

ALLIANCE BANK MALAYSIA BERHAD
198201008390 (88103-W)

(Incorporated in Malaysia)

Condensed Interim Financial Statements
Unaudited Statements of Financial Position as at 30 June 2024

	Note	GROUP		BANK	
		30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
ASSETS					
Cash and short-term funds		3,574,941	4,596,653	2,857,358	3,280,522
Deposits and placements with banks and other financial institutions		212,552	-	212,552	-
Financial assets at fair value through profit or loss	A11	528,870	335,238	528,870	335,238
Financial investments at fair value through other comprehensive income	A12	10,859,638	10,047,311	8,937,420	8,228,402
Financial investments at amortised cost	A13	4,031,408	3,870,445	3,361,876	3,400,709
Derivative financial assets	B9	158,218	183,035	158,218	183,035
Loans, advances and financing	A14	56,059,844	54,720,750	42,380,325	41,236,476
Other assets	A15	965,634	1,020,815	995,756	1,123,527
Tax recoverable		23,857	10,639	8,489	-
Statutory deposits		1,187,701	1,125,413	903,731	851,813
Investments in subsidiaries		-	-	704,610	646,656
Investment in joint venture		1,146	1,135	1,094	1,094
Right-of-use assets		124,335	120,970	124,335	120,970
Property, plant and equipment		236,024	234,093	235,870	233,908
Deferred tax assets		207,928	217,253	139,693	153,468
Intangible assets		466,725	462,372	464,694	460,219
TOTAL ASSETS		78,638,821	76,946,122	62,014,891	60,256,037
LIABILITIES AND EQUITY					
Deposits from customers	A16	57,818,053	57,397,495	42,983,852	42,526,469
Deposits and placements of banks and other financial institutions	A17	1,871,839	2,055,057	1,672,251	1,865,994
Financial liabilities designated at fair value through profit or loss	A18	2,052,658	1,928,111	2,052,658	1,928,111
Obligations on securities sold under repurchase agreements		3,583,531	2,022,726	3,583,531	2,022,726
Derivative financial liabilities	B9	244,135	287,067	244,135	287,067
Recourse obligations on loans and financing sold to Cagamas		1,328,405	1,227,674	825,524	724,796
Lease liabilities		128,197	124,712	128,197	124,712
Other liabilities	A19	2,860,440	3,134,385	2,696,865	2,947,355
Provision for taxation		18,167	20,933	-	11,567
Provision for zakat		858	916	-	-
Subordinated obligations		1,560,625	1,571,918	1,459,146	1,471,684
TOTAL LIABILITIES		71,466,908	69,770,994	55,646,159	53,910,481
Share capital		1,548,106	1,548,106	1,548,106	1,548,106
Reserves		5,623,807	5,627,022	4,820,626	4,797,450
TOTAL EQUITY		7,171,913	7,175,128	6,368,732	6,345,556
TOTAL LIABILITIES AND EQUITY		78,638,821	76,946,122	62,014,891	60,256,037
COMMITMENTS AND CONTINGENCIES	A27	63,130,856	58,359,769	59,255,801	54,726,409
Net assets per share attributable to equity holders of the Bank (RM)*		4.63	4.63	4.11	4.10

* The net assets per share attributable to Equity holders of the Bank is computed as total capital and reserves attributable to the equity holders of the Bank divided by total number of ordinary shares in circulation.

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2024.

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements
Unaudited Consolidated Statements of Income
for the Financial Period Ended 30 June 2024

	Note	1st Quarter Ended		Three Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
GROUP		RM'000	RM'000	RM'000	RM'000
Interest income	A20	680,262	568,271	680,262	568,271
Interest expense	A21	(334,186)	(263,255)	(334,186)	(263,255)
Net interest income		346,076	305,016	346,076	305,016
Net income from Islamic banking business	A22	130,067	100,345	130,067	100,345
		476,143	405,361	476,143	405,361
Fee and commission income	A23	66,822	59,531	66,822	59,531
Fee and commission expense	A23	(33,989)	(24,920)	(33,989)	(24,920)
Investment income	A23	35,015	34,690	35,015	34,690
Other expense	A23	(4,216)	(8,399)	(4,216)	(8,399)
Other operating income	A23	63,632	60,902	63,632	60,902
Net income		539,775	466,263	539,775	466,263
Other operating expenses	A24	(259,293)	(230,082)	(259,293)	(230,082)
Operating profit before allowances		280,482	236,181	280,482	236,181
Allowance for expected credit losses on loans, advances and financing and other financial assets	A25	(45,820)	(34,698)	(45,820)	(34,698)
Allowance for expected credit losses on financial investments	A26	(129)	(150)	(129)	(150)
Operating profit after allowances		234,533	201,333	234,533	201,333
Share of results of joint venture		12	13	12	13
Profit before taxation and zakat		234,545	201,346	234,545	201,346
Taxation and zakat	B6	(57,894)	(50,806)	(57,894)	(50,806)
Net profit for the financial period		176,651	150,540	176,651	150,540
Net profit for the financial period attributable to equity holders of the Bank		176,651	150,540	176,651	150,540
Earnings per share attributable to:					
Equity holders of the Bank	B12				
- Basic (sen)	(a)	11.4	9.7	11.4	9.7
- Diluted (sen)	(b)	11.4	9.7	11.4	9.7

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Consolidated Statements of Comprehensive Income****for the Financial Period Ended 30 June 2024**

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>GROUP</u>				
Net profit for the financial period	176,651	150,540	176,651	150,540
Other comprehensive (expense)/income:				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on financial investments at fair value through other comprehensive income ("FVOCI")	(2,608)	12,931	(2,608)	12,931
- Net gain from change in fair values	2,708	16,679	2,708	16,679
- Realised gain transferred to statements of income on disposal	(6,248)	(15)	(6,248)	(15)
- Transfer from/(to) deferred tax	850	(3,999)	850	(3,999)
- Changes in expected credit losses	82	266	82	266
Other comprehensive (expense)/income, net of tax	(2,608)	12,931	(2,608)	12,931
Total comprehensive income for the financial period	174,043	163,471	174,043	163,471
Total comprehensive income for the financial period attributable to:				
Equity holders of the Bank	174,043	163,471	174,043	163,471

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2024.

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Statements of Income****for the Financial Period Ended 30 June 2024**

	Note	1st Quarter Ended		Three Months Ended	
		30 June 2024	30 June 2023	30 June 2024	30 June 2023
BANK		RM'000	RM'000	RM'000	RM'000
Interest income	A20	677,038	566,398	677,038	566,398
Interest expense	A21	(334,302)	(263,414)	(334,302)	(263,414)
Net interest income		342,736	302,984	342,736	302,984
Fee and commission income	A23	66,773	59,486	66,773	59,486
Fee and commission expense	A23	(33,989)	(24,920)	(33,989)	(24,920)
Investment income	A23	95,611	70,872	95,611	70,872
Other expense	A23	(3,965)	(3,663)	(3,965)	(3,663)
Other operating income	A23	124,430	101,775	124,430	101,775
Net income		467,166	404,759	467,166	404,759
Other operating expenses	A24	(205,456)	(185,684)	(205,456)	(185,684)
Operating profit before allowances		261,710	219,075	261,710	219,075
Allowance for expected credit losses on loans, advances and financing and other financial assets	A25	(13,703)	(17,441)	(13,703)	(17,441)
Allowance for expected credit losses on financial investments	A26	(154)	(145)	(154)	(145)
Profit before taxation		247,853	201,489	247,853	201,489
Taxation	B6	(46,226)	(39,797)	(46,226)	(39,797)
Net profit for the financial period		201,627	161,692	201,627	161,692
Net profit for the financial period attributable to equity holders of the Bank		201,627	161,692	201,627	161,692
Earnings per share attributable to:					
Equity holders of the Bank	B12				
- Basic (sen)	(a)	13.0	10.4	13.0	10.4
- Diluted (sen)	(b)	13.0	10.4	13.0	10.4

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements
Unaudited Statements of Comprehensive Income
for the Financial Period Ended 30 June 2024**

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>BANK</u>				
Net profit for the financial period	201,627	161,692	201,627	161,692
Other comprehensive (expense)/income:				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on financial investments at FVOCI	(1,193)	11,192	(1,193)	11,192
- Net gain from change in fair values	3,202	14,115	3,202	14,115
- Realised gain transferred to statements of income on disposal	(4,915)	(15)	(4,915)	(15)
- Transfer from/(to) deferred tax	411	(3,171)	411	(3,171)
- Changes in expected credit losses	109	263	109	263
Other comprehensive (expense)/income, net of tax	(1,193)	11,192	(1,193)	11,192
Total comprehensive income for the financial period	200,434	172,884	200,434	172,884
Total comprehensive income for the financial period attributable to:				
Equity holders of the Bank	200,434	172,884	200,434	172,884

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2024.

ALLIANCE BANK MALAYSIA BERHAD
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(Incorporated in Malaysia)

Condensed Interim Financial Statements
Unaudited Consolidated Statements of Changes in Equity for the Financial Period Ended 30 June 2024

	← Attributable to equity holders of the Bank →					Total equity
	<u>Share capital</u>	<u>Regulatory reserves</u>	<u>Capital reserves</u>	<u>FVOCI reserves</u>	<u>Retained profits</u>	
<u>GROUP</u>	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 April 2024	1,548,106	155,485	10,018	(87,888)	5,549,407	7,175,128
Net profit for the financial period	-	-	-	-	176,651	176,651
Other comprehensive expense	-	-	-	(2,608)	-	(2,608)
Total comprehensive (expense)/income for the financial period	-	-	-	(2,608)	176,651	174,043
Transfer to regulatory reserves	-	22,939	-	-	(22,939)	-
Dividends paid to shareholders	-	-	-	-	(177,258)	(177,258)
At 30 June 2024	1,548,106	178,424	10,018	(90,496)	5,525,861	7,171,913
At 1 April 2023	1,548,106	257,241	100,150	(148,673)	4,989,825	6,746,649
Net profit for the financial period	-	-	-	-	150,540	150,540
Other comprehensive income	-	-	-	12,931	-	12,931
Total comprehensive income for the financial period	-	-	-	12,931	150,540	163,471
Transfer to regulatory reserves	-	40,033	-	-	(40,033)	-
Effect of subsidiary's capital return	-	-	(90,132)	-	90,132	-
Dividends paid to shareholders	-	-	-	-	(154,811)	(154,811)
At 30 June 2023	1,548,106	297,274	10,018	(135,742)	5,035,653	6,755,309

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2024.

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Statements of Changes in Equity for the Financial Period Ended 30 June 2024 (Contd.)**

	← Non-Distributable reserves →				Distributable reserves	
	Share capital	Regulatory reserves	Capital reserves	FVOCI reserves	Retained profits	Total equity
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<u>BANK</u>						
At 1 April 2024	1,548,106	155,485	-	(83,022)	4,724,987	6,345,556
Net profit for the financial period	-	-	-	-	201,627	201,627
Other comprehensive expense	-	-	-	(1,193)	-	(1,193)
Total comprehensive (expense)/income for the financial period	-	-	-	(1,193)	201,627	200,434
Transfer to regulatory reserves	-	22,939	-	-	(22,939)	-
Dividends paid to shareholders	-	-	-	-	(177,258)	(177,258)
At 30 June 2024	1,548,106	178,424	-	(84,215)	4,726,417	6,368,732
At 1 April 2023	1,548,106	231,857	15,515	(135,652)	4,324,216	5,984,042
Net profit for the financial period	-	-	-	-	161,692	161,692
Other comprehensive income	-	-	-	11,192	-	11,192
Total comprehensive income for the financial period	-	-	-	11,192	161,692	172,884
Transfer to regulatory reserves	-	19,348	-	-	(19,348)	-
Effect of business transfer from subsidiary	-	6,045	-	(831)	26,677	31,891
Effect of subsidiary's capital return	-	-	(15,515)	-	15,515	-
Dividends paid to shareholders	-	-	-	-	(154,811)	(154,811)
At 30 June 2023	1,548,106	257,250	-	(125,291)	4,353,941	6,034,006

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2024.

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 June 2024**

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation and zakat	234,545	201,346	247,853	201,489
Adjustments for:				
Accretion of discount less amortisation of premium of financial investments	(11,686)	(9,440)	(11,686)	(9,440)
Allowance for expected credit losses on loans, advances and financing	60,164	28,601	23,196	18,200
(Write-back of)/allowance for expected credit losses on commitments and contingencies	(6,324)	5,794	(4,095)	1,841
Allowance for expected credit losses on financial investments	129	150	154	145
Allowance for/(write-back of) expected credit losses on other receivables	1,106	(444)	836	(222)
Amortisation of computer software	12,074	12,133	11,921	12,001
Depreciation of property, plant and equipment	5,805	5,330	5,772	5,281
Depreciation of right-of-use assets	7,349	6,860	7,349	6,860
Dividends from financial assets at fair value through profit or loss	(1,077)	(1,078)	(1,077)	(1,078)
Dividends from subsidiaries	-	-	(60,596)	(38,535)
Interest expense on lease liabilities	1,486	1,333	1,486	1,333
Interest expense on obligations of securities sold under repurchase agreements	26,321	3,897	26,321	3,897
Interest expense on subordinated obligations	14,826	15,035	14,853	15,061
Interest expense on recourse obligations on loans and financing sold to Cagamas	6,311	5,470	6,311	5,470
Interest income from financial investments at amortised cost	(30,696)	(28,401)	(32,138)	(29,843)
Interest income from financial investments at fair value through other comprehensive income	(83,020)	(68,078)	(83,020)	(68,078)
Property, plant and equipment written-off	1	-	1	-
Net gain from sale of financial assets at fair value through profit or loss	(4,109)	(3,115)	(4,109)	(3,115)
Net gain from sale of financial investments at fair value through other comprehensive income	(4,915)	(15)	(4,915)	(15)
Unrealised gain arising from derivative instruments	(683)	(50,775)	(683)	(48,422)
Unrealised gain arising from financial assets at fair value through profit or loss	(1,691)	(595)	(1,691)	(595)
Unrealised loss/(gain) arising from financial liabilities designated at fair value through profit or loss	13,338	(8,619)	13,338	(8,619)
Share of results of joint venture	(12)	(13)	-	-
Cash flows from operating activities before working capital changes carried forward	239,242	115,376	155,381	63,616

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

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Condensed Interim Financial Statements**Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 June 2024 (Contd.)**

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Cash flows from operating activities (contd.)				
Cash flows from operating activities before working capital changes brought forward	239,242	115,376	155,381	63,616
Changes in working capital:				
Deposits from customers	420,558	944,966	457,383	1,459,130
Deposits and placements of banks and other financial institutions	(183,218)	(57,510)	(193,743)	(49,459)
Deposits and placements with banks and other financial institutions	(212,552)	88,553	(212,552)	88,553
Financial assets at fair value through profit or loss	(187,503)	(127,149)	(187,503)	(127,149)
Financial liabilities designated at fair value through profit or loss	111,209	(81,888)	111,209	(81,888)
Loans, advances and financing	(1,399,258)	(716,872)	(1,167,045)	(859,077)
Other assets	54,077	(171,232)	126,935	(60,442)
Other liabilities	(267,636)	51,064	(248,573)	91,191
Obligations on securities sold under repurchase agreements	1,556,657	(91,926)	1,556,657	(91,926)
Statutory deposits	(62,288)	(20,366)	(51,918)	(24,356)
Cash generated from/(used in) operations	69,288	(66,984)	346,231	408,193
Taxation and zakat paid	(63,748)	(54,070)	(52,096)	(39,525)
Net cash generated from/(used in) operating activities	5,540	(121,054)	294,135	368,668
Cash flows from investing activities				
Dividends from financial assets at fair value through profit or loss	1,077	1,078	1,077	1,078
Dividends from subsidiaries	-	-	60,596	38,535
Interest paid on financial assets at fair value through profit or loss	(328)	(1,346)	(328)	(1,346)
Interest received from financial investments at fair value through other comprehensive income	101,450	67,590	103,064	65,143
Interest received from financial investments at amortised cost	34,812	22,854	40,889	26,303
Net interest (expense)/income for derivative instruments	(17,432)	943	(17,432)	1,061
Purchase of goodwill	-	-	-	(20,722)
Purchase of computer software	(16,427)	(19,727)	(16,395)	(19,996)
Purchase of property, plant and equipment	(7,736)	(7,556)	(7,736)	(7,550)
Proceeds from subsidiary capital repatriation	-	-	-	189,245
Subscription of subsidiary's ordinary shares	-	-	(57,954)	-
Purchase of:				
- financial investments at fair value through other comprehensive income	(1,766,469)	(1,485,586)	(1,526,752)	(1,741,468)
- financial investments at amortised cost	(222,103)	(138,401)	(24,080)	(128,401)
Redemption/disposal of:				
- financial investments at fair value through other comprehensive income	931,246	240,922	795,050	202,581
- financial investments at amortised cost	74,504	32,308	73,822	-
Net cash used in investing activities	(887,406)	(1,286,921)	(576,179)	(1,395,537)

Condensed Interim Financial Statements

Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 June 2024 (Contd.)

	<u>GROUP</u>		<u>BANK</u>	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Cash flows from financing activities				
Dividends paid to shareholders of the company	(177,258)	(154,811)	(177,258)	(154,811)
Interest paid on obligations on securities sold under repurchase agreements	(22,174)	(3,745)	(22,174)	(3,745)
Interest paid on subordinated obligations	(26,119)	(25,510)	(27,391)	(27,014)
Interest paid on recourse obligations on loans and financing sold to Cagamas	(5,600)	(692)	(5,597)	(2,092)
Recourse obligations on loans and financing sold to Cagamas	100,020	700,011	100,015	500,008
Repayment of lease liabilities	(8,715)	(8,468)	(8,715)	(8,468)
Net cash (used in)/generated from financing activities	(139,846)	506,785	(141,120)	303,878
Net change in cash and cash equivalents	(1,021,712)	(901,190)	(423,164)	(722,991)
Cash and cash equivalents at beginning of financial period	4,596,653	3,570,656	3,280,522	2,425,584
Cash and cash equivalents at end of financial period	3,574,941	2,669,466	2,857,358	1,702,593
Cash and cash equivalents comprise the following:				
Cash and short-term funds	3,574,941	2,669,466	2,857,358	1,702,593

ALLIANCE BANK MALAYSIA BERHAD

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Explanatory Notes

PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 and Guidelines on Financial Reporting Issued by Bank Negara Malaysia ("BNM")

A1 Basis of Preparation

The unaudited condensed interim financial statements for the financial period ended 30 June 2024 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss, financial investment at fair value through other comprehensive income, derivative financial instruments and financial liabilities designated at fair value through profit or loss that are measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB"), Chapter 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the audited annual financial statements of the Group and the Bank for the financial year ended 31 March 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 financial year ended 31 March 2024.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 March 2024 and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 April 2024:

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

The adoption of the above standards, amendments to published standards and interpretations to existing standards did not give rise to any significant impact on the financial statements of the Group and the Bank.

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

A2 Auditors' Report on Preceding Annual Financial Statements

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2024 was not qualified.

A3 Seasonality or Cyclicity of Operations

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical fluctuations during the financial period ended 30 June 2024.

A4 Unusual Items Due to Their Nature, Size or Incidence

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank during the financial period ended 30 June 2024.

A5 Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect during the financial period ended 30 June 2024.

A6 Issuance and Repayment of Debt and Equity Securities

There were no issuance nor repayment of debt and equity securities in the current financial period.

A7 Dividend Paid

A single tier second interim dividend of 11.45 sen per share, on 1,548,105,929 ordinary shares amounting to approximately RM177,258,000 in respect of financial year ended 31 March 2024, was paid on 28 June 2024.

A8 Significant Events

There were no significant events in the current financial period ended 30 June 2024.

A9 Material Events Subsequent to the End of the Financial Reporting Period

There were no material events subsequent to financial period ended 30 June 2024.

A10 Related Party Transactions

All related party transactions within the Group and the Bank have been entered into in the normal course of business.

A11 Financial Assets at Fair Value Through Profit or Loss ("FVTPL")

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At fair value				
<u>Money market instruments:</u>				
Malaysian Government securities	101,927	50,567	101,927	50,567
Malaysian Government investment issues	147,312	5,271	147,312	5,271
	<u>249,239</u>	<u>55,838</u>	<u>249,239</u>	<u>55,838</u>
<u>Unquoted securities:</u>				
Shares	278,171	277,973	278,171	277,973
Corporate bonds and sukuk	1,460	1,427	1,460	1,427
	<u>279,631</u>	<u>279,400</u>	<u>279,631</u>	<u>279,400</u>
Total financial assets at FVTPL	<u>528,870</u>	<u>335,238</u>	<u>528,870</u>	<u>335,238</u>

A12 Financial Investments at Fair Value Through Other Comprehensive Income

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At fair value - debt instruments				
<u>Money market instruments:</u>				
Malaysian Government securities	3,343,293	3,073,753	3,343,293	3,073,753
Malaysian Government investment issues	2,832,991	2,488,031	1,948,341	1,786,955
	<u>6,176,284</u>	<u>5,561,784</u>	<u>5,291,634</u>	<u>4,860,708</u>
<u>Quoted securities:</u>				
Shares	17	16	17	16
<u>Unquoted securities:</u>				
Corporate bonds and sukuk	4,683,337	4,485,511	3,645,769	3,367,678
Total financial investments at FVOCI	<u>10,859,638</u>	<u>10,047,311</u>	<u>8,937,420</u>	<u>8,228,402</u>

A12 Financial Investments at Fair Value Through Other Comprehensive Income (Contd.)

Movements in allowance for expected credit losses are as follows:

	12-Month ECL (Stage 1) RM'000	Lifetime ECL not-credit impaired (Stage 2) RM'000	Total RM'000
<u>GROUP</u>			
At 1 April 2024	971	65	1,036
Transfer to Stage 2	-	-	-
New financial investments originated or purchased	225	-	225
Financial investments derecognised other than write-off	(73)	-	(73)
Changes due to change in credit risk	(69)	(1)	(70)
Total charge to/(write-back from) income statement	83	(1)	82
At 30 June 2024	1,054	64	1,118
At 1 April 2023	598	-	598
Transfer to Stage 2	(6)	65	59
New financial investments originated or purchased	576	-	576
Financial investments derecognised other than write-off	(50)	-	(50)
Changes due to change in credit risk	(147)	-	(147)
Total charge to income statement	373	65	438
At 31 March 2024	971	65	1,036
<u>BANK</u>			
At 1 April 2024	765	61	826
Transfer to Stage 2	-	-	-
New financial investments originated or purchased	217	-	217
Financial investments derecognised other than write-off	(50)	-	(50)
Changes due to change in credit risk	(58)	-	(58)
Total charge to income statement	109	-	109
At 30 June 2024	874	61	935
At 1 April 2023	407	-	407
Effect of business transfer	54	-	54
Transfer to Stage 2	(4)	61	57
New financial investments originated or purchased	502	-	502
Financial investments derecognised other than write-off	(33)	-	(33)
Changes due to change in credit risk	(161)	-	(161)
Total charge to income statement	304	61	365
At 31 March 2024	765	61	826

Note:

(a) The transfers between stages are inclusive of net remeasurement of allowances.

(b) There were no credit impaired exposures of financial investments at FVOCI.

A13 Financial Investments at Amortised Cost

	GROUP		BANK	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At amortised cost				
<u>Money market instruments:</u>				
Malaysian Government securities	838,976	893,129	838,976	893,129
Malaysian Government investment issues	2,332,670	2,269,415	1,601,560	1,612,531
Negotiable instruments of deposits	-	-	214,039	211,862
	3,171,646	3,162,544	2,654,575	2,717,522
<u>Unquoted securities:</u>				
Corporate bonds and sukuk	860,642	708,734	708,783	684,624
Allowance for expected credit losses	(880)	(833)	(1,482)	(1,437)
	859,762	707,901	707,301	683,187
Total financial investments at amortised cost	4,031,408	3,870,445	3,361,876	3,400,709

(a) Movements in allowance for expected credit losses are as follows:

	Lifetime ECL		Total RM'000
	12-Month ECL (Stage 1) RM'000	credit impaired (Stage 3) RM'000	
GROUP			
At 1 April 2024	299	534	833
New financial investments originated or purchased	-	-	-
Financial investments derecognised other than write-off	-	-	-
Changes due to change in credit risk	47	-	47
Total charge to income statement	47	-	47
At 30 June 2024	346	534	880
At 1 April 2023	47	649	696
New financial investments originated or purchased	143	-	143
Financial investments derecognised other than write-off	-	(39)	(39)
Changes due to change in credit risk	109	(76)	33
Total charge to/(write-back from) income statement	252	(115)	137
At 31 March 2024	299	534	833
BANK			
At 1 April 2024	903	534	1,437
New financial investments originated or purchased	-	-	-
Financial investments derecognised other than write-off	-	-	-
Changes due to change in credit risk	45	-	45
Total charge to income statement	45	-	45
At 30 June 2024	948	534	1,482

A13 Financial Investments at Amortised Cost (Contd.)

(a) Movements in allowance for expected credit losses are as follows: (contd.)

	12-Month ECL (Stage 1) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
<u>BANK</u>			
At 1 April 2023	676	426	1,102
Effect of business transfer	-	223	223
New financial investments originated or purchased	143	-	143
Financial investments derecognised other than write-off	-	(39)	(39)
Changes due to change in credit risk	84	(76)	8
Total charge to/(write-back from) income statement	227	(115)	112
At 31 March 2024	<u>903</u>	<u>534</u>	<u>1,437</u>

Note:

The transfers between stages are inclusive of net remeasurement of allowances.

(b) The Group's and the Bank's movement on gross exposure of financial investments at amortised cost that are credit impaired are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At beginning of financial year	534	649	534	426
Effect of business transfer	-	-	-	223
Write-back during the financial period/year	-	(115)	-	(115)
At end of financial period/year	<u>534</u>	<u>534</u>	<u>534</u>	<u>534</u>

A14 Loans, Advances and Financing

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At amortised cost				
Overdrafts	2,885,715	3,051,545	1,677,710	1,752,814
Term loans/financing				
- Housing loans/financing	16,876,500	16,251,542	13,261,710	12,702,773
- Syndicated term loans/financing	485,499	492,012	485,499	492,012
- Hire purchase receivables	361,905	372,128	314,194	321,237
- Other term loans/financing	26,740,329	25,996,109	19,157,537	18,689,252
Bills receivables	683,902	661,649	638,438	624,816
Trust receipts	237,420	241,794	198,598	198,477
Claims on customers under acceptance credits	3,695,145	3,758,156	2,653,713	2,692,155
Staff loans/financing (Loan to Directors: RM Nil)	14,360	14,660	2,367	2,428
Credit/charge card receivables	728,495	711,270	728,495	711,270
Revolving credits	2,010,574	1,993,170	1,553,469	1,521,180
Share margin financing	2,368,340	2,196,038	2,368,339	2,196,038
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452
Add: Sales commissions and handling fees	175,510	165,402	153,590	144,571
Less: Allowance for expected credit losses on loans, advances and financing	(1,203,850)	(1,184,725)	(813,334)	(812,547)
Total net loans, advances and financing	56,059,844	54,720,750	42,380,325	41,236,476

A14a By maturity structure:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Within one year	13,166,774	12,929,813	10,334,904	9,972,566
One year to three years	2,532,557	2,868,806	1,976,807	2,339,720
Three years to five years	4,225,750	4,008,867	3,485,345	3,236,278
Over five years	37,163,103	35,932,587	27,243,013	26,355,888
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452

A14b By type of customers:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Domestic banking institutions	42	31	42	31
Domestic non-bank financial institutions	1,266,930	1,204,534	994,776	917,382
Domestic business enterprises				
- Small and medium enterprises	19,687,079	19,227,995	14,165,849	13,863,981
- Others	8,082,053	8,214,826	6,744,578	6,828,906
Government and statutory bodies	34,510	39,102	34,510	39,102
Individuals	27,288,655	26,348,375	20,452,895	19,630,418
Other domestic entities	12,700	13,062	3,608	3,616
Foreign entities	716,215	692,148	643,811	621,016
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452

A14 Loans, Advances and Financing (Contd.)

A14c By interest/profit rate sensitivity:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Fixed rate				
- Housing loans/financing	17,258	17,461	3,231	3,334
- Hire purchase receivables	360,947	370,746	313,237	319,856
- Other fixed rate loans/financing	8,956,743	8,918,659	5,822,331	5,861,484
Variable rate				
- Base lending rate plus	25,779,030	25,660,627	19,482,692	19,447,961
- Base rate plus	15,720,791	14,624,343	12,015,788	10,992,926
- Cost plus	6,253,415	6,148,237	5,402,790	5,278,891
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452

A14d By economic purposes:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Purchase of securities	2,473,518	2,312,204	2,473,518	2,312,204
Purchase of transport vehicles	218,808	231,061	160,818	166,486
Purchase of landed property	27,918,733	26,834,144	21,650,251	20,800,537
of which: - Residential	17,478,265	16,866,335	13,802,346	13,258,012
- Non-residential	10,440,468	9,967,809	7,847,905	7,542,525
Purchase of fixed assets excluding land & buildings	395,801	379,009	345,881	322,084
Personal use	6,552,040	6,438,217	3,294,841	3,237,243
Credit card	728,496	711,270	728,495	711,270
Construction	1,605,534	1,503,479	1,346,207	1,280,232
Working capital	12,988,835	13,141,260	9,802,138	9,834,392
Others	4,206,419	4,189,429	3,237,920	3,240,004
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452

A14e By economic sectors:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Primary agriculture	1,143,219	1,158,922	706,301	706,104
Mining and quarrying	322,763	311,375	306,932	293,974
Manufacturing	5,344,621	5,312,583	3,874,491	3,791,231
Electricity, gas and water	155,539	145,420	141,074	128,314
Construction	2,055,449	2,085,754	1,505,914	1,551,404
Wholesale, retail trade, restaurants and hotels	10,260,901	10,146,645	7,557,258	7,557,328
Transport, storage and communication	944,477	964,128	705,209	733,402
Financing, insurance, real estate and business services	8,194,980	7,905,111	6,621,939	6,362,556
Community, social and personal services	661,243	669,049	524,123	528,142
Household	28,004,870	27,040,523	21,096,706	20,251,434
Others	122	563	122	563
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452

A14 Loans, Advances and Financing (Contd.)

A14f By geographical distribution:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Northern region	4,925,937	4,746,609	3,130,955	2,991,942
Central region	40,776,992	39,821,126	31,420,035	30,658,017
Southern region	6,289,871	6,128,907	4,903,735	4,755,553
Sabah region	3,647,110	3,636,286	2,462,474	2,409,822
Sarawak region	1,448,274	1,407,145	1,122,870	1,089,118
Gross loans, advances and financing	57,088,184	55,740,073	43,040,069	41,904,452

A14g Movements in credit impaired loans, advances and financing ("impaired loans") in Stage 3:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At beginning of financial year	1,178,027	1,232,773	862,570	879,717
Impaired during the financial period/year	339,358	1,369,715	218,192	894,772
Recovered during the financial period/year	(24,731)	(147,837)	(18,749)	(121,593)
Reclassified as unimpaired during the financial period/year	(170,399)	(844,482)	(112,997)	(515,008)
Financial assets derecognised other than write-off during the financial period/year	(21,860)	(134,710)	(10,999)	(85,663)
Amount written-off	(61,671)	(297,432)	(36,419)	(189,655)
At end of financial period/year	1,238,724	1,178,027	901,598	862,570
Gross impaired loans ratio	2.17%	2.11%	2.09%	2.06%
Net impaired loans ratio	1.25%	1.16%	1.15%	1.07%

A14h Credit impaired loans analysed by economic purposes:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Purchase of transport vehicles	10,102	10,218	8,635	8,557
Purchase of landed property	511,567	478,773	342,283	325,158
of which: - Residential	394,788	368,533	249,403	240,593
- Non-residential	116,779	110,240	92,880	84,565
Purchase of fixed assets excluding land & buildings	8,595	8,747	8,442	8,589
Personal use	255,580	239,158	126,578	116,619
Credit card	11,260	10,202	11,260	10,202
Construction	3,476	3,438	3,477	3,438
Working capital	298,931	289,128	272,661	262,618
Others	139,213	138,363	128,262	127,389
Gross impaired loans	1,238,724	1,178,027	901,598	862,570

A14 Loans, Advances and Financing (Contd.)

A14i Credit impaired loans analysed by economic sectors:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Primary agriculture	1,773	1,745	43	9
Mining and quarrying	751	816	751	816
Manufacturing	71,715	74,255	54,353	52,469
Electricity, gas and water	118	95	118	95
Construction	217,308	207,535	206,241	196,471
Wholesale, retail trade, restaurants and hotels	187,276	182,659	166,115	162,708
Transport, storage and communication	9,213	8,016	8,299	7,039
Financing, insurance, real estate and business services	54,802	53,938	52,792	52,235
Community, social and personal services	19,211	16,494	13,466	11,607
Household	676,557	632,474	399,420	379,121
Gross impaired loans	1,238,724	1,178,027	901,598	862,570

A14j Credit impaired loans by geographical distribution:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Northern region	103,939	103,907	58,430	63,187
Central region	964,220	907,287	720,346	682,833
Southern region	114,690	113,765	86,159	83,492
Sabah region	47,202	43,833	29,193	25,060
Sarawak region	8,673	9,235	7,470	7,998
Gross impaired loans	1,238,724	1,178,027	901,598	862,570

A14 Loans, Advances and Financing (Contd.)

A14k Movements in the allowance for expected credit losses on loans, advances and financing are as follows:

	12-Month ECL (Stage 1) RM'000	Lifetime ECL not-credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
GROUP				
At 1 April 2024	223,351	426,406	534,968	1,184,725
Transfer to Stage 1	19,473	(63,584)	(769)	(44,880)
Transfer to Stage 2	(34,138)	158,159	(42,546)	81,475
Transfer to Stage 3	(108)	(70,870)	94,980	24,002
New financial assets originated or purchased	31,950	19,216	408	51,574
Financial assets derecognised other than write-off	(16,901)	(22,630)	(5,377)	(44,908)
Changes due to change in credit risk	(6,349)	11,268	(12,004)	(7,085)
Other adjustment	(1)	(13)	-	(14)
	(6,074)	31,546	34,692	60,164
Unwinding of discount	-	-	11,415	11,415
Total (write-back from)/charge to income statement	(6,074)	31,546	46,107	71,579
Write-off	-	(976)	(51,478)	(52,454)
At 30 June 2024	217,277	456,976	529,597	1,203,850
At 1 April 2023	171,832	523,852	571,790	1,267,474
Transfer to Stage 1	137,220	(331,584)	(1,926)	(196,290)
Transfer to Stage 2	(118,337)	542,981	(194,146)	230,498
Transfer to Stage 3	(933)	(275,270)	362,341	86,138
New financial assets originated or purchased	112,549	104,043	8,394	224,986
Financial assets derecognised other than write-off	(40,643)	(131,613)	(29,954)	(202,210)
Changes due to change in credit risk	(38,351)	(2,063)	20,158	(20,256)
Other adjustment	14	49	-	63
	51,519	(93,457)	164,867	122,929
Unwinding of discount	-	29	29,136	29,165
Total charge to/(write-back from) income statement	51,519	(93,428)	194,003	152,094
Write-off	-	(4,018)	(230,825)	(234,843)
At 31 March 2024	223,351	426,406	534,968	1,184,725

A14 Loans, Advances and Financing (Contd.)

A14k Movements in the allowance for expected credit losses on loans, advances and financing are as follows: (contd.)

	12-Month ECL (Stage 1) RM'000	Lifetime ECL not-credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
<u>BANK</u>				
At 1 April 2024	133,745	260,560	418,242	812,547
Transfer to Stage 1	12,412	(42,595)	(134)	(30,317)
Transfer to Stage 2	(19,542)	94,378	(26,568)	48,268
Transfer to Stage 3	(107)	(42,999)	59,271	16,165
New financial assets originated or purchased	19,341	14,817	275	34,433
Financial assets derecognised other than write-off	(11,552)	(17,656)	(3,206)	(32,414)
Changes due to change in credit risk	(5,858)	5,760	(12,827)	(12,925)
Other adjustment	(1)	(13)	-	(14)
	(5,307)	11,692	16,811	23,196
Unwinding of discount	-	-	7,704	7,704
Total (write-back from)/charge to income statement	(5,307)	11,692	24,515	30,900
Write-off	-	(550)	(29,563)	(30,113)
At 30 June 2024	128,438	271,702	413,194	813,334
At 1 April 2023	105,782	302,859	440,987	849,628
Effect of business transfer	5	1,373	57	1,435
Transfer to Stage 1	81,383	(202,069)	(1,905)	(122,591)
Transfer to Stage 2	(69,675)	329,596	(113,567)	146,354
Transfer to Stage 3	(104)	(155,493)	225,551	69,954
New financial assets originated or purchased	70,950	78,108	4,453	153,511
Financial assets derecognised other than write-off	(27,214)	(90,134)	(18,807)	(136,155)
Changes due to change in credit risk	(27,396)	(1,409)	11,385	(17,420)
Other adjustment	14	49	-	63
	27,958	(41,352)	107,110	93,716
Unwinding of discount	-	29	20,810	20,839
Total charge to/(write-back from) income statement	27,958	(41,323)	127,920	114,555
Write-off	-	(2,349)	(150,722)	(153,071)
At 31 March 2024	133,745	260,560	418,242	812,547

Note: The transfers between stages are inclusive of net remeasurement of allowances.

A15 Other Assets

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Other receivables	89,160	85,586	97,811	98,690
Collateral pledged for derivative transactions	122,981	154,394	122,981	154,394
Settlement account	735,535	767,126	735,535	767,126
Deposits	8,758	8,633	8,523	8,400
Prepayment	55,294	50,344	49,516	44,629
Amounts due from subsidiaries	-	-	23,532	91,874
Amount due from joint venture	375	95	375	95
	1,012,103	1,066,178	1,038,273	1,165,208
Less: Allowance for expected credit losses on other receivables [Note]	(46,469)	(45,363)	(42,517)	(41,681)
	965,634	1,020,815	995,756	1,123,527

Note:

Movements in allowance for expected credit losses on other receivables are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
<u>Lifetime ECL</u>				
At beginning of financial year	45,363	43,467	41,681	38,725
Effect of business transfer	-	-	-	1,305
New financial assets originated or purchased	223	1,155	65	151
Financial assets derecognised other than write-off	(500)	(3,106)	(68)	(1,766)
Changes due to change in credit risk	1,383	3,944	839	3,314
Total charge to income statement	1,106	1,993	836	1,699
Write-off	-	(97)	-	(48)
At end of financial period/year	46,469	45,363	42,517	41,681

As at 30 June 2024, the Group's and the Bank's gross exposure of other receivables that are under lifetime expected credit losses were at RM46,469,000 and RM42,517,000 (31 March 2024: RM45,363,000 and RM41,681,000) respectively.

A16 Deposits from Customers

A16a By type of deposits:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Demand deposits	22,077,005	21,935,407	17,381,551	17,343,745
Savings deposits	1,927,045	1,928,980	1,547,940	1,551,648
Fixed/investment deposits	30,303,348	30,037,326	21,624,205	21,225,496
Money market deposits	3,400,528	3,473,714	2,320,029	2,383,512
Negotiable instruments of deposits	110,127	22,068	110,127	22,068
	57,818,053	57,397,495	42,983,852	42,526,469

A16b The maturity structure of fixed deposits, money market deposits and negotiable instruments of deposits are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Due within six months	25,977,281	28,093,836	19,073,530	19,711,889
Six months to one year	7,787,411	5,152,363	4,952,605	3,891,044
One year to three years	46,260	283,962	25,175	25,196
Three years to five years	3,051	2,947	3,051	2,947
	33,814,003	33,533,108	24,054,361	23,631,076

A16c The deposits are sourced from the following types of customers:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Domestic financial institutions	110,312	22,159	112,961	24,164
Domestic non-bank financial institutions	5,518,671	5,375,559	3,910,941	3,690,375
Government and statutory bodies	5,481,854	4,907,717	3,643,624	3,352,213
Business enterprises	20,104,234	19,876,183	15,152,619	15,078,413
Individuals	23,239,592	23,627,846	17,617,442	17,527,626
Foreign entities	1,053,126	1,020,122	901,519	873,248
Others	2,310,264	2,567,909	1,644,746	1,980,430
	57,818,053	57,397,495	42,983,852	42,526,469

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

A17 Deposits and Placements of Banks and Other Financial Institutions

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Licensed banks	371,184	279,189	371,184	279,189
Licensed merchant banks	60,686	60,143	60,686	60,143
Bank Negara Malaysia	1,439,969	1,715,725	1,240,381	1,526,662
	1,871,839	2,055,057	1,672,251	1,865,994

A18 Financial Liabilities Designated at Fair Value Through Profit or Loss

Structured investments designated at fair value for the Group and the Bank include investments with embedded equity linked options, interest rate index linked options and foreign currency options.

The Group and the Bank designated certain structured investments at fair value through profit or loss. The structured investments are recorded at fair value.

The fair value changes of the structured investments that are attributable to the changes in own credit risk are not significant.

	<u>GROUP/BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000
Structured investments	2,122,437	2,011,228
Fair value changes arising from designation at fair value through profit or loss	(69,779)	(83,117)
	2,052,658	1,928,111

A19 Other Liabilities

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Other payables	1,751,633	1,776,754	1,640,448	1,667,901
Bills payable	249,034	355,840	237,094	338,981
Collateral pledged for derivative transactions	4,230	7,042	4,230	7,042
Settlement account	113,149	119,813	113,149	119,813
Clearing account	177,821	200,823	151,263	166,475
Sundry deposits	68,549	60,507	59,872	53,441
Provision and accruals	111,451	176,489	111,118	163,694
Structured investments	343,893	390,098	343,893	390,098
Amount due to joint venture	17	17	-	-
Allowance for expected credit losses on commitments and contingencies	40,663	47,002	35,798	39,910
	2,860,440	3,134,385	2,696,865	2,947,355

A19 Other Liabilities (Contd.)

(a) Movements in allowance for expected credit losses on commitments and contingencies are as follows:

	12-Month ECL (Stage 1) RM'000	Lifetime ECL not-credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
GROUP				
At 1 April 2024	10,710	34,305	1,987	47,002
Transfer to Stage 1	1,193	(5,229)	-	(4,036)
Transfer to Stage 2	(250)	2,167	(257)	1,660
Transfer to Stage 3	(118)	(1,962)	6,879	4,799
New financial assets originated or purchased	2,135	1,375	1	3,511
Financial assets derecognised other than write-off	(1,743)	(2,761)	(4,893)	(9,397)
Changes due to change in credit risk	(779)	(2,367)	285	(2,861)
Other adjustments	-	-	-	-
	438	(8,777)	2,015	(6,324)
Unwinding of discount	-	-	(15)	(15)
Total charge to/(write-back from) income statement	438	(8,777)	2,000	(6,339)
At 30 June 2024	11,148	25,528	3,987	40,663
At 1 April 2023	5,005	22,447	1,849	29,301
Transfer to Stage 1	1,069	(11,421)	-	(10,352)
Transfer to Stage 2	(736)	12,654	(1,241)	10,677
Transfer to Stage 3	-	(454)	2,732	2,278
New financial assets originated or purchased	5,867	16,287	26	22,180
Financial assets derecognised other than write-off	(2,705)	(14,977)	(3,354)	(21,036)
Changes due to change in credit risk	2,207	9,760	1,980	13,947
Other adjustments	3	9	-	12
	5,705	11,858	143	17,706
Unwinding of discount	-	-	(5)	(5)
Total charge to income statement	5,705	11,858	138	17,701
At 31 March 2024	10,710	34,305	1,987	47,002

A19 Other Liabilities (Contd.)

(a) Movements in allowance for expected credit losses on commitments and contingencies are as follows: (contd.)

	12-Month ECL (Stage 1) RM'000	Lifetime ECL not-credit impaired (Stage 2) RM'000	Lifetime ECL credit impaired (Stage 3) RM'000	Total RM'000
<u>BANK</u>				
At 1 April 2024	8,478	29,734	1,698	39,910
Transfer to Stage 1	726	(3,621)	-	(2,895)
Transfer to Stage 2	(209)	1,588	(64)	1,315
Transfer to Stage 3	(118)	(1,939)	6,765	4,708
New financial assets originated or purchased	1,681	1,167	1	2,849
Financial assets derecognised other than write-off	(1,546)	(2,674)	(4,423)	(8,643)
Changes due to change in credit risk	(541)	(789)	(99)	(1,429)
Other adjustments	-	-	-	-
	(7)	(6,268)	2,180	(4,095)
Unwinding of discount	-	-	(17)	(17)
Total (write-back from)/charge to income statement	(7)	(6,268)	2,163	(4,112)
At 30 June 2024	8,471	23,466	3,861	35,798
At 1 April 2023	4,296	20,290	1,629	26,215
Transfer to Stage 1	892	(9,622)	-	(8,730)
Transfer to Stage 2	(581)	10,457	(1,134)	8,742
Transfer to Stage 3	-	(304)	1,856	1,552
New financial assets originated or purchased	4,327	15,465	26	19,818
Financial assets derecognised other than write-off	(2,118)	(10,350)	(2,881)	(15,349)
Changes due to change in credit risk	1,660	3,789	2,208	7,657
Other adjustments	2	9	-	11
	4,182	9,444	75	13,701
Unwinding of discount	-	-	(6)	(6)
Total charge to income statement	4,182	9,444	69	13,695
At 31 March 2024	8,478	29,734	1,698	39,910

Note:

(a) The transfers between stages are inclusive of net remeasurement of allowances.

(b) As at 30 June 2024, the Group's and the Bank's gross exposure of commitments and contingencies that are credit impaired were at RM10,152,000 and RM9,245,000 (31 March 2024: RM6,406,000 and RM4,983,000) respectively.

A20 Interest Income

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
GROUP				
Loans, advances and financing	522,228	440,527	522,228	440,527
Money at call and deposit placements with financial institutions	31,090	20,278	31,090	20,278
Financial investments at fair value through other comprehensive income	83,020	68,078	83,020	68,078
Financial investments at amortised cost	30,696	28,401	30,696	28,401
Others	1,542	1,547	1,542	1,547
	668,576	558,831	668,576	558,831
Accretion of discount less amortisation of premium (net)	11,686	9,440	11,686	9,440
	680,262	568,271	680,262	568,271
BANK				
Loans, advances and financing	517,561	437,160	517,561	437,160
Money at call and deposit placements with financial institutions	31,091	20,330	31,091	20,330
Financial investments at fair value through other comprehensive income	83,020	68,078	83,020	68,078
Financial investments at amortised cost	32,138	29,843	32,138	29,843
Others	1,542	1,547	1,542	1,547
	665,352	556,958	665,352	556,958
Accretion of discount less amortisation of premium (net)	11,686	9,440	11,686	9,440
	677,038	566,398	677,038	566,398

Note:

Included in interest income on loans, advances and financing is interest/profit on impaired loans/financing of the Group and the Bank of RM1,775,000 (30 June 2023: RM1,932,000).

A21 Interest Expense

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
GROUP				
Deposits and placements of banks and other financial institutions	7,805	3,971	7,805	3,971
Deposits from customers	270,368	226,735	270,368	226,735
Recourse obligations on loans and financing sold to Cagamas	6,311	5,470	6,311	5,470
Subordinated obligations	14,826	15,035	14,826	15,035
Lease liabilities	1,486	1,333	1,486	1,333
Obligations on securities sold under repurchase agreements	26,320	3,897	26,320	3,897
Others	7,070	6,814	7,070	6,814
	334,186	263,255	334,186	263,255
BANK				
Deposits and placements of banks and other financial institutions	7,805	4,058	7,805	4,058
Deposits from customers	270,457	226,781	270,457	226,781
Recourse obligations on loans and financing sold to Cagamas	6,311	5,470	6,311	5,470
Subordinated obligations	14,853	15,061	14,853	15,061
Lease liabilities	1,486	1,333	1,486	1,333
Obligations on securities sold under repurchase agreements	26,320	3,897	26,320	3,897
Others	7,070	6,814	7,070	6,814
	334,302	263,414	334,302	263,414

A22 Net Income from Islamic Banking Business

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
GROUP				
Income derived from investment of depositors' funds and others	223,067	189,060	223,067	189,060
Income derived from investment of Islamic Banking fund	22,493	17,925	22,493	17,925
Income attributable to the depositors and financial institutions	(115,493)	(106,640)	(115,493)	(106,640)
	130,067	100,345	130,067	100,345

Note:

Net income from Islamic banking business comprises income generated from AISB, and Islamic banking business of AIBB. Both AISB and AIBB are wholly-owned subsidiaries of the Bank.

A23 Other Operating Income

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
GROUP				
(a) <u>Fee and commission income:</u>				
Commissions	31,827	22,971	31,827	22,971
Service charges and fees	7,122	9,695	7,122	9,695
Guarantee fees	3,574	3,552	3,574	3,552
Processing fees	2,896	4,636	2,896	4,636
Commitment fees	4,090	4,117	4,090	4,117
Cards related income	15,313	13,310	15,313	13,310
Other fee income	2,000	1,250	2,000	1,250
	66,822	59,531	66,822	59,531
(b) <u>Fee and commission expense:</u>				
Commissions expense	(5,133)	(355)	(5,133)	(355)
Service charges and fees expense	(687)	(562)	(687)	(562)
Brokerage fees expense	(27)	(25)	(27)	(25)
Guarantee fees expense	(4,375)	(4,044)	(4,375)	(4,044)
Cards related expense	(23,767)	(19,934)	(23,767)	(19,934)
	(33,989)	(24,920)	(33,989)	(24,920)
(c) <u>Investment income:</u>				
Realised gain/(loss) arising from sale/redemption of:				
- Financial assets at fair value through profit or loss	4,109	3,115	4,109	3,115
- Financial investments at fair value through other comprehensive income	4,915	15	4,915	15
- Derivative instruments	35,878	(29,507)	35,878	(29,507)
Marked-to-market revaluation gain/(loss):				
- Financial assets at fair value through profit or loss	1,691	595	1,691	595
- Derivative instruments	683	50,775	683	50,775
- Financial liabilities designated at fair value through profit or loss	(13,338)	8,619	(13,338)	8,619
Gross dividend income from:				
- Financial assets at fair value through profit or loss	1,077	1,078	1,077	1,078
	35,015	34,690	35,015	34,690
(d) <u>Other expense:</u>				
Foreign exchange loss	(7,688)	(14,651)	(7,688)	(14,651)
Rental income	22	21	22	21
Others	3,450	6,231	3,450	6,231
	(4,216)	(8,399)	(4,216)	(8,399)
Total other operating income	63,632	60,902	63,632	60,902

A23 Other Operating Income (Contd.)

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>BANK</u>				
(a) <u>Fee and commission income:</u>				
Commissions	31,827	22,971	31,827	22,971
Service charges and fees	7,073	9,650	7,073	9,650
Guarantee fees	3,574	3,552	3,574	3,552
Processing fees	2,896	4,636	2,896	4,636
Commitment fees	4,090	4,117	4,090	4,117
Cards related income	15,313	13,310	15,313	13,310
Other fee income	2,000	1,250	2,000	1,250
	66,773	59,486	66,773	59,486
(b) <u>Fee and commission expense:</u>				
Commissions expense	(5,133)	(355)	(5,133)	(355)
Service charges and fees expense	(687)	(562)	(687)	(562)
Brokerage fees expense	(27)	(25)	(27)	(25)
Guarantee fees expense	(4,375)	(4,044)	(4,375)	(4,044)
Cards related expense	(23,767)	(19,934)	(23,767)	(19,934)
	(33,989)	(24,920)	(33,989)	(24,920)
(c) <u>Investment income:</u>				
Realised gain/(loss) arising from sale/redemption of:				
- Financial assets at fair value through profit or loss	4,109	3,115	4,109	3,115
- Financial investments at fair value through other comprehensive income	4,915	15	4,915	15
- Derivative instruments	35,878	(29,507)	35,878	(29,507)
Marked-to-market revaluation gain/(loss):				
- Financial assets at fair value through profit or loss	1,691	595	1,691	595
- Derivative instruments	683	48,422	683	48,422
- Financial liabilities designated at fair value through profit or loss	(13,338)	8,619	(13,338)	8,619
Gross dividend income from:				
- Financial assets at fair value through profit or loss	1,077	1,078	1,077	1,078
- Subsidiaries	60,596	38,535	60,596	38,535
	95,611	70,872	95,611	70,872
(d) <u>Other expense:</u>				
Foreign exchange loss	(7,688)	(14,651)	(7,688)	(14,651)
Rental income	258	254	258	254
Others	3,465	10,734	3,465	10,734
	(3,965)	(3,663)	(3,965)	(3,663)
Total other operating income	124,430	101,775	124,430	101,775

A24 Other Operating Expenses

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
GROUP				
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	133,772	117,928	133,772	117,928
- Contribution to EPF	21,382	19,884	21,382	19,884
- Others	13,227	12,858	13,227	12,858
	168,381	150,670	168,381	150,670
<u>Establishment costs</u>				
- Depreciation of property, plant and equipment	5,805	5,330	5,805	5,330
- Depreciation of right-of-use assets	7,349	6,860	7,349	6,860
- Amortisation of computer software	12,074	12,133	12,074	12,133
- Rental of premises	398	451	398	451
- Water and electricity	1,705	1,870	1,705	1,870
- Repairs and maintenance	2,588	2,061	2,588	2,061
- Information technology expenses	26,486	19,813	26,486	19,813
- Others	2,658	2,554	2,658	2,554
	59,063	51,072	59,063	51,072
<u>Marketing expenses</u>				
- Promotion and advertisement	8,540	8,198	8,540	8,198
- Branding and publicity	1,999	706	1,999	706
- Others	2,666	2,630	2,666	2,630
	13,205	11,534	13,205	11,534
<u>Administration and general expenses</u>				
- Communication expenses	2,808	2,708	2,808	2,708
- Printing and stationery	457	446	457	446
- Insurance	2,901	3,599	2,901	3,599
- Professional fees	6,150	5,117	6,150	5,117
- Others	6,328	4,936	6,328	4,936
	18,644	16,806	18,644	16,806
Total other operating expenses	259,293	230,082	259,293	230,082

A24 Other Operating Expenses (Contd.)

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>BANK</u>				
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	104,423	89,282	104,423	89,282
- Contribution to EPF	16,864	15,176	16,864	15,176
- Others	10,852	10,889	10,852	10,889
	132,139	115,347	132,139	115,347
<u>Establishment costs</u>				
- Depreciation of property, plant and equipment	5,772	5,281	5,772	5,281
- Depreciation of right-of-use assets	7,349	6,860	7,349	6,860
- Amortisation of computer software	11,921	12,001	11,921	12,001
- Rental of premises	363	360	363	360
- Water and electricity	1,309	1,472	1,309	1,472
- Repairs and maintenance	1,989	1,722	1,989	1,722
- Information technology expenses	18,125	12,635	18,125	12,635
- Others	2,126	2,061	2,126	2,061
	48,954	42,392	48,954	42,392
<u>Marketing expenses</u>				
- Promotion and advertisement	7,444	7,775	7,444	7,775
- Branding and publicity	1,783	714	1,783	714
- Others	2,408	956	2,408	956
	11,635	9,445	11,635	9,445
<u>Administration and general expenses</u>				
- Communication expenses	2,367	2,249	2,367	2,249
- Printing and stationery	342	329	342	329
- Insurance	2,656	2,570	2,656	2,570
- Professional fees	3,808	5,766	3,808	5,766
- Others	3,555	7,586	3,555	7,586
	12,728	18,500	12,728	18,500
Total other operating expenses	205,456	185,684	205,456	185,684

ALLIANCE BANK MALAYSIA BERHAD

198201008390 (88103-W)

(Incorporated in Malaysia)

A25 Allowance for Expected Credit Losses on Loans, Advances and Financing and Other Financial Assets

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
GROUP				
Allowance for/(write-back of) expected credit losses on:				
(a) Loans, advances and financing	60,164	28,601	60,164	28,601
(b) Commitments and contingencies on loans, advances and financing	(6,324)	5,794	(6,324)	5,794
(c) Other assets	1,106	(444)	1,106	(444)
(d) Cash and short-term funds	(118)	(57)	(118)	(57)
	54,828	33,894	54,828	33,894
(e) Credit impaired loans, advances and financing				
- Recovered during the financial period	(20,258)	(15,097)	(20,258)	(15,097)
- Written-off during the financial period	11,250	15,901	11,250	15,901
	45,820	34,698	45,820	34,698

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
BANK				
Allowance for/(write-back of) expected credit losses on:				
(a) Loans, advances and financing	23,196	18,200	23,196	18,200
(b) Commitments and contingencies on loans, advances and financing	(4,095)	1,841	(4,095)	1,841
(c) Other assets	836	(222)	836	(222)
(d) Cash and short-term funds	(118)	(57)	(118)	(57)
	19,819	19,762	19,819	19,762
(e) Credit impaired loans, advances and financing				
- Recovered during the financial period	(13,655)	(10,559)	(13,655)	(10,559)
- Written-off during the financial period	7,539	8,238	7,539	8,238
	13,703	17,441	13,703	17,441

A26 Allowance for Expected Credit Losses on Financial Investments

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
GROUP				
Allowance made/(write-back of) expected credit losses:				
(a) Financial investments at fair value through other comprehensive income	82	266	82	266
(b) Financial investments at amortised cost	47	(116)	47	(116)
	129	150	129	150

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
BANK				
Allowance made/(write-back of) expected credit losses:				
(a) Financial investments at fair value through other comprehensive income	109	263	109	263
(b) Financial investments at amortised cost	45	(118)	45	(118)
	154	145	154	145

A27 Commitments and Contingencies

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 off-balance sheet notional exposures of the Group and the Bank are as follows:

	GROUP		BANK	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
<u>Credit-related exposures</u>				
Direct credit substitutes	540,518	504,102	448,278	415,371
Transaction-related contingent items	742,722	716,707	635,266	624,324
Short-term self-liquidating trade-related contingencies	267,212	242,230	247,344	225,444
Forward assets purchase	16,768	90,285	11,519	80,783
Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions.	3,676,524	2,117,331	3,676,524	2,117,331
Irrevocable commitments to extend credit:				
- maturity exceeding one year	5,311,658	5,165,112	4,639,119	4,472,982
- maturity not exceeding one year	12,283,996	11,640,352	9,306,293	8,906,524
Unutilised credit card lines	1,963,302	1,889,873	1,963,302	1,889,873
	24,802,700	22,365,992	20,927,645	18,732,632
<u>Derivative financial instruments</u>				
Foreign exchange related contracts:				
- one year or less	15,505,301	16,304,813	15,505,301	16,304,813
- over one year to three years	733,413	987,439	733,413	987,439
- over three years	9,439	120,483	9,439	120,483
Interest rate related contracts:				
- one year or less	1,719,618	1,633,954	1,719,618	1,633,954
- over one year to three years	10,007,973	6,177,524	10,007,973	6,177,524
- over three years	9,921,954	10,316,175	9,921,954	10,316,175
Equity related contracts				
- one year or less	270,808	311,349	270,808	311,349
- over one year to three years	159,650	142,040	159,650	142,040
	38,328,156	35,993,777	38,328,156	35,993,777
	63,130,856	58,359,769	59,255,801	54,726,409

ALLIANCE BANK MALAYSIA BERHAD

198201008390 (88103-W)

(Incorporated in Malaysia)

A28 Segment Information

The following segment information has been prepared in accordance with MFRS 8 "Operating Segments", which defines the requirements for the disclosure of financial information of an entity's operating segments. The operating segments results are prepared and provided to the chief operating decision-maker based on the Group's internal management reporting reflective of the organisation's management reporting structure.

Based on the results presented to chief operating decision-maker, funds are allocated between segments and inter-segment funding cost transfers are reflected in net interest income. In addition to the operating segments, the segment information disclosed also includes inter-segment eliminations. Transactions between reportable segments are eliminated based on principles of consolidation as described in accounting policy. Intercompany transactions, balances and unrealised gains and losses on transactions between the Group's companies are eliminated in inter-segment eliminations.

The Group is organised into the following key operating segments:

(i) Consumer Banking

Consumer Banking provides a wide range of personal banking solutions covering mortgages, term loans, personal loans, hire purchase facilities, credit cards and wealth management (cash management, investment services, share trading and bancassurance). Consumer Banking customers are serviced via branch network, call centre, electronic/internet banking channels, and direct sales channels.

(ii) Business Banking

Business Banking segment covers Small and Medium Enterprises ("SME"), and Corporate and Commercial Banking. SME Banking customers comprise the self-employed, and small and medium scale enterprises. Corporate and Commercial Banking serves the public listed and large corporate business customers including family-owned businesses. Business Banking provides a wide range of products and services including loans, trade finance, cash management, treasury and structured solutions.

(iii) Financial Markets

Financial Markets provides foreign exchange, money market, hedging and investment (capital market instruments) solutions for banking customers. It also manages the assets and liabilities, liquidity and statutory reserve requirements of the banking entities in the Group.

(iv) Stockbroking and Corporate Advisory

Stockbroking and Corporate Advisory covers stockbroking activities and corporate advisory which includes initial public offering, equity fund raising, debt fund raising, mergers and acquisitions and corporate restructuring.

(v) Others

Others refer to mainly other business operations such as alternative distribution channels, trustee services and head office.

ALLIANCE BANK MALAYSIA BERHAD
198201008390 (88103-W)
(Incorporated in Malaysia)

A28 Segment information (Contd.)

GROUP

	Consumer <u>Banking</u> RM'000	Business <u>Banking</u> RM'000	Financial <u>Markets</u> RM'000	Stockbroking and Corporate <u>Advisory</u> RM'000	<u>Others</u> RM'000	Total <u>Operations</u> RM'000	Inter-segment <u>Elimination</u> RM'000	Total <u>Total</u> RM'000
1st Quarter and three months ended 30 June 2024								
Net interest income								
- external income	135,161	131,588	76,320	-	(261)	342,808	3,268	346,076
- inter-segment	(34,180)	35,425	(1,245)	-	-	-	-	-
	100,981	167,013	75,075	-	(261)	342,808	3,268	346,076
Net income/(expense) from Islamic banking business	54,592	46,430	25,315	2,327	(74)	128,590	1,477	130,067
Other operating income/(expense)	28,824	45,616	(11,214)	130	16,008	79,364	(15,732)	63,632
Net income	184,397	259,059	89,176	2,457	15,673	550,762	(10,987)	539,775
Other operating expenses	(112,914)	(99,085)	(10,504)	(2,496)	(9,098)	(234,097)	32	(234,065)
Depreciation and amortisation	(12,523)	(11,356)	(1,356)	(72)	(120)	(25,427)	199	(25,228)
Operating profit/(loss) before allowance (Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	58,960	148,618	77,316	(111)	6,455	291,238	(10,756)	280,482
Allowance for expected credit losses on financial investments	(57,534)	11,899	118	(288)	(15)	(45,820)	-	(45,820)
Segment results	-	(47)	(79)	-	-	(126)	(3)	(129)
Share of results of joint venture	1,426	160,470	77,355	(399)	6,440	245,292	(10,759)	234,533
Taxation and zakat								12
Net profit for the financial period								(57,894)
								176,651
Segment assets	30,101,470	29,347,605	19,060,416	22,693	385,433	78,917,617	(1,214,476)	77,703,141
Reconciliation of segment assets to consolidated assets:								
Investment in joint venture								1,146
Property, plant and equipment								236,024
Tax recoverable and deferred tax assets								231,785
Intangible assets								466,725
Total assets								78,638,821

A28 Segment information (Contd.)

GROUP

	Consumer <u>Banking</u> RM'000	Business <u>Banking</u> RM'000	Financial <u>Markets</u> RM'000	Stockbroking and Corporate <u>Advisory</u> RM'000	<u>Others</u> RM'000	Total <u>Operations</u> RM'000	Inter-segment <u>Elimination</u> RM'000	Total <u>Total</u> RM'000
1st Quarter and three months ended 30 June 2023								
Net interest income								
- external income	109,580	116,562	77,124	83	(218)	303,131	1,885	305,016
- inter-segment	(18,166)	32,899	(14,733)	-	-	-	-	-
	91,414	149,461	62,391	83	(218)	303,131	1,885	305,016
Net income/(expense) from Islamic banking business	41,085	38,880	19,930	1,220	(26)	101,089	(744)	100,345
Other operating income/(expense)	27,911	42,316	(12,445)	145	1,520	59,447	1,455	60,902
Net income	160,410	230,657	69,876	1,448	1,276	463,667	2,596	466,263
Other operating expenses	(106,344)	(85,737)	(9,889)	(2,275)	(1,543)	(205,788)	29	(205,759)
Depreciation and amortisation	(12,144)	(10,599)	(1,452)	(150)	(336)	(24,681)	358	(24,323)
Operating profit/(loss) before allowance (Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	41,922	134,321	58,535	(977)	(603)	233,198	2,983	236,181
Write-back of/(allowance for) expected credit losses on financial investments	(26,015)	(9,950)	60	351	856	(34,698)	-	(34,698)
Segment result	-	1	(282)	-	(2,426)	(2,707)	2,557	(150)
Share of results of joint venture	15,907	124,372	58,313	(626)	(2,173)	195,793	5,540	201,333
Taxation and zakat								13
Net profit for the financial period								(50,806)
								<u>150,540</u>
Segment assets	25,514,735	25,187,895	17,340,909	17,127	359,940	68,420,606	(1,264,356)	67,156,250
Reconciliation of segment assets to consolidated assets:								
Investment in joint venture								1,106
Property, plant and equipment								59,879
Tax recoverable and deferred tax assets								218,832
Intangible assets								448,032
Total assets								<u>67,884,099</u>

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

A29 Capital Adequacy

BNM's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions which took effect on 9 December 2020 has ended on 31 March 2024.

Effective from 1 April 2024, the capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework. The Framework sets out the approach for computing regulatory ratios, as well as the levels of those ratios at which banking institutions are required to operate. The framework is to strengthen capital adequacy standards, in line with the requirements set forth under Basel III. The risk-weighted assets of the Bank and the Group are computed using the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk.

The Group and the Bank have sufficient capital as follows:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024	31 March 2024	30 June 2024	31 March 2024
(i) With transitional arrangements				
<u>Before deducting proposed dividends</u>				
CET I capital ratio	12.209%	13.268%	12.153%	13.443%
Tier I capital ratio	12.904%	13.979%	12.803%	14.111%
Total capital ratio	16.424%	17.559%	16.708%	18.100%
<u>After deducting proposed dividends</u>				
CET I capital ratio	12.209%	12.907%	12.153%	12.970%
Tier I capital ratio	12.904%	13.619%	12.803%	13.637%
Total capital ratio	16.424%	17.199%	16.708%	17.627%
(ii) Without transitional arrangements				
<u>Before deducting proposed dividends</u>				
CET I capital ratio	12.209%	12.890%	12.153%	13.152%
Tier I capital ratio	12.904%	13.602%	12.803%	13.820%
Total capital ratio	16.424%	17.182%	16.708%	17.809%
<u>After deducting proposed dividends</u>				
CET I capital ratio	12.209%	12.530%	12.153%	12.679%
Tier I capital ratio	12.904%	13.242%	12.803%	13.346%
Total capital ratio	16.424%	16.822%	16.708%	17.336%

A29 Capital Adequacy (Contd.)

(a) Components of CET I, Tier I and Tier II capital are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
<u>CET I Capital/Tier I Capital</u>				
Paid-up share capital	1,548,106	1,548,106	1,548,106	1,548,106
Retained profits	5,349,210	5,549,407	4,524,790	4,724,987
Regulatory reserves	178,424	155,485	178,424	155,485
FVOCI reserves	(91,614)	(88,924)	(85,150)	(83,848)
Capital reserves	10,018	10,018	-	-
	6,994,144	7,174,092	6,166,170	6,344,730
(Less)/add: Regulatory adjustments				
- Goodwill and other intangibles	(466,725)	(462,372)	(464,694)	(460,219)
- Deferred tax assets	(207,928)	(217,253)	(139,693)	(153,468)
- Regulatory reserves	(178,424)	(155,485)	(178,424)	(155,485)
- Investment in subsidiaries and joint venture	(1,146)	(1,135)	(705,704)	(647,750)
- Transitional arrangements	-	185,468	-	109,029
Total CET I Capital	6,139,921	6,523,315	4,677,655	5,036,837
Additional Tier I Capital Securities	350,000	350,000	250,000	250,000
Total Additional Tier I Capital	350,000	350,000	250,000	250,000
Total Tier I Capital	6,489,921	6,873,315	4,927,655	5,286,837
<u>Tier II Capital</u>				
Subordinated obligations	1,199,710	1,199,662	1,199,545	1,199,470
Expected credit losses and regulatory reserves	570,165	560,485	433,738	425,185
Less: Regulatory adjustment - Investment in Tier II capital instruments	-	-	(130,000)	(130,000)
Total Tier II Capital	1,769,875	1,760,147	1,503,283	1,494,655
Total Capital	8,259,796	8,633,462	6,430,938	6,781,492

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

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Credit risk	45,613,213	44,838,827	34,699,011	34,014,770
Market risk	853,633	560,041	853,440	559,800
Operational risk	3,825,127	3,768,311	2,936,928	2,892,670
Total RWA and capital requirements	50,291,973	49,167,179	38,489,379	37,467,240

A29 Capital Adequacy (Contd.)

(c) The capital adequacy ratios of the banking subsidiaries are as follows:

	Alliance Islamic Bank Berhad			
	With transitional arrangements		Without transitional arrangements	
	30 June 2024	31 March 2024	30 June 2024	31 March 2024
<u>Before deducting proposed dividends</u>				
CET I capital ratio	12.152%	12.938%	12.152%	12.287%
Tier I capital ratio	12.992%	13.785%	12.992%	13.134%
Total capital ratio	15.245%	16.049%	15.245%	15.398%
<u>After deducting proposed dividends</u>				
CET I capital ratio	12.152%	12.930%	12.152%	12.279%
Tier I capital ratio	12.992%	13.778%	12.992%	13.127%
Total capital ratio	15.245%	16.042%	15.245%	15.391%

A30 Fair Value Measurements

(a) Determination of fair value and fair value hierarchy

MFRS 13 Fair Value Measurement requires disclosure of financial instruments measured at fair value to be categorised according to a hierarchy of valuation techniques, whether the inputs used are observable or unobservable. The following levels of hierarchy are used for determining and disclosing the fair value of the financial instruments:

Level 1 - quoted prices (unadjusted) in active markets for identical assets or liabilities;

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group and the Bank recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

(i) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statements of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis. This includes listed equities and corporate debt securities which are actively traded.

(ii) Financial instruments in Level 2

Where fair value is determined using quoted prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determine fair value based upon valuation techniques that use market parameters, including but not limited to yield curves, volatilities and foreign exchange rates, as inputs. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high. These would include government securities, corporate private debt securities, corporate notes and most of the Group's and the Bank's derivatives.

(iii) Financial instruments in Level 3

The Group and the Bank classify financial instruments as Level 3 when there is reliance on unobservable inputs to the valuation model attributing to a significant contribution to the instrument value. Valuation reserves or pricing adjustments where applicable will be used to converge to fair value.

The valuation techniques and inputs used generally depend on the contractual terms and the risks inherent in the instrument as well as the availability of pricing information in the market. Principal techniques used include net tangible assets, net asset value, discounted cash flows, and other appropriate valuation models. These include private equity investments.

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

A30 Fair Value Measurements (Contd.)**(b) Financial instruments measured at fair value and the fair value hierarchy**

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

<u>GROUP</u> 30 June 2024	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	249,239	-	249,239
- Unquoted securities	-	1,460	278,171	279,631
Financial investments at FVOCI				
- Money market instruments	-	6,176,284	-	6,176,284
- Quoted securities in Malaysia	17	-	-	17
- Unquoted securities	-	4,683,337	-	4,683,337
Derivative financial assets	-	158,218	-	158,218
<u>Liabilities</u>				
Financial liabilities designated at FVTPL				
	-	2,052,658	-	2,052,658
Derivative financial liabilities	-	244,135	-	244,135
<u>BANK</u> 30 June 2024	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	249,239	-	249,239
- Unquoted securities	-	1,460	278,171	279,631
Financial investments at FVOCI				
- Money market instruments	-	5,291,634	-	5,291,634
- Quoted securities in Malaysia	17	-	-	17
- Unquoted securities	-	3,645,769	-	3,645,769
Derivative financial assets	-	158,218	-	158,218
<u>Liabilities</u>				
Financial liabilities designated at fair value through profit or loss				
	-	2,052,658	-	2,052,658
Derivative financial liabilities	-	244,135	-	244,135

A30 Fair Value Measurements (Contd.)

(b) Financial instruments measured at fair value and the fair value hierarchy (contd.)

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy (contd.):

<u>GROUP</u> 31 March 2024	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	55,838	-	55,838
- Unquoted securities	-	1,427	277,973	279,400
Financial investments at FVOCI				
- Money market instruments	-	5,561,784	-	5,561,784
- Quoted securities in Malaysia	16	-	-	16
- Unquoted securities	-	4,485,511	-	4,485,511
Derivative financial assets	-	183,035	-	183,035
<u>Liabilities</u>				
Financial liabilities designated at FVTPL				
	-	1,928,111	-	1,928,111
Derivative financial liabilities	-	287,067	-	287,067
<u>BANK</u> 31 March 2024	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<u>Assets</u>				
Financial assets at FVTPL				
- Money market instruments	-	55,838	-	55,838
- Unquoted securities	-	1,427	277,973	279,400
Financial investments at FVOCI				
- Money market instruments	-	4,860,708	-	4,860,708
- Quoted securities in Malaysia	16	-	-	16
- Unquoted securities	-	3,367,678	-	3,367,678
Derivative financial assets	-	183,035	-	183,035
<u>Liabilities</u>				
Financial liabilities designated at fair value through profit or loss				
	-	1,928,111	-	1,928,111
Derivative financial liabilities	-	287,067	-	287,067

A30 Fair Value Measurements (Contd.)

(b) Financial instruments measured at fair value and the fair value hierarchy (contd.)

The table below outlines the reconciliation of movements in Level 3 financial instruments:

	<u>GROUP</u>		<u>BANK</u>	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
At beginning of financial period/year	277,973	257,206	277,973	257,206
Acquisition during the period	200	-	200	-
Total loss recognised in statements of income				
- Revaluation loss from financial assets at FVTPL	(2)	20,767	(2)	20,767
At end of financial period/year	278,171	277,973	278,171	277,973

The Group's and the Bank's exposure to financial instruments measured using unobservable inputs ("Level 3") constitutes a small component of the Group's and the Bank's portfolio of financial instruments. Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for Level 3 financial instruments.

ALLIANCE BANK MALAYSIA BERHAD**198201008390 (88103-W)**

(Incorporated in Malaysia)

A31 Offsetting Financial Assets And Financial Liabilities

In accordance with MFRS 132 Financial Instruments: Presentation, the Group and the Bank report financial assets and financial liabilities on a net basis on the statements of financial position, only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The following table shows the impact of netting arrangements on:

- (i) all financial assets and liabilities that are reported net on the statements of financial position; and
- (ii) all financial assets and liabilities that are subject to enforceable master netting arrangements or similar agreements, but do not qualify for statements of financial position netting.

(a) Financial assets

	Gross amounts of recognised financial assets RM'000	Net amounts of financial assets presented in the statements of financial position RM'000	Related amounts not set off in the statements of financial position		Net amount RM'000
			Financial instruments RM'000	Cash collateral received RM'000	
<u>GROUP/BANK</u>					
30 June 2024					
Derivative financial assets	158,218	158,218	(94,686)	(4,230)	59,302
<u>GROUP/BANK</u>					
31 March 2024					
Derivative financial assets	183,035	183,035	(95,755)	(7,042)	80,238

(b) Financial liabilities

	Gross amounts of recognised financial liabilities RM'000	Net amounts of financial liabilities presented in the statements of financial position RM'000	Related amounts not set off in the statements of financial position		Net amount RM'000
			Financial instruments RM'000	Cash collateral pledged RM'000	
<u>GROUP/BANK</u>					
30 June 2024					
Derivative financial liabilities	244,135	244,135	(94,686)	(122,981)	26,468
<u>GROUP/BANK</u>					
31 March 2024					
Derivative financial liabilities	287,067	287,067	(95,755)	(154,394)	36,918

ALLIANCE BANK MALAYSIA BERHAD

198201008390 (88103-W)

(Incorporated in Malaysia)

A31 Offsetting Financial Assets And Financial Liabilities (Contd.)

For the financial assets and liabilities subject to enforceable master netting arrangements or similar arrangements, each agreement between the Group and the Bank and the counterparty allows for net settlement of the relevant financial assets and liabilities when both elect to settle on a net basis. In the absence of such an election, financial assets and liabilities will be settled on a gross basis, however, each party to the master netting agreement or similar agreement will have the option to settle all such amounts on a net basis in the event of default of the other party.

PART B - Explanatory Notes Pursuant To Appendix 9B Of Bursa Securities' Listing Requirements

B1 Financial Review for Financial Quarter and Financial Year to Date

GROUP

	1st Quarter and Three Months Ended 30 June 2024 RM'000	1st Quarter and Three Months Ended 30 June 2023 RM'000	Changes %
Net income/revenue	539,775	466,263	15.8
Operating profit before allowance	280,482	236,181	18.8
Operating profit after allowance	234,533	201,333	16.5
Profit before taxation and zakat	234,545	201,346	16.5
Profit after taxation and zakat	176,651	150,540	17.3
Profit attributable to ordinary equity holders of the Bank	176,651	150,540	17.3

	1st Quarter Ended 30 June 2024 RM'000	4th Quarter Ended 31 March 2024 RM'000	Changes %
Net income/revenue	539,775	516,169	4.6
Operating profit before allowance	280,482	266,988	5.1
Operating profit after allowance	234,533	230,829	1.6
Profit before taxation and zakat	234,545	230,844	1.6
Profit after taxation and zakat	176,651	177,742	(0.6)
Profit attributable to ordinary equity holders of the Bank	176,651	177,742	(0.6)

BANK

	1st Quarter and Three Months Ended 30 June 2024 RM'000	1st Quarter and Three Months Ended 30 June 2023 RM'000	Changes %
Net income/revenue	467,166	404,759	15.4
Operating profit before allowance	261,710	219,075	19.5
Operating profit after allowance	247,853	201,489	23.0
Profit before taxation	247,853	201,489	23.0
Profit after taxation	201,627	161,692	24.7
Profit attributable to ordinary equity holders of the Bank	201,627	161,692	24.7

	1st Quarter Ended 30 June 2024 RM'000	4th Quarter Ended 31 March 2024 RM'000	Changes %
Net income/revenue	467,166	424,048	10.2
Operating profit before allowance	261,710	226,969	15.3
Operating profit after allowance	247,853	194,372	27.5
Profit before taxation	247,853	194,372	27.5
Profit after taxation	201,627	158,713	27.0
Profit attributable to ordinary equity holders of the Bank	201,627	158,713	27.0

B2 Review Of Performance

(a) Business Review for the Financial Period ended 30 June 2024

Profitability

The Group recorded a net profit after taxation of RM176.7 million for the first financial quarter ended 30 June 2024, marking a year-on-year (“YoY”) increase of RM26.1 million or 17.3%. This growth was primarily driven by the elevated revenue offset by higher operating expenses and allowances for expected credit losses.

Net interest income increased by RM63.3 million or 15.8% YoY, predominantly attributed to heightened loan growth. The net interest margin (“NIM”) for the period was 2.45%.

Loan Growth

The implementation of the ACCELER8 strategic plan facilitated a notable expansion in the Group’s loans, advances, and financing, which surged by 14.8% YoY to reach RM57.1 billion. This growth was predominantly propelled by advancements across all business lines.

Other Operating Income

The Group reported other operating income of RM75.1 million, marking an increase of RM10.2 million or 15.7% YoY. This growth primarily stemmed from higher wealth management and Banca fee income, as well as increased revenue from foreign exchange sales and trade fees.

Operating Expenses

Operating expenses saw a rise of RM29.2 million or 12.7% YoY, resulting in a cost-to-income ratio (“CIR”) of 48.0%. The Group remains committed to prudent cost management throughout the financial year.

Asset Quality

The Group’s allowance for expected credit losses on loans, advances, financing, and other financial assets posted a net charge of RM45.9 million, marking an increase of RM11.1 million YoY. The net credit cost stood at 8.1 basis points, while the loan loss coverage, including regulatory reserves, reached 111.6%.

The Group will maintain a prudent approach by implementing the credit risk framework across all business lines. This involves stratifying customers based on the risk profiles and prioritizing customer interactions accordingly. Additionally, the Group will focus on controlling credit costs by refining credit policies, tightening credit underwriting standards, and intensifying collection efforts.

Healthy Funding and Liquidity Position

The Group’s current/savings account (“CASA”) ratio was recorded at 41.5%, with customer deposits totalling RM57.8 billion. Our funding strategy has enabled the Group to maintain robust liquidity coverage and loans-to-funds ratios, which stood at 163.0% and 88.2%, respectively.

Proactive Capital Management

We continued to maintain a robust capital position with the Common Equity Tier-1 (“CET 1”) ratio at 12.2%, the Tier-1 Capital Ratio at 12.9%, and the Total Capital Ratio at 16.4%, all comfortably surpassing regulatory thresholds.

B2 Review Of Performance (Contd.)

(b) Performance by Business Segment and Subsidiary

The Group's business segments encompass Consumer Banking, Business Banking, and Financial Markets.

In the Consumer Banking segment, profit before tax was recorded at RM1.4 million, reflecting a decrease of RM14.5 million YoY. Net income saw an increase of RM24.0 million or 15.0% to RM184.4 million, driven primarily by a rise in net interest income by RM22.6 million and other operating income by RM1.4 million. Operating expenses increased by RM6.9 million or 5.9%, while the allowance for expected credit losses increased by RM31.5 million. Segment assets were recorded at RM30.1 billion.

For the Business Banking segment, comprising corporate, commercial, and SME banking, profit before tax rose to RM160.5 million, marking an increase of RM36.1 million or 29.0% YoY. Net income surged by RM28.4 million or 12.3% to RM259.1 million, driven by higher net interest income by RM22.4 million and higher other operating income by RM6.0 million. Operating expenses increased by RM14.1 million or 14.6%, while the allowance for expected credit losses decreased by RM21.8 million. Segment assets were recorded at RM29.3 billion.

In the Financial Markets segment, profit before tax reached RM77.4 million, up by RM 19.0 million or 32.7% YoY. Net income increased by RM19.3 million or 27.6%, primarily due to higher net interest income by RM17.2 million and higher other operating income by RM2.1 million. Operating expenses rose by RM0.5 million or 4.6%. Segment assets recorded at RM19.1 billion.

The Islamic Banking segment, which includes consumer banking, business banking, and financial markets, recorded a net profit after taxation of RM36.1 million, increased by RM7.0 million or 23.8% YoY. Net income increased by RM27.6 million or 27.3 %. Net profit income increased by RM22.5 million, while other operating income increased by RM 5.1 million. Operating expenses increased by RM3.9 million or 8.7%. The allowance for expected credit losses increased by RM14.7 million. Total assets stood at RM17.8 billion.

B3 Comparison with Immediate Preceding Quarter (1QFY2025 vs 4QFY2024)

Compared to the immediate preceding quarter, the Group's profit after taxation for the quarter stood at RM176.7 million, showing a slight decrease of RM1.1 million or 0.6%, primarily attributed to higher other operating expenses and allowances for expected credit losses

Key Quarter-on-Quarter Performance Highlights

- Net interest income increased by RM18.0 million mainly from loans, advances and financing.
- The net interest margin (NIM) was recorded at 2.45% (4QFY2024: 2.45%).
- Other operating income increased by RM5.6 million or 8.1%, primarily driven by higher treasury and investment income offset by lower wealth management income.
- Operating expenses higher by RM10.1 million or 4.1%, mainly stemming from higher personnel costs and marketing expenses.
- The net credit cost was at 8.1 basis points (4QFY2024: 6.5 basis points).

B4 Prospect for the Current Financial Year

For calendar year 2024, Bank Negara Malaysia ("BNM") projects Malaysia's gross domestic product ("GDP") growth to range between 4% and 5%, an improvement from the 3.7% growth recorded in the preceding year.

We anticipate Malaysia's economic advancement will be bolstered by sustained domestic demand, propelled by ongoing enhancements in labour market conditions and renewed governmental efforts to stimulate growth. However, we are cognisant of the uneven nature of the overall recovery, with certain sectors experiencing continued strain. Furthermore, we maintain a cautious stance regarding potential downside risks to growth stemming from external uncertainties, such as escalating geopolitical tensions.

The Group anticipates maintaining its positive financial performance and remains committed to realising growth objectives under ACCELER8. In FY2025, our focus areas include:

- i. Continuing momentum in customer acquisition through the expansion of new-to-bank acquisition channels, leveraging digital platforms, strategic partnerships, increased productivity, and branch enhancements;
- ii. Deepening client wallet share post-customer acquisition by enhancing product and channel offerings for key target segments and sectors in both Consumer and Business Banking, with the aim of driving fee income. Additionally, we will seek to maximise cross-business unit collaboration to provide more comprehensive customer service; and
- iii. Strengthening Islamic banking propositions to drive incremental growth, with a focus on scaling up differentiated Islamic banking solutions by expanding unique Shariah-compliant and Value Based Intermediation propositions.

With prudent loan growth above the industry average, strong credit risk management practices, strengthening of our deposit/CASA propositions and investments in technology, the Group aims to continue its growth momentum in FY2025.

B5 Profit Forecast

There was no profit forecast issued by the Group and the Bank.

B6 Taxation and Zakat

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>GROUP</u>				
- Income tax	47,705	32,978	47,705	32,978
- Deferred tax	10,189	17,828	10,189	17,828
	<u>57,894</u>	<u>50,806</u>	<u>57,894</u>	<u>50,806</u>
- Zakat	-	-	-	-
	<u>57,894</u>	<u>50,806</u>	<u>57,894</u>	<u>50,806</u>
<u>BANK</u>				
- Income tax	32,040	25,098	32,040	25,098
- Deferred tax	14,186	14,699	14,186	14,699
	<u>46,226</u>	<u>39,797</u>	<u>46,226</u>	<u>39,797</u>

The Bank's effective tax rate for the current financial period ended 30 June 2024 was lower than the current statutory tax rate of 24% mainly due to an increase on income not subject to tax.

B7 Status of Corporate Proposals

There was no corporate proposal announced but not completed as at financial report date.

B8 Deposits from Customers, Deposits and Placements of Banks and Other Financial Institutions and Debts Securities

	GROUP		BANK	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
(a) Deposits from customers				
Fixed deposits, negotiable instruments of deposits and money market deposits:				
- One year or less (short term)	33,764,692	33,246,199	24,026,135	23,602,933
- More than one year (medium/long term)	49,311	286,909	28,226	28,143
	33,814,003	33,533,108	24,054,361	23,631,076
Others	24,004,050	23,864,387	18,929,491	18,895,393
	57,818,053	57,397,495	42,983,852	42,526,469
(b) Deposits and placements of banks and other financial institutions				
- One year or less (short term)	447,324	687,065	437,670	676,561
- More than one year (medium/long term)	1,424,515	1,367,992	1,234,581	1,189,433
	1,871,839	2,055,057	1,672,251	1,865,994
(c) Subordinated obligations				
Tier II Subordinated Medium Term Notes (unsecured)				
- More than one year (medium/long term)	1,207,637	1,219,416	1,207,472	1,219,224
Additional Tier 1 Capital Securities (unsecured)				
- More than one year (medium/long term)	352,988	352,502	251,674	252,460
	1,560,625	1,571,918	1,459,146	1,471,684

B9 Derivative Financial Assets/(Liabilities)

Derivative financial instruments measured at fair value together with their corresponding contract/notional amounts:

GROUP/BANK	As at 30 June 2024			As at 31 March 2024		
	Fair value			Fair value		
	Contract/ notional amount RM'000	Assets RM'000	Liabilities RM'000	Contract/ notional amount RM'000	Assets RM'000	Liabilities RM'000
Trading derivatives						
Foreign exchange contracts						
Currency forwards	4,717,319	43,736	(10,871)	4,932,844	70,605	(11,415)
- one year or less	4,313,823	33,073	(10,786)	4,361,350	55,115	(11,370)
- over one year to three years	394,057	10,663	(24)	495,914	14,452	(25)
- over three years	9,439	-	(61)	75,580	1,038	(20)
Currency swaps	10,012,769	26,663	(71,491)	11,466,692	40,603	(117,437)
- one year or less	9,673,414	26,663	(59,546)	10,930,264	40,597	(88,562)
- over one year to three years	339,355	-	(11,945)	491,525	6	(28,100)
- over three years	-	-	-	44,903	-	(775)
Currency spots						
- one year or less	516,939	412	(243)	291,108	320	(284)
Currency options						
- one year or less	1,001,126	1,381	(374)	722,091	1,397	(519)
	16,248,153	72,192	(82,979)	17,412,735	112,925	(129,655)
Interest rate related contracts						
Interest rate swaps	21,649,545	85,754	(129,324)	18,127,653	69,121	(120,690)
- one year or less	1,719,618	11,247	(5,315)	1,633,954	10,782	(4,973)
- over one year to three years	10,007,973	34,195	(53,453)	6,177,524	31,758	(29,413)
- over three years	9,921,954	40,312	(70,556)	10,316,175	26,581	(86,304)
Equity related contracts	430,458	272	(31,832)	453,389	989	(36,722)
- one year or less	270,808	268	(25,950)	311,349	910	(33,195)
- over one year to three years	159,650	4	(5,882)	142,040	79	(3,527)
Total derivatives assets/(liabilities)	38,328,156	158,218	(244,135)	35,993,777	183,035	(287,067)

B9 Derivative Financial Assets/(Liabilities) (Contd.)

- (i) The Group's and the Bank's derivative are subject to credit risk, market risk and liquidity risk as follow:

Credit Risk

Credit risk is the risk of financial loss resulting from the failure of the Group's borrowers or counterparties to fulfil their contractual obligations to repay their loans or settle commitments. Exposure to credit risk may be categorised as primary or secondary. This exposure is monitored on an on-going basis against predetermined counterparty limits. As at 30 June 2024, the amount of credit risk in the Group and the Bank, measured in terms of the cost to replace the profitable contracts, were RM158,218,000 (31 March 2024: RM183,035,000). This amount will increase or decrease over the life of the contracts, mainly as a function of maturity dates and market rates or prices.

Market Risk

Market Risk is the risk of loss of earnings arising from changes in interest rates, foreign exchange rates, equity prices, commodity prices and in their implied volatilities.

The Group has established a framework of approved risk policies, measurement methodologies and risk limits as approved by the Group Risk Management Committee to manage market risk. Market risk arising from the trading activities is controlled via position limits, loss limits, sensitivity limits and valuation via daily mark-to-market, where available.

Liquidity Risk

Liquidity risk is the inability of the Group and the Bank to meet financial commitments when due.

The Group's and the Bank's liquidity risk profile are managed using liquidity risk management strategies set in the Liquidity Risk Management Policy. Liquidity Risk Measures are monitored against approved threshold by Group Assets and Liabilities Management Committee and Group Risk Management Committee. A contingency funding plan is also established by the Group and the Bank as a forward-looking measure to ensure that liquidity risk can be addressed according to the degrees of key risk indicators, and which incorporates alternative funding strategies which are ready to be implemented on a timely basis to mitigate the impact of unforeseen adverse changes in liquidity in the market place.

- (ii) Cash Requirements of the Derivatives

Cash requirements of the derivatives may arise from margin requirements to post cash collateral with counterparties as the fair value moves beyond the agreed upon threshold limits in the counterparties' favour, or upon downgrade in the Group's and the Bank's credit ratings. As at 30 June 2024, the Group and the Bank had posted cash collateral of RM122,981,000 (31 March 2024: RM154,394,000) on their derivative contracts.

- (iii) Related Accounting Policies

Derivative financial instruments are initially recognised at fair value, which is normally zero or negligible at inception except for options and subsequently re-measured at their fair value. The fair value of options at inception is normally equivalent to the premium received (for options written) or paid (for options purchased). All derivatives are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value are recognised in the statement of comprehensive income.

Interest income and expenses associated with interest rate swaps are recognised over the life of the swap agreement as a component of investment income.

B9 Derivative Financial Assets/(Liabilities) (Contd.)

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

- (a) the types of derivative financial contracts entered into and the rationale for entering into such contracts, as well as the expected benefits accruing from these contracts;
- (b) the risk management policies in place for mitigating and controlling the risks associated with these financial derivative contracts; and
- (c) the related accounting policies.

The credit risk, market risk and liquidity risk associated with the derivatives and the policies in place for mitigating or controlling the risks with these derivatives are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 March 2024.

B10 Changes in Material Litigation

The Group and the Bank do not have any material litigation which would materially and adversely affect the financial position of the Group and the Bank for the current financial period ended 30 June 2024.

B11 Dividend Declared

No dividend has been declared during the current financial period ended 30 June 2024.

B12 Earnings Per Share

(a) Basic

Basic earnings per share is calculated by dividing profit for the financial period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the financial period.

	1st Quarter Ended		Three Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
<u>GROUP</u>				
Net profit for the financial period attributable to equity holders of the Bank (RM'000)	<u>176,651</u>	<u>150,540</u>	<u>176,651</u>	<u>150,540</u>
Weighted average numbers of ordinary shares in issue ('000)	<u>1,548,106</u>	<u>1,548,106</u>	<u>1,548,106</u>	<u>1,548,106</u>
Basic earnings per share (sen)	<u>11.4</u>	<u>9.7</u>	<u>11.4</u>	<u>9.7</u>

B12 Earnings Per Share (Contd.)

(a) Basic (contd.)

Basic earnings per share is calculated by dividing profit for the financial period attributable to equity holders of the Bank by the weighted average number of ordinary shares in issue during the financial period. (contd.)

	1st Quarter Ended		Three Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
<u>BANK</u>				
Net profit for the financial period attributable to equity holders of the Bank (RM'000)	<u>201,627</u>	<u>161,692</u>	<u>201,627</u>	<u>161,692</u>
Weighted average numbers of ordinary shares in issue ('000)	<u>1,548,106</u>	<u>1,548,106</u>	<u>1,548,106</u>	<u>1,548,106</u>
Basic earnings per share (sen)	<u>13.0</u>	<u>10.4</u>	<u>13.0</u>	<u>10.4</u>

(b) Diluted

For the purpose of calculating diluted earnings per share, the profit for the financial period attributable to equity holders of the Bank and the weighted average number of ordinary shares in issue during the financial period have been adjusted for the dilutive effects of all potential ordinary shares (non-cumulative).

There were no dilutive potential ordinary shares outstanding as at 30 June 2024 and 30 June 2023 respectively. As a result, the dilutive earnings per share was equal to basic earnings per share for the financial period ended 30 June 2024 and 30 June 2023.

By Order of the Board

LEE WEI YEN (MAICSA 7001798) (SSM PC No. 202008002080)
Group Company Secretary
Kuala Lumpur
29 August 2024