

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Statements of Financial Position As At 30 June 2024**

	Note	The Group		The Bank	
		30/06/2024 RM'000	30/06/2023 RM'000	30/06/2024 RM'000	30/06/2023 RM'000
<b>ASSETS</b>					
Cash and short-term funds		5,790,159	8,206,803	3,866,491	6,362,228
Deposits and placements with banks and other financial institutions		661,521	436,877	1,034,791	1,343,553
Securities purchased under resale agreements		297,315	-	-	-
Financial assets at fair value through profit or loss	A8	3,415,191	5,654,937	3,390,256	4,916,952
Financial investments at fair value through other comprehensive income	A9	41,099,194	33,886,670	35,868,198	30,109,200
Financial investments at amortised cost	A10	31,152,156	31,194,065	22,566,813	22,201,564
Loans, advances and financing	A11	193,304,468	179,902,847	144,048,721	135,092,761
Other assets	A12	4,243,571	2,454,415	4,190,388	2,398,503
Derivative financial instruments		1,362,654	2,168,424	1,309,701	2,071,669
Amount due from subsidiaries		-	-	104,124	143,862
Statutory deposits with Central Banks		3,214,478	3,396,920	2,320,111	2,509,021
Subsidiary companies		-	-	2,656,848	2,655,317
Investment in associated companies		9,639,404	8,712,976	2,087,699	2,087,699
Property and equipment		994,351	1,055,391	441,329	488,040
Intangible assets		353,477	362,435	318,725	326,216
Right-of-use assets		167,705	175,946	216,520	261,308
Goodwill		1,831,312	1,831,312	1,771,547	1,771,547
Deferred tax assets		262,116	410,436	187,679	317,985
<b>TOTAL ASSETS</b>		<b>297,789,072</b>	<b>279,850,454</b>	<b>226,379,941</b>	<b>215,057,425</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
Deposits from customers	A13	220,432,800	211,651,819	165,753,434	162,732,948
Investment accounts of customers	A14	2,166,534	2,250,513	-	-
Deposits and placements of banks and other financial institutions	A15	11,370,939	9,593,826	10,786,903	8,269,491
Obligations on securities sold under repurchase agreements		9,823,649	7,399,583	9,823,649	7,399,583
Bills and acceptances payable		282,547	211,431	238,413	155,202
Lease liabilities		171,369	178,928	225,039	269,713
Other liabilities	A16	7,223,979	5,946,050	6,988,164	5,566,750
Derivative financial instruments		1,805,207	2,387,886	1,698,702	2,301,936
Recourse obligation on loans/financing sold to Cagamas Berhad ("Cagamas")		3,277,003	2,972,220	1,728,635	1,514,646
Senior debts	A17	549,912	-	344,204	-
Tier 2 subordinated bonds	A18	1,500,545	1,501,750	1,500,545	1,501,750
Multi-currency Additional Tier 1 capital securities	A19	1,718,671	1,719,509	1,718,671	1,719,509
Provision for taxation		171,829	50,287	124,845	39,545
<b>TOTAL LIABILITIES</b>		<b>260,494,984</b>	<b>245,863,802</b>	<b>200,931,204</b>	<b>191,471,073</b>
Share capital		7,739,063	7,739,063	7,739,063	7,739,063
Reserves		30,257,699	26,956,355	18,412,348	16,556,055
Less: Treasury shares		(702,674)	(708,766)	(702,674)	(708,766)
<b>TOTAL SHAREHOLDERS' EQUITY</b>		<b>37,294,088</b>	<b>33,986,652</b>	<b>25,448,737</b>	<b>23,586,352</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>297,789,072</b>	<b>279,850,454</b>	<b>226,379,941</b>	<b>215,057,425</b>
<b>COMMITMENTS AND CONTINGENCIES</b>					
	A31	<b>311,897,584</b>	<b>260,170,634</b>	<b>294,327,279</b>	<b>246,285,659</b>
Net asset per share attributable to ordinary equity holders of the parent (RM) *		18.19	16.59	12.41	11.51

\* The Net assets per share attributable to ordinary equity holders of the parent (RM) is computed as Total Shareholders' Equity (excluding Minority Interest) divided by total number of ordinary shares in circulation.

*The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.*

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Statements of Income**  
**For The Financial Year Ended 30 June 2024**

	Note	The Group			
		Current Quarter Ended 30/06/2024 RM'000	Corresponding Quarter Ended 30/06/2023 RM'000	Current Year Ended 30/06/2024 RM'000	Corresponding Year Ended 30/06/2023 RM'000
Interest income	A20(a)	2,228,186	2,008,202	8,677,088	7,370,454
Interest income for financial assets at fair value through profit or loss	A20(b)	13,784	20,419	106,136	160,370
Interest expense	A21	(1,260,910)	(1,135,396)	(4,961,438)	(3,846,739)
Net interest income		981,060	893,225	3,821,786	3,684,085
Net income from Islamic Banking business	A22	259,914	229,631	985,948	963,368
Other operating income	A23	235,637	180,306	963,286	1,038,056
Net income		1,476,611	1,303,162	5,771,020	5,685,509
Other operating expenses	A24	(628,117)	(587,367)	(2,338,876)	(2,233,282)
Operating profit before allowances		848,494	715,795	3,432,144	3,452,227
Write back of/(allowance for) impairment losses on loans, advances and financing	A25	31,151	(14,399)	114,263	(115,382)
Write back of/(allowance for) impairment losses on financial investments and other assets	A26	17	446	(1,100)	306
Share of profit after tax of equity accounted associated companies		879,662	701,842	3,545,307	3,337,151
Profit before taxation		402,125	338,534	1,588,940	1,289,480
Taxation	B5	(247,790)	(175,699)	(938,035)	(808,435)
Net profit for the financial year		1,033,997	864,677	4,196,212	3,818,196
<b>Attributable to:</b>					
Owners of the parent		1,033,997	864,677	4,196,212	3,818,196
Earnings per share - basic (sen)	B12(a)	50.5	42.2	204.7	186.4
Earnings per share - fully diluted (sen)	B12(b)	50.4	42.2	204.7	186.3

*The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.*

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Statements of Comprehensive Income**  
**For The Financial Year Ended 30 June 2024**

	<b>The Group</b>			
	<b>Current Quarter Ended 30/06/2024 RM'000</b>	<b>Corresponding Quarter Ended 30/06/2023 RM'000</b>	<b>Current Year Ended 30/06/2024 RM'000</b>	<b>Corresponding Year Ended 30/06/2023 RM'000</b>
Net profit for the financial year	1,033,997	864,677	4,196,212	3,818,196
Other comprehensive income in respect of:				
(i) Item that will not be reclassified to profit or loss:				
Equity instruments at fair value through other comprehensive income				
- Net fair value changes	19,148	14,264	19,148	14,264
(i) Items that may be reclassified subsequently to profit or loss:				
(a) Share of other comprehensive income/(loss) of associated company	80,579	(10,277)	103,739	(15,045)
(b) Currency translation differences	(96,130)	156,550	7,263	62,380
(c) Debt instruments at fair value through other comprehensive income				
- Net fair value changes	11,137	22,226	330,559	406,406
- Changes in expected credit losses	(74)	(11)	987	285
(d) Net fair value changes in cash flow hedge	-	-	-	362
Income tax relating to components of other comprehensive (income)/loss	(1,179)	6,136	(70,474)	(88,321)
Other comprehensive income for the financial year, net of tax	13,481	188,888	391,222	380,331
Total comprehensive income for the financial year	<u>1,047,478</u>	<u>1,053,565</u>	<u>4,587,434</u>	<u>4,198,527</u>
Attributable to:				
- Owners of the parent	<u>1,047,478</u>	<u>1,053,565</u>	<u>4,587,434</u>	<u>4,198,527</u>

*The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.*

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Statements of Income**  
**For The Financial Year Ended 30 June 2024**

	Note	<b>The Bank</b>			
		Current Quarter Ended 30/06/2024 RM'000	Corresponding Quarter Ended 30/06/2023 RM'000	Current Year Ended 30/06/2024 RM'000	Corresponding Year Ended 30/06/2023 RM'000
Interest income	A20(a)	2,164,169	1,938,611	8,391,870	7,115,026
Interest income for financial assets at fair value through profit or loss	A20(b)	13,784	20,419	106,136	160,370
Interest expense	A21	(1,233,362)	(1,096,407)	(4,812,987)	(3,727,577)
Net interest income		944,591	862,623	3,685,019	3,547,819
Other operating income	A23	771,776	182,494	1,927,800	1,020,599
Net income		1,716,367	1,045,117	5,612,819	4,568,418
Other operating expenses	A24	(521,140)	(487,257)	(1,925,051)	(1,854,063)
Operating profit before allowances Write back of impairment losses on loans, advances and financing	A25	1,195,227	557,860	3,687,768	2,714,355
Write back of impairment losses on financial investments and other assets	A26	43,996	32,373	142,356	11,536
Profit before taxation		270	1,527	906	2,968
Taxation	B5	1,239,493	591,760	3,831,030	2,728,859
Net profit for the financial year		(303,257)	(145,574)	(945,625)	(651,823)
<b>Attributable to:</b>		936,236	446,186	2,885,405	2,077,036
Owners of the parent		936,236	446,186	2,885,405	2,077,036
Earnings per share - basic (sen)	B12(a)	45.7	21.8	140.8	101.4
Earnings per share - fully diluted (sen)	B12(b)	45.7	21.8	140.8	101.3

*The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.*

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Statements of Comprehensive Income**  
**For The Financial Year Ended 30 June 2024**

	<b>The Bank</b>			
	<b>Current Quarter Ended 30/06/2024 RM'000</b>	<b>Corresponding Quarter Ended 30/06/2023 RM'000</b>	<b>Current Year Ended 30/06/2024 RM'000</b>	<b>Corresponding Year Ended 30/06/2023 RM'000</b>
Net profit for the financial year	<u>936,236</u>	<u>446,186</u>	<u>2,885,405</u>	<u>2,077,036</u>
Other comprehensive income in respect of:				
(i) Item that will not be reclassified to profit or loss:				
Equity instruments at fair value through other comprehensive income				
- Net fair value changes	19,148	14,264	19,148	14,264
(i) Items that may be reclassified subsequently to profit or loss:				
(a) Currency translation differences	(8,101)	56,983	9,155	105,538
(b) Debt instruments at fair value through other comprehensive income				
- Net fair value changes	5,249	(39,566)	288,020	257,468
- Changes in expected credit losses	(101)	(14)	966	283
(c) Net fair value changes in cash flow hedge	-	-	-	362
Income tax relating to components of other comprehensive loss/(income)	<u>53</u>	<u>7,064</u>	<u>(60,311)</u>	<u>(66,479)</u>
Other comprehensive income for the financial year, net of tax	<u>16,248</u>	<u>38,731</u>	<u>256,978</u>	<u>311,436</u>
Total comprehensive income for the financial year	<u><u>952,484</u></u>	<u><u>484,917</u></u>	<u><u>3,142,383</u></u>	<u><u>2,388,472</u></u>

*The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.*



**HONG LEONG BANK BERHAD**  
Registration No: 193401000023 (97141-X)  
(Incorporated in Malaysia)

**Condensed Financial Statements**  
**Unaudited Statements of Changes in Equity For The Financial Year Ended 30 June 2024**

	Attributable to owners of the parent					
<u>The Bank</u>	<u>Share Capital</u> RM'000	<u>Other Reserves</u> RM'000	<u>Regulatory Reserve</u> RM'000	<u>Retained Profits</u> RM'000	<u>Treasury Shares</u> RM'000	<u>Total</u> RM'000
<b>At 1 July 2023</b>	7,739,063	2,905	825,318	15,727,832	(708,766)	23,586,352
<u>Comprehensive income</u>						
Net profit for the financial year	-	-	-	2,885,405	-	2,885,405
- Financial assets measured at fair value through other comprehensive income						
- Equity instruments						
- Net fair value changes	-	19,148	-	-	-	19,148
- Debt instruments						
- Net fair value changes	-	227,709	-	-	-	227,709
- Changes in expected credit losses	-	966	-	-	-	966
- Currency translation differences	-	9,155	-	-	-	9,155
Total comprehensive income	-	256,978	-	2,885,405	-	3,142,383
<u>Transactions with owners</u>						
Transfer to regulatory reserve	-	-	194,359	(194,359)	-	-
Dividends paid	-	-	-	(1,291,111)	-	(1,291,111)
ESS exercised	-	(15,749)	-	9,657	6,092	-
Option written back arising from ESS lapsed	-	11,113	-	-	-	11,113
Total transactions with owners	-	(4,636)	194,359	(1,475,813)	6,092	(1,279,998)
<b>At 30 June 2024</b>	<b>7,739,063</b>	<b>255,247</b>	<b>1,019,677</b>	<b>17,137,424</b>	<b>(702,674)</b>	<b>25,448,737</b>
<b>At 1 July 2022</b>	7,739,063	(283,556)	536,432	15,120,482	(713,690)	22,398,731
<u>Comprehensive income</u>						
Net profit for the financial year	-	-	-	2,077,036	-	2,077,036
- Financial assets measured at fair value through other comprehensive income						
- Equity instruments						
- Net fair value changes	-	14,264	-	-	-	14,264
- Debt instruments						
- Net fair value changes	-	191,077	-	-	-	191,077
- Changes in expected credit losses	-	283	-	-	-	283
- Net fair value changes in cash flow hedge	-	274	-	-	-	274
- Currency translation differences	-	105,538	-	-	-	105,538
Total comprehensive income	-	311,436	-	2,077,036	-	2,388,472
<u>Transactions with owners</u>						
Transfer to regulatory reserve	-	-	288,886	(288,886)	-	-
Dividends paid	-	-	-	(1,188,226)	-	(1,188,226)
ESS exercised	-	(12,350)	-	7,426	4,924	-
Option charge arising from ESS granted	-	(12,625)	-	-	-	(12,625)
Total transactions with owners	-	(24,975)	288,886	(1,469,686)	4,924	(1,200,851)
<b>At 30 June 2023</b>	<b>7,739,063</b>	<b>2,905</b>	<b>825,318</b>	<b>15,727,832</b>	<b>(708,766)</b>	<b>23,586,352</b>

The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Condensed Statements of Cash Flows**  
**For The Financial Year Ended 30 June 2024**

	The Group		The Bank	
	Financial	Financial	Financial	Financial
	Year Ended 30/06/2024 RM'000	Year Ended 30/06/2023 RM'000	Year Ended 30/06/2024 RM'000	Year Ended 30/06/2023 RM'000
Profit before taxation	5,134,247	4,626,631	3,831,030	2,728,859
Adjustments for non-cash items	<u>(3,130,196)</u>	<u>(2,290,855)</u>	<u>(2,725,054)</u>	<u>(1,271,291)</u>
Operating profit before working capital changes	2,004,051	2,335,776	1,105,976	1,457,568
Changes in working capital:				
Net changes in operating assets	(11,590,221)	(15,450,192)	(7,744,933)	(9,312,772)
Net changes in operating liabilities	13,839,505	21,766,988	8,980,999	15,283,857
Income taxes and zakat paid	<u>(652,872)</u>	<u>(1,030,371)</u>	<u>(517,534)</u>	<u>(859,773)</u>
Net cash generated from operating activities	<u>3,600,463</u>	<u>7,622,201</u>	<u>1,824,508</u>	<u>6,568,880</u>
<b>Cash flows from investing activities</b>				
Investment in subordinated facilities	-	-	-	(27,402)
Net purchases of financial investments at fair value through other comprehensive income	(6,849,769)	(8,351,170)	(5,438,778)	(8,502,423)
Net proceeds/(purchases) of financial investments at amortised cost	42,096	1,164,402	(365,063)	942,981
Interest received from:				
- Financial investments at fair value through other comprehensive income	1,398,668	871,880	1,398,586	871,573
- Financial investments at amortised cost	698,639	669,395	697,912	668,660
- Subordinated facilities	-	-	41,422	41,718
Purchase of property and equipment	(82,468)	(132,069)	(77,611)	(129,203)
Net proceeds from sale of property and equipment	9,434	377	9,399	161
Purchase of intangible assets	(17,647)	(37,156)	(15,003)	(30,773)
Dividends received from:				
- Subsidiary company	-	-	-	330
- Associated company	-	-	367,565	-
- Financial assets at fair value through profit or loss	49,735	88,826	48,773	89,277
- Financial investments at fair value through other comprehensive income	435	2,175	435	2,175
Net cash used in investing activities	<u>(4,750,877)</u>	<u>(5,723,340)</u>	<u>(3,332,363)</u>	<u>(6,072,926)</u>

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**Condensed Financial Statements**  
**Unaudited Condensed Statements of Cash Flows**  
**For The Financial Year Ended 30 June 2024**

	The Group		The Bank	
	Financial Year Ended 30/06/2024 RM'000	Financial Year Ended 30/06/2023 RM'000	Financial Year Ended 30/06/2024 RM'000	Financial Year Ended 30/06/2023 RM'000
<b>Cash flows from financing activities</b>				
Dividends paid	(1,291,111)	(1,188,226)	(1,291,111)	(1,188,226)
Repayment of lease liabilities	(44,356)	(44,402)	(68,081)	(66,236)
Repayment of recourse obligation on loans sold to Cagamas	-	(962,930)	-	(300,020)
Repayment of Senior debts	(95,000)	-	(95,000)	-
Repayment of Tier 2 subordinated loan	(1,000,000)	(500,000)	(1,000,000)	(500,000)
Repayment of Multi-currency Additional Tier 1 capital securities	(400,000)	(400,000)	(400,000)	(400,000)
Proceeds from debt issuance:				
- Recourse obligation on financing sold to Cagamas	300,000	2,300,000	210,000	1,300,000
- Senior debts	645,000	-	440,000	-
- Tier 2 subordinated bonds	1,000,000	500,000	1,000,000	500,000
- Multi-currency Additional Tier 1 capital securities	400,000	400,000	400,000	400,000
Interest/profit paid:				
- Recourse obligation on loans/financing sold to Cagamas	(122,738)	(66,196)	(62,204)	(17,395)
- Senior debts	(8,286)	-	(4,142)	-
- Tier 2 subordinated bonds	(63,780)	(66,533)	(63,780)	(66,533)
- Multi-currency Additional Tier 1 capital securities	(78,513)	(78,858)	(78,513)	(78,927)
- Lease liabilities	(8,163)	(8,737)	(11,228)	(13,251)
Net cash used in financing activities	(766,947)	(115,882)	(1,024,059)	(430,588)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(1,917,361)</b>	<b>1,782,979</b>	<b>(2,531,914)</b>	<b>65,366</b>
<b>Currency translation differences</b>	<b>7,431</b>	<b>160,892</b>	<b>9,671</b>	<b>104,577</b>
<b>Cash and cash equivalents at the beginning of financial year</b>	<b>7,925,863</b>	<b>5,981,992</b>	<b>6,288,977</b>	<b>6,119,034</b>
<b>Cash and cash equivalents at the end of financial year</b>	<b>6,015,933</b>	<b>7,925,863</b>	<b>3,766,734</b>	<b>6,288,977</b>
<b>Cash and cash equivalents comprise the following:</b>				
<b>Cash and short-term funds</b>	<b>5,790,159</b>	<b>8,206,803</b>	<b>3,866,491</b>	<b>6,362,228</b>
<b>Deposits and placements with banks and other financial institutions</b>	<b>661,521</b>	<b>436,877</b>	<b>1,034,791</b>	<b>1,343,553</b>
	<b>6,451,680</b>	<b>8,643,680</b>	<b>4,901,282</b>	<b>7,705,781</b>
<b>Less:</b>				
<b>Cash and short-term funds and deposits and placements with banks and other financial institutions with original maturity of more than three months</b>	<b>(435,747)</b>	<b>(717,817)</b>	<b>(1,134,548)</b>	<b>(1,416,804)</b>
	<b>6,015,933</b>	<b>7,925,863</b>	<b>3,766,734</b>	<b>6,288,977</b>

*The unaudited condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 30 June 2023.*

**HONG LEONG BANK BERHAD**  
**Registration No: 19340100023 (97141-X)**  
**(Incorporated in Malaysia)**

**Part A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard (“MFRS”) 134 and Policy Document on Financial Reporting Issued by Bank Negara Malaysia (“BNM”)**

**NOTES TO THE UNAUDITED CONDENSED FINANCIAL STATEMENTS  
FOR FINANCIAL YEAR ENDED 30 JUNE 2024**

**A1 Basis of preparation**

The unaudited condensed financial statements for the financial year ended 30 June 2024 have been prepared under the historical cost convention, except for the following assets and liabilities which are stated at fair values: financial assets at fair value through profit or loss (“FVTPL”), financial investments at fair value through other comprehensive income (“FVOCI”) and derivative financial instruments.

The unaudited condensed financial statements have been prepared in accordance with MFRS 134: “Interim Financial Reporting” issued by the Malaysian Accounting Standard Board and paragraph 9.22 of the Bursa Malaysia Securities Berhad’s (“Bursa Securities”) Listing Requirements and should be read in conjunction with the audited annual financial statements for the Group and Hong Leong Bank Berhad (“HLB” or “the Bank”) for the financial year ended 30 June 2023. The explanatory notes attached to the unaudited condensed 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 30 June 2023.

The unaudited condensed financial statements incorporate the activities relating to Islamic Banking which have been undertaken by the Group in compliance with Shariah principles. Islamic Banking business refers generally to the acceptance of deposits and granting of financing under the Shariah principles.

The significant accounting policies and methods of computation applied in the unaudited condensed financial statements are consistent with those adopted in the most recent annual audited financial statements for the financial year ended 30 June 2023, and modified for the adoption of the following accounting standards applicable for financial period beginning on or after 1 July 2023:

- (i) \* Amendments to MFRS 101 and MFRS Practice Statement 2 'Disclosure of Accounting Policies'
- \* Amendments to MFRS 108 'Definition of Accounting Estimates'
- \* Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'
- \* Amendments to MFRS 112 'International Tax Reform-Pillar Two Model Rules'

The adoption of the above amendments to published standards are not expected to have significant impact on the financial results of the Group and the Bank.

The preparation of unaudited condensed financial statements in conformity with the MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed financial statements, and the reported amounts of income and expenses during the reported financial year. It also requires Directors to exercise their judgement in the process of applying the Group 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 Status of matters giving rise to the auditor's qualified report in the preceding annual financial statements for the year ended 30 June 2023**

There was no qualified report issued by the auditors in the preceding annual financial statements for the year ended 30 June 2023.

**HONG LEONG BANK BERHAD**  
**Registration No: 19340100023 (97141-X)**  
**(Incorporated in Malaysia)**

**A3 Seasonality or cyclicity of operations**

The business operations of the Group and the Bank have not been affected by any material seasonal and cyclical factors in the current financial year.

**A4 Exceptional items or unusual events affecting financial statements**

There were no exceptional items or unusual events that materially affected the financial statements in the current financial year.

**A5 Variation from financial estimates reported in preceding financial year**

There were no changes in estimates of amounts reported in the prior financial year that may have a material effect in the current financial year.

**A6 Issuance and repayment of debt and equity securities**

Save as detailed below, there were no other new shares issuance, repayment of debt and equity securities, share buy-back and share cancellations, or resale of shares held as treasury shares during the financial year ended 30 June 2024:

a) Share Buy-back

The total number of shares bought back, all of which were held as treasury shares as at 30 June 2024 amounted to 81,101,700 shares, at an average price per share of RM5.32. None of the treasury shares were resold or cancelled to date.

b) Purchase of shares pursuant to Executive Share Scheme (“ESS”)

A trust has been set up for the ESS of the Bank and it is administered by an appointed trustee. This trustee will be entitled from time to time to accept financial assistance from the Bank upon such terms and conditions as the Bank and the trustee may agree to purchase the Bank's shares from the open market for the purposes of this trust. In accordance with MFRS 132: Financial Statements: Presentation and Disclosure, the shares purchased for the benefit of the ESS holdings are recorded as “Treasury Shares for ESS”, in addition to the Treasury Shares for share buy-back, in the Shareholders' Equity on the statements of financial position.

During the financial year ended 30 June 2024, the trust did not purchase any new shares. As at 30 June 2024, the total number of Treasury Shares for ESS was 36,769,053 pursuant to the Bank's ESS. The Treasury Shares have an average carrying value of RM7.37 per share.

The Bank has granted the following grant shares to eligible executives of the Bank and its subsidiary pursuant to the Bank's ESS:

On 21 March 2022, the Bank has granted 253,416 ordinary shares in HLB to eligible executives of the Bank pursuant to the Bank's ESS. The vesting of the 253,416 free ordinary shares in HLB will be done in tranches over a period of 1.5 years from the date of the grant.

On 1 March 2023, the Bank has granted 124,944 ordinary shares in HLB to eligible executives of the Bank pursuant to the Bank's ESS. The vesting of the 124,944 free ordinary shares in HLB will be done in tranches over a period of 1.5 years from the date of the grant.

On 15 May 2023, the Bank has granted 123,608 ordinary shares in HLB to eligible executives of the Bank pursuant to the Bank's ESS. The vesting of the 123,608 free ordinary shares in HLB will be done in tranches over a period of 1.5 years from the date of the grant.

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**A6 Issuance and repayment of debt and equity securities (continued)**

On 29 November 2023, the Bank has granted 346,354 ordinary shares in HLB to eligible executives of the Bank pursuant to the Bank's ESS. The vesting of the 346,354 free ordinary shares in HLB will be done in tranches over a period of 2.5 years from the date of the grant.

On 20 February 2024, the Bank has granted 144,520 ordinary shares in HLB to eligible executives of the Bank pursuant to the Bank's ESS. The vesting of the 144,520 free ordinary shares in HLB will be done in tranches over a period of 1.5 years from the date of the grant.

On 19 June 2024, the Bank has granted 6,459 ordinary shares in HLB to eligible executives of the Bank pursuant to the Bank's ESS. The vesting of the 6,459 free ordinary shares in HLB will be done in tranches over a period of 1.1 years from the date of the grant.

During the financial period ended 30 June 2024, a total of 5,562 grant shares lapsed and a total of 827,033 grant shares were vested and transferred pursuant to the Bank's ESS.

c) Issuance of Multi-currency Medium Term Notes

On 3 November 2023, the Bank issued its first tranche of RM100.0 million nominal value of medium term notes ("Senior MTN") out of its RM10.0 billion Multi-currency Medium Term Notes Programme ("Senior MTN Programme"). The coupon rate for this first tranche of the Senior MTN is 4.07% per annum, which is payable semi-annually in arrears from the date of the issue. The tenure for this Senior MTN is 3 years. The proceeds from the issuance shall be utilised for the Bank's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Bank.

d) Issuance of Multi-currency Islamic Medium Term Notes

On 3 November 2023, Hong Leong Islamic Bank Berhad ("HLISB"), a wholly owned subsidiary of the Bank, issued its first tranche of RM200.0 million nominal value of Islamic medium term notes (Senior IMTN) out of its RM5.0 billion Multi-currency Islamic Medium Term Notes programme (Senior IMTN Programme). The coupon rate for this first tranche of the Senior IMTN is 4.07% per annum, which is payable semi-annually in arrears from the date of the issue. The tenure for this Senior IMTN is 3 years. The proceeds from the issuance shall be utilised for the HLISB's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing Islamic financing obligations of HLISB.

e) Issuance of Multi-currency Commercial Papers

On 12 January 2024, the Bank issued its first tranche of RM5.0 million nominal value of commercial paper ("Senior CP") out of its RM10.0 billion Multi-currency Commercial Paper Programme ("Senior CP Programme"). The tenure for this Senior CP is 6 months, which was issued at a discount of 3.66% per annum. The proceeds from the issuance shall be utilised for the Bank's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Bank.

On 9 February 2024, the Bank issued its second tranche of RM95.0 million nominal value of Senior CP out of its RM10.0 billion Multi-currency Senior CP Programme. The tenure for this Senior CP is 3 months, which was issued at a discount of 3.47% per annum. The proceeds from the issuance shall be utilised for the Bank's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Bank.

On 9 May 2024, the Bank issued its third tranche of RM240.0 million nominal value of Senior CP out of its RM10.0 billion Multi-currency Senior CP Programme. The tenure for this Senior CP is 3 months, which was issued at a discount of 3.49% per annum. The proceeds from the issuance shall be utilised for the Bank's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Bank.

**HONG LEONG BANK BERHAD**  
**Registration No: 19340100023 (97141-X)**  
**(Incorporated in Malaysia)**

**A6 Issuance and repayment of debt and equity securities** (continued)

f) Issuance of Multi-currency Islamic Commercial Paper

On 12 January 2024, HLISB issued its first tranche of RM5.0 million nominal value of Islamic commercial paper ("Senior ICP") out of its RM5.0 billion Multi-currency Islamic Commercial Paper Programme ("Senior ICP Programme") based on the Shariah principle of Wakalah Bi Al-Istithmar. The tenure for this Senior ICP is 6 months, which was issued at a discount of 3.65% per annum. The proceeds from the issuance shall be utilised for the HLISB's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of HLISB.

g) Issuance of Multi-currency Additional Tier 1 capital securities

On 25 March 2024, the Bank issued a nominal value of RM400.0 million Additional Tier 1 capital securities ("HLB Capital Securities"), pursuant to its multi-currency Additional Tier 1 capital securities programme. The HLB Capital Securities, which qualify as Additional Tier 1 capital for the Bank, carry a distribution rate of 4.25% per annum. The Capital Securities are perpetual with an Issuer's call option to redeem at the end of year 5. The proceeds from the issuance shall be utilised to fulfill the requirements of Additional Tier 1 capital as per BNM's Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and as updated from time to time and for the refinancing of an existing tranche of RM400.0 million in nominal value of HLB Capital Securities issued previously under the HLB AT1 Programme on 29 March 2019.

h) Issuance of Tier 2 Subordinated Notes

On 11 June 2024, the Bank issued a fifth tranche of RM1.0 billion nominal value of 10-years non-callable 5 years Sub-Notes callable on 11 June 2029 (and thereafter) and due on 11 June 2034 out of its Multi-Currency Tier 2 Subordinated Notes Programme ("HLB T2 Programme"). The coupon rate for this fifth tranche of the Sub Notes is 4.05% per annum, which is payable semi-annually in arrears from the date of the issue. RM400.0 million of the proceeds from the Sub-Notes were used to subscribe for RM400.0 million Tier 2 subordinated sukuk murabahah ("HLISB T2 Sukuk Murabahah") issued by its wholly-owned subsidiary, Hong Leong Islamic Bank Berhad ("HLISB") on even date. The HLISB T2 Sukuk Murabahah were issued pursuant to HLISB's multi-currency perpetual subordinated sukuk programme. The remaining proceeds from the Sub-Notes shall be utilised, without limitation, for HLB's working capital, general banking and other corporate purposes, and the refinancing of any existing borrowings incurred, subordinated debt issued by HLB and/or any existing subordinated notes issued under the HLB T2 Programme.

i) Repayment of debt and equity securities

On 29 March 2024, the Bank had fully redeemed the RM400.0 million nominal value of HLB Capital Securities bearing coupon rate of 4.72% per annum.

On 9 May 2024, the Bank had fully redeemed the RM95.0 million nominal value of the Senior CP.

On 14 June 2024, the Bank had fully redeemed the RM1.0 billion nominal value of Tier 2 Subordinated Notes bearing coupon rate of 4.23% per annum.

**A7 Dividends paid**

A final single tier dividend of 38 sen per share in respect of financial year ended 30 June 2023 amounting to RM792.9 million was paid on 22 November 2023.

An interim single tier dividend of 25 sen per share in respect of financial year ending 30 June 2024 amounting to RM521.7 million was paid on 26 March 2024.







































**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**A17 Senior debts** (continued)

On 9 February 2024, the Bank issued its second tranche of RM95.0 million nominal value of Senior CP out of its RM10.0 billion Multi-currency Senior CP Programme. The tenure for this Senior CP is 3 months, which was issued at a discount of 3.47% per annum. The proceeds from the issuance shall be utilised for the Bank's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Bank.

On 9 May 2024, HLB had fully redeemed the RM95.0 million nominal value of this Senior CP.

On 9 May 2024, the Bank issued its third tranche of RM240.0 million nominal value of Senior CP out of its RM10.0 billion Multi-currency Senior CP Programme. The tenure for this Senior CP is 3 months, which was issued at a discount of 3.49% per annum. The proceeds from the issuance shall be utilised for the Bank's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of the Bank.

(d) On 12 January 2024, HLISB issued its first tranche of RM5.0 million nominal value of Islamic commercial paper ("Senior ICP") out of its RM5.0 billion Multi-currency Islamic Commercial Paper Programme ("Senior ICP Programme") based on the Shariah principle of Wakalah Bi Al-Istithmar. The tenure for this Senior ICP is 6 months, which was issued at a discount of 3.65% per annum. The proceeds from the issuance shall be utilised for the HLISB's working capital, general banking and other corporate purposes and/or if required, the refinancing of any existing financing obligations of HLISB.

**A18 Tier 2 subordinated bonds**

	<u><b>The Group</b></u>		<u><b>The Bank</b></u>	
	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
RM1.5 billion Tier 2 subordinated notes, at par	1,500,000	1,500,000	1,500,000	1,500,000
Add: Interest payable	2,910	2,661	2,910	2,661
	1,502,910	1,502,661	1,502,910	1,502,661
Less: Unamortised discounts	(2,365)	(911)	(2,365)	(911)
	1,500,545	1,501,750	1,500,545	1,501,750

On 14 June 2019, the Bank issued a third tranche of RM1.0 billion nominal value of 10-years non-callable 5 years Tier 2 Subordinated Notes ("Sub Notes") callable on 14 June 2024 (and thereafter) and due on 14 June 2029 out of its RM10.0 billion Multi-Currency Sub Notes Programme. The coupon rate for this third tranche of the Sub Notes is 4.23% per annum, which is payable semi-annually in arrears from the date of the issue.

On 14 June 2024, HLB had fully redeemed the RM1.0 billion nominal value of this Sub Notes.

On 19 June 2023, the Bank issued a fourth tranche of RM500.0 million nominal value of 10-years non-callable 5 years Sub Notes callable on 19 June 2028 (and thereafter) and due on 17 June 2033 out of its RM10.0 billion Multi-Currency Sub Notes Programme. The coupon rate for this fourth tranche of the Sub Notes is 4.20% per annum, which is payable semi-annually in arrears from the date of the issue.



**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**A19 Multi-currency Additional Tier 1 capital securities (continued)**

On 14 October 2022, the Bank issued a nominal value of RM400.0 million Additional Tier 1 capital securities (“HLB Capital Securities”), pursuant to its multi-currency Additional Tier 1 capital securities programme. The HLB Capital Securities, which qualify as Additional Tier 1 capital for the Bank, carry a distribution rate of 4.70% per annum. The Capital Securities are perpetual with an Issuer's call option to redeem at the end of year 5. The proceeds from the issuance shall be utilised to fulfill the requirements of Additional Tier 1 capital as per BNM's Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and as updated from time to time and for the refinancing of an existing tranche of RM400.0 million in nominal value of HLB Capital Securities issued previously under the HLB AT1 Programme on 30 November 2017.

On 25 March 2024, the Bank issued a nominal value of RM400.0 million Additional Tier 1 capital securities (“HLB Capital Securities”), pursuant to its multi-currency Additional Tier 1 capital securities programme. The HLB Capital Securities, which qualify as Additional Tier 1 capital for the Bank, carry a distribution rate of 4.25% per annum. The Capital Securities are perpetual with an Issuer's call option to redeem at the end of year 5. The proceeds from the issuance shall be utilised to fulfill the requirements of Additional Tier 1 capital as per BNM's Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and as updated from time to time and for the refinancing of an existing tranche of RM400.0 million in nominal value of HLB Capital Securities issued previously under the HLB AT1 Programme on 29 March 2019.

**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**A20(a) Interest income**

<b>Group</b>	<b>4th Quarter Ended</b>		<b>Cumulative Twelve Months Ended</b>	
	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loan, advances and financing	1,612,108	1,494,547	6,365,025	5,566,975
Money at call and deposit placements with financial institutions	44,584	71,177	191,656	245,954
Securities purchased under resale agreements	167	227	318	867
Financial investments at FVOCI	386,516	271,892	1,398,668	871,880
Financial investments at amortised cost	178,426	165,167	698,639	669,395
Others	6,385	5,192	22,782	15,383
	<b>2,228,186</b>	<b>2,008,202</b>	<b>8,677,088</b>	<b>7,370,454</b>
Interest income earned on impaired loans, advances and financing during the financial year	17,103	15,155	54,367	41,342

<b>Bank</b>	<b>4th Quarter Ended</b>		<b>Cumulative Twelve Months Ended</b>	
	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Loan, advances and financing	1,542,578	1,411,745	6,051,684	5,259,695
Money at call and deposit placements with financial institutions	50,441	84,851	221,046	299,163
Securities purchased under resale agreements	167	227	318	867
Financial investments at FVOCI	386,573	271,823	1,398,586	871,573
Financial investments at amortised cost	178,252	164,980	697,912	668,660
Others	6,158	4,985	22,324	15,068
	<b>2,164,169</b>	<b>1,938,611</b>	<b>8,391,870</b>	<b>7,115,026</b>
Interest income earned on impaired loans, advances and financing during the financial year	16,818	14,978	52,806	40,548



**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**A22 Net income from Islamic Banking business**

	<b>4th Quarter Ended</b>		<b>Cumulative Twelve Months Ended</b>	
	<b>30/06/2024</b>	<b>30/06/2023</b>	<b>30/06/2024</b>	<b>30/06/2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Group</u></b>				
Income derived from investment of depositors' funds and others	571,871	507,635	2,243,099	1,894,039
Income derived from investment of shareholders' funds	83,931	76,252	325,902	259,365
Income derived from investment of investment account	31,899	32,241	119,680	118,629
Income attributable to depositors	(407,675)	(363,198)	(1,622,007)	(1,229,550)
Income attributable to depositors on investment account	(20,112)	(23,299)	(80,726)	(79,115)
	<u>259,914</u>	<u>229,631</u>	<u>985,948</u>	<u>963,368</u>
Financing income earned on impaired financing and advances during the financial year	<u>2,754</u>	<u>2,752</u>	<u>10,285</u>	<u>6,556</u>

















































**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**B6 Profit on sale of unquoted investments/properties**

There were no material gains or losses on disposal of unquoted investments (other than in the ordinary course of business) and/or properties for the financial year under review.

**B7 Purchase and disposal of quoted securities**

There were no purchase or disposal of quoted securities for the financial year under review other than those purchased or disposed in the ordinary course of business.

**B8 Status of corporate proposals**

There were no corporate proposals announced but not completed at the latest practicable date which was not earlier than 7 days from the issue of this report.











**HONG LEONG BANK BERHAD**  
**Registration No: 193401000023 (97141-X)**  
**(Incorporated in Malaysia)**

**B9 Off-balance sheet financial instruments** (continued)

**Credit risk** (continued)

Derivatives (continued)

Foreign currency and interest rate options are contractual agreements under which the seller (writer) grants the purchaser (holder) the right, but not the obligation, either to buy (a call option) or sell (a put option) at or by a set date or during a set period, a specific amount of a foreign currency or a financial instrument at a predetermined price. The seller receives a premium from the purchaser in consideration for the assumption of foreign exchange or interest rate risk. Options may be either exchange-traded or negotiated between the Group and a customer (OTC). The Group is exposed to credit risk on purchased options only, and only to the extent of their carrying amount, which is their fair value.

The notional amounts of certain types of financial instruments provide a basis for comparison with instruments recognised on the statements of financial position but do not necessarily indicate the amounts of future cash flows involved or the current fair value of the instruments and, therefore, do not indicate the Group's exposure to credit or price risks. The derivative instruments become favourable (assets) or unfavourable (liabilities) as a result of fluctuations in market interest rates or foreign exchange rates relative to their terms. The aggregate contractual or notional amount of derivative financial instruments on hand, the extent to which instruments are favourable or unfavourable, and thus the aggregate fair values of derivative financial assets and liabilities, can fluctuate significantly from time to time.

**Liquidity risk**

Derivatives

Liquidity risk arises in any situation where a payment in cash, securities or equities is made in the expectation of a corresponding receipt in cash, securities or equities. Daily settlement limits are established for each counterparty to cover the aggregate of all settlement risk arising from the Group's market transactions on any single day.

**Related accounting policies**

Derivative financial instruments are measured at fair value and are carried as assets when the fair value is positive and as liabilities when the fair value is negative. Any gain or loss arising from a change in the fair value of the derivatives is recognised in the statements of income unless they are part of a hedging relationship which qualifies for hedge accounting where the gain or loss is recognised as follows:

Fair value hedge

Where a derivative financial instrument hedges the changes in fair value of a recognised asset or liability, any gain or loss on the hedging instrument is recognised in the statements of income. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in the statements of income.

Cash flow hedge

Gains and losses on the hedging instrument, to the extent that the hedge is effective, are deferred in the separate component of equity. The ineffective part of any gain or loss is recognised in the statements of income. The deferred gains and losses are then released to the statements of income in the periods when the hedged items affects the statements of income.



















