin Mohamad Wong Pakshong Kat Jeong Colin Stewart Professor Dr. Azman bin Mohd Noor Mohd Din bin Merican Ajay Kumar Garg |
| | | Etika Offshore Insurance (L) Ltd. | Dato' Majid bin Mohamad Wong Shu Yoon Johan Lam Chung Yin |



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66. DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONT'D.)

The following is the list of directors who served on the Boards of the subsidiaries of the Group since the beginning of the current financial year to the date of the directors' report (cont'd.):

| Name of Company | Name of Directors | Name of Company | Name of Directors |
|--|---|---|--|
| Etiqua International Holdings Sdn. Bhd. | Fauziah binti Hisham Mohd Din Merican (appointed on 1 June 2024) Che Zakiah binti Che Din (appointed on 1 June 2024) Datuk R. Karunakaran (resigned on 30 June 2024) Dato' Johan bin Ariffin (resigned on 30 June 2024) | Etiqua Life Insurance (Cambodia) Plc. | Wong Pakshong Kat Jeong Colin Stewart Siti Nita Zuhra binti Mohd Nazri Foo Wei Hoong Dato' Mohd Hanif bin Suadi Veejay Madhavan (appointed on 9 January 2024) Choo Sin Fook (appointed on 26 August 2024) Dato' Johan bin Ariffin (retired on 26 August 2024) |
| Etiqua Life and General Assurance Philippines, Inc. | Mohd Din bin Merican Loh Lee Soon Manuel Nava Tordesillas Eulogio A. Mendoza Ricardo Nicanor N. Jacinto Helen T. De Guzman Anthony Lou M. Bernabe (appointed on 1 January 2025) Rico T. Bautista (resigned on 1 August 2024) | Maybank Investment Bank Berhad | Dr. Hasnita binti Dato' Hashim Che Zakiah binti Che Din Goh Ching Yin Dato' Abdul Hamid bin Sheikh Mohamed Dato' Sri Sharifah Sofianny binti Syed Hussain Dato' John Chong Eng Chuan (appointed on 8 October 2024) Dato' Philip Tan Puay Koon (appointed on 1 December 2024) Dato' Muzaffar bin Hisham (resigned on 25 March 2024) Hans Johan Patrik Sandin (resigned on 19 May 2024) |
| Etiqua Insurance Pte. Ltd. | Kamaludin bin Ahmad Francis Tan Wee Ming Filip Andre L. Coremans Loo Pauy Liean Fauziah binti Hisham (appointed on 1 March 2024) Hitesh Motichand Shah (appointed on 1 September 2024) Dato' Johan bin Ariffin (resigned on 29 February 2024) Wong Pakshong Kat Jeong Colin Stewart (retired on 1 September 2024) | Maysec Sdn. Bhd. | Ezrina binti Mahadzir Allen Tan Hock Leong (appointed on 14 August 2024) Ekhwan bin Jani (resigned on 15 August 2024) |
| PT Asuransi Etiqua Internasional Indonesia | Kamaludin bin Ahmad Chris Eng Poh Yoon Riduan Simanjuntak Didit Mehta Pariadi Salomo Rahmatuah Damanik Endra Raharja Oka Masagung (resigned on 16 May 2024) | Maybank International Holdings Sdn. Bhd. | Dr. Hasnita binti Dato' Hashim Che Zakiah binti Che Din Goh Ching Yin Dato' Abdul Hamid bin Sheikh Mohamed Dato' Sri Sharifah Sofianny binti Syed Hussain Dr. Areepong Bhoocha-Oom Dato' John Chong Eng Chuan (appointed on 26 March 2024) Dato' Philip Tan Puay Koon (appointed on 1 December 2024) Wan Marzimin bin Wan Muhammad (resigned on 27 February 2024) Malique Firdaus bin Ahmad Sidique (resigned on 27 February 2024) Dato' Muzaffar bin Hisham (resigned on 25 March 2024) Hans Johan Patrik Sandin (resigned on 19 May 2024) |
| Etiqua Life Insurance Berhad | Datuk Mohd Najib bin Abdullah Frank J.G. Van Kempen Wong Pakshong Kat Jeong Colin Stewart Dr. Ariffin bin Yahaya Glenn John Williams (resigned on 16 October 2024) Dr. Siew Chan Cheong (appointed on 17 February 2025) | Maybank IBG Holdings Limited | Aditya Laroia Lee Lian Soon |
| Etiqua General Takaful Berhad | Dato' Majid bin Mohamad Wong Shu Yoon Dominik Jacqueline A. Smeets Dato' Muzaffar bin Hisham (appointed on 21 June 2024) Nora Junita binti Mohd Hussaini (appointed on 1 July 2024) Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican (resigned on 20 June 2024) Professor Datin Dr. Rusni binti Hassan (resigned on 30 June 2024) | Maybank Securities Pte. Ltd. | Goh Ching Yin Soon Kwo Chuan, Christopher Oh Lau Chong Jin Lee Han Eng, Alvin (appointed on 11 March 2024) |
| Etiqua General Insurance (Cambodia) Plc. | Datuk Mohd Najib bin Abdullah Loh Lee Soon Kirupalani Chelliah Kamaludin bin Ahmad Mohd Din bin Merican Eng Poh Yoon (appointed on 9 January 2024) | PT Maybank Sekuritas Indonesia | I Nyoman Tjager Deswandhy Agusman Dato' Abdul Hamid bin Sheikh Mohamed |
| | | Maybank Securities (Thailand) Public Company Limited | Dr. Areepong Bhoocha-Oom Sopawadee Lertmanaschai Hans Johan Patrik Sandin Arapat Sankharat Ricardo Nicanor Jacinto Oh Lau Chong Jin |

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66. DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONT'D.)

The following is the list of directors who served on the Boards of the subsidiaries of the Group since the beginning of the current financial year to the date of the directors' report (cont'd.):

| Name of Company | Name of Directors |
|--|--|
| Maybank Securities (London) Limited | Leonard White Farhan Nor Diyana binti Samsudin Ahmad Hamdi bin Abdullah (appointed on 8 January 2024) Tengku Ariff Azhar bin Tengku Mohamed (appointed on 3 June 2024) |
| Maybank Securities USA Inc. | Ahmad Hamdi bin Abdullah |
| MIB Securities India Private Limited | Jigar Shah Aditya Laroia (appointed on 15 March 2024) Ezrina binti Mahadzir (appointed on 2 December 2024) Ekhwan bin Jani (resigned on 2 December 2024) |
| MIB Finance (Hong Kong) Limited | Chan Cheung Hung Tengku Ariff Azhar bin Tengku Mohamed (appointed on 29 May 2024) Ekhwan bin Jani (resigned on 29 May 2024) |
| Maybank Research Pte. Ltd. | Ong Seng Yeow Shrianand Pathmakanthan |
| MIB Securities (Hong Kong) Limited | Felino James Marcelo Chan Cheung Hung Tengku Ariff Azhar bin Tengku Mohamed (appointed on 29 May 2024) Hans Johan Patrik Sandin (resigned on 19 May 2024) Ekhwan bin Jani (resigned on 29 May 2024) |
| MIB Futures (Hong Kong) Limited | Chan Cheung Hung Li Jia You, Leo |
| Maybank Capital Inc. | Ricardo Nicanor Jacinto Daniel Gabriel M. Montecillo Aurelio Noel G. Dayrit Dato' Sri Sharifah Sofianny binti Syed Hussain Jose R. Soberano III Abigail Tina M. Del Rosario (resigned on 30 August 2024) |
| Maybank Securities, Inc. | Ricardo Nicanor Jacinto Daniel Gabriel M. Montecillo Alexander Ludwig L. Dauz Jose R. Soberano III Dato' Sri Sharifah Sofianny binti Syed Hussain Abigail Tina M. Del Rosario (resigned on 30 August 2024) |
| Maybank Securities Limited | Che Zakiah binti Che Din Lok Eng Hong Dr. Nguyen The Tho Michael Foong Seong Yew |
| Maybank Asset Management Group Berhad | Dr. Hasnita binti Hashim Goh Ching Yin Shirley Goh Kamarul Ariffin bin Mohd Jamil Dato' John Chong Eng Chuan (appointed on 15 April 2024) Mohd Irwan bin Ahmad Mustafa @ Mustafa (resigned on 23 February 2024) Dato' Muzaffar bin Hisham (resigned on 15 April 2024) |

| Name of Company | Name of Directors |
|---|---|
| Maybank (Indonesia) Berhad | Loy Teck Wooi Wan Marzimin bin Wan Muhammad |
| Cekap Mentari Berhad | Lee Yih Hwan Mohd Amri bin Mohd Sofian |
| Maybank International Trust (Labuan) Berhad | Lee Yih Hwan Mohd Amri bin Mohd Sofian |
| Maybank Offshore Corporate Services (Labuan) Sdn. Bhd. | Surin Segar a/l Gnanasegaram Mohd Amri bin Mohd Sofian |
| Maybank Trustees Berhad | Shirley Goh Surindar Kaur a/p Gian Singh Elisabeth Iype (appointed on 22 February 2024) Datuk Hamirullah bin Boorhan (appointed on 16 August 2024) Dato' John Chong Eng Chuan (resigned on 16 August 2024) |
| Maybank Private Equity Sdn. Bhd. | Ahmad Najib bin Nazlan Norazlina binti Abdul Rashid |
| Maybank Asset Management Sdn. Bhd. | Dr. Hasnita binti Hashim Goh Ching Yin Shirley Goh Muhammad Hishamudin bin Hamzah (appointed on 11 March 2024) Ahmed Muzni bin Mohamed (resigned on 21 February 2024) Badrul Hisyam bin Abu Bakar (resigned on 1 July 2024) |
| Philmay Property, Inc. | Lee Yih Hwan Loy Teck Wooi Malique Firdaus bin Ahmad Sidique Armando C. Lavandelo Abigail Tina M. Del Rosario (retired on 30 September 2024) |
| Maybank (Nominees) Sdn. Bhd. | Ekhwan bin Jani Surin Segar a/l Gnanasegaram |
| Maybank Nominees (Tempatan) Sdn. Bhd. | Ekhwan bin Jani Surin Segar a/l Gnanasegaram |
| Maybank Nominees (Asing) Sdn. Bhd. | Ekhwan bin Jani Surin Segar a/l Gnanasegaram |
| Maybank Nominees (Singapore) Private Limited | Chew Yew Leong David Loy Teck Wooi (appointed on 12 April 2024) Lim Choon Meng (resigned on 31 March 2024) |
| Maybank Nominees (Hong Kong) Limited | Felino James Marcelo |
| Maybank Securities Nominees (Tempatan) Sdn. Bhd. | Ezrina binti Mahadzir Allen Tan Hock Leong (appointed on 14 August 2024) Ekhwan bin Jani (resigned on 15 August 2024) |



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66. DIRECTORS OF SUBSIDIARIES OF THE GROUP (CONT'D.)

The following is the list of directors who served on the Boards of the subsidiaries of the Group since the beginning of the current financial year to the date of the directors' report (cont'd.):

| Name of Company | Name of Directors | Name of Company | Name of Directors |
|--|--|---|--|
| Maybank Securities Nominees (Asing) Sdn. Bhd. | Ezrina binti Mahadzir Allen Tan Hock Leong (appointed on 14 August 2024) Ekhwan bin Jani (resigned on 15 August 2024) | Maybank Securities Nominees Pte. Ltd. | Henry Koh Swee Ong Young Lim Koon Yang |
| Maybank Allied Berhad | Wan Marzimin bin Wan Muhammad Mohd Amri bin Mohd Sofian | Maybank Asset Management Singapore Pte. Ltd. | Goh Ching Yin Lee Han Eng, Alvin Goh Keat Jin Muhammad Hishamudin bin Hamzah (appointed on 3 October 2024) Badrul Hisyam bin Abu Bakar (resigned on 1 July 2024) |
| Dourado Tora Holdings Sdn. Bhd. | Lee Yih Hwan Mohd Amri bin Mohd Sofian | MIB Nominees (Hong Kong) Limited | Chan Cheung Hung Li Jia You, Leo |
| Aurea Lakra Holdings Sdn. Bhd. | Choong Yoke Choo Lee Yih Hwan | Maybank Kim Eng Properties USA Inc. | Ahmad Hamdi Abdullah |
| KBB Nominees (Tempatan) Sdn. Bhd. | Yeoh Cheang Teik Abdullah bin Taib | PT Prosperindo | Surin Segar a/l Gnanasegaram Narita Naziree binti Ahmad Naziree |
| KBB Properties Sdn. Bhd. | Yeoh Cheang Teik Mohd Noor bin Bahari Abdullah bin Taib | Maybank Shared Services Sdn. Bhd. | Surin Segar a/l Gnanasegaram Lau Chee Kheong, Alan Khan Mohammed Meraj (appointed on 15 November 2024) Mohd Suhail Amar Suresh bin Abdullah (resigned on 14 November 2024) |
| Double Care Sdn. Bhd.* | Dato' Aminuddin bin Md Desa Hans De Cuyper | PT Maybank Asset Management | Badrul Hisyam bin Abu Bakar Freddy Hendradjaja |
| Sorak Financial Holdings Pte. Ltd. | Lee Yih Hwan Loy Teck Wooi (appointed on 12 April 2024) Lim Choon Meng (resigned on 31 March 2024) | Maybank Islamic Asset Management Sdn. Bhd. | Nadjihah binti Mohd Dzaidin Kamarul Ariffin bin Mohd Jamil Dato' Muzaffar Hisham (appointed on 22 April 2024) Dato' Mohamed Rafique Merican bin Mohd Wahiduddin Merican (resigned on 22 April 2024) Mohamed Belqaizi bin Mohamed Taufik (resigned on 1 January 2025) |
| Myfin Berhad | Loy Teck Wooi Surin Segar a/l Gnanasegaram | MBB Labs Private Limited | Meenakshy Ramaswamy Iyer Mohd Amri bin Mohd Sofian (appointed on 19 February 2025) Kalyani Balakrishnan Nair (appointed on 19 February 2025) Datuk Normala binti A. Manaf (resigned on 7 January 2025) Mohd Suhail Amar Suresh bin Abdullah (resigned on 19 February 2025) |
| Maybank Alliances Sdn. Bhd. | Surin Segar a/l Gnanasegaram Mohd Amri bin Mohd Sofian | Amanah Mutual Berhad | Ahmad Najib bin Nazlan Muhammad Hishamudin bin Hamzah (appointed on 1 July 2024) Badrul Hisyam bin Abu Bakar (resigned on 1 July 2024) |
| Maybank Ventures Sdn. Bhd. | Nor Shahrizan bin Sulaiman (appointed on 1 May 2024) Malique Firdauz bin Ahmad Sidique (appointed on 1 May 2024) Ismail bin Haron (appointed on 1 May 2024) Md Farid Kairi (resigned on 2 May 2024) Sharifah Naelah Alhabshi (resigned on 2 May 2024) | Etiga Digital Solutions Sdn. Bhd. | Kamaludin bin Ahmad Lee Hin Sze Dr. Siew Chan Cheong |
| MIB Strategic Pte. Ltd. | Lee Sian Soon Ezrina binti Mahadzir (appointed on 15 July 2024) Ekhwan bin Jani (resigned on 15 July 2024) | Philmay Holding, Inc. | Lee Yih Hwan Loy Teck Wooi Malique Firdauz bin Ahmad Sidique Armando C. Lavandelo Abigail Tina M. Del Rosario (retired on 30 September 2024) |
| Maybank Properties Pte. Ltd. | Lee Yih Hwan Ezrina binti Mahadzir (appointed on 15 July 2024) Ekhwan bin Jani (resigned on 15 July 2024) | | |
| Strategic Acquisitions Pte. Ltd. | Lok Eng Hong Goh Keat Jin | | |
| MIB Investment Limited | Chan Cheung Hung Tengku Ariff Azhar bin Tengku Mohamed (appointed on 29 May 2024) Felino James Marcelo (appointed on 5 September 2024) Ekhwan bin Jani (resigned on 29 May 2024) | | |

* Under members' voluntary liquidation

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