

AmlInvestment Bank Berhad

Registration No. 197501002220 (23742-V)

(Incorporated in Malaysia)

And Its Subsidiaries

Condensed Interim Financial Statements

For the Financial Period

1 April 2023 to

30 September 2023

(In Ringgit Malaysia)

AmlInvestment Bank Berhad
Registration No. 197501002220 (23742-V)
(Incorporated in Malaysia)
and its subsidiaries

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 SEPTEMBER 2023

		Group		Bank	
	Note	30 September 2023 RM'000	31 March 2023 RM'000	30 September 2023 RM'000	31 March 2023 RM'000
ASSETS					
Cash and short-term funds	8	238,289	273,229	149,867	171,866
Deposits and placements with a bank	9	900,000	70,000	900,000	70,000
Financial assets at fair value through other comprehensive income	10	33,019	33,466	33,019	33,466
Financial investments at amortised cost	11	75,000	75,000	75,000	75,000
Loans and advances	12	899,215	815,906	899,215	815,906
Statutory deposit with Bank Negara Malaysia ("BNM")		18,420	14,210	18,420	14,210
Deferred tax assets		5,708	8,127	3,944	5,534
Investment in subsidiaries		-	-	51,054	51,441
Other assets	13	592,547	432,738	565,154	409,899
Property and equipment		14,579	15,206	14,231	14,847
Right-of-use assets		2,423	2,759	2,423	2,759
Intangible assets		41,083	41,206	3,409	3,462
TOTAL ASSETS		2,820,283	1,781,847	2,715,736	1,668,390
LIABILITIES AND EQUITY					
Deposits and placements of a bank	14	1,810,000	850,000	1,810,000	850,000
Derivative financial liabilities		2	4	2	4
Deferred tax liabilities		5	-	-	-
Other liabilities	15	490,657	373,488	468,841	349,230
TOTAL LIABILITIES		2,300,664	1,223,492	2,278,843	1,199,234
Share capital		330,000	330,000	330,000	330,000
Reserves		189,619	228,355	106,893	139,156
Equity attributable to equity holder of the Bank		519,619	558,355	436,893	469,156
TOTAL LIABILITIES AND EQUITY		2,820,283	1,781,847	2,715,736	1,668,390
COMMITMENTS AND CONTINGENCIES	25	236,717	233,651	236,717	233,651
NET ASSETS PER ORDINARY SHARE (RM)		1.65	1.78	1.39	1.49

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

AmlInvestment Bank Berhad
Registration No. 197501002220 (23742-V)
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UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

Group	Note	Individual Quarter		Cumulative Quarter	
		30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Interest income	16	25,302	14,810	43,007	29,694
Interest expense	17	(17,977)	(5,584)	(27,549)	(10,705)
Net interest income		7,325	9,226	15,458	18,989
Other operating income	18	85,295	78,439	176,821	155,694
Direct costs	19	(17,268)	(15,937)	(32,571)	(31,640)
Net income		75,352	71,728	159,708	143,043
Other operating expenses	20	(57,184)	(50,062)	(109,054)	(95,658)
Operating profit		18,168	21,666	50,654	47,385
Writeback of allowance for impairment on loans and advances	21	359	-	359	-
Allowance for impairment on other financial assets	22	(142)	(1,130)	(264)	(937)
Reversal of provision for commitments and contingencies		27	-	27	-
Profit before taxation		18,412	20,536	50,776	46,448
Taxation		(6,106)	(4,463)	(14,034)	(9,964)
Profit for the financial period		12,306	16,073	36,742	36,484
Basic/diluted earnings per share (sen)	23	3.9	5.1	11.7	11.6

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

AmlInvestment Bank Berhad
Registration No. 197501002220 (23742-V)
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UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

Group	Individual Quarter		Cumulative Quarter	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Profit for the financial period	12,306	16,073	36,742	36,484
Other comprehensive (loss)/income:				
Item that will not be reclassified subsequently to profit or loss				
Equity instruments at fair value through other comprehensive income ("FVOCI")				
Net unrealised loss on changes in fair value	-	-	(192)	(166)
Item that may be reclassified subsequently to profit or loss				
Debt instruments at FVOCI				
Net unrealised (loss)/gain on changes in fair value	(170)	45	(304)	(45)
Tax effect	40	(11)	72	11
	(130)	34	(232)	(34)
Other comprehensive (loss)/income for the financial period	(130)	34	(424)	(200)
Total comprehensive income for the period	12,176	16,107	36,318	36,284

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

AmlInvestment Bank Berhad
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UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

Bank	Note	Individual Quarter		Cumulative Quarter	
		30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Interest income	16	24,781	14,283	41,999	28,747
Interest expense	17	(17,939)	(5,547)	(27,474)	(10,634)
Net interest income		6,842	8,736	14,525	18,113
Other operating income	18	81,534	75,921	121,657	109,986
Direct costs	19	(9,699)	(8,357)	(17,773)	(16,122)
Net income		78,677	76,300	118,409	111,977
Other operating expenses	20	(37,185)	(34,453)	(72,062)	(64,779)
Operating profit		41,492	41,847	46,347	47,198
Writeback of allowance for impairment on loans and advances	21	359	-	359	-
Allowance for impairment on other financial assets	22	(144)	(1,130)	(267)	(937)
Impairment loss on investment in subsidiary		(387)	-	(387)	-
Reversal of provision for commitments and contingencies		27	-	27	-
Profit before taxation		41,347	40,717	46,079	46,261
Taxation		(1,634)	-	(2,864)	(1,667)
Profit for the financial period		39,713	40,717	43,215	44,594

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

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UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

Bank	Individual Quarter		Cumulative Quarter	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Profit for the financial period	39,713	40,717	43,215	44,594
Other comprehensive (loss)/income:				
Item that will not be reclassified subsequently to profit or loss				
Equity instruments at fair value through other comprehensive income ("FVOCI")				
Net unrealised loss on changes in fair value	-	-	(192)	(166)
Item that may be reclassified subsequently to profit or loss				
Debt instruments at FVOCI				
Net unrealised (loss)/gain on changes in fair value	(170)	45	(304)	(45)
Tax effect	40	(11)	72	11
	(130)	34	(232)	(34)
Other comprehensive (loss)/income for the financial period	(130)	34	(424)	(200)
Total comprehensive income for the period	39,583	40,751	42,791	44,394

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

AmlInvestment Bank Berhad
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UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

Group	<-----Attributable to equity holder of the Bank----->						
	Non-distributable					Distributable	
	Share capital RM'000	Capital reserve RM'000	Regulatory reserve RM'000	Merger reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 April 2022	330,000	2,815	8,457	82,115	1,703	144,979	570,069
Profit for the financial period	-	-	-	-	-	36,484	36,484
Other comprehensive loss	-	-	-	-	(200)	-	(200)
Total comprehensive (loss)/income for the period	-	-	-	-	(200)	36,484	36,284
Transfer to regulatory reserve	-	-	581	-	-	(581)	-
Dividends	-	-	-	-	-	(94,211)	(94,211)
Transactions with owner and other equity movements	-	-	581	-	-	(94,792)	(94,211)
At 30 September 2022	330,000	2,815	9,038	82,115	1,503	86,671	512,142
At 1 April 2023	330,000	2,815	10,478	82,115	2,259	130,688	558,355
Profit for the financial period	-	-	-	-	-	36,742	36,742
Other comprehensive loss	-	-	-	-	(424)	-	(424)
Total comprehensive (loss)/income for the period	-	-	-	-	(424)	36,742	36,318
Transfer to regulatory reserve	-	-	904	-	-	(904)	-
Dividends	-	-	-	-	-	(75,054)	(75,054)
Transactions with owner and other equity movements	-	-	904	-	-	(75,958)	(75,054)
At 30 September 2023	330,000	2,815	11,382	82,115	1,835	91,472	519,619

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

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UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

Bank	<-----Attributable to equity holder of the Bank----->				
	Non-distributable			Distributable	
	Share capital RM'000	Regulatory reserve RM'000	Fair value reserve RM'000	Retained earnings RM'000	Total equity RM'000
At 1 April 2022	330,000	8,457	1,703	139,315	479,475
Profit for the financial period	-	-	-	44,594	44,594
Other comprehensive loss	-	-	(200)	-	(200)
Total comprehensive (loss)/income for the period	-	-	(200)	44,594	44,394
Transfer to regulatory reserve	-	581	-	(581)	-
Dividends	-	-	-	(94,211)	(94,211)
Transactions with owner and other equity movements	-	581	-	(94,792)	(94,211)
At 30 September 2022	330,000	9,038	1,503	89,117	429,658
At 1 April 2023	330,000	10,478	2,259	126,419	469,156
Profit for the financial period	-	-	-	43,215	43,215
Other comprehensive loss	-	-	(424)	-	(424)
Total comprehensive (loss)/income for the period	-	-	(424)	43,215	42,791
Transfer to regulatory reserve	-	904	-	(904)	-
Dividends	-	-	-	(75,054)	(75,054)
Transactions with owner and other equity movements	-	904	-	(75,958)	(75,054)
At 30 September 2023	330,000	11,382	1,835	93,676	436,893

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL QUARTER ENDED 30 SEPTEMBER 2023

	Group		Bank	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Profit before taxation	50,776	46,448	46,079	46,261
Adjustments for non-operating and non-cash items	2,318	1,744	(37,530)	(39,590)
Operating profit before working capital changes	53,094	48,192	8,549	6,671
Change in operating assets	(642,724)	178,135	(638,107)	177,718
Change in operating liabilities	1,073,916	(168,487)	1,080,104	(157,745)
Cash generated from operations	484,286	57,840	450,546	26,644
Tax paid	(12,913)	(16,345)	(6,312)	(8,518)
Net cash generated from operating activities	471,373	41,495	444,234	18,126
Net cash used in investing activities	(898)	(2,050)	39,182	40,065
Net cash used in financing activities	(75,414)	(94,552)	(75,414)	(94,552)
Net increase/(decrease) in cash and cash equivalents	395,061	(55,107)	408,002	(36,361)
Cash and cash equivalents at beginning of the financial period	343,229	278,842	241,866	176,597
Cash and cash equivalents at end of the financial period (Note 1)	738,290	223,735	649,868	140,236
Note 1:				
Cash and short term funds	238,289	223,735	149,867	140,236
Deposits and placement with bank	900,000	300,000	900,000	300,000
Less: Deposits with original maturity of more than than 3 months	(400,000)	(300,000)	(400,000)	(300,000)
	738,289	223,735	649,867	140,236
Allowances for expected credit losses	1	-	1	-
Cash and cash equivalents at end of the financial period	738,290	223,735	649,868	140,236

The unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2023.

EXPLANATORY NOTES :

1. BASIS OF PREPARATION

These condensed interim financial statements have been prepared in accordance with MFRS 134, Interim Financial Reporting issued by the Malaysian Accounting Standards Board (“MASB”) and paragraph 9.22 of the Listing Requirements of Bursa Malaysia. These financial statements also comply with IAS 34, Interim Financial Reporting issued by the International Accounting Standards Board.

These condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Group and the Bank for the financial year ended 31 March 2023 which are available upon request from the Company’s registered office at Level 22, Bangunan AmBank Group, No. 55, Jalan Raja Chulan, 50200 Kuala Lumpur.

The condensed interim financial statements incorporate those stockbroking and capital market activities undertaken in compliance with Shariah principles relating to investment banking services which are regulated by Securities Commission and Bursa Malaysia Berhad.

1.1 Significant Accounting Policies

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments to published standards:

- Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101 *Presentation of Financial Statements*)
- Disclosure of Accounting Policies (Amendments to MFRS 101 *Presentation of Financial Statements*)
- Definition of Accounting Estimates (Amendments to MFRS 108 *Accounting Policies, Changes in Accounting Estimates and Errors*)
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 *Income Taxes*)
- International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 *Income Taxes*)

The adoption of these amendments to published standards did not have any material impact on the financial statements of the Group and of the Bank. The Group and the Bank did not have to change its accounting policies or make retrospective adjustments as a result of adopting these amendments to published standards.

The nature of the amendments to published standards relevant to the Group and the Bank are described below:

Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101 *Presentation of Financial Statements*)

The amendments clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. Classification is unaffected by the expectations or intentions of the entity, as well as events after the reporting date. The adoption of these amendments did not result in any impact to the financial statements of the Group and the Bank.

Disclosure of Accounting Policies (Amendments to MFRS 101 *Presentation of Financial Statements*)

The amendments require entities to disclose material accounting policies rather than significant accounting policies in the financial statements. Entities are expected to make disclosure of accounting policies specific to the entity and not generic disclosures on MFRS applications.

An accounting policy is material if, when considered together with other information included in an entity’s financial statements, it can reasonably be expected to influence decisions that the users make based on those financial statements. Also, accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Immaterial accounting policy information need not be disclosed. The adoption of these amendments did not result in any material impact to the financial statements of the Group and the Bank.

1. BASIS OF PREPARATION (CONT'D.)

1.1 Significant Accounting Policies (Cont'd.)

Definition of Accounting Estimates (Amendments to MFRS 108 Accounting Policies, Changes in Accounting Estimates and Errors)

The amendments redefined accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty” and provide clarity on how to distinguish changes in accounting policies from changes in accounting estimates.

The amendments further clarified that effects of a change in an input or measurement technique used to develop an accounting estimate (for example, expected credit losses, fair value of an asset or liability, and depreciation for property and equipment) is a change in accounting estimate, if they do not arise from prior period errors. The adoption of these amendments did not result in any material impact to the financial statements of the Group and the Bank.

Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112 Income Taxes)

The amendments clarified that the initial exemption rule from recognising deferred taxes does not apply to transactions where both an asset and a liability are recognised at the same time resulting in equal amounts of taxable and deductible temporary differences. This essentially means that lessees would not be able to apply the initial exemption rule in MFRS 112 for the assets and liabilities arising from leases. The adoption of these amendments did not result in any material impact to the financial statements of the Group and the Bank.

International Tax Reform - Pillar Two Model Rules (Amendments to MFRS 112 Income Taxes)

The amendments introduced a mandatory temporary exception to the accounting for deferred taxes arising from the jurisdictional implementation of the Pillar Two model rules. The adoption of these amendments did not result in any impact to the financial statements of the Group and the Bank as the Group's activities are principally conducted in Malaysia.

1.2 Standards issued but not yet effective

Description	Effective for annual periods beginning on or after
- Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 Leases)	1 January 2024
- Non-current Liabilities with Covenants (Amendments to MFRS 101 Presentation of Financial Statements)	1 January 2024
- Supplier Finance Arrangements (Amendments to MFRS 107 Statement of Cash Flows and MFRS 7 Financial Instruments: Disclosures)	1 January 2024
- Lack of Exchangeability (Amendments to MFRS 121 The Effects of Changes in Foreign Exchange Rates)	1 January 2025
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 Consolidated Financial Statements and MFRS 128 Investments in Associates and Joint Ventures)	To be determined by MASB

The nature of the new amendments to published standards that are issued but not yet effective are described below. The Group and the Bank are assessing the financial effects of their adoption.

1. BASIS OF PREPARATION (CONT'D.)

1.2 Standards issued but not yet effective (Cont'd.)

(a) Amendments to published standards effective for financial year ending 31 March 2025

The amendments clarified that, in subsequently measuring the lease liability, seller-lessee determines lease payments and revised leased payments in a way that does not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

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

The amendments clarified that covenants of loan arrangements which an entity must comply with only after the reporting date would not affect classification of a liability as current or non-current at the reporting date. However, those covenants that an entity is required to comply with on or before reporting date would affect classification as current or non-current, even if the covenant is only assessed after the entity's reporting date.

Supplier Finance Arrangements (Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures*)

The amendments introduced new disclosure requirements for supplier finance arrangements which include terms and conditions of supplier financing arrangements, the amounts of the liabilities that are the subject of such agreements, the range of payment due dates and information on liquidity risk.

(b) Amendments to published standards effective for financial year ending 31 March 2026

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

The amendments clarified when a currency is exchangeable into another currency and how an entity estimates a spot rate when a currency lacks exchangeability. New disclosure requirements include the nature and financial impacts of the currency not being exchangeable, spot exchange rate used, estimation process and risks to the entity when the currency is not exchangeable.

(c) Standard effective on a date to be determined by MASB

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

The amendments clarify that:

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

1.3 Significant Accounting judgements, Estimates and Assumptions

The preparation of the condensed interim financial statements in accordance with MFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of revenue, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Judgements, estimates and assumptions are continually evaluated and are based on past experience, reasonable expectations of future events and other factors. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets and liabilities affected in future periods.

In the process of applying the Group's and the Bank's accounting policies, the significant judgements, estimates and assumptions made by management were the same as those applied to the annual financial statements for the financial year ended 31 March 2023.

2. AUDIT QUALIFICATION

There was no audit qualification in the audited annual financial statements for the year ended 31 March 2023.

3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The operations of the Group and the Bank are not materially affected by any seasonal or cyclical fluctuation in the current financial quarter and period.

4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE

There were no unusual items during the current financial quarter and period.

5. CHANGES IN ESTIMATES

There was no material change in estimates of amounts reported in the prior financial years that have a material effect for the financial quarter and period ended 30 September 2023.

6. ISSUANCE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

The Group and the Bank have not issued any new shares or debentures during the financial quarter and period.

There were no share buy-back, share cancellation, shares held as treasury shares nor resale of treasury shares by the Group and the Bank during the financial quarter and period.

7. DIVIDENDS

The final single-tier dividend of 23.90 sen per ordinary share on 314,035,088 ordinary shares was declared on 26 April 2023 amounting to RM75,054,386 in respect of financial year ended 31 March 2023 and was paid by the Bank on 16 June 2023.

The directors do not recommend the payment of any dividend in respect of the current financial period ended 30 September 2023.

8. CASH AND SHORT TERM FUNDS

	Group		Bank	
	30 September 2023 RM'000	31 March 2023 RM'000	30 September 2023 RM'000	31 March 2023 RM'000
Cash and bank balances	99,367	91,705	76,851	65,097
Deposit placements maturing within one month:				
Licensed banks	122,206	165,755	56,300	91,000
Other financial institutions	16,717	15,769	16,717	15,769
	<u>238,290</u>	<u>273,229</u>	<u>149,868</u>	<u>171,866</u>
Less: Allowances for ECL				
- Stage 1 -12-month ECL	(1)	-	(1)	-
	<u>238,289</u>	<u>273,229</u>	<u>149,867</u>	<u>171,866</u>

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL		Total
	RM'000		
At 30 September 2023			
Balance at beginning of the financial period	-	-	-
Net remeasurement of allowances (Note 22)	1	1	1
Balance at end of the financial period	<u>1</u>	<u>1</u>	<u>1</u>
At 31 March 2023			
Balance at beginning of the financial year	2	2	2
Net remeasurement of allowances	(2)	(2)	(2)
Balance at end of the financial year	<u>-</u>	<u>-</u>	<u>-</u>

9. DEPOSITS AND PLACEMENTS WITH A BANK

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Licensed bank, a related company	900,000	70,000
	<u>900,000</u>	<u>70,000</u>
Of which deposit and placements with original maturity of:		
Three months or less	500,000	70,000
More than three months	400,000	-
	<u>900,000</u>	<u>70,000</u>

10. FINANCIAL ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
At Fair value		
Money Market Instruments:		
Malaysian Government Securities	30,225	30,480
Unquoted Securities:		
In Malaysia:		
Shares	2,766	2,960
Outside Malaysia:		
Shares	28	26
	<u>33,019</u>	<u>33,466</u>

11. FINANCIAL INVESTMENTS AT AMORTISED COST

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
At Amortised Cost:		
Unquoted Securities in Malaysia:		
Sukuk	75,000	75,000
	<u>75,000</u>	<u>75,000</u>

12. LOANS AND ADVANCES

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
At Amortised Cost		
Share margin financing	893,036	809,495
Revolving credits	5,780	5,974
Staff loans	400	438
Gross loans and advances	<u>899,216</u>	<u>815,907</u>
Less: Allowance for impairment on loans and advances		
Allowances for ECL		
Stage 1 - 12 months expected credit loss ("ECL")	(1)	(1)
Net loans and advances	<u>899,215</u>	<u>815,906</u>

(a) Gross loans and advances analysed by type of customers are as follows:

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Domestic business enterprises:		
Small medium enterprises	32,144	35,119
Others	11,939	12,339
Individuals	849,227	762,555
Foreign individuals and entities	5,906	5,894
	<u>899,216</u>	<u>815,907</u>

(b) All loans and advances reside in Malaysia.

(c) Gross loans and advances analysed by interest rate sensitivity are as follows:

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Fixed rate		
Other fixed rate loans	-	809,495
Variable rate:		
Base rate and base lending rate plus	893,436	438
Cost-plus	5,780	5,974
	<u>899,216</u>	<u>815,907</u>

12. LOANS AND ADVANCES (CONT'D.)

(d) Gross loans and advances analysed by sector are as follows:

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Agriculture	356	368
Manufacturing	4,944	-
Construction	-	2,014
Wholesale and retail trade and hotels and restaurant	5,429	6,990
Transport, storage and communication	16,295	13,467
Real estate	619	1,646
Business activities	6,697	7,134
Education and health	9,703	9,705
Household, of which:	855,173	774,583
Purchase of residential properties	400	438
Purchase of securities	854,773	774,145
	<u>899,216</u>	<u>815,907</u>

(e) Gross loans and advances analysed by residual contractual maturity are as follows:

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Maturing within one year	898,871	815,525
Over one year to three years	61	83
Over three years to five years	78	81
Over five years	206	218
	<u>899,216</u>	<u>815,907</u>

(f) Movements in allowances for ECL are as follows:

Group and Bank	Stage 1
	12-Month
	ECL
	RM'000
At 30 September 2023	
Balance at the beginning/end of the financial period	<u>1</u>
At 31 March 2023	
Balance at beginning/end of the financial year	<u>1</u>

13. OTHER ASSETS

	Group		Bank	
	30 September 2023 RM'000	31 March 2023 RM'000	30 September 2023 RM'000	31 March 2023 RM'000
Trade receivables	386,497	271,463	375,913	258,546
Other receivables, deposits and prepayments	39,408	29,355	18,444	15,090
Interest receivable	10,020	960	10,020	960
Tax recoverable	44,231	39,111	44,146	39,035
Margin deposits	115,971	95,400	115,971	95,400
Amount due from:				
Subsidiaries	-	-	3,941	3,679
Other related companies	263	472	259	472
	<u>596,390</u>	<u>436,761</u>	<u>568,694</u>	<u>413,182</u>
Less:				
Allowances for impairment	(3,843)	(4,023)	(3,540)	(3,283)
	<u>592,547</u>	<u>432,738</u>	<u>565,154</u>	<u>409,899</u>

14. DEPOSITS AND PLACEMENTS OF A BANK

The deposit placed with the Bank is by a related company.

15. OTHER LIABILITIES

	Group		Bank	
	30 September 2023 RM'000	31 March 2023 RM'000	30 September 2023 RM'000	31 March 2023 RM'000
Trade payables	397,211	294,138	397,211	294,138
Other payables and accruals	45,334	53,875	24,826	33,928
Interest payable	33,896	7,988	33,896	7,988
Provision for commitments and contingencies	146	173	146	173
Lease liabilities	2,548	2,864	2,548	2,864
Provision for reinstatement of leased properties	306	304	306	304
Amount due to related companies	11,216	14,146	9,908	9,835
	<u>490,657</u>	<u>373,488</u>	<u>468,841</u>	<u>349,230</u>

16. INTEREST INCOME

Group	Individual Quarter		Cumulative Quarter	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
Cash and short-term funds	10,898	4,539	15,169	9,620
Financial investments at fair value through other comprehensive income	318	137	633	275
Financial investments at amortised cost	788	788	1,568	1,568
Loans and advances	12,869	9,032	24,864	17,633
Others	429	314	773	598
	<u>25,302</u>	<u>14,810</u>	<u>43,007</u>	<u>29,694</u>

Bank	Individual Quarter		Cumulative Quarter	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
Cash and short-term funds	10,377	4,012	14,161	8,673
Financial investments at fair value through other comprehensive income	318	137	633	275
Financial investments at amortised cost	788	788	1,568	1,568
Loans and advances	12,869	9,032	24,864	17,633
Others	429	314	773	598
	<u>24,781</u>	<u>14,283</u>	<u>41,999</u>	<u>28,747</u>

17. INTEREST EXPENSE

Group	Individual Quarter		Cumulative Quarter	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of a bank	17,766	5,365	27,127	10,283
Others	211	219	422	422
	<u>17,977</u>	<u>5,584</u>	<u>27,549</u>	<u>10,705</u>

Bank	Individual Quarter		Cumulative Quarter	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of a bank	17,766	5,365	27,127	10,283
Others	173	182	347	351
	<u>17,939</u>	<u>5,547</u>	<u>27,474</u>	<u>10,634</u>

18. OTHER OPERATING INCOME

Group	Individual Quarter		Cumulative Quarter	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Fee and commission income:				
Fee and commission income that are provided over time:				
Corporate advisory	7,145	3,250	11,810	6,700
Fees on loans and securities				
Agency fees	763	818	1,567	1,620
Other loans and securities related fees	1,288	924	2,504	1,777
Portfolio management fees	10,272	10,312	20,426	20,582
Unit trust management fees	34,499	34,628	69,136	68,578
Wealth management fees	165	177	322	375
Fee and commission income from providing transaction services:				
Brokerage fees and commission	18,611	12,636	33,220	26,638
Corporate advisory	800	150	1,625	300
Fees on loans and securities				
Arrangement and upfront fees	1,008	3,113	7,366	3,685
Other loans and securities related fees	186	107	1,382	293
Portfolio management fees	-	-	7,985	-
Underwriting commission	-	160	-	2,492
Wealth management fees	3,038	6,718	5,192	10,684
Unit trust service charges	3,099	2,793	5,719	5,809
Placement fees	1,850	-	3,412	600
Other fee and commission income	1,311	703	2,269	2,013
	<u>84,035</u>	<u>76,489</u>	<u>173,935</u>	<u>152,146</u>
Investment and trading income:				
Dividend income from:				
Financial assets at fair value through other comprehensive income	98	146	98	146
Net foreign exchange gain	359	1,177	1,351	2,185
Net gain from sale of financial assets at fair value through profit or loss	-	2	-	2
	<u>457</u>	<u>1,325</u>	<u>1,449</u>	<u>2,333</u>
Other income:				
Net loss on disposal of property and equipment	-	(2)	-	(32)
Non-trading foreign exchange gain/(loss)	4	(1)	3	(8)
Rental income	577	585	1,164	1,172
Others	222	43	270	83
	<u>803</u>	<u>625</u>	<u>1,437</u>	<u>1,215</u>
	<u>85,295</u>	<u>78,439</u>	<u>176,821</u>	<u>155,694</u>

18. OTHER OPERATING INCOME (CONT'D.)

Bank	Individual Quarter		Cumulative Quarter	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Fee and commission income:				
Fee and commission income that are provided over time:				
Corporate advisory	7,145	3,250	11,810	6,700
Fees on loans and securities				
Agency fees	763	818	1,567	1,620
Other loans and securities related fees	1,288	924	2,504	1,777
Portfolio management fees	225	269	461	575
Wealth management fees	4,112	4,034	8,207	7,963
Fee and commission income from providing transaction services:				
Brokerage fees and commission	18,611	12,636	33,220	26,638
Corporate advisory	800	150	1,625	300
Fees on loans and securities				
Arrangement and upfront fees	1,008	3,113	7,366	3,685
Other loans and securities related fees	186	107	1,382	293
Underwriting commission	-	160	-	2,492
Wealth management fees	3,047	6,733	5,205	10,715
Placement fees	1,850	-	3,412	600
Other fee and commission income	1,452	773	2,529	2,262
	<u>40,487</u>	<u>32,967</u>	<u>79,288</u>	<u>65,620</u>
Investment and trading income:				
Dividend income from :				
Subsidiaries	39,890	41,400	39,890	41,400
Financial assets at fair value through other comprehensive income	98	146	98	146
Net foreign exchange gain	268	785	958	1,606
Net gain from sale of financial assets at fair value through profit or loss	-	2	-	2
	<u>40,256</u>	<u>42,333</u>	<u>40,946</u>	<u>43,154</u>
Other income:				
Net loss on disposal of property and equipment	-	(2)	-	(32)
Rental income	577	586	1,166	1,175
Others	214	37	257	69
	<u>791</u>	<u>621</u>	<u>1,423</u>	<u>1,212</u>
	<u>81,534</u>	<u>75,921</u>	<u>121,657</u>	<u>109,986</u>

19. DIRECT COSTS

Group	Individual Quarter		Cumulative Quarter	
	30 September 2023 RM'000	30 September 2022 RM'000	30 September 2023 RM'000	30 September 2022 RM'000
Brokerage commission	6,611	4,375	12,024	8,911
Unit trust commission	7,569	7,580	14,798	15,518
Others	3,088	3,982	5,749	7,211
	<u>17,268</u>	<u>15,937</u>	<u>32,571</u>	<u>31,640</u>
Bank				
Brokerage commission	6,611	4,375	12,024	8,911
Others	3,088	3,982	5,749	7,211
	<u>9,699</u>	<u>8,357</u>	<u>17,773</u>	<u>16,122</u>

20. OTHER OPERATING EXPENSES

Group	Individual Quarter		Cumulative Quarter	
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	24,675	22,851	49,521	44,461
- Contributions to Employees' Provident Fund ("EPF")/Private Retirement Schemes	3,925	3,651	7,960	7,059
- Share granted under AMMB Executives' Share Scheme ("ESS") - charge	1,096	967	1,598	1,091
- Social security costs	153	135	307	260
- Others	2,357	1,795	4,027	4,052
	<u>32,206</u>	<u>29,399</u>	<u>63,413</u>	<u>56,923</u>
Establishment costs				
- Amortisation of intangible assets	310	251	698	469
- Cleaning, maintenance and security	729	300	1,349	760
- Computerisation costs	3,325	3,567	5,844	5,564
- Depreciation of property and equipment	439	441	874	890
- Depreciation of right-of-use asset	168	159	336	317
- Finance costs:				
- interest on lease liability	21	25	43	51
- provision for reinstatement of leased properties	1	1	2	2
- Rental of premises	1,334	1,715	2,879	3,440
- Others	131	274	300	454
	<u>6,458</u>	<u>6,733</u>	<u>12,325</u>	<u>11,947</u>
Marketing and communication expenses				
- Advertising, promotional and other marketing activities	155	99	298	203
- Sales commission	7	9	14	14
- Travelling and entertainment	351	200	558	355
- Communication expenses	403	388	662	719
- Others	305	285	449	420
	<u>1,221</u>	<u>981</u>	<u>1,981</u>	<u>1,711</u>
Administration and general expenses				
- Professional fees	3,467	3,405	6,673	6,463
- Travelling	82	79	161	186
- Others	3,703	3,117	7,323	6,298
	<u>7,252</u>	<u>6,601</u>	<u>14,157</u>	<u>12,947</u>
Service transfer pricing - expense, net (Note 1)	10,047	6,348	17,178	12,130
	<u>57,184</u>	<u>50,062</u>	<u>109,054</u>	<u>95,658</u>

Note 1: Higher service transfer pricing ("STP") expense mainly from the revision in allocation methodology of STP expenses.

20. OTHER OPERATING EXPENSES (CONTD.)

Bank	Individual Quarter		Cumulative Quarter	
	30 September 2023	30 September 2022	30 September 2023	30 September 2022
	RM'000	RM'000	RM'000	RM'000
Personnel costs				
- Salaries, allowances and bonuses	15,059	16,094	31,800	30,589
- Contributions to EPF/Private Retirement Schemes	2,375	2,570	5,099	4,846
- Share granted under AMMB ESS - charge	758	728	1,133	864
- Social security costs	99	88	199	170
- Others	1,691	1,234	2,759	3,047
	<u>19,982</u>	<u>20,714</u>	<u>40,990</u>	<u>39,516</u>
Establishment costs				
- Amortisation of intangible assets	214	141	506	285
- Cleaning, maintenance and security	712	282	1,301	721
- Computerisation costs	3,096	3,545	5,397	5,516
- Depreciation of property and equipment	398	399	795	797
- Depreciation of right-of-use asset	168	159	336	317
- Finance costs:				
- interest on lease liability	21	25	43	51
- provision for reinstatement of leased properties	1	1	2	2
- Rental of premises	1,014	1,291	2,239	2,594
- Others	118	254	272	418
	<u>5,742</u>	<u>6,097</u>	<u>10,891</u>	<u>10,701</u>
Marketing and communication expenses				
- Advertising, promotional and other marketing activities	83	49	140	85
- Sales commission	7	9	14	14
- Travelling and entertainment	296	170	476	318
- Communication expenses	234	304	424	548
- Others	170	139	309	222
	<u>790</u>	<u>671</u>	<u>1,363</u>	<u>1,187</u>
Administration and general expenses				
- Professional fees	574	431	1,058	780
- Travelling	78	77	152	179
- Others	1,395	1,339	2,942	2,788
	<u>2,047</u>	<u>1,847</u>	<u>4,152</u>	<u>3,747</u>
Service transfer pricing - expense, net (Note 1)	8,624	5,124	14,666	9,628
	<u>37,185</u>	<u>34,453</u>	<u>72,062</u>	<u>64,779</u>

Note 1: Higher service transfer pricing ("STP") expense mainly from the revision in allocation methodology of STP expense.

21. WRITEBACK OF IMPAIRMENT ON LOANS AND ADVANCES

	Individual Quarter		Cumulative Quarter	
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Group and Bank				
Impaired loans and advances recovered, net	359	-	359	-
	<u>359</u>	<u>-</u>	<u>359</u>	<u>-</u>

22. ALLOWANCE FOR IMPAIRMENT ON OTHER FINANCIAL ASSETS

	Individual Quarter		Cumulative Quarter	
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
	RM'000	RM'000	RM'000	RM'000
Group				
Cash and short term funds	-	1	(1)	2
Other assets	(142)	(1,131)	(263)	(939)
	<u>(142)</u>	<u>(1,130)</u>	<u>(264)</u>	<u>(937)</u>
Bank				
Cash and short term funds	-	1	(1)	2
Other assets	(144)	(1,131)	(266)	(939)
	<u>(144)</u>	<u>(1,130)</u>	<u>(267)</u>	<u>(937)</u>

23. BASIC/DILUTED EARNINGS PER SHARE

	Individual Quarter		Cumulative Quarter	
	30 September	30 September	30 September	30 September
	2023	2022	2023	2022
Group				
Net profit attributable to shareholder of the Group (RM'000)	<u>12,306</u>	<u>16,073</u>	<u>36,742</u>	<u>36,484</u>
Weighted average number of ordinary shares in issue ('000)	<u>314,035</u>	<u>314,035</u>	<u>314,035</u>	<u>314,035</u>
Basic/diluted earnings per share (sen)	<u>3.9</u>	<u>5.1</u>	<u>11.7</u>	<u>11.6</u>

24. BUSINESS SEGMENT ANALYSIS

Segment information is presented in respect of the Group's business segments. The business segment information is prepared based on internal management reports, which are regularly reviewed by the Chief Operating Decision-Maker in order to allocate resources to segment and to assess its performance. The division forms the basis on which the Group reports its segment information.

i. The Group comprises the following main business segments:

(a) Investment banking

The Investment Banking division of the Group offers a full range of investment banking solutions and services, encompassing the following business segments:

- (i) Equity Markets – provides clients an investment avenue to participate in the equity markets through its multiple distribution channels, including remisiers, Bank Branch Broking, salaried dealers, and the internet trading platform, offering clients the flexibility to trade equities and futures both online and offline.
- (ii) Fund Management – comprises the asset and fund management services, offering a variety of investment solutions for various asset classes to retail, corporate and institutional clients.
- (iii) Private Banking – manages the private wealth of high net worth individuals, family groups and companies by offering comprehensive wealth management solutions and integrated access to expertise and resources of AMMB Group.
- (iv) Corporate Finance – provides an extensive range of corporate finance and advisory services which include mergers and acquisitions, divestitures, take-overs, initial public offerings, restructuring, privatisations, issuance of equity and equity-linked instruments as well as valuation support.
- (v) Debt Markets – provides debt financing solutions to clients through a wide array of products which include conventional corporate bonds and Islamic sukuk, loan syndication, capital and project advisory as well as structured finance and securitization deals.
- (vi) Others – other Investment Banking supporting function within the Group.

(b) Group Funding and Others

Group Funding and Others comprises activities to maintain the liquidity of the Group as well as support operations of its main business units and non-core operations of the Group.

ii. Measurement of Segment Performance

The segment performance is measured on income, expenses and profit basis. These are shown after allocation of certain centralised cost, funding income and expenses and expenses directly associated with each segment. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on aggregation.

Note:

- (i) The Chief Operating Decision Maker relies primarily on the net fee income information to assess the performance of, and to make decisions about resources to be allocated to these operating segments.
- (ii) The financial information by geographical segment is not presented as the Group's activities are principally conducted in Malaysia.
- (iii) The comparatives have been restated to conform with current business realignment.

24. BUSINESS SEGMENT ANALYSIS (CONT'D.)

For the financial period ended 30 September 2023 Group	Investment Banking						Group Funding and Others RM'000	Total RM'000
	Equity Markets RM'000	Fund Management RM'000	Private Banking RM'000	Corporate Finance RM'000	Debt Markets RM'000	Others RM'000		
External net income	51,951	82,535	12,718	11,946	14,055	168	(13,665)	159,708
Intersegments net income	(18,746)	-	(92)	(23)	(10)	50	18,821	-
Net income	33,205	82,535	12,626	11,923	14,045	218	5,156	159,708
Net interest income/(expense)	9,567	927	41	(23)	(10)	51	4,905	15,458
Other operating income, net of direct costs	23,638	81,608	12,585	11,946	14,055	167	251	144,250
Net income	33,205	82,535	12,626	11,923	14,045	218	5,156	159,708
Other operating expenses	(25,545)	(38,404)	(13,049)	(8,635)	(6,744)	(11,113)	(5,564)	(109,054)
<i>of which:</i>								
<i>Depreciation of property and equipment</i>	(262)	(78)	(50)	(25)	(13)	(25)	(421)	(874)
<i>Depreciation of right-of-use assets</i>	-	-	-	-	-	-	(336)	(336)
<i>Amortisation of intangible assets</i>	(208)	(192)	(32)	(369)	(1)	146	(42)	(698)
Operating profit/(loss)	7,660	44,131	(423)	3,288	7,301	(10,895)	(408)	50,654
Writeback of impairment on loans and advances	359	-	-	-	-	-	-	359
Net writeback of allowance/(allowance) for other financial assets	3	3	-	378	(646)	-	(2)	(264)
Reversal of provision for commitments and contingencies	-	-	-	-	-	-	27	27
Profit/(loss) before taxation	8,022	44,134	(423)	3,666	6,655	(10,895)	(383)	50,776
Taxation	(1,925)	(10,820)	102	(880)	(1,597)	2,614	(1,528)	(14,034)
Profit/(loss) for the period	6,097	33,314	(321)	2,786	5,058	(8,281)	(1,911)	36,742
Other information:								
Total segment assets	1,456,115	121,663	7,157	5,146	4,182	207	1,225,813	2,820,283
Total segment liabilities	401,440	25,846	1,463	2,619	3,344	2,960	1,862,992	2,300,664
Cost to income ratio	76.9%	46.5%	>100%	72.4%	48.0%	>100%	>100%	68.3%
Gross loans and advances	893,036	-	5,780	-	-	-	400	899,216
Net loans and advances	893,036	-	5,780	-	-	-	399	899,215
Total deposits and placements	-	-	-	-	-	-	1,810,000	1,810,000
Additions to:								
Property and equipment	89	-	12	13	-	1	74	189
Intangible assets	149	-	-	-	-	1	468	618

24. BUSINESS SEGMENT ANALYSIS (CONT'D.)

For the financial period ended 30 September 2022 Group (Restated)	Investment Banking						Group Funding and Others RM'000	Total RM'000
	Equity Markets RM'000	Fund Management RM'000	Private Banking RM'000	Corporate Finance RM'000	Debt Markets RM'000	Others RM'000		
External net income	39,960	73,828	16,969	8,728	5,120	19	(1,581)	143,043
Intersegments net income	(8,933)	-	(90)	(5)	4	6	9,018	-
Net income	31,027	73,828	16,879	8,723	5,124	25	7,437	143,043
Net interest income	12,812	865	36	(5)	4	6	5,271	18,989
Other operating income, net of direct costs	18,215	72,963	16,843	8,728	5,120	19	2,166	124,054
Net income	31,027	73,828	16,879	8,723	5,124	25	7,437	143,043
Other operating expenses	(24,581)	(32,319)	(11,645)	(8,269)	(6,339)	(11,572)	(933)	(95,658)
<i>of which:</i>								
<i>Depreciation of property and equipment</i>	(253)	(92)	(50)	(26)	(16)	(24)	(429)	(890)
<i>Depreciation of right-of-use assets</i>	-	-	-	-	-	-	(317)	(317)
<i>Amortisation of intangible assets</i>	(206)	(185)	(44)	(5)	(1)	(24)	(4)	(469)
Operating profit/(loss)	6,446	41,509	5,234	454	(1,215)	(11,547)	6,504	47,385
Net writeback of allowance/(allowance) for other financial assets	34	-	-	186	(1,159)	-	2	(937)
Profit/(loss) before taxation	6,480	41,509	5,234	640	(2,374)	(11,547)	6,506	46,448
Taxation	(1,555)	(8,286)	(1,256)	(154)	570	2,771	(2,054)	(9,964)
Profit/(loss) for the period	4,925	33,223	3,978	486	(1,804)	(8,776)	4,452	36,484
Other information:								
Total segment assets	1,273,677	117,340	10,208	1,800	2,365	1,257	619,182	2,025,829
Total segment liabilities	517,779	21,623	2,616	1,617	2,556	2,000	965,496	1,513,687
Cost to income ratio	79.2%	43.8%	69.0%	94.8%	>100%	>100%	12.5%	66.9%
Gross loans and advances	649,508	-	7,646	-	-	-	472	657,626
Net loans and advances	649,508	-	7,646	-	-	-	471	657,625
Total deposits and placements	-	-	-	-	-	-	930,000	930,000
Additions to:								
Property and equipment	150	48	5	10	-	13	222	448
Intangible assets	91	668	-	-	-	631	418	1,808

25. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's and the Bank's assets.

The principal amounts of the commitments and contingencies and notional contracted amounts of derivatives of the Group and the Bank are as follows:

	Group and Bank	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Commitments		
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	236,475	232,402
Derivative Financial Instruments		
Foreign exchange related contracts:		
- One year or less	242	1,249
	<u>236,717</u>	<u>233,651</u>

26. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

The Group and the Bank measure fair value using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements.

Level 1: quoted prices (unadjusted) 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;

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

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

Financial assets and liabilities measured using a valuation technique based on assumptions that are supported by prices from observable current market transactions are assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the AMMB Group's own models whereby the majority of assumptions are market observable.

Non-market observable inputs means that fair values are determined, in whole or in part, using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data. The main asset classes in this category are unlisted equity investments and debt instruments. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Group or the Bank. Therefore, unobservable inputs reflect the Group's and the Bank's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available, which might include the Group's and the Bank's own data as well as financial information from the counterparties. Unquoted equity investments at FVOCI are measured using adjusted net asset based on available market information.

8.5% (31 March 2023 : 8.9%) of the Group's and the Bank's total financial assets recorded at fair value, are based on estimates and recorded as Level 3 investments. Where estimates are used, these are based on a combination of independent third-party evidence and internally developed models, calibrated to market observable data where possible. While such valuations are sensitive to estimates, it is believed that changing one or more of the assumptions to reasonably possible alternative assumptions would not change the fair value significantly.

There was no transfer between Level 1 and Level 2 during the current financial quarter and previous financial year for the Group and the Bank.

26. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)

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

30 September 2023	< ----- Group and Bank ----- >			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Assets measured at fair value				
Financial investments at fair value through other comprehensive income				
- Money market securities	-	30,225	-	30,225
- Unquoted shares	-	-	2,794	2,794
	<u>-</u>	<u>30,225</u>	<u>2,794</u>	<u>33,019</u>
Liability measured at fair value				
Derivative financial liabilities				
	<u>2</u>	<u>-</u>	<u>-</u>	<u>2</u>

31 March 2023	< ----- Group and Bank ----- >			
	Level 1	Level 2	Level 3	Total
	RM'000	RM'000	RM'000	RM'000
Assets measured at fair value				
Financial investments at fair value through other comprehensive income				
- Money market securities	-	30,480	-	30,480
- Unquoted shares	-	-	2,986	2,986
	<u>-</u>	<u>30,480</u>	<u>2,986</u>	<u>33,466</u>
Liability measured at fair value				
Derivative financial liabilities				
	<u>4</u>	<u>-</u>	<u>-</u>	<u>4</u>

26. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)

Movements In Level 3 financial instruments measured at fair value

The level of the fair value hierarchy of financial instruments is determined at the beginning of each reporting period. The following table shows a reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value:

	Equity instruments at fair value through other comprehensive income	
	30 September	31 March
	2023	2023
	RM'000	RM'000
Group and Bank		
At beginning of the financial period/year	2,986	3,152
Unrealised loss on changes in fair value taken up in statement of comprehensive income	(192)	(166)
At end of the financial period/year	<u>2,794</u>	<u>2,986</u>

Total loss or gain included in the statement of comprehensive income for financial instruments held at the end of reporting period/year:

	30 September	31 March
	2023	2023
	RM'000	RM'000
Financial investments at fair value through other comprehensive income		
Unrealised loss in fair value reserve	<u>(192)</u>	<u>(166)</u>

There were no transfers between Level 2 and Level 3 financial instruments during the current financial period and previous financial year for the Group and the Bank.

Impact on fair value of Level 3 financial instruments measured at fair value arising from changes to key assumptions.

Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

27. CAPITAL ADEQUACY

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

Under transitional arrangement (Note (i))	Group	Bank
As at 30 September 2023 *		
Common Equity Tier 1 ("CET1") Capital Ratio	25.475%	26.954%
Tier 1 Capital Ratio	25.475%	26.954%
Total Capital Ratio	26.155%	27.790%
As at 31 March 2023		
Before deducting proposed dividends:		
CET1 Capital Ratio	40.806%	43.205%
Tier 1 Capital Ratio	40.806%	43.205%
Total Capital Ratio	41.427%	43.993%
After deducting proposed dividends:		
CET1 Capital Ratio	34.646%	35.067%
Tier 1 Capital Ratio	34.646%	35.067%
Total Capital Ratio	35.267%	35.856%

* No interim dividend is proposed for the period ended 30 September 2023.

Notes:

(i) The capital adequacy ratios of the Group and of the Bank are computed in accordance with BNM's policy document on Capital Adequacy Framework (Capital Components) issued on 9 December 2020 and Capital Adequacy Framework (Basel II – Risk Weighted Assets) issued on 3 May 2019. The Group and the Bank have adopted the Standardised Approach for Credit and Market Risks and the Basic Indicator Approach for Operational Risk, based on BNM's Guidelines on Capital Adequacy Framework (Basel II - Risk Weighted Assets).

Pursuant to the revised BNM policy document, Capital Adequacy Framework (Capital Component) issued on 9 December 2020, the capital ratios had been computed by applying transitional arrangements. Under the transitional arrangements, the Group and the Bank are allowed to add back the amount of loss allowance for non credit impaired exposure (ie: stage 1 and stage 2 provision) to CET1 Capital. Had the transitional arrangements not been applied, the impact to the capital ratios of the Group and the Bank is not material.

(ii) Pursuant to the BNM's guidelines on Capital Adequacy Framework (Capital Components) issued, a financial institution is required to hold and maintain, at all times, minimum capital adequacy ratios at 4.5% for CET1 Capital, 6.0% for Tier 1 Capital and 8.0% for Total Capital Ratio. In addition, a financial institution is also required to hold and maintain capital buffers in the form of CET1 Capital above the minimum CET1 Capital, Tier 1 Capital and Total Capital adequacy levels. The capital buffers shall comprise the sum of the following:

- (a) a Capital Conservation Buffer ("CCB") of 2.5%;
- (b) a Countercyclical Capital Buffer ("CCyB") determined as the weighted-average of the prevailing CCyB rates applied in the jurisdictions in which the banking institution has credit exposures. BNM will communicate any decision on the CCyB rate by up to 12 months before the date from which the rate applies for exposures in Malaysia; and
- (c) a Higher Loss Absorbency ("HLA") requirement for a financial institution that is designated as a domestic systemically important bank ("DSIB").

27. CAPITAL ADEQUACY (CONT'D.)

(b) The components of CET1, Tier 2 Capital and Total Capital of the Group and the Bank are as follows:

	Group		Bank	
	30 September 2023 RM'000	31 March 2023 RM'000	30 September 2023 RM'000	31 March 2023 RM'000
CET1 Capital				
Share capital	330,000	330,000	330,000	330,000
Retained earnings	58,442	130,688	93,676	126,419
Fair value reserve	1,835	2,259	1,835	2,259
Regulatory reserve	11,382	10,478	11,382	10,478
Capital reserve	2,815	2,815	-	-
Merger reserve	82,115	82,115	-	-
Less : Regulatory adjustments applied on CET 1 capital:				
Goodwill	(36,442)	(36,442)	-	-
Other intangible assets	(4,641)	(4,764)	(3,409)	(3,462)
Deferred tax assets	(5,965)	(8,257)	(4,206)	(5,664)
55% of Fair value reserve	(1,009)	(1,243)	(1,009)	(1,243)
Regulatory reserve	(11,382)	(10,478)	(11,382)	(10,478)
Investments in capital instruments of unconsolidated financial entities	-	-	(49,809)	(49,809)
Other CET1 regulatory adjustments specified by the BNM	4	1	4	1
CET1 Capital/Tier 1 Capital	427,154	497,172	367,082	398,501
Tier 2 Capital				
General provisions*	11,389	7,564	11,389	7,276
Tier 2 Capital	11,389	7,564	11,389	7,276
Total Capital	438,543	504,736	378,471	405,777

*Consists of stage 1 and stage 2 loss allowances and regulatory reserve.

The breakdown of risk-weighted assets("RWA") of the Group and the Bank in the various risk categories are as follows:

	Group		Bank	
	30 September 2023 RM'000	31 March 2023 RM'000	30 September 2023 RM'000	31 March 2023 RM'000
Credit RWA	1,046,764	605,137	1,016,061	582,070
Market RWA	15,411	13,661	6,310	6,231
Operational RWA	614,564	599,570	339,527	334,056
Total RWA	1,676,739	1,218,368	1,361,898	922,357

28. CREDIT TRANSACTIONS AND EXPOSURES WITH CONNECTED PARTIES

The disclosure on credit transactions and exposures with connected parties is required in accordance with Para 9.1 of Bank Negara Malaysia's revised Guidelines on Credit Transactions and Exposures with Connected Parties.

Group and Bank	30 September 2023 RM'000	31 March 2023 RM'000
Outstanding credit exposure with connected parties	188	-
Percentage of outstanding credit exposure to connected parties as proportion of total credit exposures	0.02%	-

29. PERFORMANCE REVIEW FOR THE PERIOD ENDED 30 SEPTEMBER 2023

The Group's profit before taxation for the six months ended 30 September 2023 of RM50.8 million was higher mainly due to higher portfolio management fees, brokerage fees and commissions, corporate advisory fees, arrangement and upfront fees and other loan and securities related fees offset by lower wealth management fees and higher personnel and service transfer pricing expenses.

In the opinion of the directors, the results of operations of the Group for the financial period have not been substantially affected by any item, transaction or event of a material and unusual nature.

30. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2024 ("FY24")

During third quarter of 2023, Malaysia's economy expanded by 3.3% year-on-year ("yoy"), faster pace compared to the previous quarter's 2.9% based on Department of Statistic Malaysia ("DOSM")'s preliminary estimates showed. The faster growth can be attributed to the strong expansion in the services sector, which rose by 5.1% yoy, alongside the construction sector's growth (+5.8% yoy) and recovery in the agriculture sector (+0.8% yoy). On the flipside, both manufacturing and mining and quarrying sectors declined marginally by 0.1% yoy.

We expect the global economic condition for the remainder of the year until the early part of 2024 will continue to be subdued, as most economies are still adjusting to the high interest rates environment implemented by most central banks. Globally, the outlook on the manufacturing sector remains pessimistic, reflected in the latest Global Purchasing Manager's Index ("PMI") that has been under the contractionary level since March 2023. In the United States, the Federal Reserve's ("Fed") fight against inflation seems successful as inflation and core inflation are receding. However, it comes with a price as interest rates are likely to stay elevated at above until the end of 2024. Similarly, rates are likely to remain high in the United Kingdom and Eurozone and signs of softer economic activity have already become apparent in those economy. The upside risk to inflation is seen coming from the recent rise in global oil prices and if the situation persists as we step into 2024 later, consumer purchasing would be eroded further. In China, signs of stabilising economy emerge as the recent third quarter of 2023 Gross Domestic Product ("GDP") posted a 4.9% yoy growth, beating market forecast of 4.4% yoy.

We anticipate continued support for growth from domestic demand this year. Wage growth in both the services and manufacturing sectors appears to have peaked, and employment growth has slowed to 2.0% in September 2023. However, the vacancy-to-unemployment ratio remains higher than pre-pandemic levels, suggesting room for improvement in private spending. Furthermore, tourism and related sectors are still improving and have yet to reach its pre-pandemic level. On the downside, subdued global trading activities is expected to persist and constraint Malaysia's economic growth. We now expect the domestic economy to grow by 4.0% in 2023 and 4.5% in 2024 but balance of risks is tilted towards the downside

On another note, the government released New Industrial Master Plan 2030 ("NIMP 2030") recently which aims to transform industries to the next level in accordance with emerging global trends i.e., capitalising the changing geopolitical landscape, digitalisation and environmental, social, and governance ("ESG") compliances. At the same time, the government also tabled the new 12th Malaysia Plan in which the GDP growth target was revised to 5.0% to 6.0% per annum, compared to previous target of 4.5% to 5.5%. Also, in its recent Budget 2024 tabling, the government set out RM393.8 billion spending for next year. The Budget reflects the government's commitment in consolidating its fiscal position, supporting the People through subsidies and assistance, and embracing ESG into its sustainable economic plan.

30. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2024 ("FY24") (CONT'D.)

In the Malaysia's banking industry, the overall outstanding loans expanded by 4.3% in September 2023. While the non-household segment loans expanded slower at 2.6%, household loans remained healthy at 5.6%. As the economy is expected to soften in 2023, we expect relatively subdued loan growth in the range of 4.0% to 5.0% for 2023 given that loan growth typically tracks GDP growth. The overall banking system remains healthy underpinned by strong liquidity. This is reflected by the liquidity coverage ratio which was at 151.5% in September 2023 (August 2023: 150.3%). The funding profile was also well-diversified with September 2023's loan-to-fund ratio and loan-to-fund-and-equity ratio at 82.5% and 71.9%, respectively (August 2023: 82.3% and 71.6%, respectively).

On the Overnight Policy Rate ("OPR"), with core inflation being modest so far due to slower hiring activities and the lag effect from the 125 bps cumulative rate hikes, we expect the OPR to stay at 3.00% until the end of 2024. Given that core inflation easing further to 2.5% in September 2023 coupled with contraction in exports, there is no immediate pressure to alter the policy rate. Nevertheless, the upside risk to inflation is expected to come from subsidiary rationalisation which is currently in the pipeline. Should the situation later translate into persistently high inflation, then there is a case to revisit our current OPR call.

On the back of this, the Malaysian financial capital markets are expected to remain positive in FY2024. Activities across Corporate Finance, Debt Markets, Equity Capital and Mergers & Acquisitions are expected to pick up pace, supported by a recovery in economic activities. Government has implemented a number of measures to support businesses to create a more favourable environment for businesses to access financing, which will also see more demand for capital market services.

With an encouraging performance for the second quarter of FY2024, Funds Management is expected to continue this trajectory mainly driven by institutional and corporate flows. We have launched an Environmental, Social and Governance ("ESG") fund on Global Lower Carbon Equity Fund and intend to convert several existing conventional funds into Sustainable and Responsible Investment ("SRI") funds and we will leverage on these to further strengthen our position with institution and corporate clients.

On Equity market, we expect Bursa volume and value continue to be lacklustre for the remainder of the year hence growth in brokerage income will continue to be challenging. To remain competitive in the market, we will focus our efforts to invest in upgrading the trading platform to better serve our customers.

Despite the headwinds, the Group expects to show resilience of its performance as it continues to push growth in its revenue whilst practicing cost discipline.

31. VALUATION OF PROPERTY AND EQUIPMENT

Property and equipment are stated at cost less accumulated depreciation and impairment losses (if any).

32. EVENT SUBSEQUENT TO REPORTING DATE

Subsequent to the approval of the condensed financial statements for the period ended 30 September 2023 by the Board of Directors, the Bank has mutually agreed with Lembaga Hasil Dalam Negeri Malaysia on the tax treatment of exceptional expenses incurred in the financial year ended 31 March 2021. As a result, the total tax deduction for the Bank amounting to RM70.8 million. As at 30 September 2023, the Bank had recognised a portion of tax deduction amounting to RM14.1 million as tax recoverable. The remaining tax deduction of RM56.7 million will be recognised in the upcoming quarter.