

**Kenanga Investment Bank Berhad**  
**(Company No. 197301002193 (15678-H))**

**Unaudited Condensed Interim Financial Statements**  
**31 March 2024**

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2024**

<u>Group</u>	Note	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>ASSETS</b>			
Cash and bank balances	A11	1,623,266	1,482,513
Financial assets at fair value through profit or loss ("FVTPL")	A12	649,055	438,660
Financial investments at fair value through other comprehensive income ("FVOCI")	A13 (i)	924,408	877,282
Financial investments at amortised cost ("AC")	A13 (ii)	470,712	470,796
Derivative financial assets	B11	57,085	75,938
Loans, advances and financing	A14	1,697,022	1,700,962
Balances due from clients and brokers	A15	569,151	570,715
Other assets	A16	415,841	191,381
Statutory deposit with Bank Negara Malaysia	A17	64,934	60,620
Tax recoverable		14,828	24,599
Investments in associates		145,906	121,619
Investments in joint ventures		31,125	31,650
Property, plant and equipment		153,635	152,776
Intangible assets		336,414	333,609
Right-of-use assets		25,253	24,226
Deferred tax assets		22,748	25,500
<b>TOTAL ASSETS</b>		<b>7,201,383</b>	<b>6,582,846</b>
<b>LIABILITIES</b>			
Deposits from customers	A18	3,631,921	3,610,595
Deposits and placements of banks and other financial institutions	A19	596,128	331,803
Balances due to clients and brokers		917,667	775,015
Derivative financial liabilities	B11	99,061	45,097
Other liabilities	A20	693,055	430,465
Obligations on securities sold under repurchase agreements		-	97,232
Borrowings	A21	180,500	180,500
Lease liabilities		25,834	24,750
Provision for taxation and zakat		3,251	16,358
Deferred tax liabilities		54	56
<b>TOTAL LIABILITIES</b>		<b>6,147,471</b>	<b>5,511,871</b>

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2024**

<b><u>Group (cont'd.)</u></b>	<b>Note</b>	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
<b>EQUITY</b>			
Share capital		253,834	253,834
Treasury shares		(10,722)	(11,739)
Reserves		810,800	828,880
<b>TOTAL EQUITY</b>		<b><u>1,053,912</u></b>	<b><u>1,070,975</u></b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
		<b><u>7,201,383</u></b>	<b><u>6,582,846</u></b>
<b>Commitments and contingencies</b>	A29	<b><u>5,398,916</u></b>	<b><u>4,775,217</u></b>
<b>Net assets per share attributable to equity holders of the Bank (RM)</b>		<b><u>1.45</u></b>	<b><u>1.48</u></b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2024**

<u>Bank</u>	Note	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>ASSETS</b>			
Cash and bank balances	A11	1,031,189	974,727
Financial assets at FVTPL	A12	648,249	438,474
Financial investments at FVOCI	A13 (i)	924,408	877,282
Financial investments at AC	A13 (ii)	470,712	470,796
Derivative financial assets	B11	57,085	75,938
Loans, advances and financing	A14	1,722,011	1,726,647
Balances due from clients and brokers	A15	568,654	570,636
Other assets	A16	275,264	178,662
Statutory deposit with Bank Negara Malaysia	A17	64,934	60,620
Tax recoverable		14,235	13,776
Investments in subsidiaries		60,812	60,812
Investment in an associate		68,435	68,435
Investments in joint ventures		48,066	48,066
Property, plant and equipment		144,538	144,506
Intangible assets		338,580	335,920
Right-of-use assets		21,618	20,247
Deferred tax assets		6,015	6,807
<b>TOTAL ASSETS</b>		<b>6,464,805</b>	<b>6,072,351</b>
<b>LIABILITIES</b>			
Deposits from customers	A18	3,768,790	3,764,714
Deposits and placements of banks and other financial institutions	A19	596,128	331,803
Balances due to clients and brokers		416,489	344,719
Derivative financial liabilities	B11	99,061	45,097
Other liabilities	A20	406,638	262,046
Obligations on securities sold under repurchase agreements		-	97,232
Borrowings	A21	180,500	180,500
Lease liabilities		22,019	20,594
Provision for taxation and zakat		140	427
<b>TOTAL LIABILITIES</b>		<b>5,489,765</b>	<b>5,047,132</b>

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED STATEMENT OF FINANCIAL POSITION**  
**AS AT 31 MARCH 2024**

<u>Bank (cont'd.)</u>	Note	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>EQUITY</b>			
Share capital		253,834	253,834
Treasury shares		(10,722)	(11,739)
Reserves		731,928	783,124
<b>TOTAL EQUITY</b>		<b>975,040</b>	<b>1,025,219</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS'</b>			
<b>EQUITY</b>			
		<b>6,464,805</b>	<b>6,072,351</b>
<b>Commitments and contingencies</b>	A29	5,517,594	4,906,200
<b>Net assets per share (RM)</b>		<b>1.34</b>	<b>1.42</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Note	Individual Quarter		Cumulative Quarter	
		3 months ended 31 March 2024 RM'000	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2024 RM'000	3 months ended 31 March 2023 RM'000
<b>Group</b>					
Interest income	A22	62,626	64,003	62,626	64,003
Interest expense	A23	(46,514)	(37,146)	(46,514)	(37,146)
Net interest income		16,112	26,857	16,112	26,857
Net income from Islamic banking business	A33	6,404	4,147	6,404	4,147
Other operating income	A24	140,404	110,217	140,404	110,217
Net income		162,920	141,221	162,920	141,221
Other operating expenses	A25	(144,534)	(132,168)	(144,534)	(132,168)
Operating profit		18,386	9,053	18,386	9,053
Credit loss (expense)/reversal	A26	(6,291)	2,437	(6,291)	2,437
Bad debts recovered	A27	1,295	281	1,295	281
		13,390	11,771	13,390	11,771
Share of results of associates and joint ventures		13,317	676	13,317	676
<b>Profit before taxation and zakat</b>		26,707	12,447	26,707	12,447
Taxation and zakat	B5	(3,879)	(2,090)	(3,879)	(2,090)
<b>Profit for the period</b>		22,828	10,357	22,828	10,357
Profit for the period attributable to:					
Equity holders of the Bank		22,828	10,247	22,828	10,247
Non-controlling interests		-	110	-	110
		22,828	10,357	22,828	10,357
Earnings per share:					
Basic (sen)	B8	3.15	1.42	3.15	1.42
Fully diluted (sen)	B8	3.14	1.41	3.14	1.41

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**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March 2024	3 months ended 31 March 2023	3 months ended 31 March 2024	3 months ended 31 March 2023
Note	RM'000	RM'000	RM'000	RM'000
<b>Group (cont'd.)</b>				
<b>Other comprehensive income/(loss)</b>				
Items that will not be reclassified subsequently to profit or loss:				
Share of other comprehensive income of associates	7,087	1,188	7,087	1,188
Items that will be reclassified subsequently to profit or loss:				
Foreign exchange differences on consolidation	3,358	91	3,358	91
Net gain on fair value changes of debt instrument at FVOCI	703	2,739	703	2,739
Income tax relating to fair value gain on debt instruments	(161)	(689)	(161)	(689)
Other comprehensive income for the period, net of tax	10,987	3,329	10,987	3,329
<b>Total comprehensive income for the period, net of tax</b>	<b>33,815</b>	<b>13,686</b>	<b>33,815</b>	<b>13,686</b>
Total comprehensive income attributable to:				
Equity holders of the Bank	33,815	13,576	33,815	13,576
Non-controlling interests	-	110	-	110
	<b>33,815</b>	<b>13,686</b>	<b>33,815</b>	<b>13,686</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**CONDENSED INTERIM FINANCIAL STATEMENTS**  
**UNAUDITED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Note	Individual Quarter		Cumulative Quarter	
		3 months ended 31 March 2024 RM'000	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2024 RM'000	3 months ended 31 March 2023 RM'000
<b>Bank</b>					
Interest income	A22	60,000	60,899	60,000	60,899
Interest expense	A23	(48,237)	(42,272)	(48,237)	(42,272)
Net interest income		11,763	18,627	11,763	18,627
Net income from Islamic banking business	A33	6,404	4,147	6,404	4,147
Other operating income	A24	83,977	61,022	83,977	61,022
Net income		102,144	83,796	102,144	83,796
Other operating expenses	A25	(97,320)	(89,360)	(97,320)	(89,360)
Operating profit		4,824	(5,564)	4,824	(5,564)
Credit loss (expense)/reversal	A26	(5,191)	881	(5,191)	881
Bad debts recovered	A27	1,295	288	1,295	288
<b>Profit before taxation and zakat</b>		928	(4,395)	928	(4,395)
Taxation and zakat		(771)	405	(771)	405
<b>Profit for the period</b>		157	(3,990)	157	(3,990)
<b>Other comprehensive income/(loss)</b>					
Items that will be reclassified subsequently to profit or loss:					
Net gain on fair value changes of debt instruments at FVOCI		703	2,739	703	2,739
Income tax relating to fair value gain on debt instruments		(161)	(689)	(161)	(689)
Other comprehensive income for the period, net of tax		542	2,050	542	2,050
<b>Total comprehensive income/(loss) for the period, net of tax</b>		699	(1,940)	699	(1,940)

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.



**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

Group	Non- Distributable					Distributable		Total Equity RM'000	
	Ordinary Shares RM'000	ESS Reserve RM'000	Fair Value Reserve RM'000	Regulatory Reserve RM'000	Exchange Reserve RM'000	Capital Reserve RM'000	Treasury Shares RM'000		Retained Profits RM'000
<b>At 1 January 2024</b>	253,834	1,317	6,849	16,064	28,836	88,938	(11,739)	686,876	1,070,975
Net profit for the financial period	-	-	-	-	-	-	-	22,828	22,828
Share of other comprehensive income of associates	-	-	5,794	-	-	-	-	1,293	7,087
Other comprehensive income	-	-	542	-	3,358	-	-	-	3,900
Total comprehensive income	-	-	6,336	-	3,358	-	-	24,121	33,815
Share-based payment under Employees' Share Scheme ("ESS")	-	39	-	-	-	-	-	-	39
Transfer of shares pursuant to exercise of ESS	-	-	-	-	-	-	1,017	(431)	586
Transfer to regulatory reserve	-	-	-	317	-	-	-	(317)	-
Transfer to retained profits	-	(115)	-	-	-	-	-	115	-
Dividend declared	-	-	-	-	-	-	-	(51,503)	(51,503)
<b>At 31 March 2024</b>	<b>253,834</b>	<b>1,241</b>	<b>13,185</b>	<b>16,381</b>	<b>32,194</b>	<b>88,938</b>	<b>(10,722)</b>	<b>658,861</b>	<b>1,053,912</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

Group	Non- Distributable						Distributable		Non-Controlling Interest	Total Equity
	Ordinary Shares	ESS Reserve	Fair Value Reserve	Regulatory Reserve	Exchange Reserve	Capital Reserve	Treasury Shares	Retained Profits		
	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
<b>At 1 January 2023</b>	253,834	1,794	(10,922)	17,192	24,075	88,938	(13,538)	655,907	5,544	1,022,824
Net profit for the financial period	-	-	-	-	-	-	-	10,247	110	10,357
Share of other comprehensive income of associates	-	-	1,188	-	-	-	-	-	-	1,188
Other comprehensive income	-	-	2,050	-	91	-	-	-	-	2,141
Total comprehensive income	-	-	3,238	-	91	-	-	10,247	110	13,686
Share-based payment under ESS	-	61	-	-	-	-	-	-	-	61
Transfer of shares pursuant to exercise of ESS	-	-	-	-	-	-	551	(224)	-	327
Transfer from regulatory reserve	-	-	-	(1,278)	-	-	-	1,278	-	-
Transfer to retained profits	-	(73)	-	-	-	-	-	73	-	-
Dividend paid	-	-	-	-	-	-	-	(44,146)	-	(44,146)
Disposal of a subsidiary	-	-	-	-	-	-	-	-	(5,654)	(5,654)
<b>At 31 March 2023</b>	<b>253,834</b>	<b>1,782</b>	<b>(7,684)</b>	<b>15,914</b>	<b>24,166</b>	<b>88,938</b>	<b>(12,987)</b>	<b>623,135</b>	<b>-</b>	<b>987,098</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

Bank	Ordinary Shares RM'000	Non- Distributable			Distributable		Total Equity RM'000	
		ESS Reserve RM'000	Fair Value Reserve RM'000	Regulatory Reserve RM'000	Capital Reserve RM'000	Treasury Shares RM'000		Retained Profits RM'000
<b>At 1 January 2024</b>	253,834	1,317	2,856	16,064	153,863	(11,739)	609,024	1,025,219
Net profit for the financial period	-	-	-	-	-	-	157	157
Other comprehensive income	-	-	542	-	-	-	-	542
Total comprehensive income	-	-	542	-	-	-	157	699
Share-based payment under ESS	-	39	-	-	-	-	-	39
Transfer of shares pursuant to exercise of ESS	-	-	-	-	-	1,017	(431)	586
Transfer to regulatory reserve	-	-	-	317	-	-	(317)	-
Transfer to retained profits	-	(115)	-	-	-	-	115	-
Dividend declared	-	-	-	-	-	-	(51,503)	(51,503)
<b>At 31 March 2024</b>	<b>253,834</b>	<b>1,241</b>	<b>3,398</b>	<b>16,381</b>	<b>153,863</b>	<b>(10,722)</b>	<b>557,045</b>	<b>975,040</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Ordinary Shares RM'000	Non- Distributable			Distributable		Total Equity RM'000	
		ESS Reserve RM'000	Fair Value Reserve RM'000	Regulatory Reserve RM'000	Capital Reserve RM'000	Treasury Shares RM'000		Retained Profits RM'000
<b>Bank</b>								
<b>At 1 January 2023</b>	253,834	1,794	(6,422)	17,192	153,863	(13,538)	597,058	1,003,781
Net loss for the financial period	-	-	-	-	-	-	(3,990)	(3,990)
Other comprehensive income	-	-	2,050	-	-	-	-	2,050
Total comprehensive income/(loss)	-	-	2,050	-	-	-	(3,990)	(1,940)
Share-based payment under ESS	-	61	-	-	-	-	-	61
Transfer of shares pursuant to exercise of ESS	-	-	-	-	-	551	(224)	327
Transfer from regulatory reserve	-	-	-	(1,278)	-	-	1,278	-
Transfer to retained profits	-	(73)	-	-	-	-	73	-
Dividend paid	-	-	-	-	-	-	(44,146)	(44,146)
<b>At 31 March 2023</b>	<b>253,834</b>	<b>1,782</b>	<b>(4,372)</b>	<b>15,914</b>	<b>153,863</b>	<b>(12,987)</b>	<b>550,049</b>	<b>958,083</b>

The condensed financial statements should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Group		Bank	
	31 March 2024 RM'000	31 March 2023 RM'000	31 March 2024 RM'000	31 March 2023 RM'000
<b>Cash flows from operating activities</b>				
<b>Profit/(Loss) before taxation</b>	26,707	12,447	928	(4,395)
<b>Adjustments for:</b>				
Depreciation of property, plant and equipment	2,834	2,795	2,435	2,495
Amortisation of intangible assets	2,146	1,694	1,723	1,413
Amortisation of right-of-use assets	1,975	2,605	1,631	1,673
Lease interest expenses/(reversal)	336	(324)	293	231
ESS (reversal)/expense	(4,863)	41	(4,863)	41
Credit loss expense/(reversal)	6,291	(2,437)	5,191	(881)
Property, plant and equipment written off	2	1	2	1
Bad debts written off/(recovered)	-	(281)	-	(288)
Gain on disposal of a subsidiary	-	(1,477)	-	-
<b>Non-cash items</b>	<b>8,721</b>	<b>2,617</b>	<b>6,412</b>	<b>4,685</b>
Net gain from sale of financial assets at FVTPL and derivatives	(21,816)	(21,777)	(20,855)	(21,777)
Net gain from sale of financial investments other than those measured at FVTPL	(300)	(6)	(300)	(6)
Gross dividend income from investments	(409)	(122)	(409)	(122)
Loss on revaluation of financial assets at FVTPL and derivatives	4,775	16,115	5,394	16,906
Share of results of associates and joint ventures	(13,317)	(676)	-	-
<b>Non-operating items - investing</b>	<b>(31,067)</b>	<b>(6,466)</b>	<b>(16,170)</b>	<b>(4,999)</b>
Adjustments for non-operating and non-cash items	(22,346)	(3,849)	(9,758)	(314)
Operating profit/(loss) before working capital changes	4,361	8,598	(8,830)	(4,709)

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Changes in working capital:</b>				
Net changes in operating assets	(285,502)	(61,418)	(98,591)	(40,222)
Net changes in operating liabilities	547,059	537,141	340,930	487,245
Cash generated from operations	<u>265,918</u>	<u>484,321</u>	<u>233,509</u>	<u>442,314</u>
Taxation and zakat paid	(4,626)	(4,227)	(886)	(1,295)
Rental/lease interest payment	(336)	324	(293)	(231)
<b>Net operating cash flow</b>	<u>260,956</u>	<u>480,418</u>	<u>232,330</u>	<u>440,788</u>
<b>Cash flows from investing activities</b>				
Sale proceeds from disposal of a subsidiary, net of cash	-	3,649	-	-
Dividends received	409	122	2,409	122
Purchase of property, plant equipment and intangible assets	(8,646)	(7,267)	(6,852)	(4,960)
Capital injection in a joint venture	-	(6,516)	-	(6,516)
Net purchase of securities	(166,611)	(87,149)	(167,572)	(87,150)
<b>Net investing cash flow</b>	<u>(174,848)</u>	<u>(97,161)</u>	<u>(172,015)</u>	<u>(98,504)</u>
<b>Cash flows from financing activities</b>				
Repayment of lease liabilities	(1,918)	(2,577)	(1,577)	(1,640)
Net drawdown of borrowings	-	17,200	-	17,200
Proceeds from exercise of ESS	586	327	586	327
<b>Net financing cash flow</b>	<u>(1,332)</u>	<u>14,950</u>	<u>(991)</u>	<u>15,887</u>
<b>Net change in cash and cash equivalents during the financial period</b>	84,776	398,207	59,324	358,171
<b>Cash and cash equivalents brought forward</b>	<u>949,750</u>	<u>1,230,891</u>	<u>885,705</u>	<u>1,174,810</u>
<b>Cash and cash equivalents carried forward</b>	<u>1,034,526</u>	<u>1,629,098</u>	<u>945,029</u>	<u>1,532,981</u>

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**Cash and Cash Equivalents**

Cash and cash equivalents consist of cash and short-term funds, excluding segregated funds from customers, deposits and monies held in trust on behalf of dealer's representatives. Cash and cash equivalents included in the statements of cash flows comprise of the following amounts in the statements of financial position:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Cash and short-term funds	1,525,935	2,001,459	933,964	1,494,360
Deposits and placements with banks and other financial institutions	97,331	126,484	97,225	126,478
Less: Segregated funds from customers	(329,971)	(410,988)	-	-
Less: Monies and short-term deposits held in trust on behalf of dealers' representatives	(89,022)	(87,857)	(86,160)	(87,857)
Less: Monies and short-term deposits held in trust on behalf of funds' clients	(169,747)	-	-	-
	<u>1,034,526</u>	<u>1,629,098</u>	<u>945,029</u>	<u>1,532,981</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A1. Basis Of Preparation**

The interim financial statements, for the financial period ended 31 March 2024 have been prepared in accordance with Malaysian Financial Reporting Standard ("MFRS") 134 Interim Financial Reporting and paragraph 9.22 of the Listing Requirements of Bursa Malaysia Securities Berhad.

The interim financial statements have also incorporated those activities relating to the Islamic banking business undertaken by the Group.

The material accounting policies adopted in preparing these interim financial statements are consistent with those of the audited financial statements for the financial year ended 31 December 2023. The Group has not adopted any other standard, interpretation or amendment that have been issued but not effective yet.

**A2. Condensed financial statements**

The interim financial statements have been prepared on a condensed basis and as such should be read in conjunction with the audited financial statements for the financial year ended 31 December 2023. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to the understanding of the changes in the financial position and performance of the Group since the financial year ended 31 December 2023.

**A3. Preceding financial year audit report**

The preceding financial year audit report in respect of the financial year ended 31 December 2023 was not qualified by the external auditors.

**A4. Seasonal or Cyclical Factors**

The Group's performance was mainly dependent on Bursa Malaysia trading volume and value which in turn were affected by market sentiment and the country's macro economic conditions.

**A5. Nature and amounts in relation to assets, liabilities, equity, net income or cash flows that are unusual because of their nature, size or incidence**

There were no exceptional items which have affected the assets, liabilities, equity, net income or cash flows.

**A6. Changes in the nature and amount of estimated figures reported in prior interim periods and financial years**

There were no changes made to the estimated figures reported in prior interim periods and financial years.



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A7. Issuance, cancellation, repurchase, resale or repayment of debt and equity securities**

There were no issuance, cancellation, repurchase, resale or repayment of debt and equity securities during the financial period ended 31 March 2024 other than transfer of 1,013,500 units of treasury shares to staff pursuant to the exercise of ESS.

**A8. Dividends paid per share**

An interim dividend of 7.0 sen per share in respect of the financial year ended 31 December 2023, which amounted to RM50,851,801 was paid on 16 April 2024.

**A9. Significant event during and subsequent to the interim financial period**

There was no significant event during and subsequent to the interim financial period.

**A10. Changes in composition of the Group**

There were no changes in the composition of the Group during the interim financial period.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>A11. Cash and bank balances</b>				
Cash and balances with banks and other financial institutions	633,801	500,062	138,626	116,341
Money at call and deposit placements	989,465	982,451	892,563	858,386
	<b>1,623,266</b>	<b>1,482,513</b>	<b>1,031,189</b>	<b>974,727</b>
Included in cash and bank balances are:				
Cash and cash equivalents	1,034,426	949,650	945,029	885,705
Monies held in trust on behalf of funds' clients, dealers' representatives and segregated funds for customers	588,740	532,763	86,160	89,022
Deposits more than 3 months	100	100	-	-
	<b>1,623,266</b>	<b>1,482,513</b>	<b>1,031,189</b>	<b>974,727</b>
<b>A12. Financial assets at FVTPL</b>				
<b>At fair value</b>				
<b>Money Market Instruments:</b>				
Malaysian Government Securities	50,430	-	50,430	-
Malaysian Government Investment Certificates	9,548	-	9,548	-
	<b>59,978</b>	<b>-</b>	<b>59,978</b>	<b>-</b>
<b>Quoted Securities:</b>				
Shares and funds in Malaysia	396,890	248,446	396,309	247,887
Funds outside Malaysia	20,826	19,384	20,826	19,384
	<b>417,716</b>	<b>267,830</b>	<b>417,135</b>	<b>267,271</b>
<b>Unquoted Securities:</b>				
Shares and funds in Malaysia	<b>171,361</b>	<b>170,830</b>	<b>171,136</b>	<b>171,203</b>
<b>Total financial assets at FVTPL</b>	<b>649,055</b>	<b>438,660</b>	<b>648,249</b>	<b>438,474</b>

NOTES TO INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

<b>Group and Bank</b>	
<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>

**A13. Financial investments other than those measured at FVTPL**

**(i) Financial investments at FVOCI**

**At fair value**

**Money market instruments:**

Malaysian Government Securities	271,154	177,379
Malaysian Government Investment Certificates	348,931	331,282
Negotiable Instruments of Deposits	100,000	-
Islamic Negotiable Instruments of Deposits	-	159,644
	<b>720,085</b>	<b>668,305</b>

**Equity instruments in Malaysia:**

Unquoted Shares	1,343	1,343
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**Debt instruments in Malaysia:**

Islamic Corporate Sukuk	162,351	167,187
Corporate Bonds	40,629	40,447
	<b>202,980</b>	<b>207,634</b>

**Total financial investments at FVOCI**

<b>924,408</b>	<b>877,282</b>
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**Impairment losses on debt instruments measured at FVOCI**

**Group and Bank**

<b>Movements in Expected Credit Loss ("ECL")</b>	<b>2024</b>			<b>Total</b>
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	1,460	-	-	1,460
Impact of net re-measurement of ECL	36	-	-	36
Changes in model assumption or methodology	1,294	-	-	1,294
As at 31 March 2024	<b>2,790</b>	<b>-</b>	<b>-</b>	<b>2,790</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A13. Financial investments other than those measured at FVTPL (cont'd.)**

**(i) Financial investments at FVOCI (cont'd.)**

**Impairment losses on debt instruments measured at FVOCI (cont'd.)**

**Group and Bank**

<b>Movements in ECL</b>	<b>2023</b>			
	<b>Stage 1 RM'000</b>	<b>Stage 2 RM'000</b>	<b>Stage 3 RM'000</b>	<b>Total RM'000</b>
As at 1 January 2023	261	128	-	389
Impact of net re-measurement of ECL	(95)	-	-	(95)
Assets derecognised or matured	-	(128)	-	(128)
Changes in model assumption or methodology	1,294	-	-	1,294
As at 31 December 2023	<u>1,460</u>	<u>-</u>	<u>-</u>	<u>1,460</u>

<b>Group and Bank</b>	
<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>

**(ii) Financial investments at AC**

**At cost**

**Money market instruments:**

Malaysian Government Securities	125,783	125,853
Malaysian Government Investment Certificates	<u>228,272</u>	<u>228,204</u>
	<u>354,055</u>	<u>354,057</u>

**Debt instruments in Malaysia:**

Islamic Corporate Sukuk	<u>116,657</u>	<u>116,739</u>
	<u>116,657</u>	<u>116,739</u>

**Total financial investments at AC**

	<u><b>470,712</b></u>	<u><b>470,796</b></u>
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Included in financial investments at AC are financial assets sold under repurchase agreements as follows:

Malaysian Government Securities	<u>-</u>	<u>97,232</u>
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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>A14. Loans, advances and financing</b>				
<b>At AC</b>				
Share margin financing	1,166,211	1,134,235	1,166,211	1,134,235
Term loans/financing	516,446	561,143	529,475	574,172
Subordinated term loan	-	-	35,074	25,038
Other lending and factoring receivables	22,817	12,200	-	-
<b>Gross loans, advances and financing</b>	<b>1,705,474</b>	<b>1,707,578</b>	<b>1,730,760</b>	<b>1,733,445</b>
Less: Allowance for ECL				
- Stage 1- 12-month ECL	(419)	(579)	(716)	(761)
- Stage 2- Lifetime ECL non-credit impaired	(2,741)	(2,741)	(2,741)	(2,741)
- Stage 3- Lifetime ECL credit impaired	(5,292)	(3,296)	(5,292)	(3,296)
<b>Net loans, advances and financing</b>	<b>1,697,022</b>	<b>1,700,962</b>	<b>1,722,011</b>	<b>1,726,647</b>
<b>(i) By Type of Customer</b>				
Domestic business enterprise				
- Small and medium enterprises	208,310	195,811	189,768	188,041
- Others	482,716	492,366	530,819	530,434
Individuals	1,014,448	1,019,401	1,010,173	1,014,970
<b>Gross loans, advances and financing</b>	<b>1,705,474</b>	<b>1,707,578</b>	<b>1,730,760</b>	<b>1,733,445</b>
<b>(ii) By Geographical Distribution</b>				
In Malaysia	1,701,483	1,704,115	1,726,768	1,729,982
Outside Malaysia	3,991	3,463	3,992	3,463
<b>Gross loans, advances and financing</b>	<b>1,705,474</b>	<b>1,707,578</b>	<b>1,730,760</b>	<b>1,733,445</b>

NOTES TO INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>A14. Loans, advances and financing (cont'd.)</b>				
<b>(iii) By Interest Rate/ Profit Rate Sensitivity</b>				
Fixed rate				
- Other fixed rate loans	1,189,028	1,146,435	1,166,211	1,134,235
Variable rate				
- Other variable rates	516,446	561,143	564,549	599,210
<b>Gross loans, advances and financing</b>	<b>1,705,474</b>	<b>1,707,578</b>	<b>1,730,760</b>	<b>1,733,445</b>
<b>(iv) By Purpose</b>				
Purchase of securities	1,379,185	1,382,070	1,379,185	1,382,070
Working capital	97,679	108,716	139,752	139,014
Others	228,610	216,792	211,823	212,361
<b>Gross loans, advances and financing</b>	<b>1,705,474</b>	<b>1,707,578</b>	<b>1,730,760</b>	<b>1,733,445</b>
<b>(v) By Residual Contractual Maturity</b>				
Within one year	1,435,423	1,478,996	1,440,057	1,486,858
More than one year	270,051	228,582	290,703	246,587
<b>Gross loans, advances and financing</b>	<b>1,705,474</b>	<b>1,707,578</b>	<b>1,730,760</b>	<b>1,733,445</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<b>Group</b>		<b>Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
<b>A14. Loans, advances and financing (cont'd.)</b>				
<b>(vi) Movements in impaired loans, advances and financing ("Impaired LAF")</b>				
At beginning of the financial period	61,471	43,179	57,041	30,346
Impaired during the financial period	50,166	31,663	50,165	31,663
Disposal of a subsidiary	-	(484)	-	-
Amount recovered during the financial period	(6,466)	(12,887)	(6,310)	(4,968)
At end of the financial period	105,171	61,471	100,896	57,041
Less: Allowance for ECL	(5,292)	(3,296)	(5,292)	(3,296)
Net impaired LAF	99,879	58,175	95,604	53,745
Net impaired LAF as a % of net loans, advances and financing	<b>5.89%</b>	<b>3.42%</b>	<b>5.55%</b>	<b>3.11%</b>
<b>(vii) Impaired LAF by Geographical Distribution</b>				
In Malaysia	105,171	61,471	100,896	57,041
<b>(viii) Impaired LAF by Purpose</b>				
Purchase of securities	100,896	57,041	100,896	57,041
Others	4,275	4,430	-	-
Gross impaired loans	105,171	61,471	100,896	57,041

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A14. Loans, advances and financing (cont'd.)**

**(ix) Impairment allowance for loans, advances and financing are as follows:**

An analysis of changes in the ECL allowances in relation to share margin financing is as follows:

**Share margin financing**

**Group and Bank**

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	-	-	3,296	3,296
Assets derecognised or repaid (excluding write-offs)	-	-	(2,235)	(2,235)
Net remeasurement of allowance	-	-	(1,163)	(1,163)
Transfer of stages	-	-	-	-
As at 31 March 2024	-	-	5,292	5,292

  

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	-	-	17,033	17,033
Assets derecognised or repaid (excluding write-offs)	-	-	(1,500)	(1,500)
Net remeasurement of allowance	-	-	(12,237)	(12,237)
As at 31 December 2023	-	-	3,296	3,296



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A14. Loans, advances and financing (cont'd.)**

(ix) Impairment allowance for loans, advances and financing are as follows (cont'd.):

**Term loan/financing and subordinated term loan**

**Group**

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	537	2,741	-	3,278
New assets originated or purchased	1	-	-	1
Assets derecognised or repaid (excluding write-offs)	(4)	-	-	(4)
Net remeasurement of allowance	(114)	-	-	(114)
As at 31 March 2024	420	2,741	-	3,161

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	170	2,900	-	3,070
New assets originated or purchased	531	-	-	531
Assets derecognised or repaid (excluding write-offs)	(226)	-	-	(226)
Net remeasurement of allowance	85	(159)	-	(74)
Changes in model assumption or methodology	(23)	-	-	(23)
As at 31 December 2023	537	2,741	-	3,278

**Bank**

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	680	2,741	-	3,421
New assets originated or purchased	78	-	-	78
Assets derecognised or repaid (excluding write-offs)	(3)	-	-	(3)
Net remeasurement of allowance	(68)	-	-	(68)
As at 31 March 2024	687	2,741	-	3,428

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A14. Loans, Advances and Financing (cont'd.)**

**(ix) Impairment allowance for loans, advances and financing are as follows (cont'd.):**

An analysis of changes in the ECL allowances in relation to other loans and financing is as follows:

**Bank**

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	569	2,900	-	3,469
New assets originated or purchased	556	-	-	556
Assets derecognised or repaid (excluding write-offs)	(391)	-	-	(391)
Net remeasurement of allowance	(46)	(159)	-	(205)
Changes in model assumption or methodology	(8)	-	-	(8)
As at 31 December 2023	<u>680</u>	<u>2,741</u>	<u>-</u>	<u>3,421</u>

**Other lending and factoring receivables**

**Group**

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January/ 31 March 2024	-	-	-	-

  

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	-	-	2,270	2,270
Assets derecognised or repaid (excluding write-offs)	-	-	(1,786)	(1,786)
Disposal of a subsidiary	-	-	(484)	(484)
As at 31 December 2023	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>

NOTES TO INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

A14. Loans, advances and financing (cont'd.)

(ix) Impairment allowance for loans, advances and financing are as follows (cont'd.):

An analysis of changes in the ECL allowances in relation to other lending and factoring receivables is as follows:

**Undrawn commitment**

**Group**

	2024			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<b>Movements in ECL</b>				
As at 1 January 2024	42	-	-	42
Exposure derecognised or matured/lapsed (excluding write-offs)	(42)	-	-	(42)
As at 31 March 2024	-	-	-	-

	2023			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<b>Movements in ECL</b>				
As at 1 January 2023	-	-	-	-
New assets originated or purchased	160	-	-	160
Net remeasurement of allowance	(67)	-	-	(67)
Changes in model assumption or methodology	(51)	-	-	(51)
As at 31 December 2023	42	-	-	42

**Bank**

	2024			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
<b>Movements in ECL</b>				
As at 1 January 2024	81	-	-	81
Exposure derecognised or matured/lapsed (excluding write-offs)	(53)	-	-	(53)
As at 31 March 2024	28	-	-	28

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A14. Loans, advances and financing (cont'd.)**

(ix) Impairment allowance for loans, advances and financing are as follows (cont'd.):

An analysis of changes in the ECL allowances in relation to other lending and factoring receivables is as follows (cont'd.):

**Bank**

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	66	-	-	66
New assets originated or purchased	230	-	-	230
Net remeasurement of allowance	(113)	-	-	(113)
Changes in model assumption or methodology	(102)	-	-	(102)
As at 31 December 2023	<u>81</u>	<u>-</u>	<u>-</u>	<u>81</u>

<b>Group</b>		<b>Bank</b>	
<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>

**A15. Balances due from clients and brokers**

Balances due from clients and brokers	575,099	573,523	574,602	573,444
Less: Allowance for ECL	(5,948)	(2,808)	(5,948)	(2,808)
	<u>569,151</u>	<u>570,715</u>	<u>568,654</u>	<u>570,636</u>

An analysis of changes in the ECL allowances in relation to balance due from clients and brokers is as follows:

**Group and Bank**

	<b>2024</b>		
	<b>Non-Credit Impaired</b>	<b>Credit-Impaired</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	1,553	1,255	2,808
Charged during the financial period	119	3,255	3,374
Written back during the financial period	(143)	(91)	(234)
As at 31 March 2024	<u>1,529</u>	<u>4,419</u>	<u>5,948</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A15. Balances due from clients and brokers (cont'd.)**

An analysis of changes in the ECL allowances in relation to balance due from clients and brokers is as follows (cont'd.):

	<b>2023</b>		
	<b>Non-Credit Impaired RM'000</b>	<b>Credit- Impaired RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>			
As at 1 January 2023	1,531	1,246	2,777
Charged during the financial period	157	598	755
Written back during the financial period	(135)	(465)	(600)
Written off during the financial period	-	(124)	(124)
As at 31 December 2023	<u>1,553</u>	<u>1,255</u>	<u>2,808</u>

	<b>Group</b>		<b>Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>

**A16. Other assets**

Assets segregated for customers	171,216	54,658	-	-
Interest/income receivable	23,778	12,981	23,358	12,683
Prepayments and deposits	23,073	21,907	20,764	18,950
Other debtors	154,313	137,517	94,048	91,288
Dividend receivable from subsidiaries	-	-	50,000	52,000
Treasury trade receivables	81,245	-	81,245	-
Amount due from subsidiaries	-	-	30,898	27,784
Amount due from related parties	54	52	54	52
Amount due from an associate	-	1	-	1
	<u>453,679</u>	<u>227,116</u>	<u>300,367</u>	<u>202,758</u>
Allowance for ECL				
- Other debtors	(37,838)	(35,735)	(25,007)	(24,002)
- Amount due from subsidiaries	-	-	(96)	(94)
	<u>415,841</u>	<u>191,381</u>	<u>275,264</u>	<u>178,662</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A16. Other assets (cont'd.)**

An analysis of changes in the ECL allowances in relation to other debtors is as follows:

**Group**

	<b>2024</b>		
	<b>Non-Credit Impaired RM'000</b>	<b>Credit- Impaired RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>			
As at 1 January 2024	141	35,594	35,735
New assets originated or purchased	120	1,396	1,516
Assets derecognised or repaid (excluding write-offs)	-	(874)	(874)
Transfer of stages	(142)	142	-
Net remeasurement of allowance	-	1,922	1,922
Amounts written off	-	(343)	(343)
As at 31 March 2024	<u>119</u>	<u>37,837</u>	<u>37,956</u>

	<b>2023</b>		
	<b>Non-Credit Impaired RM'000</b>	<b>Credit Impaired RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>			
As at 1 January 2023	404	11,255	11,659
New assets originated or purchased	1,842	11,814	13,656
Assets derecognised or repaid (excluding write-offs)	-	(2,911)	(2,911)
Transfer of stages	(2,105)	2,105	-
Net remeasurement of allowance	-	9,268	9,268
Changes in model assumption or methodology	-	4,063	4,063
As at 31 December 2023	<u>141</u>	<u>35,594</u>	<u>35,735</u>

**Bank**

	<b>2024</b>		
	<b>Non-Credit Impaired RM'000</b>	<b>Credit Impaired RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>			
As at 1 January 2024	141	23,861	24,002
New assets originated or purchased	120	(7,166)	(7,046)
Assets derecognised or repaid (excluding write-offs)	-	(874)	(874)
Transfer of stages	(142)	142	-
Net remeasurement of allowance	-	9,268	9,268
Amounts written off	-	(343)	(343)
As at 31 March 2024	<u>119</u>	<u>24,888</u>	<u>25,007</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A16. Other assets (cont'd.)**

An analysis of changes in the ECL allowances in relation to other debtors is as follows (cont'd.):

**Bank (cont'd.)**

	<b>2023</b>		
	<b>Non-Credit Impaired RM'000</b>	<b>Credit Impaired RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>			
As at 1 January 2023	404	6,400	6,804
New assets originated or purchased	1,842	4,936	6,778
Assets derecognised or repaid (excluding write-offs)	-	(2,911)	(2,911)
Transfer of stages	(2,105)	2,105	-
Net remeasurement of allowance	-	9,268	9,268
Changes in model assumption or methodology	-	4,063	4,063
As at 31 December 2023	141	23,861	24,002

An analysis of changes in the ECL allowances in relation to amount due from subsidiaries is as follows:

**Bank**

	<b>2024</b>			
	<b>Stage 1 RM'000</b>	<b>Stage 2 RM'000</b>	<b>Stage 3 RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>				
As at 1 January 2024	94	-	-	94
Net remeasurement of allowance	3	-	-	3
As at 31 March 2024	97	-	-	97

  

	<b>2023</b>			
	<b>Stage 1 RM'000</b>	<b>Stage 2 RM'000</b>	<b>Stage 3 RM'000</b>	<b>Total RM'000</b>
<b>Movements in ECL</b>				
As at 1 January 2023	240	-	-	240
Net remeasurement of allowance	(146)	-	-	(146)
As at 31 December 2023	94	-	-	94

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**Group and Bank**  
**As at As at**  
**31 March 31 December**  
**2024 2023**  
**RM'000 RM'000**

**A17. Statutory deposit with Bank Negara Malaysia**

Statutory Deposit	64,934	60,620
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The non-interest bearing statutory deposit is maintained by the Bank with Bank Negara Malaysia in compliance with Section 26(2) (c) of the Central Bank of Malaysia Act 2009, and is determined as a set percentage of net eligible liabilities.

<b>Group</b>		<b>Bank</b>	
<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>

**A18. Deposits from customers**

<b>(i) By type of deposit</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Fixed term deposits	2,641,172	2,717,804	2,689,631	2,757,670
Short term money deposits	753,686	657,594	842,096	771,847
Call money deposits	78,766	90,070	78,766	90,070
Negotiable instruments of deposits	158,297	145,127	158,297	145,127
	<b>3,631,921</b>	<b>3,610,595</b>	<b>3,768,790</b>	<b>3,764,714</b>
<b>(ii) By type of customer</b>				
Government and other statutory bodies	761,234	611,206	761,234	611,206
Individuals	198,361	182,798	198,361	182,798
Business enterprises	845,821	886,486	845,821	886,486
Non-bank financial institutions	1,542,212	1,606,945	1,542,212	1,606,945
Subsidiaries and related companies	284,293	323,160	421,162	477,279
	<b>3,631,921</b>	<b>3,610,595</b>	<b>3,768,790</b>	<b>3,764,714</b>
<b>(iii) By maturity structure</b>				
On demand	78,766	90,070	78,766	90,070
Due within six months	2,634,818	2,559,141	2,771,687	2,713,260
More than six months to one year	616,578	692,818	616,579	692,818
More than one year	301,759	268,566	301,759	268,566
	<b>3,631,921</b>	<b>3,610,595</b>	<b>3,768,791</b>	<b>3,764,714</b>



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

<b>Group and Bank</b>	
<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>

**A19. Deposits and placements of banks and financial institutions**

Licenced banks	130,000	14,579
Licenced investment banks	100,000	100,000
Other financial institutions	366,128	217,224
	<b>596,128</b>	<b>331,803</b>

<b>Group</b>		<b>Bank</b>	
<b>As at</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>

**A20. Other liabilities**

Interest/Income payable	26,834	28,775	27,164	29,226
Securities borrowing and lending	21,126	8,722	21,126	8,722
Accruals and provisions	292,727	190,739	45,420	65,028
Retention for contra losses	17	17	17	17
Structured products	4,194	3,474	4,194	3,474
Treasury trade payables	81,610	-	81,610	-
Deposits and other creditors	141,465	72,387	140,876	66,548
Amounts held in trust on behalf of				
Dealer's Representatives	86,160	89,022	86,160	89,022
Amount due to trustees	38,922	37,329	-	-
Amount due to subsidiaries	-	-	71	9
	<b>693,055</b>	<b>430,465</b>	<b>406,638</b>	<b>262,046</b>

**A21. Borrowings**

**Unsecured:**

Subordinated notes	180,500	180,500	180,500	180,500
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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A22. Interest income</b>				
<b><u>Group</u></b>				
Loans, advances and financing	29,895	30,150	29,895	30,150
Money at call and deposit placements with financial institutions	19,517	19,078	19,517	19,078
Financial investments at FVOCI	5,989	2,438	5,989	2,438
Financial investments at AC	3,856	3,389	3,856	3,389
Others	3,369	8,948	3,369	8,948
	<b>62,626</b>	<b>64,003</b>	<b>62,626</b>	<b>64,003</b>
<b><u>Bank</u></b>				
Loans, advances and financing	30,545	30,214	30,545	30,214
Money at call and deposit placements with financial institutions	16,252	15,927	16,252	15,927
Financial investments at FVOCI	5,989	2,438	5,989	2,438
Financial investments at AC	3,856	3,389	3,856	3,389
Others	3,358	8,931	3,358	8,931
	<b>60,000</b>	<b>60,899</b>	<b>60,000</b>	<b>60,899</b>
<b>A23. Interest expense</b>				
<b><u>Group</u></b>				
Deposits from customers	35,862	28,251	35,862	28,251
Deposits and placement from banks and other financial institutions	1,737	785	1,737	785
Borrowings	2,152	2,649	2,152	2,649
Lease interest expenses/(reversal)	336	(324)	336	(324)
Others	6,427	5,785	6,427	5,785
	<b>46,514</b>	<b>37,146</b>	<b>46,514</b>	<b>37,146</b>
<b><u>Bank</u></b>				
Deposits from customers	37,154	29,248	37,154	29,248
Deposits and placement from banks and other financial institutions	1,737	785	1,737	785
Borrowings	2,152	2,407	2,152	2,407
Lease interest expenses	293	231	293	231
Others	6,901	9,601	6,901	9,601
	<b>48,237</b>	<b>42,272</b>	<b>48,237</b>	<b>42,272</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A24. Other operating income</b>				
<b><u>Group</u></b>				
(a) Fee income:				
Brokerage fees	50,652	44,613	50,652	44,613
Corporate advisory fees	2,176	2,452	2,176	2,452
Processing fees on loans, advances and financing	39	286	39	286
Commissions	2,903	2,568	2,903	2,568
Management fee income	49,052	41,088	49,052	41,088
Placement fees	1,981	3,126	1,981	3,126
Other fee income	2,106	3,736	2,106	3,736
Others	325	365	325	365
	<u>109,234</u>	<u>98,234</u>	<u>109,234</u>	<u>98,234</u>
(b) Net gain arising from sale/redemption of:				
Financial assets at FVTPL and derivatives	21,792	21,770	21,792	21,770
Financial investments at FVOCI	3	6	3	6
	<u>21,795</u>	<u>21,776</u>	<u>21,795</u>	<u>21,776</u>
(c) Gross dividend income from financial assets at FVTPL	<u>409</u>	<u>122</u>	<u>409</u>	<u>122</u>
(d) Interest income from financial assets at FVTPL	<u>305</u>	<u>251</u>	<u>305</u>	<u>251</u>
(e) Unrealised loss on revaluation of financial assets at FVTPL and derivatives	<u>(4,800)</u>	<u>(15,782)</u>	<u>(4,800)</u>	<u>(15,782)</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A24. Other operating income (cont'd.)</b>				
<b><u>Group</u></b>				
(f) Other income:				
Net foreign exchange income	2,735	1,982	2,735	1,982
Other operating income	575	352	575	352
Other non-operating income				
- Rental income	571	518	571	518
- Gain on disposal of a subsidiary	-	1,477	-	1,477
- Others	9,580	1,287	9,580	1,287
	<u>13,461</u>	<u>5,616</u>	<u>13,461</u>	<u>5,616</u>
Total other operating income	<b><u>140,404</u></b>	<b><u>110,217</u></b>	<b><u>140,404</u></b>	<b><u>110,217</u></b>
<b><u>Bank</u></b>				
(a) Fee income:				
Brokerage fees	50,652	44,613	50,652	44,613
Corporate advisory fees	2,201	2,484	2,201	2,484
Processing fees on loans, advances and financing	102	89	102	89
Management fee income	76	74	76	74
Placement fees	1,981	2,142	1,981	2,142
Other fee income	1,665	1,295	1,665	1,295
Others	262	232	262	232
	<u>56,939</u>	<u>50,929</u>	<u>56,939</u>	<u>50,929</u>
(b) Net gain arising from sale/redemption of:				
Financial assets at FVTPL and derivatives	20,831	21,770	20,831	21,770
Financial investments at FVOCI	3	6	3	6
	<u>20,834</u>	<u>21,776</u>	<u>20,834</u>	<u>21,776</u>

NOTES TO INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

	Individual Quarter		Cumulative Quarter	
	3 months ended 31 March 2024 RM'000	3 months ended 31 March 2023 RM'000	3 months ended 31 March 2024 RM'000	3 months ended 31 March 2023 RM'000
<b>A24. Other operating income (cont'd.)</b>				
<b><u>Bank (cont'd.)</u></b>				
(c) Gross dividend from: Financial assets at FVTPL	409	122	409	122
(d) Interest income from financial assets at FVTPL	305	251	305	251
(e) Unrealised loss on revaluation of financial assets at FVTPL and derivatives	(5,419)	(16,573)	(5,419)	(16,573)
(f) Other income:				
Net foreign exchange income	2,661	1,812	2,661	1,812
Other operating income	2,116	462	2,116	462
Other non-operating income				
- Rental income	1,151	974	1,151	974
- Others	4,981	1,269	4,981	1,269
	10,909	4,517	10,909	4,517
Total other operating income	<b>83,977</b>	<b>61,022</b>	<b>83,977</b>	<b>61,022</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>A25. Other operating expenses</b>				
<b><u>Group</u></b>				
Personnel costs	53,365	51,765	53,365	51,765
- Salaries, allowances and bonuses	40,278	40,000	40,278	40,000
- EPF	5,509	5,310	5,509	5,310
- ESS expense	38	61	38	61
- Others	7,540	6,394	7,540	6,394
Establishment costs	19,044	17,751	19,044	17,751
- Depreciation of property, plant and equipment	2,834	2,795	2,834	2,795
- Amortisation of intangible assets	2,146	1,694	2,146	1,694
- Amortisation of right-of-use assets	1,975	2,605	1,975	2,605
- Rental of premises	118	129	118	129
- Rental of equipment	220	212	220	212
- Repairs and maintenance	1,023	1,093	1,023	1,093
- Information technology expenses	9,737	8,332	9,737	8,332
- Others	991	891	991	891
Marketing expenses	6,041	5,252	6,041	5,252
- Promotion and advertisements	4,893	3,487	4,893	3,487
- Travel and entertainment	948	1,054	948	1,054
- Others	200	711	200	711
Administration and general expenses	66,084	57,400	66,084	57,400
- Communication expenses	1,212	1,137	1,212	1,137
- Professional and legal fees	1,230	1,069	1,230	1,069
- Regulatory charges	4,126	3,576	4,126	3,576
- Publication and research material	3,236	2,618	3,236	2,618
- Fees and brokerage	51,202	44,205	51,202	44,205
- Administrative expenses	5,078	4,795	5,078	4,795
<b>Total other operating expenses</b>	<b>144,534</b>	<b>132,168</b>	<b>144,534</b>	<b>132,168</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024	31 March 2023	31 March 2024	31 March 2023
	RM'000	RM'000	RM'000	RM'000

**A25. Other operating expenses (cont'd.)**

**Bank**

Personnel costs	36,773	35,141	36,773	35,141
- Salaries, allowances and bonuses	29,223	28,483	29,223	28,483
- EPF	4,264	4,189	4,264	4,189
- ESS expense	33	41	33	41
- Others	3,253	2,428	3,253	2,428
Establishment costs	14,887	14,418	14,887	14,418
- Depreciation of property, plant and equipment	2,435	2,495	2,435	2,495
- Amortisation of intangible assets	1,723	1,413	1,723	1,413
- Amortisation of right-of-use assets	1,631	1,673	1,631	1,673
- Rental of premises	107	105	107	105
- Rental of equipment	146	135	146	135
- Repairs and maintenance	981	1,067	981	1,067
- Information technology expenses	6,997	6,726	6,997	6,726
- Others	867	804	867	804
Marketing expenses	1,971	2,169	1,971	2,169
- Promotion and advertisement	1,189	821	1,189	821
- Travel and entertainment	591	650	591	650
- Others	191	698	191	698
Administration and general expenses	43,689	37,632	43,689	37,632
- Communication expenses	1,013	936	1,013	936
- Professional and legal fees	1,061	870	1,061	870
- Regulatory charges	3,868	3,273	3,868	3,273
- Publication and research material	2,670	2,292	2,670	2,292
- Fees and brokerages	30,741	26,050	30,741	26,050
- Administrative expenses	4,336	4,211	4,336	4,211
<b>Total other operating expenses</b>	<b>97,320</b>	<b>89,360</b>	<b>97,320</b>	<b>89,360</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A26. Credit loss (expense)/reversal**

The tables below show the ECL charges on financial instruments for the period recorded in the income statement:

**Group**

**Individual and Cumulative Quarter**

(i) Movements in ECL on debt instruments, loan commitments, loans, advances and financing:

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Debt instruments at FVOCI	(36)	-	-	(36)
Loans, advances and financing	117	-	(1,996)	(1,879)
Recoveries from share margin financing	-	-	1,285	1,285
Loan commitments	42	-	-	42
<b>Credit loss reversal/(expense)</b>	<b>123</b>	<b>-</b>	<b>(711)</b>	<b>(588)</b>

  

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Debt instruments at FVOCI	(1)	129	-	128
Loans, advances and financing	(62)	-	1,295	1,233
Recoveries from share margin financing	-	-	567	567
<b>Credit loss (expense)/reversal</b>	<b>(63)</b>	<b>129</b>	<b>1,862</b>	<b>1,928</b>

(ii) Movements in ECL on other financial assets:

	<b>2024</b>		
	<b>Non-Credit Impaired</b>	<b>Credit-Impaired</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance due from clients and brokers	24	(3,163)	(3,139)
Other debtors	(120)	(2,444)	(2,564)
<b>Credit loss expense</b>	<b>(96)</b>	<b>(5,607)</b>	<b>(5,703)</b>

  

	<b>2023</b>		
	<b>Non-Credit Impaired</b>	<b>Credit-Impaired</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Balance due from clients and brokers	(6)	53	47
Other debtors	(582)	1,044	462
<b>Credit loss (expense)/reversal</b>	<b>(588)</b>	<b>1,097</b>	<b>509</b>



NOTES TO INTERIM FINANCIAL STATEMENTS  
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A26. Credit loss reversal/(expense) (cont'd.)

Bank

Individual and Cumulative Quarter

(v) Movements in ECL on debt instruments, loan commitments, loans, advances and financing:

	2024			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Debt instruments at FVOCI	(36)	-	-	(36)
Loans, advances and financing	(7)	-	(1,996)	(2,003)
Recoveries from share margin financing	-	-	1,285	1,285
Loan commitments	53	-	-	53
Amount due from subsidiaries	(3)	-	-	(3)
<b>Credit loss reversal/(expense)</b>	<b>7</b>	<b>-</b>	<b>(711)</b>	<b>(704)</b>

  

	2023			
	Stage 1 RM'000	Stage 2 RM'000	Stage 3 RM'000	Total RM'000
Debt instruments at FVOCI	(1)	129	-	128
Loans, advances and financing	(62)	-	(261)	(323)
Recoveries from share margin financing	-	-	567	567
<b>Credit loss (expense)/reversal</b>	<b>(63)</b>	<b>129</b>	<b>306</b>	<b>372</b>

(vi) Movements in ECL on other financial assets:

	2024		
	Non-Credit Impaired RM'000	Credit- Impaired RM'000	Total RM'000
Balance due from clients and brokers	24	(3,163)	(3,139)
Other debtors	(120)	(1,228)	(1,348)
<b>Credit loss expense</b>	<b>(96)</b>	<b>(4,391)</b>	<b>(4,487)</b>

  

	2023		
	Non-Credit Impaired RM'000	Credit- Impaired RM'000	Total RM'000
Balance due from clients and brokers	(6)	53	47
Other debtors	(582)	1,044	462
<b>Credit loss (expense)/reversal</b>	<b>(588)</b>	<b>1,097</b>	<b>509</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**A27. Bad debts recovered/(written off)**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>Group</u></b>				
Loans, advances and financing	1,256	278	1,256	278
Balance due from clients and brokers	39	10	39	10
Other debtors	-	(7)	-	(7)
	<b>1,295</b>	<b>281</b>	<b>1,295</b>	<b>281</b>
<b><u>Bank</u></b>				
Loans, advances and financing	1,256	278	1,256	278
Balance due from clients and brokers	39	10	39	10
	<b>1,295</b>	<b>288</b>	<b>1,295</b>	<b>288</b>

**A28. Fair value of financial instruments**

**Fair value measurements**

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

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

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

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

**Valuation techniques and sensitivity analysis**

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. This would include quoted securities.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**A28. Fair value of financial instruments (cont'd.)**

**Valuation techniques and sensitivity analysis (cont'd.)**

Where fair value is determined using unquoted market 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 inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data. These would include certain bonds, government bonds, corporate debt securities and derivatives.

**Group**

**31 March 2024**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Financial assets measured at fair value</b>				
Financial assets at FVTPL				
- Debt securities	-	160,203	-	160,203
- Equity securities	417,716	-	71,136	488,852
Financial investments at FVOCI				
- Debt securities	-	823,065	-	823,065
- Equity securities	-	-	1,343	1,343
- Negotiable Instruments of Deposit	-	100,000	-	100,000
Derivative financial assets	79	57,006	-	57,085
<b>Financial assets at amortised cost for which fair values are disclosed</b>				
Financial investments at AC	-	483,965	-	483,965
Loans, advances and financing	-	-	1,704,878	1,704,878
	<b>417,795</b>	<b>1,624,239</b>	<b>1,777,357</b>	<b>3,819,391</b>
<b>Financial liabilities measured at fair value</b>				
Derivative financial liabilities	76,824	22,237	-	99,061
Borrowings	-	172,519	-	172,519
	<b>76,824</b>	<b>194,756</b>	<b>-</b>	<b>271,580</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A28. Fair value of financial instruments (cont'd.)**

**Group**

**31 December 2023**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Financial assets measured at fair value</b>				
Financial assets at FVTPL				
- Debt securities	-	99,627	-	99,627
- Equity securities	267,830	-	71,203	339,033
Financial investments at FVOCI				
- Debt securities	-	875,939	-	875,939
- Equity securities	-	-	1,343	1,343
Derivative financial assets	-	75,938	-	75,938
<b>Financial assets at amortised cost for which fair values are disclosed</b>				
Financial investments at AC	-	484,183	-	484,183
Loans, advances and financing	-	-	1,707,116	1,707,116
	<b>267,830</b>	<b>1,535,687</b>	<b>1,779,662</b>	<b>3,583,179</b>
<b>Financial liabilities measured at fair value</b>				
Derivative financial liabilities	23,014	22,083	-	45,097
Obligations on securities sold under repurchase agreements	-	97,232	-	97,232
Borrowings	-	172,003	-	172,003
	<b>23,014</b>	<b>291,318</b>	<b>-</b>	<b>314,332</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A28. Fair value of financial instruments (cont'd.)**

**Bank**

**31 March 2024**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Financial assets measured at fair value</b>				
Financial assets at FVTPL				
- Debt securities	-	159,978	-	159,978
- Equity securities	417,135	-	71,136	488,271
Financial investments at FVOCI				
- Debt securities	-	823,065	-	823,065
- Equity securities	-	-	1,343	1,343
- Negotiable Instruments of Deposit	-	100,000	-	100,000
Derivative financial assets	79	57,006	-	57,085
<b>Financial assets at amortised cost for which fair values are disclosed</b>				
Financial investments at AC				
Loans, advances and financing	-	483,965	-	483,965
	-	-	1,730,157	1,730,157
	<b>417,214</b>	<b>1,624,014</b>	<b>1,802,636</b>	<b>3,843,864</b>
<b>Financial liabilities measured at fair value</b>				
Derivative financial liabilities	76,824	22,237	-	99,061
Borrowings	-	172,519	-	172,519
	<b>76,824</b>	<b>194,756</b>	<b>-</b>	<b>271,580</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A28. Fair value of financial instruments (cont'd.)**

**Bank**

**31 December 2023**

	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Financial assets measured at fair value</b>				
Financial assets at FVTPL				
- Debt securities	-	100,000	-	100,000
- Equity securities	267,271	-	71,203	338,474
Financial investments at FVOCI				
- Debt securities	-	875,939	-	875,939
- Equity securities	-	-	1,343	1,343
Derivative financial assets	-	75,938	-	75,938
<b>Financial assets at amortised cost for which fair values are disclosed</b>				
Financial investments at AC	-	484,183	-	484,183
Loans, advances and financing	-	-	1,733,014	1,733,014
	<b>267,271</b>	<b>1,536,060</b>	<b>1,805,560</b>	<b>3,608,891</b>
<b>Financial liabilities measured at fair value</b>				
Derivative financial liabilities	23,014	22,083	-	45,097
Obligations on securities sold under repurchase agreements	-	97,232	-	97,232
Borrowings	-	172,003	-	172,003
	<b>23,014</b>	<b>291,318</b>	<b>-</b>	<b>314,332</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A29. Commitments and Contingencies**

In the normal course of business, the Group and the Bank enter into various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

	Group		Bank	
	As at 31 March 2024 Principal Amount RM'000	As at 31 December 2023 Principal Amount RM'000	As at 31 March 2024 Principal Amount RM'000	As at 31 December 2023 Principal Amount RM'000
Commitments to extend credit with maturity of less than 1 year :-				
- share margin financing	2,861,205	2,882,629	2,861,205	2,882,629
- foreign exchange related contracts	37,491	55,232	37,491	55,232
Other commitments with an original maturity of less than 1 year :-				
- corporate loans	94,692	65,392	145,692	116,392
Other commitments with an original maturity of more than 1 year :-				
- corporate loans	48,541	54,541	73,541	89,541
- others	6,000	6,000	6,000	6,000
Stockbroking clients' trust	996,390	980,227	996,390	980,227
Securities borrowing and lending	20,591	8,367	20,591	8,367
Derivative financial assets				
- dual currency investment - options	3,844	3,074	3,844	3,074
- equity related contracts - options	1,435	25,985	1,435	25,985
- equity related contracts - swaps	6,891	19,439	6,891	19,439
- equity related contract - forwards	51,342	51,342	51,342	51,342
- foreign exchange related contracts	23,854	-	23,854	-
Derivative financial liabilities				
- dual currency investment - options	3,844	3,074	3,844	3,074
- equity related contracts - options	1,146,222	498,986	1,146,222	498,986
- equity related contracts - swaps	46,520	33,374	46,520	33,374
- equity related contract - forwards	30,735	80,738	30,735	80,738
- foreign exchange related contracts	13,637	-	13,637	-
Capital commitment:				
- Authorised and contracted for Investment in equity fund	5,682	6,817	3,369	6,809
	-	-	44,991	44,991
	<b>5,398,916</b>	<b>4,775,217</b>	<b>5,517,594</b>	<b>4,906,200</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>

**A30. Operating lease arrangements**

A summary of the sub-lease receipts expected to be received under non-cancellable sublease are as follows:

Future minimum sub-lease receipts:

Subsidiaries	-	-	3,582	2,886
External parties	662	765	662	765
	<u>662</u>	<u>765</u>	<u>4,244</u>	<u>3,651</u>

**A31. Capital Adequacy**

(i) Components of Common Equity Tier 1 ("CET 1") capital ratio, Tier 1 and Tier 2 capital:

	<b>Group</b>		<b>Bank</b>	
	<b>31 March</b>	<b>31 December</b>	<b>31 March</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<u>CET 1 / Tier 1 capital</u>				
Paid-up share capital	253,834	253,834	253,834	253,834
Share premium	-	-	-	-
Retained profits	636,033	686,876	556,888	609,024
Other reserves	151,939	142,004	174,883	174,100
Less: Regulatory adjustments:				
Deferred tax assets	(22,748)	(25,500)	(6,015)	(6,807)
55% of cumulative gains on financial investments at FVOCI	(7,252)	(3,767)	(1,870)	(1,571)
Goodwill	(241,027)	(241,027)	(252,909)	(252,909)
Other intangibles	(95,387)	(92,582)	(85,671)	(83,011)
Regulatory reserve	(16,381)	(16,064)	(16,381)	(16,064)
Treasury shares	(10,722)	(11,739)	(10,722)	(11,739)
Other CET 1 regulatory adjustments specified by BNM	-	1,547	-	1,006
Investment in ordinary shares of unconsolidated financial entities	(177,031)	(153,268)	(177,112)	(177,112)
Total CET 1/Tier 1 capital	<u>471,258</u>	<u>540,314</u>	<u>434,925</u>	<u>488,751</u>



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**A31. Capital Adequacy (cont'd.)**

(i) Components of Common Equity Tier 1 ("CET 1") capital ratio, Tier 1 and Tier 2 capital (cont'd.):

	<b>Group</b>		<b>Bank</b>	
	<b>31 March 2024 RM'000</b>	<b>31 December 2023 RM'000</b>	<b>31 March 2024 RM'000</b>	<b>31 December 2023 RM'000</b>
<u>Tier 2 capital</u>				
Subordinated obligations capital	180,500	180,500	180,500	180,500
General provisions <sup>^</sup>	19,542	17,380	18,730	17,212
Total Tier 2 capital	<u>200,042</u>	<u>197,880</u>	<u>199,230</u>	<u>197,712</u>
Total capital	<u>671,300</u>	<u>738,194</u>	<u>634,155</u>	<u>686,463</u>
CET 1 capital ratio	16.725%	21.543%	17.916%	22.474%
Tier 1 capital ratio	16.725%	21.543%	17.916%	22.474%
Total capital ratio	23.825%	29.433%	26.123%	31.565%

<sup>^</sup> Refers to loss allowances measured at an amount equal to 12-month and lifetime expected credit losses and regulatory reserve, to the extent they are ascribed to non-credit impaired exposures, determined under Standardised Approach for credit risk.

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**A31. Capital Adequacy (cont'd.)**

(ii) Breakdown of risk-weighted assets in the various categories of risks are as follows:

	<b>Group</b>		<b>Group</b>	
	<b>31 March 2024</b>		<b>31 December 2023</b>	
	<b>Notional amount</b>	<b>Risk-weighted amount</b>	<b>Notional amount</b>	<b>Risk-weighted amount</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Credit Risk	5,803,726	1,563,309	5,444,902	1,390,445
Market Risk	-	369,098	-	216,865
Operational Risk	-	872,130	-	887,613
Large exposure risk	-	13,108	-	13,108
<b>Total Risk Weighted Assets</b>	<b>5,803,726</b>	<b>2,817,645</b>	<b>5,444,902</b>	<b>2,508,031</b>

	<b>Bank</b>		<b>Bank</b>	
	<b>31 March 2024</b>		<b>31 December 2023</b>	
	<b>Notional amount</b>	<b>Risk-weighted amount</b>	<b>Notional amount</b>	<b>Risk-weighted amount</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Credit Risk	5,121,936	1,498,404	4,962,905	1,376,948
Market Risk	-	367,502	-	215,327
Operational Risk	-	548,529	-	569,376
Large exposure risk	-	13,108	-	13,108
<b>Total Risk Weighted Assets</b>	<b>5,121,936</b>	<b>2,427,543</b>	<b>4,962,905</b>	<b>2,174,759</b>

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Revised Risk-weighted Capital Adequacy Framework: Standardised Approach for Credit Risk and Market Risk, and Basic Indicator Approach for Operational Risk ("RWCAF Basel II").

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A32. Segmental reporting**

The Group has five major operating divisions as described below. The divisions form the basis of which the Group reports its segment information.

- (i) Investment bank - Investment banking business, treasury and related financial services;
- (ii) Stockbroking - Dealings in equity securities and investment related services;
- (iii) Listed derivatives - Futures broking;
- (iv) Investment and Wealth Management - Management of funds and unit trusts; and
- (v) Corporate and others - Support services comprise all middle and back office functions, and, includes business operations conducted by the Group's associates in the Kingdom of Saudi Arabia and Sri Lanka and joint venture companies.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A32. Segmental reporting (cont'd.)**

	Investment banking RM'000	Stock broking RM'000	Listed derivatives RM'000	Investment and wealth management RM'000	Corporate and consolidation Others RM'000	Elimination/ and consolidation adjustments RM'000	Total RM'000
<b>2024</b>							
<b>Revenue</b>							
External sales	41,475	101,808	6,019	51,949	2,955	-	204,206
- Interest income	33,490	32,424	3,177	2,118	443	-	71,652
- Fee income	4,484	53,107	2,767	49,700	-	-	110,058
- Trading and investment income	2,346	14,776	-	130	1,957	-	19,209
- Other operating income	1,155	1,501	75	1	555	-	3,287
Inter-segment sales	14,867	(17,006)	319	2,045	4,084	(4,309)	-
<b>Total revenue</b>	<b>56,342</b>	<b>84,802</b>	<b>6,338</b>	<b>53,994</b>	<b>7,039</b>	<b>(4,309)</b>	<b>204,206</b>
<b>Result</b>							
Net interest income	1,803	8,384	3,065	251	2,080	529	16,112
Net income from Islamic banking business	5,577	827	-	-	-	-	6,404
Other operating income	7,275	72,205	2,843	55,633	5,280	(2,832)	140,404
Net income	14,655	81,416	5,908	55,884	7,360	(2,303)	162,920
Other operating expenses	(15,369)	(80,107)	(4,315)	(45,592)	(590)	1,439	(144,534)
Credit loss (expense)/reversal	(1,391)	(3,850)	-	(2,686)	49	1,587	(6,291)
Bad debt recovered	-	1,295	-	-	-	-	1,295
Share of results in associates and joint ventures	-	-	-	-	13,317	-	13,317
(Loss)/Profit before taxation and zakat	(2,105)	(1,246)	1,593	7,606	20,136	723	26,707
Taxation and zakat							(3,879)
Net profit for the financial period							<u>22,828</u>

NOTES TO INTERIM FINANCIAL STATEMENTS  
FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024

A32. Segmental reporting (cont'd.)

	Investment banking RM'000	Stock broking RM'000	Listed derivatives RM'000	Investment and wealth management RM'000	Corporate and Others RM'000	Elimination/ and consolidation adjustments RM'000	Notes	Total RM'000
<b>2024 (cont'd.)</b>								
Other information								
Net interest and finance income	14,290	3,065	3,065	251	2,080	529		23,280
Depreciation and amortisation	(3,157)	(106)	(106)	(1,634)	(2,514)	456		(7,061)
Disposal of a subsidiary		-	-	-	-	(1,590)		1,509
Non cash items								
- Unrealised (loss)/gain on revaluation of financial assets at FVTPL and derivatives	(6,735)	-	-	131	1,231	598		(4,775)
<b>Assets</b>								
Investments in associates	-	-	-	-	145,906	-		145,906
Investment in joint ventures	-	-	-	-	31,125	-		31,125
Additions to property, plant and equipment and intangible assets	409	1,983	29	2,678	3,547	-	<b>A</b>	8,646
Segment assets	3,388,778	2,562,213	562,724	471,590	559,191	(343,113)	<b>B</b>	7,201,383
<b>Liabilities</b>								
Segment liabilities	4,530,091	689,638	540,840	376,875	292,780	(282,753)	<b>C</b>	6,147,471

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A32. Segmental reporting (cont'd.)**

	Investment banking RM'000	Stock broking RM'000	Listed derivatives RM'000	Money lending and financing RM'000	Investment and wealth management RM'000	Corporate and Others RM'000	Elimination/ consolidation adjustments RM'000	Total RM'000
<b>2023</b>								
<b>Revenue</b>								
External sales	43,025	84,207	5,717	1,603	45,622	(380)	-	179,794
- Interest income	33,561	31,315	3,131	1,296	1,601	7	-	70,911
- Fee income	5,578	46,910	2,549	307	43,874	-	-	99,218
- Trading and investment income/(loss)	2,816	4,914	-	-	22	(390)	-	7,362
- Other operating income	1,070	1,068	37	-	125	3	-	2,303
Inter-segment sales	9,505	(13,488)	397	-	5,319	3,825	(5,558)	-
<b>Total revenue</b>	<b>52,530</b>	<b>70,719</b>	<b>6,114</b>	<b>1,603</b>	<b>50,941</b>	<b>3,445</b>	<b>(5,558)</b>	<b>179,794</b>
<b>Result</b>								
Net interest income	6,009	11,386	2,897	718	569	1,411	3,867	26,857
Net income from Islamic banking business	3,066	1,081	-	-	-	-	-	4,147
Other operating income	6,870	53,112	2,593	5,386	49,480	712	(7,936)	110,217
Net income	15,945	65,579	5,490	6,104	50,049	2,123	(4,069)	141,221
Other operating expenses	(15,213)	(71,537)	(3,827)	(1,110)	(41,211)	(748)	1,478	(132,168)
Credit loss reversal	466	355	-	1,556	-	60	-	2,437
Bad debt recovered	-	270	-	-	-	11	-	281
Share of results of associates and joint ventures	-	-	-	-	-	676	-	676
Profit/(loss) before taxation and zakat	1,198	(5,333)	1,663	6,550	8,838	2,122	(2,591)	12,447
Taxation and zakat								(2,090)
Net profit for the financial period								10,357

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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**A32. Segmental reporting (cont'd.)**

	Investment banking RM'000	Stock broking RM'000	Listed derivatives RM'000	Investment and wealth management RM'000	Corporate and Others RM'000	Elimination/ and consolidation adjustments RM'000	Notes	Total RM'000
<b>2023 (cont'd.)</b>								
Other information								
Net interest and finance income	8,035	11,554	2,897	569	2,129	3,867		29,051
Depreciation and amortisation Non cash items	(184)	(2,981)	(120)	(1,846)	(2,299)	336		(7,094)
- Unrealised (loss)/gain on revaluation of financial assets at FVTPL and derivatives	(219)	(16,306)	-	21	(390)	779		(16,115)
<b>Assets</b>								
Investments in associates		-	-	-	121,619	-		121,619
Investment in joint ventures		-	-	-	31,650	-		31,650
Additions to property, plant and equipment and intangible assets	1,850	1,771	69	6,055	10,366	-	<b>A</b>	20,111
Segment assets	3,160,763	2,390,883	484,167	349,604	574,338	(376,909)	<b>B</b>	6,582,846
<b>Liabilities</b>								
Segment liabilities	4,265,993	557,274	463,477	263,078	254,111	(292,062)	<b>C</b>	5,511,871

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A32. Segmental reporting (cont'd.)**

**Notes**

**A** The details for the additions to property, plant equipment and intangible assets are as follows:-

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Property, plant and equipment		
- Additions during the financial period	3,695	7,786
Intangible assets		
- Additions during the financial period	4,951	12,325
	<u>8,646</u>	<u>20,111</u>

**B** The following items are deducted (from)/added to segment assets to arrive at total assets reported in the consolidated statement of financial position:

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Investment in subsidiaries	(79,250)	(79,250)
Investment in associates and joint ventures	58,280	34,517
Intangible assets	(39,617)	(39,617)
Inter-segment assets	<u>(282,526)</u>	<u>(292,559)</u>
	<u>(343,113)</u>	<u>(376,909)</u>

**C** The following items are deducted from segment liabilities to arrive at total liabilities reported in the consolidated statement of financial position.

	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
Deposits accepted from subsidiaries	(136,869)	(154,119)
Inter-segment liabilities	<u>(145,884)</u>	<u>(137,943)</u>
	<u>(282,753)</u>	<u>(292,062)</u>



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations of Islamic Banking**

**(a) Unaudited Statement of Financial Position**  
**As at 31 March 2024**

	Note	Group and Bank	
		As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>ASSETS</b>			
Cash and bank balances	(e)	358,858	342,387
Financial assets at FVTPL	(f)	109,548	100,000
Financial investments at FVOCI	(g)(i)	188,220	264,847
Financial investments at AC	(g)(ii)	106,527	106,595
Financing and advances	(h)	126,790	139,371
Balances due from clients and brokers		926	2,009
Other assets	(i)	8,842	6,479
Property, plant and equipment		17	11
Intangible assets		1	1
<b>TOTAL ASSETS</b>		<b>899,729</b>	<b>961,700</b>
<b>LIABILITIES</b>			
Deposits from customers	(j)	351,772	341,577
Deposits and placements of banks and other financial institutions	(k)	-	10,000
Balances due to clients and brokers		4,128	5,489
Other liabilities	(l)	326,830	392,461
Deferred tax liabilities		355	395
Provision for taxation and zakat		8,149	7,172
<b>TOTAL LIABILITIES</b>		<b>691,234</b>	<b>757,094</b>
<b>ISLAMIC BANKING CAPITAL FUNDS</b>			
Islamic banking funds		120,000	120,000
Reserves		88,495	84,606
<b>TOTAL ISLAMIC BANKING CAPITAL FUNDS</b>		<b>208,495</b>	<b>204,606</b>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING CAPITAL FUNDS</b>		<b>899,729</b>	<b>961,700</b>
<b>Commitments and contingencies</b>	(s)	<b>116,380</b>	<b>77,789</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations of Islamic Banking (cont'd.)**

**(b) Unaudited Statement Of Profit Or Loss And Other Comprehensive Income**  
**For the financial period ended 31 March 2024**

	<b>Group and Bank</b>			
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>	<b>3 months</b>
	<b>ended</b>	<b>ended</b>	<b>ended</b>	<b>ended</b>
	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>	<b>31 March</b>
	<b>2024</b>	<b>2023</b>	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income derived from investment of depositors' funds	(m) 9,165	7,176	9,165	7,176
Income derived from investment of shareholders' funds	(n) 2,162	1,686	2,162	1,686
Credit loss reversal	154	57	154	57
Total attributable income	11,481	8,919	11,481	8,919
Profit distributed to depositors	(o) (4,716)	(4,602)	(4,716)	(4,602)
Net income	6,765	4,317	6,765	4,317
Finance cost	(207)	(113)	(207)	(113)
Personnel costs	(p) (212)	(210)	(212)	(210)
Other overhead expenses	(q) (927)	(827)	(927)	(827)
<b>Profit before taxation and zakat</b>	<b>5,419</b>	<b>3,167</b>	<b>5,419</b>	<b>3,167</b>
Taxation and zakat	(1,404)	(841)	(1,404)	(841)
<b>Profit for the financial period</b>	<b>4,015</b>	<b>2,326</b>	<b>4,015</b>	<b>2,326</b>
<b>Other comprehensive income</b>				
Items that will be reclassified subsequently to profit or loss:				
Fair value (loss)/gain on debt instruments at FVOCI	(162)	333	(162)	333
Income tax related to fair value (loss)/gain on debt instruments at FVOCI	40	(111)	40	(111)
<b>Total other comprehensive income for the financial period, net of tax</b>	<b>3,893</b>	<b>2,548</b>	<b>3,893</b>	<b>2,548</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations of Islamic Banking (cont'd.)**

**(b) Unaudited Statement Of Profit Or Loss And Other Comprehensive Income**  
**For the financial period ended 31 March 2024 (cont'd.)**

For consolidation with the conventional banking operations, income from Islamic Banking Window operations as shown on the face of the consolidated statements of profit or loss and statements of profit or loss, comprised of the following items:

	<b>Group and Bank</b>			
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended 31 March 2024 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>	<b>3 months ended 31 March 2024 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>
Income derived from investment of depositors' funds	9,165	7,176	9,165	7,176
Income derived from investment of shareholders' funds	2,162	1,686	2,162	1,686
Total income before impairment allowances and overhead expenses	11,327	8,862	11,327	8,862
Profit distributed to depositors	(4,716)	(4,602)	(4,716)	(4,602)
Finance cost	(207)	(113)	(207)	(113)
Income from Islamic Banking Window operations reported in the statement of profit or loss of the Group and of the Bank	<b>6,404</b>	<b>4,147</b>	<b>6,404</b>	<b>4,147</b>

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**UNAUDITED STATEMENT OF CHANGES IN EQUITY**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

**(c) Statement Of Changes In Islamic Banking Funds**  
**For the financial period ended 31 March 2024**

Group and Bank	Non- Distributable					Distributable	Total Equity RM'000
	Islamic Banking Fund RM'000	Fair Value Reserve RM'000	Regulatory Reserve RM'000	ESS Reserve RM'000	Capital Reserve RM'000	Retained Profits RM'000	
<b>At 1 January 2024</b>	120,000	1,183	2,654	6	5,248	75,515	204,606
Net profit for the financial year	-	-	-	-	-	4,015	4,015
Other comprehensive income for the financial year	-	(122)	-	-	-	-	(122)
Share based payment under ESS	-	-	-	-	-	(4)	(4)
Transfer to regulatory reserve	-	-	(294)	-	-	294	-
Transfer to retained profits	-	-	-	(1)	-	1	-
<b>At 31 March 2024</b>	<b>120,000</b>	<b>1,061</b>	<b>2,360</b>	<b>5</b>	<b>5,248</b>	<b>79,821</b>	<b>208,495</b>
<b>At 1 January 2023</b>	120,000	(301)	2,261	8	5,248	63,780	190,996
Net profit for the financial period	-	-	-	-	-	2,326	2,326
Other comprehensive income for the financial period	-	222	-	-	-	-	222
Transfer from regulatory reserve	-	-	(17)	-	-	17	-
<b>At 31 March 2023</b>	<b>120,000</b>	<b>(79)</b>	<b>2,244</b>	<b>8</b>	<b>5,248</b>	<b>66,123</b>	<b>193,544</b>

**KENANGA INVESTMENT BANK BERHAD**  
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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

**(d) Unaudited Condensed Statements Of Cash Flows**  
**For the financial period ended 31 March 2024**

	<b>Group and Bank</b>	
	<b>31 March 2024 RM '000</b>	<b>31 March 2023 RM '000</b>
<b>Cash flows from operating activities</b>		
Profit before taxation and zakat	5,419	3,167
Adjustments for:		
Depreciation of plant and equipment	1	1
Credit loss reversal	(154)	(57)
Net (gain)/loss from sale of financial assets at FVTPL	(24)	333
Net gain from sale of financial investments other than those measured at FVTPL	(297)	-
Unrealised gain on revaluation of financial assets at FVTPL	(25)	(7)
Operating profit before working capital changes	<u>4,920</u>	<u>3,437</u>
<b>Changes in operating assets:</b>		
Financing and advances	12,740	2,398
Balances due from clients and brokers	1,081	580
Other assets	(2,362)	(2,990)
<b>Changes in operating liabilities:</b>		
Deposits from customers	10,195	(14,997)
Deposits and placements of banks and other financial institutions	(10,000)	100,000
Balances due to clients and brokers	(1,361)	(272)
Other liabilities	(65,635)	85,352
Cash (used in)/generated from operating activities	<u>(50,422)</u>	<u>173,508</u>
Taxation and zakat paid	(427)	-
Net cash (used in)/generated from operating activities	<u>(50,849)</u>	<u>173,508</u>
<b>Cash flows from investing activity</b>		
Purchase of property, plant and equipment	(8)	-
Net sales/(purchase) of securities,	<u>67,328</u>	<u>(75,814)</u>
Net investing cash flow	<u>67,320</u>	<u>(75,814)</u>
<b>Net change in cash and cash equivalents</b>	16,471	97,694
<b>Cash and cash equivalents at beginning of the financial period</b>	<u>342,387</u>	<u>438,476</u>
<b>Cash and cash equivalents at end of the financial period</b>	<u>358,858</u>	<u>536,170</u>

**KENANGA INVESTMENT BANK BERHAD**  
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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
<b>(e) Cash and bank balances</b>		
Current accounts with Bank Negara Malaysia and banks	21,608	16,287
Money at call and deposit placements with:		
Licensed Islamic banks	197,250	126,100
Domestic non-bank financial institutions	140,000	200,000
	<u>358,858</u>	<u>342,387</u>
<b>(f) Financial assets at FVTPL</b>		
<b>At Fair Value</b>		
<b>Money Market Instruments:</b>		
Malaysian Government Investment Certificates	9,548	-
<b>Unquoted Securities in Malaysia:</b>		
Funds	100,000	100,000
	<u>109,548</u>	<u>100,000</u>
<b>(g) Financial investments other than those measured at FVTPL</b>		
<b>(i) Financial investments at FVOCI</b>		
<b>At fair value</b>		
<b>(a) Money market instruments:</b>		
Malaysian Government Investment Certificates	131,685	103,462
Negotiable Instruments of Deposits	-	99,770
	<u>131,685</u>	<u>203,232</u>
<b>(b) Debt instruments:</b>		
Corporate Sukuk	56,535	61,615
<b>Total financial investments at FVOCI</b>	<u>188,220</u>	<u>264,847</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

**(g) Financial investment other than those measured at FVTPL (cont'd.)**

**Impairment losses on debt instruments measured at FVOCI**

An analysis of changes in the ECLs is as follows:

**Group and Bank**

	<b>2024</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	-	-	-	-
Impact of net re-measurement of ECL	4	-	-	4
As at 31 March 2024	4	-	-	4

**Group and Bank**

	<b>2023</b>			
	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	<b>Total</b>
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	-	128	-	128
Assets derecognised or repaid (excluding write-offs)	-	(128)	-	(128)
As at 31 December 2023	-	-	-	-

<b>Group and Bank</b>	
<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>

**(ii) Financial investments at AC**

**At cost**

**(a) Money market instruments:**

Malaysian Government Investment Certificates	39,330	39,310
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**(b) Debt instruments:**

Corporate Sukuk	67,197	67,285
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<b>Total financial investment at AC</b>	<b>106,527</b>	<b>106,595</b>
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<b>Total financial investments other than those measured at FVTPL</b>	<b>294,747</b>	<b>371,442</b>
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**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
<b>(h) Financing and advances</b>		
<b>At AC</b>		
Commodity Murabahah share margin financing		
- Shariah contract - others	551	834
Commodity Murabahah revolving credit		
- Shariah contract - others	70,531	81,186
Commodity Murabahah term financing		
- Shariah contract - others	55,850	57,652
Gross financing and advances	<u>126,932</u>	<u>139,672</u>
Less: Allowance for ECL	(142)	(301)
Net financing and advances	<u>126,790</u>	<u>139,371</u>
<b>(i) Gross financing and advances analysed by type of customer are as follows:</b>		
Domestic business enterprises	82,189	84,544
Individuals	44,743	55,128
	<u>126,932</u>	<u>139,672</u>
<b>(ii) Gross financing and advances analysed by geographical distribution are as follows:</b>		
In Malaysia	<u>126,932</u>	<u>139,672</u>
<b>(iii) Gross financing and advances analysed by profit rate sensitivity are as follows:</b>		
Fixed rate	551	834
Variable rate - Cost plus	126,381	138,838
	<u>126,932</u>	<u>139,672</u>
<b>(iv) Gross financing and advances analysed by economic purpose are as follows:</b>		
Working capital	52,500	61,800
Purchase of securities	14,560	15,843
Others	59,872	62,029
	<u>126,932</u>	<u>139,672</u>



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

<b>Group and Bank</b>	
<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>

**(h) Financing and advances (cont'd.)**

**(v) Gross financing and advances analysed by residual contractual maturity are as follows:**

Within one year	71,082	82,020
More than one year	55,850	57,652
	<u>126,932</u>	<u>139,672</u>

**(vi) Impairment allowance for financing and advances are as follows:**

**Group and Bank**

**Term Financing :**

	<b>2024</b>	
	<b>Stage 1</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Movements in ECL</u></b>		
As at 1 January 2024	208	208
New assets originated or purchased	1	1
Assets derecognised or repaid (excluding write-offs)	(4)	(4)
Net remeasurement of allowance	(114)	(114)
As at 31 March 2024	<u>91</u>	<u>91</u>
	<b>2023</b>	
	<b>Stage 1</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Movements in ECL</u></b>		
As at 1 January 2023	55	55
New assets originated or purchased	375	375
Assets derecognised or repaid (excluding write-offs)	(70)	(70)
Net remeasurement of allowance	(152)	(152)
As at 31 December 2023	<u>208</u>	<u>208</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

**(h) Financing and advances (cont'd.)**

**(vi) Impairment allowance for financing and advances are as follows (cont'd.):**

**Undrawn Commitment:**

	<b>2024</b>	
	<b>Stage 1</b>	<b>Total</b>
<b><u>Movements in ECL</u></b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January/31 March 2024	93	93
<b>2023</b>		
<b><u>Movements in ECL</u></b>	<b>Stage 1</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	-	-
New assets originated or purchased	159	159
Assets derecognised or repaid (excluding write-offs)	(66)	(66)
As at 31 December 2023	93	93
<b>Group and Bank</b>		
	<b>As at</b>	<b>As at</b>
	<b>31 March</b>	<b>31 December</b>
	<b>2024</b>	<b>2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(i) Other Assets</b>		
Income receivables	5,823	3,426
Prepayment	12	8
Other receivables	3,033	3,072
Less: Allowance for ECL	(26)	(27)
	<b>8,842</b>	<b>6,479</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

**(i) Other Assets (cont'd.)**

**Group and Bank**

	<b>2024</b>		
	<b>Non-Credit</b>	<b>Credit</b>	<b>Total</b>
	<b>Impaired</b>	<b>Impaired</b>	
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2024	1	26	27
New assets originated or purchased	-	26	26
Assets derecognised or repaid (excluding write-offs)	-	(28)	(28)
Transfer of stages	(1)	1	-
As at 31 March 2024	-	25	25

	<b>2023</b>		
	<b>Non-Credit</b>	<b>Credit</b>	<b>Total</b>
	<b>Impaired</b>	<b>Impaired</b>	
<b>Movements in ECL</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
As at 1 January 2023	1	53	54
New assets originated or purchased	6	3	9
Assets derecognised or repaid (excluding write-offs)	-	(36)	(36)
Transfer of stages	(6)	6	-
As at 31 December 2023	1	26	27

<b>Group and Bank</b>	
<b>As at</b>	<b>As at</b>
<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>

**(j) Deposits from customers**

**(i) By type of deposit**

Term deposits		
- Tawarruq (Commodity Murabahah deposits)	351,772	341,577

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank</b>	
	<b>As at</b>	<b>As at</b>
	<b>31 March 2024</b>	<b>31 December 2023</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>(j) Deposits from customers (cont'd.)</b>		
<b>(ii) By type of customers</b>		
Domestic non-bank institutions	217,264	216,028
Government and other statutory bodies	81,250	67,540
Business enterprises	40,343	43,761
Individuals	859	785
Subsidiary companies	12,056	13,463
	<u>351,772</u>	<u>341,577</u>
<b>(iii) By maturity</b>		
Due within six months	310,645	299,349
Due more than six months	41,127	42,228
	<u>351,772</u>	<u>341,577</u>
<b>(k) Deposits and placements of banks and other financial institutions</b>		
Other financial institution	<u>-</u>	<u>10,000</u>
<b>(l) Other liabilities</b>		
Mudarabah Specific Investment Account	6,689	11,989
Profit payables	1,720	1,160
Other payables	318,421	379,312
	<u>326,830</u>	<u>392,461</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank Individual Quarter</b>		<b>Group and Bank Cumulative Quarter</b>	
	<b>3 months ended 31 March 2024 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>	<b>3 months ended 31 March 2024 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>
<b>(m) Income derived from investment of depositors' funds</b>				
<b>Finance income and hibah</b>				
Financing and advances	130	460	130	460
Deposits and placements with financial institutions	3,452	3,169	3,452	3,169
Financial investment other than those measured at FVTPL	3,471	1,651	3,471	1,651
Accretion of discount	(190)	(58)	(190)	(58)
Others	1	1	1	1
	<b>6,864</b>	<b>5,223</b>	<b>6,864</b>	<b>5,223</b>
<b>Other operating income/(loss)</b>				
Net gain/(loss) on sale of financing assets at FVTPL	24	(333)	24	(333)
Unrealised gain on revaluation of financial assets at FVTPL	25	7	25	7
Net gain on sale of financial investments other than those measured at FVTPL	297	-	297	-
Fees on financing and advances	4	34	4	34
Brokerage fee	799	879	799	879
Profit income from financial assets at FVTPL	1,154	1,321	1,154	1,321
Advisory fee	19	71	19	71
Direct trading fees expense	(23)	(31)	(23)	(31)
Other operating income	2	-	2	-
Other non-operating income	-	5	-	5
	<b>2,301</b>	<b>1,953</b>	<b>2,301</b>	<b>1,953</b>
Total income derived from investment of depositors' funds	<b>9,165</b>	<b>7,176</b>	<b>9,165</b>	<b>7,176</b>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank</b>		<b>Group and Bank</b>	
	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>(n) Income derived from investment of shareholders' funds</b>				
<b>Finance income and hibah</b>				
Financing and advances	2,153	1,160	2,153	1,160
Financial investments other than those measured at FVTPL	9	580	9	580
Accretion of premium	-	(54)	-	(54)
	<b>2,162</b>	<b>1,686</b>	<b>2,162</b>	<b>1,686</b>
<b>(o) Profit distributed to depositors</b>				
Deposits from customers and financial institutions				
- Murabahah Fund	3,704	3,605	3,704	3,605
Others	1,012	997	1,012	997
	<b>4,716</b>	<b>4,602</b>	<b>4,716</b>	<b>4,602</b>
<b>(p) Personnel costs</b>				
- Salaries, wages, allowances and bonus	167	164	167	164
- EPF	26	25	26	25
- Other staff related expenses	19	21	19	21
	<b>212</b>	<b>210</b>	<b>212</b>	<b>210</b>
<b>(q) Other overhead expenses:</b>				
<b>Establishment costs</b>				
- Depreciation	1	1	1	1
- Office rental	15	14	15	14
- Others	7	6	7	6
	<b>23</b>	<b>21</b>	<b>23</b>	<b>21</b>
<b>Marketing and travelling expenses</b>				
- Travelling and entertainment expenses	1	-	1	-

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank Individual Quarter</b>		<b>Group and Bank Cumulative Quarter</b>	
	<b>3 months ended 3 months ended RM'000</b>	<b>3 months ended 3 months ended RM'000</b>	<b>3 months ended 3 months ended RM'000</b>	<b>3 months ended 3 months ended RM'000</b>
<b>(q) Other overhead expenses (cont'd):</b>				
<b>Administration and general expenses</b>				
- Fees and brokerage	173	172	173	172
- Support service charges	619	529	619	529
- Shariah committee expenses	51	55	51	55
- Others	60	50	60	50
	<u>903</u>	<u>806</u>	<u>903</u>	<u>806</u>
Total other overhead expenses	<u><b>927</b></u>	<u><b>827</b></u>	<u><b>927</b></u>	<u><b>827</b></u>

	<b>Group and Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
<b>(r) Capital adequacy</b>		
<b>CET 1 / Tier 1 Capital</b>		
Islamic Banking funds	120,000	120,000
Retained profits	75,806	75,515
Other intangibles		
Other reserves	8,674	9,091
Less:		
Intangible assets	(1)	(1)
55% of cumulative gains on financial investments at FVOCI	(584)	(652)
Regulatory reserves	(2,360)	(2,654)
Total CET 1 / Tier 1 capital	<u>201,535</u>	<u>201,299</u>
<b>Tier 2 Capital</b>		
General provisions	2,506	2,956
Total Tier 2 capital	<u>2,506</u>	<u>2,956</u>
Total capital	<u>204,041</u>	<u>204,255</u>

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**A33. Operations Of Islamic Banking (cont'd.)**

	<b>Group and Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
<b>(r) Capital adequacy (cont'd.)</b>		
CET 1 capital ratio	68.882%	66.552%
Tier 1 capital ratio	68.882%	66.552%
Total capital ratio	<u>69.738%</u>	<u>67.529%</u>

The breakdown of risk-weighted assets (excluding any deferred tax assets) in the various categories of risk-weights are as follows:

	<b>Group and Bank</b>			
	<b>As at 31 March 2024</b>		<b>As at 31 December 2023</b>	
	<b>Notional amount RM'000</b>	<b>Risk- weighted amount RM'000</b>	<b>Notional amount RM'000</b>	<b>Risk- weighted amount RM'000</b>
Credit risk	833,180	252,743	894,264	271,905
Market risk	-	7,161	-	-
Operational risk	-	32,677	-	30,564
Total Risk Weighted Assets	<u>833,180</u>	<u>292,581</u>	<u>894,264</u>	<u>302,469</u>

**(s) Commitments and contingencies**

In the normal course of business, the Group and the Bank enter into various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these transactions.

As at reporting date, the commitment and contingencies are as follows:

	<b>Group and Bank</b>	
	<b>As at 31 March 2024 RM'000</b>	<b>As at 31 December 2023 RM'000</b>
Commitments to extend credit with maturity of less than 1 year:		
- share margin financing	16,049	19,766
Other commitments with an original maturity of less than 1 year:		
- corporate financing	57,831	48,531
Other commitments with an original maturity of more than 1 year:		
- corporate financing	<u>42,500</u>	<u>42,500</u>
	<u>116,380</u>	<u>110,797</u>



**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Performance Review**

**Group:**

	Individual period		Cumulative period	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024 (1Q24)	31 March 2023 (1Q23)	31 March 2024 (1Q24)	31 March 2023 (1Q23)
(RM'000)				
Revenue	204,206	179,794	204,206	179,794
Net income	162,920	141,221	162,920	141,221
Profit before tax	26,707	12,447	26,707	12,447
Profit after tax	22,828	10,357	22,828	10,357

The Group reported higher revenue and profit before tax ('PBT') for 1Q24 as compared to 1Q23 mainly due to higher trading and investment income, management fee income and higher share of profit from associates.

Performance analysis of the Group's major operating segments are as follows:

**Stockbroking:**

	Individual period		Cumulative period	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024 (1Q24)	31 March 2023 (1Q23)	31 March 2024 (1Q24)	31 March 2023 (1Q23)
(RM'000)				
Revenue	84,802	70,719	84,802	70,719
Net income	81,416	65,579	81,416	65,579
Loss before tax	(1,246)	(5,333)	(1,246)	(5,333)

Higher revenue and lower loss before tax ('LBT') were recorded by the stockbroking segment for 1Q24 as compared to 1Q23 mainly due to the higher trading and investment income and brokerage fee income as a result of higher Bursa trading volume.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

**B1. Performance Review (cont'd.)**

Performance analysis of the Group's major operating segments are as follows (cont'd.):

**Investment Banking:**

	Individual period		Cumulative period	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024 (1Q24)	31 March 2023 (1Q23)	31 March 2024 (1Q24)	31 March 2023 (1Q23)
(RM'000)				
Revenue	56,342	52,530	56,342	52,530
Net income	14,655	15,945	14,655	15,945
(Loss)/Profit before tax	(2,105)	1,198	(2,105)	1,198

Investment Banking ("IB") registered higher revenue in 1Q24 compared to 1Q23 mainly attributed by higher foreign exchange gain and other income. However, the segment recorded LBT for 1Q24 as compared to PBT recorded for the corresponding period last year due to lower net interest income and higher credit loss expense.

**Investment and Wealth Management:**

	Individual period		Cumulative period	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024 (1Q24)	31 March 2023 (1Q23)	31 March 2024 (1Q24)	31 March 2023 (1Q23)
(RM'000)				
Revenue	53,994	50,941	53,994	50,941
Net income	55,884	50,049	55,884	50,049
Profit before tax	7,606	8,838	7,606	8,838

Investment and Wealth Management has achieved higher revenue for 1Q24 as compared to the corresponding period last year mainly driven by higher management fees income but partially offset by higher credit loss expense which resulted in lower PBT recorded.

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**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B1. Performance Review (cont'd.)**

Performance analysis of the Group's major operating segments are as follows (cont'd.):

**Listed derivatives:**

	Individual period		Cumulative period	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024 (1Q24)	31 March 2023 (1Q23)	31 March 2024 (1Q24)	31 March 2023 (1Q23)
(RM'000)				
Revenue	6,338	6,114	6,338	6,114
Net income	5,908	5,490	5,908	5,490
Profit before tax	1,593	1,663	1,593	1,663

Listed derivatives business has reported higher revenue for 1Q24 as compared to 1Q23 largely due to the higher commission and interest income generated as a result of higher trading activities during the current quarter. Despite the improved revenue achieved, there was a marginal decrease in PBT due to higher overheads incurred in line with the business growth.

**Corporate and others:**

	Individual period		Cumulative period	
	3 months ended	3 months ended	3 months ended	3 months ended
	31 March 2024 (1Q24)	31 March 2023 (1Q23)	31 March 2024 (1Q24)	31 March 2023 (1Q23)
(RM'000)				
Revenue	7,039	3,445	7,039	3,445
Net income	7,360	2,123	7,360	2,123
Profit before tax	20,136	2,122	20,136	2,122

The revenue and PBT were higher for 1Q24 as compared to 1Q23 mainly due to higher trading and investment income recorded as well as the substantial increase in share of profit of associates in the current quarter.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA MALAYSIA SECURITIES BERHAD**

**B2. Explanatory comments on any material change in profit before taxation for current quarter as compared with the immediate preceding quarter**

**Current quarter versus previous quarter**

**Group:**

(RM'000)	<b>Current quarter</b>	<b>Previous quarter</b>
	<b>3 months ended 31 March 2024 (1Q24)</b>	<b>3 months ended 31 December 2023 (4Q23)</b>
Revenue	204,206	223,295
Net income	162,920	179,489
Profit before tax	26,707	24,164
Profit after tax	22,828	22,083

For 1Q24, the Group has recorded lower revenue as compared to previous quarter ended 31 December 2023 mainly due to lower management and performance fee income but mitigated by lower overheads and credit loss expenses and higher share of result of associates recorded in current quarter. As a result of that, higher PBT was registered for current quarter of 1Q24.

**B3. Prospects**

We maintain our Gross Domestic Product ("GDP") growth forecast at 4.5% - 5.0% in 2024 (2023: 3.7%), driven by robust services sector growth, evident from increased tourist arrivals and spending, along with strong domestic demand backed by a lower unemployment rate and rising household income. This growth is expected to be bolstered by a resurgence in manufacturing and export-oriented sectors, particularly due to the anticipated technological upcycle and China's gradual economic recovery.

However, external risks such as a potential global economic slowdown in advanced economies due to high-interest rates, and escalating geopolitical tensions, notably in the Middle East and the ongoing Ukraine-Russia war, could disrupt supply chains and dampens sentiment.

On the monetary policy, we continue to believe that Bank Negara Malaysia (BNM) will hold the overnight policy rate (OPR) steady at 3.00% throughout 2024. This stability is projected despite inflation risks from subsidy rationalisation, as it supports economic growth amid global uncertainties.

In summary, our outlook for Kenanga Group remains cautiously optimistic. Barring external shocks, we expect Bursa volume to trend higher as the economy continues its positive trajectory.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**MALAYSIA SECURITIES BERHAD**

**B4. Variance From Profit Forecast And Profit Guarantee**

This is not applicable as the Company did not issue any profit forecast or profit guarantee during the financial period.

**B5. Taxation and zakat**

<b><u>Group</u></b>	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income tax and zakat	(1,290)	(5,732)	(1,290)	(5,732)
Deferred taxation	(2,589)	3,642	(2,589)	3,642
<b>Total</b>	<b>(3,879)</b>	<b>(2,090)</b>	<b>(3,879)</b>	<b>(2,090)</b>

The effective tax rate of the Group for the current financial period ended 31 March 2024 was lower than the statutory tax rate mainly due to certain income not subject to tax.

<b><u>Bank</u></b>	<b>Individual Quarter</b>		<b>Cumulative Quarter</b>	
	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>	<b>3 months ended 31 March 2024</b>	<b>3 months ended 31 March 2023</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Income tax and zakat	(140)	(82)	(140)	(82)
Deferred taxation	(631)	487	(631)	487
<b>Total</b>	<b>(771)</b>	<b>405</b>	<b>(771)</b>	<b>405</b>

The effective tax rate of the bank for the current financial periods ended 31 March 2024 was higher than the statutory tax rate principally due to non- deductibility of certain expenses for tax purpose and adjustment of deferred tax assets over accrued in previous year.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
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**SELECTED EXPLANATORY NOTES**  
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**MALAYSIA SECURITIES BERHAD**

**B6. Borrowings**

	Group		Bank	
	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000	As at 31 March 2024 RM'000	As at 31 December 2023 RM'000
<b>Unsecured</b>				
Subordinated notes*				
- More than one year	180,500	180,500	180,500	180,500

\* All borrowings are denominated in RM

**B7. Dividend**

The Company had, after obtaining Bank Negara Malaysia's approval, made an announcement to Bursa Malaysia Securities Berhad on 29 February 2024 in respect of the declaration of an interim single tier dividend of 7.00 sen per share in respect of the financial year ended 31 December 2023. This interim single tier dividend which amounted to RM50,851,801 based on the entitled share capital of 726,454,299 ordinary shares was paid on 16 April 2024.

No dividend has been proposed for the current financial quarter.

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**SELECTED EXPLANATORY NOTES**  
**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

**B8. Earnings per share**

	<u>Individual Quarter</u>		<u>Cumulative Quarter</u>	
	<b>3 months ended 31 March 2024 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>	<b>3 months ended 31 March 2024 RM'000</b>	<b>3 months ended 31 March 2023 RM'000</b>
Profit for the period attributable to equity holders of the Bank	22,828	10,247	22,828	10,247
Weighted average number of ordinary shares in issue ('000)	724,299	722,381	724,299	722,381
Effects of dilution	3,439	3,601	3,439	3,601
Adjusted weighted average number of ordinary shares in issue ('000)	727,738	725,982	727,738	725,982
Earnings per share (sen)				
- basic	3.15	1.42	3.15	1.42
- fully diluted	3.14	1.41	3.14	1.41

There were no potential dilutive ordinary shares outstanding as at 31 March 2024.

**B9. Changes in Material Litigation**

The status of material litigations is disclosed in note B12.

**B10. Status of corporate proposal**

There were no corporate proposals announced but not completed as at 31 March 2024.

**NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE FINANCIAL PERIOD ENDED 31 MARCH 2024**

**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

**B11. Derivative financial instruments**

Derivative financial instruments are as follows:

**Group and Bank**

Items	As at 31 March 2024		As at 31 December 2023	
	Contract/ Notional Value RM'000	Fair Value RM'000	Contract/ Notional Value RM'000	Fair Value RM'000
<u>Derivative financial assets</u>				
Equity related contract- options	1,435	2,795	25,985	26,415
Equity related contract- swaps	6,891	129	19,439	209
Equity related contract- forwards	51,342	54,081	51,342	49,309
Foreign exchange related contracts	23,854	79	-	-
Dual currency investment- options	3,844	1	3,074	5
	<b>87,366</b>	<b>57,085</b>	<b>99,840</b>	<b>75,938</b>
<u>Derivative financial liabilities</u>				
Equity related contract- options	1,146,222	93,806	498,986	40,124
Equity related contract- swaps	46,520	3,524	33,374	1,012
Equity related contract- forwards	30,735	1,685	80,738	3,956
Foreign exchange related contracts	13,637	40		
Dual currency investment- options	3,844	6	3,074	5
	<b>1,240,958</b>	<b>99,061</b>	<b>616,172</b>	<b>45,097</b>

**Changes in the risk, cash requirement, policies in place and accounting policies reported in prior financial years**

There have been no changes since the end of the previous financial year ended 31 December 2023 in respect of the following:

- (i) the market risk and credit risk associated with the derivatives;
- (ii) the cash requirements of the derivatives;
- (iii) the policies in place for mitigating or controlling the risks associated with the derivatives; and
- (iv) the related accounting policies



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**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

**B11. Derivative financial instruments (cont'd.)**

**Types of derivative financial instruments**

Options are contractual agreements or embedded in other financial instruments under which seller/issuer grants the purchaser the right, but not the obligation, either to buy a call option or sell a put option at or by a pre-defined date during a pre-defined period, a specific amount of an underlying assets at a pre-determined price.

The Seller may receive a premium from the purchaser in consideration of risk. Options may be either exchange-traded, negotiated between the purchaser and the seller at the over-the-counter market or embedded components in other financial instruments.

A swap is an agreement between two parties to exchange a series of future cash flows. Each cash flow comprises one leg of the swap. One cash flow is generally fixed, while the other is variable and based on a benchmark interest rate, floating currency exchange rate or index price.

A swap contract is essentially a derivative contract in which the value of the contract derived from the assets it represents. These assets are called the underlying assets and their value typically changes, resulting in a change of the value of the derivative itself. Most swaps contracts are traded over-the-counter that are customized to the needs of both parties.

**Purposes of engaging in derivative financial instruments**

There have been no changes since the end of the previous financial year in respect of the type of derivative financial instruments, the rationale and expected benefits accruing to the Group from these derivative financial instruments.

**Loss arising from fair value changes of derivative financial instruments**

The unrealised loss arising from fair value changes of derivative financial instruments for the current quarter amounted to RM8,654,461 (4Q23 gain: RM6,825,018). This was arrived at based on the fluctuations in the market prices of the derivative financial instruments or underlying assets which are listed on Bursa Malaysia.

**KENANGA INVESTMENT BANK BERHAD**  
**197301002193 (15678-H)**

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**REQUIREMENTS OF PART A, APPENDIX 9B OF THE LISTING REQUIREMENTS OF BURSA**  
**MALAYSIA SECURITIES BERHAD**

**B12. Contingent liabilities**

<b>Group and Bank</b>	
<b>31 March</b>	<b>31 December</b>
<b>2024</b>	<b>2023</b>
<b>RM'000</b>	<b>RM'000</b>

On 27 November 2019, the Bank was served with a sealed Writ of Summons and Statement of Claim filed by Lai Sing Foo ("the Plaintiff"). The Plaintiff is alleging that, inter alia, the second (2nd) Defendant (who is a Dealer's Representative ("DR") of KIBB has arranged for the Plaintiff to purchase shares of a public listed company with a promise to buy back at a higher price from the third (3rd) Defendant (a third party). The Plaintiff alleges that the 3rd Defendant has failed to buy back the said shares which caused the Plaintiff to suffer losses and claims, inter alia, the difference between the sale proceeds of the said shares and RM3.6 million. The Plaintiff's claims against KIBB are on the basis that, inter alia, the 2nd Defendant is a DR with KIBB. In this regard, KIBB will contest the Plaintiff's claim in the Court. The Plaintiff, KIBB and the 3rd Defendant presented their evidence during the trial from 11 to 13 August 2021. On 3 November 2021, the High Court dismissed the Plaintiff's claim against KIBB and the 3rd Defendant with costs of RM25,000 to be paid to each. The Plaintiff's claim against the 2nd Defendant was allowed with costs of RM25,000 to be paid to the Plaintiff. On 25 November 2021, the Plaintiff filed a Notice of Appeal in the Court of Appeal against the High Court's decision. The matter is fixed for hearing in the Court of Appeal on 21 August 2024.

<u>3,600</u>	<u>3,600</u>
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Based on legal advices obtained, the Board of Directors is of the opinion that the Bank has good grounds to defend these claims and that no provisions are necessary as at reporting date.