

KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD

(200401033666)

(Incorporated in Malaysia)

Interim Report for the Period Ended 30 September 2024

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KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD

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INTERIM CONDENSED STATEMENTS OF FINANCIAL POSITION

	Note	Group		Bank	
		30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
ASSETS					
Cash and short-term funds	A3	914,888	180,692	914,888	180,692
Deposits and placements with banks and other financial institutions	A4	500	2,471	500	2,471
Gold depository		122,367	122,694	122,367	122,694
Debt instruments at FVOCI	A5	1,692,384	3,828,608	1,692,384	3,828,608
Financing, advances and other receivables	A6	3,021,239	3,306,309	3,021,239	3,306,309
Other assets	A7	87,225	81,315	87,225	81,315
Hedging financial instruments	A8	-	6,835	-	6,835
Statutory deposits with Bank Negara Malaysia		53,977	104,497	53,977	104,497
Right of use of assets	A9	13,346	6,883	13,346	6,883
Property and equipment		10,314	12,053	10,314	12,053
Intangible assets		8,802	12,151	8,802	12,151
Deferred tax assets		-	-	-	-
		5,925,042	7,664,508	5,925,042	7,664,508
LIABILITIES					
Deposits from customers	A10	2,283,468	3,373,577	2,283,472	3,373,581
Investment accounts of customers	A12	502	2,493	502	2,493
Deposits and placements of banks and other financial institutions	A11	1,685,672	2,429,145	1,685,672	2,429,145
Hedging financial instruments	A8	57,180	691	57,180	691
Lease Liabilities	A9	13,441	8,638	13,441	8,638
Other liabilities	A13	73,562	81,148	73,555	81,141
		4,113,825	5,895,692	4,113,822	5,895,689
SHAREHOLDER'S EQUITY					
Share capital	A14	1,425,272	1,425,272	1,425,272	1,425,272
Reserves		385,945	343,544	385,948	343,547
		1,811,217	1,768,816	1,811,220	1,768,819
TOTAL LIABILITIES AND SHAREHOLDER'S EQUITY					
		5,925,042	7,664,508	5,925,042	7,664,508
COMMITMENTS AND CONTINGENCIES					
	A20	989,990	786,928	989,990	786,928
CAPITAL ADEQUACY					
Common Equity Tier I/ Tier I Capital Ratio	A23	52.919%	47.454%	52.919%	47.454%
Total Capital Ratio	A23	54.020%	48.560%	54.020%	48.560%
NET ASSETS PER SHARE (RM)					
		1.27	1.24	1.27	1.24

These condensed consolidated statements of financial position should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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INTERIM CONDENSED CONSOLIDATED INCOME STATEMENTS

Group and Bank	Note	3rd Quarter ended 30-Sep		Nine-months ended 30-Sep	
		2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Continuing Operations					
Operating revenue		79,823	96,069	279,040	270,877
Income derived from investment of depositors' funds and others	A15	57,138	70,274	200,662	198,437
Income derived from investment of investment account funds	A19	17	21	56	70
Income derived from investment of shareholder's equity	A16	22,668	25,774	78,322	72,370
Total gross income		79,823	96,069	279,040	270,877
Credit loss (charge)/writeback on financial assets	A17	22,246	38	28,539	44
Total distributable income		102,070	96,107	307,579	270,921
Income attributable to the depositors	A18	(39,953)	(47,592)	(125,695)	(131,452)
Profit distributed to investment account holders	A19	(9)	(13)	(32)	(42)
Total net income		62,108	48,502	181,852	139,428
Personnel expenses		(13,174)	(14,055)	(42,298)	(42,235)
Other overheads and expenditures		(19,956)	(19,785)	(63,270)	(52,482)
Finance cost		(144)	(468)	(243)	(1,114)
Profit before zakat and taxation		28,834	14,193	76,041	43,595
Taxation		265	(353)	(8,073)	(1,262)
Net profit for the period		29,098	13,840	67,968	42,333
Attributable to:					
Equity holders of the Bank		29,098	13,840	67,968	42,333
Earnings per share attributable to equity holders of the Bank					
- Basic/Diluted (sen)		2.04	0.97	4.77	2.97

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	3rd Quarter ended 30-Sep		Nine-months ended 30-Sep	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group and Bank				
Net profit for the period	29,098	13,840	67,968	42,333
Other comprehensive income/(loss):				
Items that may be reclassified subsequently to profit or loss:				
Debt securities at FVOCI:				
- Net unrealised gain / (loss)	8,280	(10,816)	5,273	41,980
- Net realised gain / (loss) reclassified to the income statement	(7,178)	(71)	(38,913)	(1,194)
- Changes in allowance for expected credit losses	-	-	-	801
Income tax relating to components of other comprehensive income/(loss)	(264)	2,613	8,073	(9,789)
Other comprehensive income/(loss) for the period, net of tax	838	(8,274)	(25,567)	31,798
Total comprehensive income/(loss) for the period	29,936	5,566	42,401	74,131
Total comprehensive income/(loss) for the period attributable to equity holders of the Bank	29,936	5,566	42,401	74,131

These condensed consolidated statements of comprehensive income should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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INTERIM CONDENSED STATEMENTS OF CHANGES IN EQUITY

	Non-distributable		Distributable	Total Equity RM'000	
	Share Capital RM'000	Statutory Reserve RM'000	FVOCI Reserve RM'000		Retained Earnings RM'000
Group					
At 1 January 2024	1,425,272	260,486	35,327	47,731	1,768,816
Profit for the financial year	-	-	-	67,968	67,968
Other comprehensive income	-	-	(25,567)	-	(25,567)
Transfer to statutory reserve	-	-	-	-	-
At 30 September 2024	1,425,272	260,486	9,760	115,699	1,811,217
At 1 January 2023	1,425,272	247,491	(22,974)	34,737	1,684,526
Profit for the financial year	-	-	-	23,894	25,989
Total comprehensive income	-	-	58,301	-	58,301
Transfer to statutory reserve	-	12,995	-	(12,995)	-
At 31 December 2023	1,425,272	260,486	35,327	47,731	1,768,816
Bank					
At 1 January 2024	1,425,272	260,486	35,327	47,734	1,768,819
Profit for the financial year	-	-	-	67,968	67,968
Other comprehensive income	-	-	(25,567)	-	(25,567)
Transfer to statutory reserve	-	-	-	-	-
At 30 September 2024	1,425,272	260,486	9,760	115,702	1,811,220
At 1 January 2023	1,425,272	247,491	(22,974)	34,740	1,684,529
Profit for the financial year	-	-	-	25,989	25,989
Other comprehensive income	-	-	58,301	-	58,301
Transfer to statutory reserve	-	12,995	-	(12,995)	-
At 31 December 2023	1,425,272	260,486	35,327	47,734	1,768,819

These condensed consolidated statements of changes in equity should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

KUWAIT FINANCE HOUSE (MALAYSIA) BERHAD

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INTERIM CONDENSED STATEMENTS OF CASH FLOWS

	Group and Bank	
	30-Sep 2024 RM'000	30-Sep 2023 RM'000
Profit before zakat and taxation	76,041	43,595
Adjustments for non-cash items	(54,377)	21,176
Operating profit before changes in working capital	21,664	64,771
<u>Changes in the working capital</u>		
Net changes in operating assets	420,344	55,408
Net changes in operating liabilities	(1,884,723)	294,147
Net cash generated/(used in) from operating activities	(1,464,378)	349,555
Net cash generated/(used in) from financing activities	(9,399)	(10,958)
Net cash generated/(used in) from investing activities	2,184,318	(397,625)
Net change in cash and cash equivalents	732,204	5,743
Cash and cash equivalents at beginning of the period	183,184	148,807
Cash and cash equivalents at end of the period	915,388	154,550

These condensed consolidated statements of cash flows should be read in conjunction with the accompanying explanatory notes attached to these interim financial statements.

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Part A - Explanatory Notes Pursuant to Guidelines on Financial Reporting for Licensed Islamic Bank (BNM/GP8-i) Issued by Bank Negara Malaysia

A1 Performance Review

The Group and the Bank recorded net profit of RM68.0 million for the period ended 30 September 2024.

A2 OUTLOOK FOR 2024

Despite the challenging operating environment, Malaysia's economy remains resilient. The Malaysian economy is projected to grow by 4% to 5% in 2024, supported by robust domestic demand. Meanwhile, the recovery in exports will be underpinned by stronger global trade, technology upcycle and further improvement in tourism activity.

Household spending increased amid sustained positive labour market conditions and larger policy support. Investment activity was underpinned by continued progress in multi-year projects and capacity expansion by firms.

Exports improved amid higher external demand and positive spillovers from the global tech upcycle. Most supply-side sectors registered higher growth. The manufacturing sector was supported by broad-based improvement across all clusters, particularly in electrical and electronics (E&E). The services sector recorded strong growth, driven by consumer and business-related subsectors.

Downside risks to Malaysia's growth prospects stem from a downturn in external demand, an escalation in geopolitical conflicts and lower-than-expected commodity production.

A3 Cash and short term funds

Cash and balance with banks and other financial institutions
Money at call and interbank placement with remaining maturity less than one month
Less : ECL allowance

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
36,109	63,022
881,623	119,273
917,732	182,295
(2,844)	(1,603)
914,888	180,692

Included in money at call and interbank placements is a balance of RM104 million in a correspondent account maintained with an international bank in the United States of America that is restricted (no withdrawal allowed) following an ongoing litigation.

A3.1 Impairment allowance for cash and short term funds

The table below shows the credit quality based on the Bank's internal credit rating system and stage classification. The amounts presented are gross of impairment allowances.

Group and Bank	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due nor impaired	917,732	-	-	917,732
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	917,732	-	-	917,732

Group and Bank	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due nor impaired	182,295	-	-	182,295
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	182,295	-	-	182,295

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Part A - Explanatory Notes Pursuant to Guidelines on Financial Reporting for Licensed Islamic Bank (BNM/GP8-i) Issued by Bank Negara Malaysia

A3.1 Impairment allowance for cash and short term funds (Cont'd.)

An analysis of changes in the ECL allowances as follows:

30 September 2024 Group and Bank	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2024	1,603	-	-	1,603
Allowance made during the year	1,241	-	-	1,241
ECL allowance as at 30 September 2024	2,844	-	-	2,844

31 December 2023 Group and Bank	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2023	1,499	-	-	1,499
Allowance made during the year	104	-	-	104
ECL allowance as at 31 December 2023	1,603	-	-	1,603

A4 Deposits and placements with banks and other financial institutions

	Group and Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Bank Negara Malaysia ^	502	2,493
Other financial institutions	-	-
Less : ECL Allowance	(2)	(22)
	500	2,471

^ The placement with Bank Negara Malaysia are funded by investment accounts of customers as disclosed in Note A12.

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A4.1 Impairment allowance for deposits and placements

The table below shows the credit quality based on the Bank's internal credit rating system and stage classification. The amounts presented are gross of impairment allowances.

	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Group and Bank				
Internal rating grade :				
Neither past due nor impaired	502	-	-	502
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	502	-	-	502

	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Group and Bank				
Internal rating grade :				
Neither past due nor impaired	2,493	-	-	2,493
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	2,493	-	-	2,493

An analysis of changes in the ECL allowances as follows:

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
30 September 2024				
Group and bank				
ECL allowance as at 1 January 2024	22	-	-	22
Allowance writeback during the year	(20)	-	-	(20)
ECL allowance as at 30 September 2024	2	-	-	2

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
31 December 2023				
Group and Bank				
ECL allowance as at 1 January 2023	38	-	-	38
Allowance writeback during the year	(16)	-	-	(16)
ECL allowance as at 31 December 2023	22	-	-	22

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A5 Debt instruments measured at FVOCI

The table below shows the fair value of the Bank's debt instruments measured at FVOCI by credit risk, based on the Bank's internal credit rating system and stage classification.

Group and Bank

Government Sukuk
Corporate Sukuk

	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Government Sukuk	1,568,055	2,751,731
Corporate Sukuk	124,329	1,076,877
Total	1,692,384	3,828,608

Group and Bank

Internal rating grade :
Performing
Total

30-Sep-24			
Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
1,692,384	-	-	1,692,384
1,692,384	-	-	1,692,384

Group and Bank

Internal rating grade :
Performing
Total

31-Dec-23			
Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
3,828,608	-	-	3,828,608
3,828,608	-	-	3,828,608

Group and Bank

ECL allowance as at 1 January 2024
Allowance writeback during the year

ECL allowance as at 30 September 2024 *

30 Sep 2024			
Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
5,629	-	-	5,629
(0)	-	-	(0)
5,629	-	-	5,629

Group and Bank

ECL allowance as at 1 January 2023
Allowance writeback during the year

ECL allowance as at 31 December 2023 *

31 Dec 2023			
Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
9,357	-	-	9,357
(3,728)	-	-	(3,728)
5,629	-	-	5,629

* The ECL allowance for financial instruments measured at FVOCI is grouped together with FVOCI reserves under equity.

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A6 Financing, Advances and Other Receivables

i) At amortised cost

	Group and Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Term financing		
- House financing	1,116,377	1,132,858
- Personal financing	883,816	941,254
- Cashline financing	1,755	1,784
- Syndicated financing	150,658	185,554
- Hire purchase receivables	463,745	520,784
- Other term financing	672,734	820,871
Staff financing	15,982	17,890
	3,305,067	3,620,995
Less: Impairment allowances		
- Stage 1 Financing	(144,457)	(147,063)
- Stage 2 Financing	(53,705)	(69,328)
- Stage 3 Financing	(85,451)	(98,021)
Net financing and advances to customers	3,021,454	3,306,583
Less: Impairment allowances		
- Stage 1 Undrawn	(109)	(31)
- Stage 1 Letter of Credit and Performance Guarantee	(106)	(241)
- Stage 1 Financial Guarantee	(0)	(2)
Net financing, advances and other receivables	3,021,239	3,306,309

ii) By contract

	Group and Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Ijarah Muntahia Bittamlik (lease ended with ownership)	1,645,627	1,763,949
Murabahah (cost-plus)	1,609,200	1,805,606
Mudharabah (profit sharing)	43,705	43,705
Qard (benevolent financing)	857	892
Musyarakah (profit and loss sharing)	4,970	6,091
Istisna'	708	752
	3,305,067	3,620,995

iii) By type of customer

	Group and Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Business enterprises		
- Small medium enterprises	162,128	184,924
- Others	635,709	793,790
Individuals	2,507,230	2,642,281
	3,305,067	3,620,995

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A6 Financing, Advances and Other Receivables (Cont'd.)

(iv) By residual contractual maturity

Maturity within one year
More than one year to three years
More than three years to five years
More than five years

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
747,965	905,698
112,313	109,572
201,721	276,324
2,243,068	2,329,401
3,305,067	3,620,995

(v) By geographical distribution

Malaysia
Middle East
Other countries

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
3,302,889	3,618,681
1,064	1,160
1,114	1,154
3,305,067	3,620,995

vi) By profit rate sensitivity

Fixed rate
- House financing
- Hire purchase receivables
- Syndicated financing
- Term financing
Variable rate
- House financing
- Term financing

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
1,679	1,895
463,745	520,784
150,658	185,554
778,277	799,540
1,114,698	1,130,963
796,010	982,259
3,305,067	3,620,995

vii) By sector

Construction
Electricity, gas and water
Finance, insurance and business services
Household
Manufacturing
Real Estate
Transports, storage and communication
Wholesale & retail trade and restaurants & hotels
Others

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
216,975	303,133
11,167	14,497
7,901	12,632
2,507,229	2,642,281
50,499	101,470
166,838	222,492
48,451	57,470
263,575	237,695
32,432	29,325
3,305,067	3,620,995

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A6 Financing, Advances and Other Receivables (Cont'd.)

viii) By economic purpose

Purchase of transport vehicles
Purchase of landed properties
- residential
- non-residential
Working capital
Construction
Personal use
Other purposes

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
463,745	520,784
1,116,377	1,132,858
73,807	155,285
446,779	560,272
161,825	192,984
883,816	941,254
102,091	117,558
3,305,067	3,620,995

(ix) Financing by types and Shariah contract

	Ijarah Muntahia Bittamlik/ Al-Ijarah Thumma Al-Bai'/(lease ended with ownership)	Murabahah (cost-plus)	Mudharabah (profit sharing)	Musyarakah (profit and loss sharing)	Qard (benevolent financing)	Istisna'	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
30 September 2024							
House financing	1,110,722	59	-	4,888	-	708	1,116,377
Personal financing	-	883,151	-	-	665	-	883,816
Syndicated financing	-	150,658	-	-	-	-	150,658
Cashline financing	-	1,755	-	-	-	-	1,755
Hire purchase receivables	463,745	-	-	-	-	-	463,745
Other term financing	56,699	572,330	43,705	-	-	-	672,734
Staff financing	14,461	1,248	-	82	192	-	15,982
Total	1,645,627	1,609,200	43,705	4,970	857	708	3,305,067

	Group and Bank						
	Ijarah Muntahia Bittamlik/ Al-Ijarah Thumma Al-Bai'/(lease ended with ownership)	Murabahah (cost-plus)	Mudharabah (profit sharing)	Musyarakah (profit and loss sharing)	Qard (benevolent financing)	Istisna'	Total
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
31 December 2023							
House financing	1,126,040	63	-	6,003	-	752	1,132,858
Personal financing	-	940,478	-	-	776	-	941,254
Syndicated financing	-	185,554	-	-	-	-	185,554
Cashline financing	-	1,784	-	-	-	-	1,784
Hire purchase receivables	520,784	-	-	-	-	-	520,784
Other term financing	101,038	676,128	43,705	-	-	-	820,871
Staff financing	16,087	1,599	-	88	116	-	17,890
Total	1,763,949	1,805,606	43,705	6,091	892	752	3,620,995

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A6 Financing, Advances and Other Receivables (Cont'd.)

xii) Movements in ECL on financing, advances and other receivables (cont'd.)

Stage 3 ECL

At 1 January

Movement of net allowance during the year

- Allowance charged during the year

- Allowance written-back during the year

Amount written off

Reinstatement of previously written down accounts

At closing balance

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
98,021	121,971
(2,185)	26,454
22,499	51,296
(24,684)	(24,842)
(10,538)	(50,511)
153	107
85,451	98,021

xiii) Impaired financing by sector

Household

Manufacturing

Real Estate

Wholesale & retail trade and restaurants & hotels

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
55,328	50,400
23,534	27,458
92,302	140,722
5,279	6,898
176,443	225,478

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A6 Financing, Advances and Other Receivables (Cont'd.)

xiii) Impairment allowance for financing and advances to customers

The table below shows the credit quality based on the Bank's internal credit rating system and stage classification. The amounts presented are before impairment allowances and modification loss.

<u>Group and Bank</u>	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due nor impact	2,998,732	3,580	-	3,002,312
Past due but not impaired	-	126,312	-	126,312
Individually impaired	-	-	176,443	176,443
Total	2,998,732	129,892	176,443	3,305,067

<u>Group and Bank</u>	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due nor impact	3,190,950	45,840	-	3,236,791
Past due but not impaired	-	158,727	-	158,727
Individually impaired	-	-	225,478	225,478
Total	3,190,950	204,567	225,478	3,620,995

An analysis of changes in the ECL allowances in relation to financing and advances to customers is, as follows :

<u>Group and Bank</u>	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2024	147,337	69,328	98,021	314,686
Transfer to 12-month ECL	9,525	(8,577)	(948)	-
Transfer to lifetime ECL not credit impaired	(1,042)	3,303	(2,260)	-
Transfer to lifetime ECL credit impaired	(310)	(4,848)	5,158	-
Allowance writeback during the year	(10,837)	(5,501)	(4,136)	(20,474)
Write-offs	-	-	(10,538)	(10,538)
Reinstatement of previously written down	-	-	153	153
ECL allowance as at 30 September 2024	144,672	53,705	85,451	283,828

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A6 Financing, Advances and Other Receivables (Cont'd.)

xiii) Impairment allowance for financing and advances to customers (Cont'd.)

An analysis of changes in the ECL allowances in relation to financing and advances to customers is, as follows :

Group and Bank	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2023	148,856	111,310	121,971	382,137
Transfer to 12-month ECL	12,373	(11,511)	(862)	-
Transfer to lifetime ECL not credit impaired	(4,852)	7,628	(2,776)	-
Transfer to lifetime ECL credit impaired	(853)	(4,731)	5,584	-
Allowance (writeback) / made during the year	(8,187)	(33,368)	24,508	(17,047)
Write-offs	-	-	(50,511)	(50,511)
Reinstatement of previously written down accounts	-	-	107	107
ECL allowance as at 31 December 2023	147,337	69,328	98,021	314,686

A7 Other Assets

	Group and Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Deposits and prepayments	8,325	7,112
Amount due from other related parties (at Fair Value)	74,006	74,006
Sundry debtors	4,894	197
	87,225	81,315

(i) The amount due from related party is unsecured, profit-free and repayable on demand.

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A8 Hedging Financial Instruments

Group and Bank

At 30 September 2024

Forward foreign exchange related contracts
- in connection with fair value hedges
- other derivatives without hedge accounting
Total

Notional Amount RM'000	Fair Value	
	Assets RM'000	Liabilities RM'000
823,076	-	57,180
-	-	-
823,076	-	57,180

Group and Bank

At 31 December 2023

Forward foreign exchange related contracts
- in connection with fair value hedges
- other derivatives without hedge accounting
Total

Notional Amount RM'000	Fair Value	
	Assets RM'000	Liabilities RM'000
495,210	6,397	263
82,871	438	428
578,081	6,835	691

The Group's and the Bank's derivatives designated for fair value hedges consists of forward foreign exchange related contracts that are used to protect against exposures to variability in foreign currency exchange rates. This hedging strategy is applied towards interbank borrowings and corporate customer deposits. The changes in the fair value of the forward foreign exchange contract and interbank borrowings or corporate customer deposits are recognised in the income statements. The measurement of the hedged item results in a net gain of RM63,323,280 for the period ended 30 Sep 2024 (31 December 2023: Net loss of RM1,188,597).

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A9 Right of Use of Assets and Lease Liabilities

	Group and Bank			
	Buildings	Office Equipments	Motor Vehicles	Total
	RM'000	RM'000	RM'000	RM'000
Cost				
As at 1 January 2024	6,649	84	150	6,883
Additions	14,125	-	-	14,125
Depreciation charge	(7,391)	(44)	(62)	(7,497)
Adjustment/remeasurement	(165)	-	-	(165)
As at 30 September 2024	13,218	40	88	13,346
Cost				
As at 1 January 2023	53,649	142	82	53,873
Additions	3,674	-	165	3,839
Depreciation charge	(11,409)	(58)	(97)	(11,564)
Adjustment/remeasurement	(39,265)	-	-	(39,265)
As at 31 December 2023	6,649	84	150	6,883

Set out below are the carrying amounts of lease liabilities and the movements during the year:

	Group and Bank			
	Buildings	Office Equipments	Motor Vehicles	Total
	RM'000	RM'000	RM'000	RM'000
As at 1 January 2024	8,403	83	152	8,638
Addition	14,125	-	-	14,125
Accretion of profit	238	1	4	243
Payment	(9,290)	(45)	(65)	(9,399)
Adjustment/remeasurement	(165)	-	-	(165)
As at 30 September 2024	13,311	39	91	13,441

	Group and Bank			
	Buildings	Office Equipments	Motor Vehicles	Total
	RM'000	RM'000	RM'000	RM'000
As at 1 January 2023	57,952	141	91	58,184
Addition	3,674	-	165	3,839
Accretion of profit	903	3	2	908
Payment	(14,123)	(61)	(106)	(14,289)
Adjustment/remeasurement	(40,003)	-	-	(40,003)
As at 31 December 2023	8,403	83	152	8,638

The undiscounted maturity analysis of lease liabilities are as follows:

	Group and Bank	Group and Bank
	RM'000	RM'000
	30 Sep 2024	31 Dec 2023
Less than one year	6,511	7,576
Between one and five years	7,269	1,203
	13,780	8,779

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A10 Deposits from Customers

(i) By type of deposit

	Group		Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Qard				
- Demand deposits	255,550	302,750	255,553	302,754
- Gold deposits	121,060	120,701	121,060	120,701
Murabahah				
- Term placement	1,797,750	2,813,816	1,797,751	2,813,816
- Savings deposits	109,108	136,310	109,108	136,310
	2,283,468	3,373,577	2,283,472	3,373,581

(ii) By type of customer

	Group		Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Business enterprises	903,266	1,599,338	903,266	1,599,338
Individuals	275,456	308,929	275,456	308,929
Subsidiaries	-	-	4	4
Government and statutory bodies	992,103	1,363,376	992,103	1,363,376
Other enterprises	112,643	101,934	112,643	101,934
	2,283,468	3,373,577	2,283,472	3,373,581

(iii) By contractual maturity

	Group		Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Due within six months	2,042,485	3,044,778	2,042,489	3,044,782
More than six months to one year	240,934	328,789	240,934	328,789
More than one year to three years	49	10	49	10
	2,283,468	3,373,577	2,283,472	3,373,581

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A11 Deposits and Placements of Banks and Other Financial Institutions

Murabahah

Licensed Islamic banks
Other financial institutions

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
50,000	300,000
1,635,672	2,129,145
1,685,672	2,429,145

A12 Investment Accounts

As at 1 January
Net placement during the year
Income from investment
Profit distributed to mudarib
As at Closing date

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
2,493	3,734
(2,070)	(1,295)
56	91
24	(37)
502	2,493
502	2,493

Investment asset:
Wadiah placement with BNM

Profit Sharing Ratio, Rate of Return and Performance Incentive Fee

Unrestricted investment accounts:
Less than 3 months

Investment account holder	
Average profit sharing ratio (%)	Average rate of return (%)
60.00	1.80

Business enterprises
Individuals
Other enterprises

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
411	1,096
80	1,374
11	23
502	2,493

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A13 Other Liabilities

	Group		Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Sundry creditors (i)	30,662	38,743	30,655	38,736
Accrued restoration cost	6,091	7,141	6,091	7,141
Other provisions and accruals	34,201	33,842	34,201	33,842
Undistributed charity funds (ii)	2,608	1,422	2,608	1,422
	73,562	81,148	73,555	81,141

(i) Included in sundry creditors is an amount payable to holding company of RM5.0million (2023:RM5.0million) arising from revenue streams of Specific Profit Sharing Investment Accounts ("SPSIA").

(ii) Sources and uses of charity funds:

Sources of charity funds:

Undistributed charity funds as at 1 January
Penalty (reversal)/charges on late payment
Total sources of funds during the year

Uses of charity funds:

Payment for recovery cost and other expenses
Contribution to non profit organisations
Aid to needy family
Total uses of funds during the year

Closing balance

Group and Bank	
30 Sep 2024 RM'000	31 Dec 2023 RM'000
1,422	1,502
2,844	312
4,266	1,814
(1,533)	(36)
(117)	(310)
(7)	(46)
(1,657)	(392)
2,608	1,422

A14 Share Capital

	Number of ordinary shares at RM1.00 each		Amount	
	30 Sep 2024 Units'000	31 Dec 2023 Units'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
As at 1 January/ As at 31 December	1,425,272	1,425,272	1,425,272	1,425,272

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A15 Income derived from investment of depositors' funds and others

	3rd Quarter ended 30-Sep		Nine-months ended 30-Sep	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group and Bank				
Finance income from financing, advances and other receivables	32,856	40,133	103,326	116,716
Unwinding of modification loss	-	2,128	-	2,128
Finance income from impaired financing	114	310	466	562
Finance income from financial assets at FVOCI	12,980	27,716	62,633	76,948
Money at call and deposits with financial institutions	6,306	95	7,252	213
	52,256	70,381	173,677	196,567
Amortisation of premium less accretion of discounts	(413)	(713)	(2,079)	(1,965)
Total finance income and hibah	51,843	69,667	171,598	194,602
Gain/(loss) arising from sale of securities				
- Financial assets at FVOCI	5,045	54	27,820	894
Foreign exchange (loss)/gain				
- Realised	250	552	1,244	2,941
	57,138	70,274	200,662	198,437

A16 Income derived from Investment of Shareholder's Equity

	3rd Quarter ended 30-Sep		Nine-months ended 30-Sep	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
Group and Bank				
Finance income from financing, advances and other receivables	13,577	12,768	39,725	38,622
Unwinding of modification loss	-	704	-	704
Finance income from impaired financing	47	99	171	185
Finance income from financial assets at FVOCI	5,367	8,816	23,368	25,432
Money at call and deposits with financial institutions	2,598	30	2,985	70
	21,589	22,417	66,249	65,012
Amortisation of premium less accretion of discounts	(172)	(227)	(774)	(650)
Total finance income and hibah	21,417	22,190	65,475	64,363
Fee income				
- Commission	1,137	1,052	1,520	2,273
- Other fee income	504	354	1,409	1,697
Gain/(loss) arising from sale of securities				
- Financial assets at FVOCI	2,133	17	11,093	300
Fair value loss from financial asset as FVTPL	-	1,390	-	1,390
Foreign exchange (loss)/gain				
- Realised	(12,761)	4,888	(3,226)	17,037
- Unrealised	9,685	(4,118)	1,493	(14,690)
Gain on disposal of property, plant and equipment	-	-	5	-
Reversal of provision on property restoration	553	-	553	-
	22,668	25,774	78,322	72,370

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A17 Credit Loss Expenses

The table below shows the ECL (charges)/writeback (net bad debt recovered) on financial instruments for the year recorded in the income statement:

	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
30 September 2024				
<u>Group and Bank</u>				
Cash and short-term funds	(1,242)	-	-	(1,242)
Deposit and placements with banks and other financial institutions	20	-	-	20
Financing and advances to customers	2,666	15,623	2,185	20,474
Bad debt recovered	-	-	9,287	9,287
Debt instruments measured at FVOCI	-	-	-	-
Total Impairment loss (charges)/writeback	1,444	15,623	11,471	28,539
30 September 2023				
<u>Group and Bank</u>				
Cash and short-term funds	(57)	-	-	(57)
Financing and advances to customers	1,144	11,717	(16,073)	(3,213)
Bad debt recovered	-	-	3,676	3,676
Debt instruments measured at FVOCI	(801)	-	-	(801)
Financial guarantees	257	-	-	257
Financing commitments	61	-	-	61
Total Impairment loss (charges)/writeback	725	11,717	(12,398)	44

A18 Income Attributable to the Depositors

	3rd Quarter ended 30-Sep		Nine-months ended 30-Sep	
	2024 RM'000	2023 RM'000	2024 RM'000	2023 RM'000
<u>Group and Bank</u>				
Deposits from customers				
- Murabahah	20,461	29,914	70,856	81,557
Deposits and placements of banks and other financial institutions				
- Murabahah and Wakalah	19,478	17,648	54,783	49,788
- Others	14	30	56	107
	39,953	47,592	125,695	131,452

A19 Profit Distributed to Investment Account Holders

	Nine-months ended 30-Sep	
	2024 RM'000	2023 RM'000
<u>Group and Bank</u>		
Income derived from investment of investment account funds	56	70
Profit distributed to mudarib	(24)	(28)
	32	42

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A20 Commitments and Contingencies

- (a) In the normal course of business, the Bank and its subsidiaries 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.

	As at 30 Sep 2024			As at 31 Dec 2023		
	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000	Principal amount RM'000	Credit equivalent amount RM'000	Risk weighted amount RM'000
Group and Bank						
Direct credit substitutes	1,064	1,064	-	895	895	-
Transaction related contingencies	75,048	37,524	26,815	93,294	46,647	35,769
Irrevocable commitments to extend credit						
- maturity less than one year	71,226	14,245	13,913	83,426	16,685	16,684
- maturity more than one year	19,576	9,788	7,082	31,232	15,616	10,852
Foreign exchange related contracts *						
- less than one year	699,024	1,478	296	408,304	11,886	2,688
- one year to five years	124,052	2,770	554	169,777	5,836	1,687
	989,990	66,869	48,660	786,928	97,565	67,680

* The foreign exchange related contracts are subject to market risk and credit risk.

To meet the financial needs of customers, the Bank enters into various irrevocable commitments and contingent liabilities. These consist of financial guarantees, letters of credit and other commitments to lend. Even though these obligations may not be recognised on the statement of financial position, they contain credit risk and, therefore, form part of the overall risk of the Bank.

Letters of credit and guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Guarantees and standby letters of credit carry a similar credit risk to financing. The nominal values of such commitments are listed below:

	Group and Bank	
	Sep 2024 RM'000	Dec 2023 RM'000
Financial guarantees	1,064	895
Letters of credit	75,048	93,294
Other undrawn commitments	90,803	114,658
Total commitment	166,914	208,847
Less : ECL (charge)/writeback	(215)	(274)
	166,699	208,573

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A20 Commitments and Contingencies (Cont'd.)

(b) Impairment losses on guarantees and other commitments

An analysis of changes in the gross carrying amount and the corresponding allowance for impairment losses in relation to guarantees and other commitments is, as follows:

Financial guarantees

The table below shows the credit quality based on the Bank's internal credit rating system and stage classification.

Group and Bank	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due not impaired	1,064	-	-	1,064
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	1,064	-	-	1,064

Group and Bank	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due not impaired	895	-	-	895
Past due but not impaired	-	-	-	-
Individually impaired	-	-	-	-
Total	895	-	-	895

An analysis of changes in the ECLs are, as follows:

Group and Bank	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2024	2	-	-	2
Net remeasurement of loss allowance	20	-	-	20
New financial assets originated or purchased	-	-	-	-
Financial assets that have matured	(22)	-	-	(22)
ECL allowance as at 30 September 2024	(0)	-	-	(0)

Group and Bank	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2023	265	-	-	265
Net remeasurement of loss allowance	2	-	-	2
New financial assets originated or purchased	-	-	-	-
Financial assets that have matured	(265)	-	-	(265)
ECL allowance as at 31 December 2023	2	-	-	2

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A20 Commitments and Contingencies (Cont'd.)

(b) Impairment losses on guarantees and other commitments (Cont'd.)

Letters of credit and Performance Guarantee

The table below shows the credit quality based on the Bank's internal credit rating system and stage classification.

<u>Group and Bank</u>	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due not impaired	75,048	-	-	75,048
Past due but not impaired	-	-	-	-
Total	75,048	-	-	75,048

<u>Group and Bank</u>	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due not impaired	93,294	-	-	93,294
Past due but not impaired	-	-	-	-
Total	138,585	-	-	93,294

An analysis of changes in the ECLs are, as follows:

<u>Group and Bank</u>	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2024	241	-	-	241
Net remeasurement of loss allowance	(114)	-	-	(114)
Financial assets that have matured	(22)	-	-	(22)
ECL allowance as at 30 September 2024	106	-	-	106

<u>Group and Bank</u>	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2023	531	-	-	531
Net remeasurement of loss allowance	(290)	-	-	(290)
ECL allowance as at 31 December 2023	241	-	-	241

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A20 Commitments and Contingencies (Cont'd.)

(b) Impairment losses on guarantees and other commitments (Cont'd.)

Other undrawn commitments

The table below shows the credit quality based on the Bank's internal credit rating system and stage classification.

<u>Group and Bank</u>	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due not impaired	90,218	-	-	90,218
Past due but not impaired	-	585	-	585
Individually impaired	-	-	-	-
Total	90,218	585	-	90,803

<u>Group and Bank</u>	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Internal rating grade :				
Neither past due not impaired	112,936	-	-	112,936
Past due but not impaired	-	1,722	-	1,722
Individually impaired	-	-	-	-
Total	112,936	1,722	-	114,658

An analysis of changes in the ECLs in relation to other undrawn commitments is, as follows:

<u>Group and Bank</u>	30-Sep-24			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2024	31	-	-	31
Net remeasurement of loss allowance	5	-	-	5
New financial assets originated or purchased	103	-	-	103
Financial assets that have matured	(30)	-	-	(30)
ECL allowance as at 30 September 2024	109	-	-	109

<u>Group and Bank</u>	31-Dec-23			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
ECL allowance as at 1 January 2023	95	-	-	95
Net remeasurement of loss allowance	(35)	-	-	(35)
New financial assets originated or purchased	1	-	-	1
Financial assets that have matured	(30)	-	-	(30)
ECL allowance as at 31 December 2023	31	-	-	31

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A22 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES

Financial instrument measured at fair value

The Bank uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: quoted (unadjusted) prices in active markets for identical assets and liabilities;

Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable market data, either directly or indirectly; and

Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

	Level 2	Level 3	Total
	RM'000	RM'000	RM'000
Bank			
30 Sep 2024			
Financial assets			
Debt instruments measured at FVOCI	1,692,384	-	1,692,384
Hedging financial instruments	-	-	-
Total	1,692,384	-	1,692,384
Financial liability			
Hedging financial instruments	57,180	-	57,180
	57,180	-	57,180
Bank			
31 Dec 2023			
Financial assets			
Debt instruments measured at FVOCI	3,828,608	-	3,828,608
Hedging financial instruments	6,835	-	6,835
Total	3,835,443	-	3,835,443
Financial liability			
Hedging financial instruments	691	-	691
	691	-	691

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A22 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (Cont'd.)

Financial instrument not measured at fair value

Financial instruments comprise financial assets and financial liabilities. The fair value of a financial instrument is the amount at which the instrument could be exchanged or settled between knowledgeable and willing parties in an arm's length transaction, other than in a forced or liquidation sale. The information presented herein represents best estimates of fair values of financial instruments at the reporting date.

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 all the Group and of the Bank 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.

The estimated fair values of those on-balance sheets 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 assets and liabilities.

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 2	Level 3	Total Fair Value	Carrying Value
30 Sep 2024	RM'000	RM'000	RM'000	RM'000
Financial Assets				
Financing, advances and other receivables	-	3,020,527	3,020,527	3,021,239
Financial Liabilities				
Deposits from customers	2,262,993	-	2,262,993	2,283,468
Group				
31 Dec 2023				
Financial Assets				
Financing, advances and other receivables	-	3,395,148	3,395,148	3,306,309
Financial Liabilities				
Deposits from customers	3,373,576	-	3,373,576	3,373,577
Bank				
30 Sep 2024				
Financial Assets				
Financing, advances and other receivables	-	3,020,527	3,020,527	3,021,239
Financial Liabilities				
Deposits from customers	2,262,997	-	2,262,997	2,283,472
Bank				
31 Dec 2023				
Financial Assets				
Financing, advances and other receivables	-	3,395,148	3,395,148	3,306,309
Financial Liabilities				
Deposits from customers	3,373,580	-	3,373,580	3,373,581

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A22 FAIR VALUES OF FINANCIAL ASSETS AND LIABILITIES (Cont'd.)

Determination of fair value and fair value hierarchy (Cont'd.)

The following methods and assumptions used to estimate the fair values of the following classes of financial instruments:

(a) Cash and short-term funds

The carrying amount approximates fair value due to the relatively short maturity of the financial instruments.

(b) Deposits and placements with banks and other financial institutions

The fair values of those financial instruments with remaining maturities of less than one year approximate their carrying values due to their relatively short maturities. For those financial instruments with maturities of more than one year, the fair values are estimated based on discounted cash flows using applicable prevailing market rates of similar remaining maturities at the reporting date. As at the reporting date, all deposits and placements with banks and other financial institutions have maturity less than one year.

(c) Hedging financial instruments

Derivatives products valued using a valuation technique with market observable inputs are mainly ijarah rental swaps and promissory foreign exchange contracts. The most frequently applied valuation techniques include forward pricing and swap models, using present value calculations. The models incorporate various inputs including the credit quality of counterparties, foreign exchange spot and forward rates and profit rate curves.

(d) Financing, advances and other receivables

The fair values of variable rate financing are estimated to approximate their carrying values. For fixed rate 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 customers with similar credit profiles. In respect of impaired financing, the fair values are deemed to approximate the carrying values which are net of impairment allowances.

Description of significant unobservable inputs to valuation:

	Valuation technique	Significant Unobservable inputs	Range (weighted average)
Financing, advances and other receivables	Discounted cash flow method	Profit rate	5.5% - 6.0%

(e) Deposits from customers, deposits and placement of banks and other financial institutions

The fair values of deposits payable on demand and deposits and placements with maturities of less than one year approximate their carrying values 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. As at the reporting date, all deposits and placements of banks and other financial institutions have maturity less than one year.

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A23 Capital Adequacy

The Group has adopted Bank Negara Malaysia's Capital Adequacy Framework for Islamic Banks ("CAFIB") guidelines to further improve capital adequacy assessment; enhance risk management processes, measurements and management capabilities; as well as to promote thorough and transparent reporting.

For the purpose of the computation of capital adequacy ratios, the Group has adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk. The definition and classification of the counterparty, exposure and asset types applied for the purpose of Capital Adequacy's reports are as per the Bank Negara Malaysia's CAFIB.

In addition, the Bank has also provided detailed Capital Adequacy disclosures as per the requirements stipulated in Bank Negara Malaysia CAFIB - Disclosures Requirements (Pillar 3) guidelines.

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

	Group		Bank	
	30 Sep 2024	31 Dec 2023	30 Sep 2024	31 Dec 2023
CET I / Tier I Capital Ratio	52.919%	47.454%	52.919%	47.454%
Total Capital Ratio	54.020%	48.560%	54.020%	48.560%

(b) The Tier I and Tier II capital of the Group and the Bank are as follows:

	Group		Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
CET I / Tier I capital				
Paid-up share capital	1,425,272	1,425,272	1,425,272	1,425,272
Statutory reserve	260,486	260,486	260,486	260,486
Other reserves	57,492	83,058	57,494	83,061
CET 1 capital before regulatory adjustment	1,743,250	1,768,816	1,743,253	1,768,819
Less :Regulatory adjustment on CET1 Capital	(16,925)	(37,718)	(16,925)	(37,718)
Deferred tax assets (net)	-	-	-	-
Other regulatory adjustment	(16,925)	(37,718)	(16,925)	(37,718)
Total CET I / Tier I capital	1,726,325	1,731,098	1,726,328	1,731,101
Tier II capital				
Collective impairment on financing *	35,931	40,340	35,931	40,340
Total Tier II capital	35,931	40,340	35,931	40,340
Capital Base	1,762,256	1,771,438	1,762,259	1,771,441

* Refer to loss allowances measured at an amount to 12-month and life time expected credit losses and regulatory reserve, to the extent they are ascribed to non-credit impaired exposures, determined under Standardised Approach for credit risk subject to a maximum of 1.25% of total Risk-Weighted Assets.

(c) The Risk-Weighted Assets of the Group and the Bank are as follows:

	Group		Bank	
	30 Sep 2024 RM'000	31 Dec 2023 RM'000	30 Sep 2024 RM'000	31 Dec 2023 RM'000
Computation of Total Risk-Weighted Assets (RWA)				
Total Credit RWA	2,874,509	3,227,208	2,874,509	3,227,208
Total Market RWA	25,002	13,922	25,002	13,922
Total Operational RWA	362,716	406,833	362,716	406,835
Total Risk-Weighted Assets	3,262,227	3,647,963	3,262,227	3,647,965

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A24 FINANCIAL RISK MANAGEMENT

(a) MARKET RISK

Market risk is the risk that movements in market variables, including rates of return, foreign exchange rates, credit spreads, commodity prices and equity prices, will reduce the earnings or

i. Traded Market Risk

Traded Market Risk arising from financial instruments held either with trading intent or to hedge other elements of the Trading Book. Positions held with trading intent are those held intentionally for short-term resale and/or with the intent of benefiting from actual or expected short-term price movements or to lock in arbitrage profits. These positions attract market risk capital charge. For example, proprietary positions, positions arising from client servicing and market making.

ii. Non-Traded Market Risk

Rate of Return in the Banking Book

Rate of return risk in the banking book refers to the risk of the Bank's earnings and economic value of equity due to the adverse movements in benchmark rate. The risk may arise from the mismatches in the timing of repricing of assets and liabilities from both on and off-balance sheet positions in the banking book, changes in slope and shape of the yield curve, basis risk and optionality risk.

The following tables indicate the effective rate of return at the reporting date and the Group's and the Bank's sensitivity to the rate of return by time band based on the earlier of contractual repricing date and maturity date. Actual repricing dates may differ from contractual repricing dates due to prepayment of financing and advances.

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A24 FINANCIAL RISK MANAGEMENT (Cont'd.)

(a) MARKET RISK (Cont'd.)

ii. Non-Traded Market Risk (Cont'd.)

Rate of Return in the Banking Book (Cont'd.)

		Non-trading book					Trading book	Total	Effective profit rate
		Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years			
Group		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
30 Sep 2024									
ASSETS									
Cash and short-term funds		775,180	-	-	-	139,707	-	914,887	
Deposits and placements with banks and other financial institutions		502	-	-	-	-	-	502	3.06
Securities FVOCI		173,360	-	227,158	206,123	1,085,743	-	1,692,384	4.21
Financing, advances and receivables		1,183,982	390,720	91,357	285,599	978,590	90,992	3,021,239	5.61
Hedging Financial Instrument Assets		-	-	-	-	-	-	-	
Other assets		-	-	-	-	296,031	-	296,031	
TOTAL ASSETS		2,133,023	390,720	318,515	491,722	2,064,332	-	5,925,042	
LIABILITIES AND SHAREHOLDER'S EQUITY									
Deposits from customers		596,984	553,775	767,280	244,370	-	121,060	2,283,468	2.96
Deposits and placements of banks and other financial institutions		1,014,592	327,753	343,327	-	-	-	1,685,672	4.13
Investment accounts of customers		502	-	-	-	-	-	502	
Hedging financial instrument liabilities		42,119	6,114	8,947	-	-	-	57,180	
Other liabilities		-	-	-	-	87,003	-	87,003	
Total Liabilities		1,654,197	887,641	1,119,554	244,370	-	208,063	4,113,825	
Shareholder's equity		-	-	-	-	1,811,217	-	1,811,217	
Total Liabilities and Shareholder's equity		1,654,197	887,641	1,119,554	244,370	-	2,019,280	5,925,042	
On-balance sheet profit sensitivity gap		240,245	(862,938)	(676,530)	476,844	2,249,893	(1,427,514)	-	
Off-balance sheet profit sensitivity gap		-	-	-	-	-	-	-	
Total profit sensitivity gap		240,245	(862,938)	(676,530)	476,844	2,249,893	(1,427,514)	-	

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A24 FINANCIAL RISK MANAGEMENT (Cont'd.)

(a) MARKET RISK (Cont'd.)

ii. Non-Traded Market Risk (Cont'd.)

Rate of Return in the Banking Book (Cont'd.)

Group	Non-trading book						Trading book	Total	Effective profit rate
	Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years	Non-profit sensitive			
31 Dec 2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
ASSETS									
Cash and short-term funds	3,462	-	-	-	-	177,230	-	180,692	
Deposits and placements with banks and other financial institutions	2,471	-	-	-	-	-	-	2,471	3.03
Securities FVOCI	-	212,651	192,312	891,055	2,532,590	-	-	3,828,608	4.38
Financing, advances and receivables	1,371,472	368,105	33,619	307,453	1,098,203	127,457	-	3,306,309	5.62
Hedging Financial Instrument Assets	-	4,151	2,684	-	-	-	-	6,835	
Other assets	-	-	-	-	-	339,594	-	339,594	
TOTAL ASSETS	1,377,405	584,907	228,615	1,198,508	3,630,792	644,281	-	7,664,508	
Group	Non-trading book						Trading book	Total	Effective profit rate
31 Dec 2023	Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years	Non-profit sensitive			
31 Dec 2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
LIABILITIES AND SHAREHOLDER'S EQUITY									
Deposits from customers	1,059,218	1,048,850	850,628	294,180	-	120,701	-	3,373,577	3.28
Deposits and placements of banks and other financial institutions	1,070,490	1,007,607	351,049	-	-	-	-	2,429,145	3.82
Investment accounts of customers	2,493	-	-	-	-	-	-	2,493	
Hedging Financial Instrument Liabilities	-	481	210	-	-	-	-	691	
Other liabilities	-	-	-	-	-	89,786	-	89,786	
Total Liabilities	2,132,200	2,056,938	1,201,887	294,180	-	210,487	-	5,895,692	
Shareholder's equity	-	-	-	-	-	1,768,816	-	1,768,816	
Total Liabilities and Shareholder's equity	2,132,200	2,056,938	1,201,887	294,180	-	1,979,303	-	7,664,508	
On-balance sheet profit sensitivity gap	(754,795)	(1,472,031)	(973,271)	904,327	3,630,792	(1,335,022)	-	-	
Off-balance sheet profit sensitivity gap	-	-	-	-	-	-	-	-	
Total profit sensitivity gap	(754,795)	(1,472,031)	(973,271)	904,327	3,630,792	(1,335,022)	-	-	

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A24 FINANCIAL RISK MANAGEMENT (Cont'd.)

(a) MARKET RISK (Cont'd.)

ii. Non-Traded Market Risk (Cont'd.)

Rate of Return in the Banking Book (Cont'd.)

	Non-trading book					Trading book	Total	Effective profit rate
	Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Bank								
30 Sep 2024								
ASSETS								
Cash and short-term funds	775,180	-	-	-	-	139,707	914,887	
Deposits and placements with banks and other financial institutions	502	-	-	-	-	-	502	3.06
Securities FVOCI	173,360	-	227,158	206,123	1,085,743	-	1,692,384	4.30
Financing, advances and receivables	1,183,982	390,720	91,357	285,599	978,590	90,992	3,021,239	5.61
Hedging Financial Instrument Assets	-	-	-	-	-	-	-	
Other assets	-	-	-	-	-	296,031	296,031	
TOTAL ASSETS	2,133,023	390,720	318,515	491,722	2,064,332	526,730	5,925,042	

	Non-trading book					Trading book	Total	Effective profit rate
	Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Bank								
30 Sep 2024								
LIABILITIES AND SHAREHOLDER'S EQUITY								
Deposits from customers	596,984	553,775	767,280	244,373	-	121,060	2,283,472	2.96
Deposits and placements of banks and other financial institutions	1,014,592	327,753	343,327	-	-	-	1,685,672	4.13
Investment accounts of customers	502	-	-	-	-	-	502	
Hedging Financial Instrument Liabilities	42,119	6,114	8,947	-	-	-	57,180	
Other liabilities	-	-	-	-	-	86,996	86,996	
Total Liabilities	1,654,197	887,641	1,119,554	244,373	-	208,056	4,113,822	
Shareholder's equity	-	-	-	-	-	1,811,220	1,811,220	
Total Liabilities and Shareholder's equity	1,654,197	887,641	1,119,554	244,373	-	2,019,276	5,925,042	
On-balance sheet profit sensitivity gap	478,825	(496,921)	(801,039)	247,350	2,064,332	(1,492,546)	-	
Off-balance sheet profit sensitivity gap	-	-	-	-	-	-	-	
Total profit sensitivity gap	478,825	(496,921)	(801,039)	247,350	2,064,332	(1,492,546)	-	

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A24 FINANCIAL RISK MANAGEMENT (Cont'd.)

(a) MARKET RISK (Cont'd.)

ii. Non-Traded Market Risk (Cont'd.)

Rate of Return in the Banking Book (Cont'd.)

	Non-trading book					Trading book	Total	Effective profit rate
	Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Bank								
31 Dec 2023								
ASSETS								
Cash and short-term funds	3,462	-	-	-	-	177,230	-	180,692
Deposits and placements with banks and other financial institutions	2,471	-	-	-	-	-	-	2,471
Securities FVOCI	-	212,651	192,312	891,055	2,532,590	-	-	3,828,608
Financing, advances and receivables	1,371,472	368,105	33,619	307,453	1,098,203	127,457	-	3,306,309
Hedging Financial Instrument Assets	-	4,151	2,684	-	-	-	-	6,835
Other assets	-	-	-	-	-	339,593	-	339,593
TOTAL ASSETS	1,377,405	584,907	228,615	1,198,508	3,630,793	644,280	-	7,664,508

	Non-trading book					Trading book	Total	Effective profit rate
	Up to 1 month	>1 - 3 months	>3 - 12 months	>1 - 5 years	Over 5 years			
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	%
Bank								
31 Dec 2023								
LIABILITIES AND SHAREHOLDER'S EQUITY								
Deposits from customers	1,059,219	1,048,850	850,628	294,183	-	120,701	-	3,373,581
Deposits and placements of banks and other financial institutions	1,070,489	1,007,607	351,049	-	-	-	-	2,429,145
Investment accounts of customers	2,493	-	-	-	-	-	-	2,493
Hedging Financial Instrument Liabilities	-	481	210	-	-	-	-	691
Other liabilities	-	-	-	-	-	89,778	-	89,778
Total Liabilities	2,132,201	2,056,938	1,201,887	294,183	-	210,479	-	5,895,689
Shareholder's equity	-	-	-	-	-	1,768,819	-	1,768,819
Total Liabilities and Shareholder's equity	2,132,201	2,056,938	1,201,887	294,183	-	1,979,299	-	7,664,508
On-balance sheet profit sensitivity gap	(754,796)	(1,472,031)	(973,272)	904,325	3,630,793	(1,335,019)	-	-
Off-balance sheet profit sensitivity gap	-	-	-	-	-	-	-	-
Total profit sensitivity gap	(754,796)	(1,472,031)	(973,272)	904,325	3,630,793	(1,335,019)	-	-

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Part B - Explanatory Notes Pursuant to Financial Reporting Standard ("MFRS 134")

Issued by Malaysian Accounting Standards Board

B1 Basis of Preparation of the Financial Statements

The unaudited condensed interim financial statements for the nine months ended 30 September 2024 of the Group and the Bank have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB"), Bank Negara Malaysia's Guidelines on Financial Reporting for Islamic Banking Institutions and Shariah principles. At the beginning of the current financial year, the Group and the Bank adopted new and revised MFRSs which are mandatory for financial periods beginning on or after 1 January 2024.

The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the year ended 31 December 2023.

The financial statements are presented in Ringgit Malaysia (RM) and all values are rounded to the nearest thousand (RM'000) except where otherwise indicated.

B2 Significant Accounting Policies

The interim financial statements of the Group and the Bank for the period ended 30 September 2024 were prepared in accordance with MFRS. The significant accounting policies adopted in preparing these condensed consolidated interim financial statements are consistent with those of the audited financial statements for the year ended 31 December 2023.

B2.1 Standards issued but are not yet effective

The following FRSs and IC Interpretations have been issued by the MASB but are not yet effective, and have yet to be adopted by the Group and the Bank:

FRSs, Amendments to FRSs and Interpretations	Effective for financial period beginning on or after
Lack of exchangeability (Amendment to MFRS 121)	1 January 2025
Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 and MFRS 7)	1 January 2026
Presentation and Disclosure in Financial Statements	1 January 2027
Subsidiaries without Public Accountability: Disclosures	1 January 2027
International Tax Reform - Pillar Two Model Rules (Amendment to MFRS 112)	Deferred
Sale of Contribution of Assets between an Investors and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	Deferred

B2.2 Significant Accounting Estimates and Judgements

(a) Significant Accounting Estimates

The preparation of financial statements requires the use of accounting estimates which, by definition, will seldom equal the actual results. Management also needs to exercise judgement in applying the Group and the Bank's accounting policies.

(i) Impairment losses on financing, advances and other receivables

The Group and the Bank review their individually significant financing, advances and other receivables 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 customer's financial situation and make estimates on 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.

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B2 Significant Accounting Policies (Cont'd.)

B2.2 Significant Accounting Estimates and Judgements (Cont'd.)

(a) Significant Accounting Estimates (Cont'd.)

(i) Impairment losses on financing, advances and other receivables (cont'd.)

The Group's and the Bank's ECL calculations under MFRS 9 are outputs of complex ECL 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) Criteria for assessing possible significant increase in credit risk and qualitative information to determine if allowances should be measured using lifetime ECL basis;
- (ii) The segmentation of financial assets when their ECL is assessed on a collective basis;
- (iii) Development of ECL models, including the various formulas and the choice of inputs; and
- (iv) Selection of forward-looking macroeconomic scenarios and their probability weightings to derive the economic inputs into the ECL models.

As the current ECL models may not generate levels of ECL with sufficient reliability yet in view of 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.

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

(ii) Incremental Borrowing Rate

The Group and the Bank cannot readily determine the profit rate implicit in the lease, therefore, the Group and the Bank uses its incremental borrowingrate ("IBR") to measure lease liabilities. The IBR is the profit rate that the Group and the Bank would have to pay to finance over a similar term, and with a similar security, the funds necessary to obtain an asset of a similar value to the Right-of-Use Asset in similar economic environment. The IBR therefore reflect what the Group and the Bank' would have to pay', which requires estimation when no observable rates are available or when the rates need to be adjusted to reflect the terms and conditions of the lease. The Group and the Bank estimates the IBR using observable input (such as market profit rate) when available and is required to make entity-specific estimates (such as the Group and the Bank's credit rating and underlying collateral).

(iii) Fair value estimation of securities and profit rate related contracts

Where the quoted and observable market prices of certain securities are not available, fair value is estimated using pricing models or discounted cash flow techniques. The usage of these models and techniques require the Group to make certain estimates and assumptions, including but not limited to estimated future cash flows and discount rates.

(iv) Deferred tax and income taxes

Deferred tax assets are measured and recognised based on the tax rates that are expected to apply in the period when the asset is realised. Estimates are made as to the amount of taxable profits in these periods which will enable the deferred tax assets to be realised.

(b) Significant Accounting Judgments

This note provides an overview of the areas that involve a higher degree of judgement or complexity that may have a significant risk of resulting in a material adjustment within the next financial year. Detailed information about each of these judgements is included in the related notes together with information about the basis of calculation for each affected line item in the financial statements.

(i) Significant judgements on litigation

Impairment provision, if any, arising from legal proceedings require a high degree of judgement. When matters are at an early stage, accounting judgement can be difficult because of the high degree on uncertainty associated with determining whether a present obligation exists, and estimating the probability and amount of any outflows that may arise. As matters progress, management and legal advisers evaluate on an ongoing basis whether any impairment provision is required against the restricted cash. Professional advice is taken on the assessment of litigation to determine whether a present obligation exists.

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B2 Significant Accounting Policies (Cont'd.)

B2.2 Significant Accounting Estimates and Judgements (Cont'd.)

(b) Significant Accounting Judgments (Cont'd.)

(ii) Determination of lease term of contracts with renewal and termination options

The Bank determines 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 Bank exercises judgement in determining whether it is reasonably certain that the lease contracts will be renewed or terminated.

(iii) Measurement of the expected credit loss allowance

The measurement of the expected credit loss allowance for financial assets measured at amortised cost and debt instruments at FVOCI is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour (e.g. the likelihood of customers defaulting and the resulting losses).

A number of significant judgements are also required in applying the accounting requirements for measuring ECL, such as:

- Determining criteria for significant increase in credit risk;
- Choosing appropriate models and assumptions for the measurement of ECL;
- Establishing the number and relative weightings of forward-looking scenarios for each type of product/market and the associated ECL; and
- Establishing groups of similar financial assets for the purposes of measuring ECL.

(iv) Deferred tax and income taxes

Significant judgment is required in estimating the provision for income taxes. 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 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 profits will be available against which the losses can be utilised. Judgement is applied to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits.

B3 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited financial statements for the financial year ended 31 December 2023 was not qualified.

B4 Seasonal or Cyclical Factors Affecting Operations

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical factors in the nine months ended 30 September 2024.

B5 Unusual Items Due to their Nature, Size or Incidence

There were no unusual nature, size or incidence affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank during the nine months ended 30 September 2024.

B6 Changes in Estimates and Judgements

There were no changes in the estimates of amounts reported in prior financial years that have a material effect to the nine months ended 30 September 2024.

B7 Debt and Equity Securities

There were no issuances of debt and equity securities during the nine months ended 30 September 2024.

B8 Dividends Paid

There were no dividends paid during the nine months ended 30 September 2024.

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B9 Segment Information on Operating Revenue, Profit Before Zakat & Taxation and Total Assets

(i) Primary Segment - By Business Segment

<u>Group</u>	Treasury & Capital Markets	Corporate Banking	Retail Banking	Elimination	Total
30 Sep 2024	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	134,853	37,484	106,703	-	279,041
Revenue from other segments	97,085	2,094	55,415	(154,595)	-
Total Revenue	231,939	39,578	162,119	(154,595)	279,041
Segment results	53,118	30,865	62,408	-	146,391
Unallocated expenses					(70,350)
Profit from operations					76,041
Taxation					(8,073)
Net profit for the year					67,968
Other information					
Segment assets	2,609,626	631,751	2,655,832	(4)	5,897,206
Unallocated corporate assets					27,836
Total assets					5,925,042
Segment liabilities	8,821,197	526,742	8,804,001	(4)	18,151,937
Unallocated corporate liabilities					(14,038,112)
Total liabilities					4,113,824
Other segment items					
Purchase of property and equipment			3,706		3,706
Purchase of intangible assets			3,995		3,995
Depreciation of property and equipment			4,849		4,849
Amortisation of intangible assets			5,973		5,973
Other non-cash expense other than depreciation	0	18,595	9,944	-	28,539

(ii) By Geographical Locations

<u>Group</u>	Operating Revenue RM'000	Profit Before Zakat and Taxation RM'000	Total Assets RM'000
30 Sep 2024			
Malaysia	278,637	75,638	5,924,236
Outside Malaysia	403	403	806
	279,040	76,041	5,925,042

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B9 Segment Information on Operating Revenue, Profit Before Zakat & Taxation and Total Assets (cont'd.)

(i) Primary Segment - By Business Segment

Group	Treasury & Capital Markets	Corporate & Investment Banking	Commercial Banking	Others	Elimination	Total
30 September 2023	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
External revenue	105,529	45,585	4,474	115,289		270,877
Revenue from other segments	84,585	315	1,415	48,635	(134,950)	-
Total Revenue	190,114	45,900	5,889	163,924	(134,950)	270,877
Segment results	29,305	18,517	5,493	50,381	-	103,695
Unallocated expenses						(60,100)
Profit from operations						43,595
Zakat						
Taxation						(1,262)
Net profit for the year						42,333
Other information						
Segment assets	3,613,787	864,965	45,869	2,812,714	(4)	7,337,331
Unallocated corporate assets						121,733
Total assets						7,459,064
Segment liabilities	9,422,139	191,568	386,496	7,603,097	(4)	17,603,296
Unallocated corporate liabilities						(11,902,889)
Total liabilities						5,700,407
Other segment items						
Purchase of property and equipment				9,706		9,706
Purchase of intangible assets				2,010		2,010
Depreciation of property and equipment				2,354		2,354
Amortisation of intangible assets				4,571		4,571
Other non-cash expense other than depreciation	-	2,540	3,157	(5,653)	-	44

(ii) By Geographical Locations

Group	Operating Revenue RM'000	Profit Before Zakat and Taxation RM'000	Total Assets RM'000
30 September 2023			
Malaysia	270,501	43,221	7,458,315
Outside Malaysia	375	375	749
	270,876	43,595	7,459,064

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B10 Valuation of Property and Equipment

There was no change in the valuation of property and equipment that were brought forward from the previous audited financial statements for the year ended 31 December 2023.

B11 Subsequent Events

There were no material events subsequent to the end of the current interim period that requires disclosure or adjustments to the unaudited condensed interim financial statements.

B12 Changes In Composition Of The Group

There were no significant changes in the composition of the Group since the last audited financial statements as at 31 December 2023.

B13 Changes In Contingent Liabilities and Contingent Assets

There were no significant changes in the contingent liabilities and contingent assets since the last annual statements of financial position as at 31 December 2023 other than those as disclosed in note A20.

B14 Capital Commitments

	Group and Bank RM'000
<u>Capital expenditure</u>	
Authorised and contracted for:	
- renovation	-
- purchase of equipment	-
- purchase of IT hardware	508
- purchase of IT software	2,814
	<u>3,322</u>
Authorised and not contracted for:	
- purchase of IT hardware & software	<u>13,870</u>

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Certification of Financial Statements

I, Roslinawati Binti Zainal, being the officer primarily responsible for the financial management of Kuwait Finance House (Malaysia) Berhad, hereby certify that the financial statements are to the best of my knowledge and belief, correct and prepared in accordance to the Bank's accounting and other records and are in conformity with the approved accounting standards in Malaysia.



Roslinawati Binti Zainal
Head of Finance

I, Ida Aizun Husin, being the Chief Executive Officer of Kuwait Finance House (Malaysia) Berhad, hereby certify that the financial statements are to the best of my knowledge and belief, correct and prepared in accordance to requirements stipulated in Bank Negara Malaysia Capital Adequacy Framework for Islamic Bank (CAFIB) - Disclosures Requirements (Pillar 3) guidelines.



Ida Aizun Husin
Chief Executive Officer