

Registration No. 199401009897 (295576-U)

**AmBank Islamic Berhad**  
(Incorporated in Malaysia)

**Condensed Interim Financial Statements**  
**For the Financial Period**  
**1 April 2024 to**  
**30 June 2024**  
(In Ringgit Malaysia)

Registration No. 199401009897 (295576-U)

AmBank Islamic Berhad

(Incorporated in Malaysia)

**UNAUDITED STATEMENT OF FINANCIAL POSITION  
AS AT 30 JUNE 2024**

		<b>30 June 2024</b>	<b>31 March 2024</b>
	<b>Note</b>	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>			
Cash and short-term funds	A8	1,157,754	775,179
Derivative financial assets		28,396	41,917
Financial assets at fair value through profit or loss	A9	2,617,694	3,235,806
Financial investments at fair value through other comprehensive income	A10	7,342,236	6,713,908
Financial investments at amortised cost	A11	3,834,735	3,859,657
Financing and advances	A12	44,262,985	44,982,387
Statutory deposit with Bank Negara Malaysia		960,000	920,000
Deferred tax asset		46,955	52,425
Other assets	A13	355,241	1,560,059
Property and equipment		209	251
Right-of-use assets		1,906	1,981
Intangible assets		272	220
<b>TOTAL ASSETS</b>		<b>60,608,383</b>	<b>62,143,790</b>
<b>LIABILITIES AND EQUITY</b>			
Deposits from customers	A14	45,595,684	48,234,293
Investment accounts of customers	A15	14,162	14,059
Deposits and placements of banks and other financial institutions	A16	1,062,685	2,915,211
Investment account due to a licensed bank	A17	1,214,571	1,366,363
Securities sold under repurchase agreements		2,214,129	-
Recourse obligation on financing sold to Cagamas Berhad		2,215,005	2,215,002
Derivative financial liabilities		28,419	41,030
Term funding		1,634,994	834,977
Subordinated Sukuk		1,300,000	1,300,000
Other liabilities	A18	421,854	436,696
Provision for zakat		4,995	3,218
<b>TOTAL LIABILITIES</b>		<b>55,706,498</b>	<b>57,360,849</b>
Share capital		1,387,107	1,387,107
Reserves		3,514,778	3,395,834
<b>Equity attributable to equity holder of the Bank</b>		<b>4,901,885</b>	<b>4,782,941</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>60,608,383</b>	<b>62,143,790</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A35	<b>13,999,938</b>	<b>14,330,865</b>
<b>NET ASSETS PER SHARE (RM)</b>		<b>9.92</b>	<b>9.67</b>

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

**UNAUDITED STATEMENT OF PROFIT OR LOSS  
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024**

	Note	Individual Quarter		Cumulative Quarter	
		30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Income derived from investment of depositors' funds	A19	645,484	660,994	645,484	660,994
Income derived from investment of investment account funds	A20	14,872	15,471	14,872	15,471
Income derived from investment of shareholder's funds	A21	69,674	59,151	69,674	59,151
Writeback of/(Allowance for) impairment on financing and advances - net	A22	3,849	(32,310)	3,849	(32,310)
Writeback of/(Allowance for) impairment on financial investments	A23	620	(7,248)	620	(7,248)
Allowance for impairment on other financial assets	A24	-	(19)	-	(19)
Writeback of provision for commitments and contingencies	A25	935	1,441	935	1,441
<b>Total distributable income</b>		<b>735,434</b>	<b>697,480</b>	<b>735,434</b>	<b>697,480</b>
Income attributable to the depositors and others	A26	(392,439)	(404,991)	(392,439)	(404,991)
Income attributable to the investment account holders	A27	(13,294)	(13,827)	(13,294)	(13,827)
<b>Total net income</b>		<b>329,701</b>	<b>278,662</b>	<b>329,701</b>	<b>278,662</b>
Other operating expenses	A28	(123,413)	(117,777)	(123,413)	(117,777)
Finance cost		(25,966)	(21,974)	(25,966)	(21,974)
<b>Profit before zakat and taxation</b>		<b>180,322</b>	<b>138,911</b>	<b>180,322</b>	<b>138,911</b>
Zakat		(1,777)	(638)	(1,777)	(638)
Taxation		(40,939)	(30,980)	(40,939)	(30,980)
<b>Profit for the financial period</b>		<b>137,606</b>	<b>107,293</b>	<b>137,606</b>	<b>107,293</b>
<b>Basic/Diluted earnings per share (sen)</b>	A29	<b>27.83</b>	<b>21.70</b>	<b>27.83</b>	<b>21.70</b>

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

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Profit for the financial period	137,606	107,293	137,606	107,293
Other comprehensive income/(loss):				
<b>Items that will not be reclassified subsequently to statement of profit or loss:</b>				
<u>Equity Instruments</u>				
Financial investments at fair value through other comprehensive income:				
Net unrealised gain on changes in fair value	4,966	-	4,966	-
Income tax effect	(1,192)	-	(1,192)	-
<b>Items that may be reclassified subsequently to statement of profit or loss:</b>				
<u>Debt Instruments</u>				
Financial investments at fair value through other comprehensive income:				
Net unrealised (loss)/gain on changes in fair value	(2,409)	4,567	(2,409)	4,567
Changes in expected credit loss	(336)	2,951	(336)	2,951
Net gain reclassified to statement of profit or loss	-	(1,353)	-	(1,353)
Income tax effect	578	(771)	578	(771)
Other comprehensive income for the period, net of tax	1,607	5,394	1,607	5,394
Total comprehensive income for the financial period	139,213	112,687	139,213	112,687

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

**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024**

	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
<b>At 1 April 2023</b>	1,387,107	-	(9,188)	3,022,623	4,400,542
Profit for the financial period	-	-	-	107,293	107,293
Other comprehensive income, net of tax	-	-	5,394	-	5,394
Total comprehensive income for the financial period	-	-	5,394	107,293	112,687
<b>At 30 June 2023</b>	1,387,107	-	(3,794)	3,129,916	4,513,229
<b>At 1 April 2024</b>	1,387,107	43,368	8,390	3,344,076	4,782,941
Profit for the financial period	-	-	-	137,606	137,606
Other comprehensive income, net of tax	-	-	1,607	-	1,607
Total comprehensive income for the financial period	-	-	1,607	137,606	139,213
Transfer to regulatory reserve	-	8,172	-	(8,172)	-
Dividend on ordinary shares:					
- final, financial year ended 31 March 2024	-	-	-	(20,269)	(20,269)
Other equity movements	-	8,172	-	(28,441)	(20,269)
<b>At 30 June 2024</b>	1,387,107	51,540	9,997	3,453,241	4,901,885

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

**UNAUDITED CONDENSED STATEMENT OF CASH FLOWS  
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024**

	<b>30 June 2024 RM'000</b>	<b>30 June 2023 RM'000</b>
Profit before zakat and taxation	180,322	138,911
Adjustments for non-operating and non-cash items	6,908	39,584
Operating profit before working capital changes	<u>187,230</u>	<u>178,495</u>
Changes in working capital:		
Net change in operating assets	2,495,834	1,707,029
Net change in operating liabilities	(1,640,049)	(1,489,562)
Taxation paid	(39,423)	(45,610)
Net cash generated from operating activities	<u>1,003,592</u>	<u>350,352</u>
Net cash (used in)/generated from investing activities	(600,664)	503,046
Net cash (used in)/generated from financing activities	(20,354)	499,915
Net increase in cash and cash equivalents	<u>382,574</u>	<u>1,353,313</u>
Cash and cash equivalents at beginning of the financial period	<u>775,195</u>	<u>2,113,375</u>
Cash and cash equivalents at end of the financial period	<u><u>1,157,769</u></u>	<u><u>3,466,688</u></u>
Cash and cash equivalents comprise:		
Cash and short-term funds	1,157,754	3,466,660
Allowances for expected credit loss for cash and cash equivalents at end of the financial period	15	28
	<u><u>1,157,769</u></u>	<u><u>3,466,688</u></u>

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

## Explanatory Notes

### A1. 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 complies with the International Accounting Standard ("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 Bank for the financial year ended 31 March 2024.

#### A1.1 Material 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:

- Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 *Leases*)
- Non-current Liabilities with Covenants (Amendments to MFRS 101 *Presentation of Financial Statements*)
- Supplier Finance Arrangements (Amendments to MFRS 107 *Statement of Cash Flows* and MFRS 7 *Financial Instruments: Disclosures*)

The adoption of the relevant amendments to published standards did not have any material impact on the financial statements of the Bank. 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 Bank are described below:

##### (a) Lease Liability in a Sale and Leaseback (Amendments to MFRS 16 *Leases*)

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.

##### (b) 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.

## A1. BASIS OF PREPARATION (CONT'D.)

### A1.1 Material Accounting Policies (Cont'd.)

The nature of the amendments to published standards relevant to the Bank are described below:  
(Cont'd.)

#### (c) 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.

#### New standards and amendments to published standards issued but not yet effective

Description	Effective for annual periods beginning on or after
- Lack of Exchangeability (Amendments to MFRS 121 <i>The Effects of Changes in Foreign Exchange Rates</i> )	1 January 2025
- Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 <i>Financial Instruments</i> and MFRS 7 <i>Financial Instruments: Disclosures</i> )	1 January 2026
- MFRS 18 <i>Presentation and Disclosure in Financial Statements</i>	1 January 2027
- MFRS 19 <i>Subsidiaries without Public Accountability: Disclosures</i>	1 January 2027
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 <i>Consolidated Financial Statements</i> and MFRS 128 <i>Investments in Associates and Joint Ventures</i> )	To be determined by MASB

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

#### (a) 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.



## A1. BASIS OF PREPARATION (CONT'D.)

### A1.1 Material Accounting Policies (Cont'd.)

#### New standards and amendments to published standards issued but not yet effective (Cont'd.)

##### (b) Amendments to published standard effective for financial year ending 31 March 2027

###### **Amendments to the Classification and Measurement of Financial Instruments (Amendments to MFRS 9 *Financial Instruments* and MFRS 7 *Financial Instruments: Disclosures*)**

The amendments clarified the dates of recognition and derecognition of financial assets and liabilities, with a new exception for financial liabilities settled through an electronic cash transfer

The amendments also provide additional guidance for assessing whether financial assets with contingent features that are not related directly to a change in basic lending risks or costs meet the sole payments of principal and interest ("SPPI") criterion.

Key characteristics of contractually linked instruments and the factors to be considered when assessing the cash flows underlying a financial asset with non-recourse features are also included in the amendments.

Additional disclosures are required for certain financial instruments with contractual terms that can change their cash flows and equity instruments designated at fair value through other comprehensive income.

##### (c) New standard effective for financial year ending 31 March 2028

###### **MFRS 18 *Presentation and Disclosure in Financial Statements***

MFRS 18 is a new accounting standard for presentation and disclosure of information in the financial statements which supersedes MFRS 101 *Presentation of Financial Statements*.

MFRS 18 introduced a defined structure for the statement of profit or loss comprising three main categories which include operating, investing and financing categories. Classification of income and expenses will be driven by the main business activities. Specified totals and subtotals are to be presented in the statement of profit or loss.

Information related to the management-defined performance measures ("MPM") should be disclosed in a note to the financial statements, including a reconciliation between the MPM and the most similar specified subtotal. Entity is also required to present expenses in the operating category by nature, function or a mix of both.

Enhanced guidance on the principles of aggregation and disaggregation, which focus on grouping of items based on their shared characteristics should be applied across the financial statements.

MFRS 18 is effective for reporting periods beginning on or after 1 January 2027 and is to be applied retrospectively. Early application is permitted.

Enhanced guidance on the principles of aggregation and disaggregation, which focus on grouping of items based on their shared characteristics should be applied across the financial statements.

**A1. BASIS OF PREPARATION (CONT'D.)**

**A1.2 Material 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 the 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 or liabilities affected in future periods.

In the process of applying 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 2024.

## **A2. AUDIT QUALIFICATION**

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

## **A3. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The operations of the Bank were not materially affected by any seasonal or cyclical fluctuation in the current financial quarter.

## **A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

There were no unusual items during the current financial quarter affecting the financial results of the Bank.

## **A5. CHANGES IN ESTIMATES**

There was no material change in estimates of amounts reported in prior financial years that have a material effect on the financial quarter.

## **A6. ISSUANCE, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY**

### **Issuance of Sukuk**

On 9 May 2024, the Bank issued Tranche 7 and Tranche 8 with nominal value of RM300.0 million and RM500.0 million respectively under its RM3.0 billion Senior Sukuk Musharakah programme ("Senior Sukuk"). The profit rate of Tranche 7 and Tranche 8 is at 4.00% and 4.10% per annum respectively and have a tenure of five (5) years and seven (7) years respectively.

Other than disclosed above, there were no new issuance of debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares nor resale of treasury shares and repayment of debt securities by the Bank during the financial quarter.

## **A7. DIVIDENDS**

During the financial period, a final single-tier dividend of 4.1 sen per ordinary share on 494,368,541 ordinary shares amounting to approximately RM20,269,110 in respect of previous financial year was paid on 28 June 2024.

The Directors do not recommend the payment of any dividend in respect of the current financial period ended 30 June 2024.

**A8. CASH AND SHORT-TERM FUNDS**

	<b>Note</b>	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Cash and bank balances		117,769	115,195
Less: Allowances for Expected Credit Loss ("ECL")	(a)	<u>(15)</u>	<u>(16)</u>
		<u>117,754</u>	<u>115,179</u>
Deposits and placements maturing within one month with original maturity of three months or less:			
Bank Negara Malaysia		<u>1,040,000</u>	<u>660,000</u>
		<u>1,040,000</u>	<u>660,000</u>
		<u>1,157,754</u>	<u>775,179</u>

(a) The movements in allowances for ECL are as follow:

	<b>Stage 1 12-Month ECL RM'000</b>
<b>30 June 2024</b>	
Balance at beginning of the financial period	16
Foreign exchange differences	<u>(1)</u>
Balance at end of the financial period	<u>15</u>
<b>31 March 2024</b>	
Balance at beginning of the financial year	8
Net allowance of ECL:	7
Net remeasurement of allowances	<u>7</u>
Foreign exchange differences	<u>1</u>
Balance at end of the financial year	<u>16</u>

**A9. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS**

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
<b>At fair value:</b>		
Money Market Instruments:		
Bank Negara Monetary Notes	239,944	289,592
Malaysian Islamic Treasury bills	989,887	2,511,949
Malaysian Government Investment Issues	822,981	374,382
	<u>2,052,812</u>	<u>3,175,923</u>
Unquoted Securities:		
In Malaysia:		
Sukuk	564,882	59,883
	<u>2,617,694</u>	<u>3,235,806</u>

**A10. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME**

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
<b>At fair value:</b>		
Money Market Instruments:		
Malaysian Government Investment Issues	3,200,335	2,808,361
Islamic Negotiable Instruments of Deposit	398,179	-
	<u>3,598,514</u>	<u>2,808,361</u>
Quoted Securities:		
In Malaysia:		
Shares	14,000	12,740
Unquoted Securities:		
In Malaysia:		
Sukuk	3,688,547	3,855,338
Shares	41,175	37,469
	<u>7,342,236</u>	<u>6,713,908</u>

**A10. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME (CONT'D.)**

The Bank had undertaken a fair value hedge on the profit rate risk of unquoted sukuk of RM350.0 million using profit rate swap with AmBank (M) Berhad ("AmBank"). The (loss)/gain arising from the fair value hedge during the current financial period/year is as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Relating to hedged item	(661)	(2,310)
Relating to hedging instrument	635	2,176
	<u>(26)</u>	<u>(134)</u>

The fair value changes on the hedge item is taken up under fair value reserve and the hedging gain or loss on the hedged item is reclassified to profit or loss.

Movements in allowances for ECL are as follows:

	<b>Stage 1 12-Month ECL RM'000</b>	<b>Stage 2 Lifetime ECL not credit impaired RM'000</b>	<b>Total RM'000</b>
<b>30 June 2024</b>			
Balance at beginning of the financial period	5,161	1,490	6,651
Net writeback of ECL (Note A23):	(336)	-	(336)
New financial assets originated	448	-	448
Financial assets derecognised	(377)	-	(377)
Net remeasurement of allowances	(407)	-	(407)
Balance at end of the financial period	<u>4,825</u>	<u>1,490</u>	<u>6,315</u>
<b>31 March 2024</b>			
Balance at beginning of the financial year	2,404	1,045	3,449
Net allowances for ECL:	2,757	445	3,202
New financial assets originated	2,241	-	2,241
Financial assets derecognised	(652)	-	(652)
Net remeasurement of allowances	1,168	445	1,613
Balance at end of the financial year	<u>5,161</u>	<u>1,490</u>	<u>6,651</u>

**A11. FINANCIAL INVESTMENTS AT AMORTISED COST**

	Note	30 June 2024 RM'000	31 March 2024 RM'000
<b>At amortised cost:</b>			
Money Market Instruments:			
Malaysian Government Investment Issues		1,057,236	1,057,168
Unquoted Securities:			
In Malaysia:			
Sukuk		3,254,221	3,279,495
Less: Allowances for ECL	(a)	<u>(476,722)</u>	<u>(477,006)</u>
		<u>3,834,735</u>	<u>3,859,657</u>

(a) The movements in allowances for ECL are as follows:

	Stage 1 12-Month ECL RM'000	Stage 3 Lifetime ECL Credit Impaired RM'000	Total RM'000
<b>30 June 2024</b>			
Balance at beginning of the financial period	1,919	475,087	477,006
Net writeback of ECL (Note A23):	(100)	(184)	(284)
Financial asset derecognised	(12)	-	(12)
Net remeasurement of allowances	(88)	(184)	(272)
Balance at end of the financial period	<u>1,819</u>	<u>474,903</u>	<u>476,722</u>
<b>31 March 2024</b>			
Balance at beginning of the financial year	2,169	457,563	459,732
Net (writeback of)/allowances for ECL:	(250)	17,524	17,274
New financial assets originated	1,306	-	1,306
Financial asset derecognised	(1,445)	-	(1,445)
Net remeasurement of allowances	(111)	17,524	17,413
Balance at end of the financial year	<u>1,919</u>	<u>475,087</u>	<u>477,006</u>

**A12. FINANCING AND ADVANCES**

A12a. Financing and advances by type and Shariah contracts are as follows:

**30 June 2024**

	Bai' Bithaman Ajil RM'000	Murabahah RM'000	Musharakah Mutanaqisah RM'000	Al-Ijarah Thummah Al -Bai' ("AITAB") RM'000	Bai' Inah RM'000	Others RM'000	Total RM'000
<b>At amortised cost:</b>							
Cash lines	-	563,524	-	-	453,503	-	1,017,027
Term financing	276,405	14,140,287	6,837	-	381,176	-	14,804,705
Revolving credit	1,883	4,579,194	-	-	558,965	-	5,140,042
Housing financing	2,207,149	11,984,990	35,561	-	-	-	14,227,700
Hire purchase receivables	3	-	-	5,465,166	-	-	5,465,169
Bills receivables	-	790,889	-	-	-	100,488	891,377
Credit card receivables	-	-	-	-	-	545,414	545,414
Trust receipts	-	525,179	-	-	-	-	525,179
Staff financing	-	21,487	-	-	-	-	21,487
Claims on customers under acceptance credits	-	1,913,481	-	-	-	327,382	2,240,863
Others	-	-	-	-	-	10,969	10,969
Gross financing and advances*	<u>2,485,440</u>	<u>34,519,031</u>	<u>42,398</u>	<u>5,465,166</u>	<u>1,393,644</u>	<u>984,253</u>	<u>44,889,932</u>
Less: Allowance for ECL (Note A12(j))							
- Stage 1 - 12 months ECL							(95,897)
- Stage 2 - Lifetime ECL not credit impaired							(340,606)
- Stage 3 - Lifetime ECL credit impaired							(190,444)
Net financing and advances							<u>44,262,985</u>



**A12. FINANCING AND ADVANCES (CONT'D.)**

A12a. Financing and advances by type and Shariah contracts are as follows (Cont'd.):

**31 March 2024**

	Bai' Bithaman		Musharakah	Al-ljarah	Bai' Inah	Others	Total
	Ajil	Murabahah	Mutanaqisah	Thummah Al			
	RM'000	RM'000	RM'000	-Bai' ("AITAB")	RM'000	RM'000	RM'000
				RM'000			
<b>At amortised cost:</b>							
Cash lines	-	622,102	-	-	459,810	-	1,081,912
Term financing	288,240	14,447,065	6,947	-	432,488	-	15,174,740
Revolving credit	1,947	4,904,320	-	-	638,926	-	5,545,193
Housing financing	2,246,277	11,721,324	36,315	-	-	-	14,003,916
Hire purchase receivables	3	-	-	5,520,834	-	-	5,520,837
Bills receivables	-	810,117	-	-	-	104,871	914,988
Credit card receivables	-	-	-	-	-	546,005	546,005
Trust receipts	-	458,832	-	-	-	-	458,832
Staff financing	-	22,921	-	-	-	-	22,921
Claims on customers under acceptance credits	-	1,996,785	-	-	-	324,271	2,321,056
Others	-	-	-	-	-	35,190	35,190
Gross financing and advances*	<u>2,536,467</u>	<u>34,983,466</u>	<u>43,262</u>	<u>5,520,834</u>	<u>1,531,224</u>	<u>1,010,337</u>	<u>45,625,590</u>
Less: Allowance for ECL (Note A12(j))							
- Stage 1 - 12 months ECL							(109,080)
- Stage 2 - Lifetime ECL not credit impaired							(337,673)
- Stage 3 - Lifetime ECL credit impaired							(196,450)
Net financing and advances							<u>44,982,387</u>

\* Included in financing and advances are exposures to the Restricted Investment Account ("RA") arrangement between the Bank and AmBank (M) Berhad ("AmBank") amounting to RM1,217.8 million (31 March 2024: RM1,370.4 million). Under the RA contract, the profit is shared based on a pre-agreed ratio. AmBank is exposed to the risks and rewards on the RA financing and it shall account for all allowance for impairment arising from the RA financing. Further details of the RA are disclosed in Note A17.

**A12. FINANCING AND ADVANCES (CONT'D.)**

A12b. Gross financing and advances analysed by type of customer are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Domestic non-bank financial institutions	1,812,110	2,122,557
Domestic business enterprises		
- Small medium enterprises ("SME")	6,923,903	6,930,295
- Others	8,787,109	8,654,644
Government and statutory bodies	2,405,650	2,389,368
Individuals	24,920,598	25,015,065
Other domestic entities	75	111
Foreign individuals and entities	40,487	513,550
	<u>44,889,932</u>	<u>45,625,590</u>

A12c. All financing and advances reside in Malaysia.

A12d. Gross financing and advances analysed by profit rate sensitivity are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Fixed rate		
- Housing financing	172,684	170,997
- Hire purchase receivables	5,389,110	5,444,523
- Other financing	5,552,089	5,618,814
Variable rate		
- Base rate and base financing rate plus	23,402,899	23,466,357
- Cost plus	10,249,182	10,802,097
- Other variable rates	123,968	122,802
	<u>44,889,932</u>	<u>45,625,590</u>

**A12. FINANCING AND ADVANCES (CONT'D.)**

A12e. Gross financing and advances analysed by sector are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Agriculture	1,357,817	1,399,818
Mining and quarrying	94,009	565,971
Manufacturing	4,113,944	4,184,847
Electricity, gas and water	694,835	717,545
Construction	929,506	915,971
Wholesale and retail trade and hotel and restaurants	3,557,023	3,521,098
Transport, storage and communication	2,168,027	2,061,239
Finance and insurance	3,349,323	3,644,704
Real estate	2,010,201	1,924,519
Business activities	1,395,141	1,200,813
Education and health	259,172	432,960
Household of which:	24,960,934	25,056,105
- Purchase of residential properties	14,294,549	14,074,406
- Purchase of transport vehicles	5,059,993	5,128,803
- Others	5,606,392	5,852,896
	<u>44,889,932</u>	<u>45,625,590</u>

A12f. Gross financing and advances analysed by residual contractual maturity are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Maturing within one year	10,719,129	11,357,091
Over one year to three years	1,492,103	1,471,057
Over three years to five years	2,212,156	2,633,488
Over five years	30,466,544	30,163,954
	<u>44,889,932</u>	<u>45,625,590</u>

**A12. FINANCING AND ADVANCES (CONT'D.)**

A12g. Movements in impaired financing and advances are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Balance at beginning of the financial period/year	655,234	521,155
Additions during the period/year	184,449	836,529
Reclassified as non-impaired	(100,987)	(79,347)
Recoveries	(60,299)	(344,648)
Amount written off	(33,433)	(278,455)
Balance at end of the financial period/year	<u>644,964</u>	<u>655,234</u>
Gross impaired financing and advances as % of gross financing and advances	<u>1.44%</u>	<u>1.44%</u>
Financing loss coverage (including regulatory reserve)	<u>108.2%</u>	<u>107.9%</u>

A12h. All impaired financing and advances reside in Malaysia.

A12i. Impaired financing and advances by sector are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Agriculture	446	392
Mining and quarrying	33,661	33,680
Manufacturing	14,857	20,729
Electricity, gas and water	-	226
Construction	52,154	53,911
Wholesale and retail trade and hotel and restaurants	102,349	102,652
Transport, storage and communication	3,896	4,136
Real estate	19,454	20,132
Business activities	8,189	8,071
Education and health	369	366
Household of which:	409,589	410,939
- Purchase of residential properties	335,981	336,654
- Purchase of transport vehicles	28,392	29,281
- Others	45,216	45,004
	<u>644,964</u>	<u>655,234</u>

**A12. FINANCING AND ADVANCES (CONT'D.)**

A12j. The movements in the allowances for ECL are as follows:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>ECL</b>	<b>Not Credit</b>	<b>Credit</b>	
	<b>RM'000</b>	<b>Impaired</b>	<b>Impaired</b>	<b>Total</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>30 June 2024</b>				
Balance at beginning of the financial period	109,080	337,673	196,450	643,203
Net (writeback of)/allowances for ECL:	(13,199)	2,933	27,427	17,161
- Transfer to Stage 1	3,932	(20,681)	(2,560)	(19,309)
- Transfer to Stage 2	(5,157)	36,573	(15,065)	16,351
- Transfer to Stage 3	(174)	(10,936)	25,210	14,100
New financial assets originated	9,685	8,037	21	17,743
Net remeasurement of allowances	(10,266)	(12,584)	39,752	16,902
Changes to model assumptions and methodologies	-	9,939	-	9,939
Modification of contractual cash flows of financial assets	(446)	(1,338)	(5,727)	(7,511)
Financial assets derecognised	(10,773)	(6,077)	(14,204)	(31,054)
Foreign exchange differences	16	-	-	16
Amount written-off	-	-	(33,433)	(33,433)
Balance at end of the financial period	<u>95,897</u>	<u>340,606</u>	<u>190,444</u>	<u>626,947</u>
<b>31 March 2024</b>				
Balance at beginning of the financial year	74,502	441,391	163,096	678,989
Net allowances for/(writeback of) ECL:	34,499	(40,838)	311,809	305,470
- Transfer to Stage 1	6,995	(40,012)	(2,767)	(35,784)
- Transfer to Stage 2	(3,600)	51,324	(10,453)	37,271
- Transfer to Stage 3	(426)	(21,841)	83,098	60,831
New financial assets originated	28,374	31,314	7,306	66,994
Net remeasurement of allowances	4,925	2,783	247,226	254,934
Changes to model assumptions and methodologies	12,953	(15,955)	21,753	18,751
Modification of contractual cash flows of financial assets	222	(7,007)	5,432	(1,353)
Financial assets derecognised	(14,944)	(41,444)	(39,786)	(96,174)
Transfer to other assets	-	(62,900)	-	(62,900)
Foreign exchange differences	79	20	-	99
Amount written-off	-	-	(278,455)	(278,455)
Balance at end of the financial year	<u>109,080</u>	<u>337,673</u>	<u>196,450</u>	<u>643,203</u>

**A13. OTHER ASSETS**

		<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Other receivables, deposits and prepayments		89,333	86,547
Amount due from related companies	(a)	23,331	1,233,525
Profit receivable		138,140	135,416
Deferred charges		104,437	104,571
		<u>355,241</u>	<u>1,560,059</u>

(a) Amount due from related companies, which related to banking operations, are unsecured, non-profit bearing and are repayable on demand.

**A14. DEPOSITS FROM CUSTOMERS**

		<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
(i) By type of deposit:			
Savings deposit:			
Commodity Murabahah		3,686,696	3,929,316
Qard		49,334	39,883
Demand deposit:			
Commodity Murabahah		11,455,921	14,273,884
Qard		182,685	125,735
Term deposits:			
Commodity Murabahah		29,830,481	29,535,968
Qard		390,567	329,507
Total		<u>45,595,684</u>	<u>48,234,293</u>

(ii) The deposits are sourced from the following types of customers:

Government and statutory bodies	4,161,022	4,743,809
Business enterprises	23,855,100	28,240,844
Individuals	16,705,907	14,155,295
Others	873,655	1,094,345
	<u>45,595,684</u>	<u>48,234,293</u>

(iii) The maturity structure of all term deposits is as follows:

Due within six months	21,005,960	24,778,812
Over six months to one year	8,961,841	4,729,705
Over one year to three years	247,370	339,335
Over three years to five years	5,877	17,623
	<u>30,221,048</u>	<u>29,865,475</u>

**A15. INVESTMENT ACCOUNTS OF CUSTOMERS**

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Unrestricted investment account:		
Without maturity		
- Wakalah	12,897	12,619
With maturity		
- Mudarabah	1,265	1,440
	<u>14,162</u>	<u>14,059</u>

The investments accounts are sourced from the following types of customers:

Business enterprises	62	55
Individuals	14,100	14,004
	<u>14,162</u>	<u>14,059</u>

	<b>Wakalah RM'000</b>	<b>Mudarabah RM'000</b>
Investment assets:		
<b>30 June 2024</b>		
Interbank placement	12,897	-
House financing	-	1,265
Total investment	<u>12,897</u>	<u>1,265</u>
<b>31 March 2024</b>		
Interbank placement	12,619	-
House financing	-	1,440
Total investment	<u>12,619</u>	<u>1,440</u>

**A15. INVESTMENT ACCOUNTS OF CUSTOMERS (CONT'D.)**

Average Rate of Return and Average Performance Incentive Fee for the investment accounts are as follows:

	Investment account holder		
	Average profit sharing ratio (%)	Average rate of return (%)	Average performance incentive fee (%)
<b>30 June 2024</b>			
Maturity :			
- less than 3 months	47.52	0.17	2.94
- between 3 months to 12 months	50.21	2.50	-
<b>31 March 2024</b>			
Maturity :			
- less than 3 months	46.85	0.21	2.92
- between 3 months to 12 months	49.95	2.48	-

**A16. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	30 June 2024 RM'000	31 March 2024 RM'000
<u>Non-Mudarabah</u>		
Licensed Islamic banks	-	498,929
Licensed banks	84,894	650,553
Licensed investment banks	214,923	274,495
Other financial institutions	623,139	1,355,828
Bank Negara Malaysia	139,729	135,406
Total	1,062,685	2,915,211

**A17. INVESTMENT ACCOUNT DUE TO A LICENSED BANK**

	30 June 2024 RM'000	31 March 2024 RM'000
<u>Restricted investment account ("RA")</u>		
- Mudarabah Muqayyadah	1,214,571	1,366,363
Investment asset:		
Financing	1,214,571	1,366,363



**A17. INVESTMENT ACCOUNT DUE TO A LICENSED BANK (CONT'D.)**

Average Profit Sharing Ratio and Average Rate of Return for the investment account based on original contractual maturity are as follows:

	Investment account holder			
	30 June 2024	31 March 2024	30 June 2024	31 March 2024
	Average profit sharing ratio (%)	Average profit sharing ratio (%)	Average rate of return (%)	Average rate of return (%)
Maturity:				
- over 2 years to 5 years	90	90	4.02	3.89
- more than 5 years	90	90	4.24	4.26

The RA is a contract based on the Shariah concept of Mudarabah between two parties, that is, capital provider and entrepreneur to finance a business venture where the business venture is managed solely by the Bank as the entrepreneur. The profit of the business venture is shared between both parties based on a pre-agreed ratio. The capital provider for the RA contracts is AmBank, a related company.

As at 30 June 2024, ECL allowance for the investment asset borne by AmBank amounted to RM1.4 million (31 March 2024: RM1.8 million).

As at 30 June 2024, the remaining tenure of the RA contracts is for a period of 3 to 6 years (31 March 2024: 3 to 6 years).

**A18. OTHER LIABILITIES**

	Note	30 June 2024 RM'000	31 March 2024 RM'000
Profit payable		318,859	307,347
Other creditors and accruals		54,806	76,158
Lease liabilities		1,992	2,064
Provision for reinstatement for leased premises		85	85
Deferred income		13,728	14,092
Advance rental		11,575	11,864
Amount due to a related company	(a)	3	1
Allowances for ECL on financing commitments and financial guarantees	(b)	19,524	20,462
Provision for taxation		1,282	4,623
		<u>421,854</u>	<u>436,696</u>

(a) Amount due to a related company, which related to banking operations, is unsecured, non-profit bearing and repayable on demand.

**A18. OTHER LIABILITIES (CONT'D.)**

(b) The movements in allowances for ECL are as follows:

	<b>Stage 1</b>	<b>Stage 2</b>	<b>Stage 3</b>	
	<b>12-month</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>ECL</b>	<b>Not Credit</b>	<b>Credit</b>	
	<b>RM'000</b>	<b>Impaired</b>	<b>Impaired</b>	<b>Total</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>30 June 2024</b>				
Balance at beginning of the financial period	11,337	5,355	3,770	20,462
Net (writeback of)/allowances for ECL (Note A25):	(539)	(948)	552	(935)
- Transfer to Stage 1	183	(957)	-	(774)
- Transfer to Stage 2	(188)	922	-	734
- Transfer to Stage 3	(1)	(231)	232	-
New exposures originated	1,481	1,193	-	2,674
Net remeasurement of allowances	(628)	(1,190)	320	(1,498)
Financial exposures derecognised	(1,386)	(685)	-	(2,071)
Foreign exchange differences	(2)	(1)	-	(3)
Balance at end of the financial period	<u>10,796</u>	<u>4,406</u>	<u>4,322</u>	<u>19,524</u>
<b>31 March 2024</b>				
Balance at beginning of the financial year	11,580	7,010	13,710	32,300
Net writeback of ECL:	(272)	(1,669)	(9,940)	(11,881)
- Transfer to Stage 1	454	(3,426)	-	(2,972)
- Transfer to Stage 2	(192)	1,036	-	844
- Transfer to Stage 3	(40)	(600)	640	-
New exposures originated	4,188	2,410	-	6,598
Net remeasurement of allowances	(1,635)	230	(10,580)	(11,985)
Financial exposures derecognised	(3,047)	(1,319)	-	(4,366)
Foreign exchange differences	29	14	-	43
Balance at end of the financial year	<u>11,337</u>	<u>5,355</u>	<u>3,770</u>	<u>20,462</u>

**A19. INCOME DERIVED FROM INVESTMENT OF DEPOSITORS' FUNDS**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>Finance income and hibah:</u>				
Financing and advances				
- Financing income*	500,576	493,143	500,576	493,143
- Financing income on impaired financing	450	185	450	185
Financial assets at fair value through profit or loss	21,936	16,583	21,936	16,583
Financial investments at fair value through other comprehensive income	63,003	56,674	63,003	56,674
Financial investments at amortised cost	38,563	41,109	38,563	41,109
Deposits and placements with banks and other financial institutions	4,023	13,640	4,023	13,640
Total finance income and hibah	<u>628,551</u>	<u>621,334</u>	<u>628,551</u>	<u>621,334</u>
<u>Other operating income:</u>				
Fee and commission income:				
- Fees on financing, advances and securities	13,671	13,990	13,671	13,990
- Guarantee fees	3,251	3,696	3,251	3,696
- Remittances	67	30	67	30
- Service charges and fees	964	884	964	884
- Others	1,487	1,565	1,487	1,565
Foreign exchange gain/(loss)	327	(4,621)	327	(4,621)
Loss from disposal of financial assets at fair value through profit or loss	(1,551)	(235)	(1,551)	(235)
Gain/(Loss) on revaluation of financial assets at fair value through profit or loss	711	(1,838)	711	(1,838)
Gain from disposal of financial investments at fair value through other comprehensive income	-	1,249	-	1,249
Gain from redemption of financial investments at amortised cost	-	25,828	-	25,828
Net loss on derivatives	(1,996)	(952)	(1,996)	(952)
Others	2	64	2	64
Total other operating income	<u>16,933</u>	<u>39,660</u>	<u>16,933</u>	<u>39,660</u>
Total	<u>645,484</u>	<u>660,994</u>	<u>645,484</u>	<u>660,994</u>

\* Included the day-1 modification loss of RM28,000 (30 June 2023: day-1 modification loss of RM507,000) arising from government support measures implemented in response to COVID-19 pandemic.

**A20. INCOME DERIVED FROM INVESTMENT OF INVESTMENT ACCOUNT FUNDS**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Income derived from investment of:				
- Restricted investment account	14,761	15,345	14,761	15,345
- Unrestricted investment accounts	111	126	111	126
	<u>14,872</u>	<u>15,471</u>	<u>14,872</u>	<u>15,471</u>

**Income derived from investment of restricted investment account**

Finance income and hibah:

Financing and advances

- Financing income	<u>14,761</u>	<u>15,345</u>	<u>14,761</u>	<u>15,345</u>
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**Income derived from investment of unrestricted investment accounts**

Finance income and hibah:

Financing and advances

- Financing income	16	31	16	31
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Deposits and placements with  
banks and other financial  
institutions

	<u>95</u>	<u>95</u>	<u>95</u>	<u>95</u>
Total finance income and hibah	<u>111</u>	<u>126</u>	<u>111</u>	<u>126</u>

**A21. INCOME DERIVED FROM INVESTMENT OF SHAREHOLDER'S FUNDS**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>Finance income and hibah:</u>				
Financing and advances				
- Financing income*	45,331	40,670	45,331	40,670
- Financing income on impaired financing	41	15	41	15
Financial assets at fair value through profit or loss	1,987	1,368	1,987	1,368
Financial investments at fair value through other comprehensive income	5,705	4,674	5,705	4,674
Financial investments at amortised cost	3,492	3,390	3,492	3,390
Deposits and placements with banks and other financial institutions	364	1,125	364	1,125
Total finance income and hibah	<u>56,920</u>	<u>51,242</u>	<u>56,920</u>	<u>51,242</u>
<u>Other operating income:</u>				
Fee and commission income:				
- Bancassurance commission	3,337	3,024	3,337	3,024
- Fees on financing, advances and securities	1,241	1,157	1,241	1,157
- Guarantee fees	295	305	295	305
- Remittances	37	36	37	36
- Service charges and fees	1,023	930	1,023	930
- Others	7,048	850	7,048	850
Foreign exchange gain/(loss)	30	(381)	30	(381)
Loss from disposal of financial assets at fair value through profit or loss	(140)	(19)	(140)	(19)
Gain/(Loss) on revaluation of financial assets at fair value through profit or loss	64	(152)	64	(152)
Gain from disposal of financial investments at fair value through other comprehensive income	-	103	-	103
Gain from redemption of financial investments at amortised cost	-	2,130	-	2,130
Net loss on derivatives	(181)	(79)	(181)	(79)
Others	-	5	-	5
Total other operating income	<u>12,754</u>	<u>7,909</u>	<u>12,754</u>	<u>7,909</u>
Total	<u>69,674</u>	<u>59,151</u>	<u>69,674</u>	<u>59,151</u>

\* Included the day-1 modification loss of RM3,000 (30 June 2023: day-1 modification loss of RM42,000) arising from government support measures implemented in response to COVID-19 pandemic.

**A22. (WRITEBACK OF)/ALLOWANCE FOR IMPAIRMENT ON FINANCING AND ADVANCES - NET**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Allowance for impairment on financing and advances	17,161	61,823	17,161	61,823
Impaired financing and advances recovered, net	(21,010)	(29,513)	(21,010)	(29,513)
<b>Total</b>	<b>(3,849)</b>	<b>32,310</b>	<b>(3,849)</b>	<b>32,310</b>

**A23. (WRITEBACK OF)/ALLOWANCE FOR IMPAIRMENT ON FINANCIAL INVESTMENTS**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Financial investments at amortised cost - sukuk	(284)	4,297	(284)	4,297
Financial investments at fair value through other comprehensive income - sukuk	(336)	2,951	(336)	2,951
<b>Total</b>	<b>(620)</b>	<b>7,248</b>	<b>(620)</b>	<b>7,248</b>

**A24. ALLOWANCE FOR IMPAIRMENT ON OTHER FINANCIAL ASSETS**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Cash and short-term funds	-	19	-	19

**A25. WRITEBACK OF PROVISION FOR COMMITMENTS AND CONTINGENCIES**

	Individual Quarter		Cumulative Quarter	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Writeback of provision for commitments and contingencies - financing commitments and financial guarantee contracts	(935)	(1,441)	(935)	(1,441)

**A26. INCOME ATTRIBUTABLE TO THE DEPOSITORS AND OTHERS**

	Individual Quarter		Cumulative Quarter	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Non-Mudarabah fund</u>				
Deposit from customers	342,919	324,711	342,919	324,711
Deposits and placements of banks and other financial institutions	16,613	51,651	16,613	51,651
	<u>359,532</u>	<u>376,362</u>	<u>359,532</u>	<u>376,362</u>
Others	<u>32,907</u>	<u>28,629</u>	<u>32,907</u>	<u>28,629</u>
Total	<u>392,439</u>	<u>404,991</u>	<u>392,439</u>	<u>404,991</u>

**A27. INCOME ATTRIBUTABLE TO THE INVESTMENT ACCOUNT HOLDERS**

	Individual Quarter		Cumulative Quarter	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
<u>Unrestricted investment accounts</u>				
Customers	9	16	9	16
<u>Restricted investment account</u>				
Licensed bank	13,285	13,811	13,285	13,811
	<u>13,294</u>	<u>13,827</u>	<u>13,294</u>	<u>13,827</u>

**A28. OTHER OPERATING EXPENSES**

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Personnel costs:				
Salaries, allowances, bonuses and incentives	4,732	5,071	4,732	5,071
Share granted under AMMB Executives' Share Scheme ("ESS") - charge	71	76	71	76
Contributions to Employees' Provident Fund/Private Retirement Scheme	751	755	751	755
Social security cost	24	23	24	23
Others	559	396	559	396
	<u>6,137</u>	<u>6,321</u>	<u>6,137</u>	<u>6,321</u>
Establishment costs:				
Amortisation of intangible assets	18	32	18	32
Cleaning, maintenance and security	21	22	21	22
Computerisation costs	405	336	405	336
Depreciation of property and equipment	45	29	45	29
Depreciation of right-of-use assets	76	76	76	76
Rental of premises	139	136	139	136
Finance cost:				
- Lease liabilities	14	15	14	15
- Provision for reinstatement for leased premises	-	1	-	1
Others	5	6	5	6
	<u>723</u>	<u>653</u>	<u>723</u>	<u>653</u>
Marketing and communication expenses:				
Advertising, marketing and communication	900	1,587	900	1,587
Others	23	25	23	25
	<u>923</u>	<u>1,612</u>	<u>923</u>	<u>1,612</u>
Administration and general expenses:				
Professional services	644	728	644	728
Others	2,603	2,346	2,603	2,346
	<u>3,247</u>	<u>3,074</u>	<u>3,247</u>	<u>3,074</u>
Service transfer pricing expense, net	112,383	106,117	112,383	106,117
	<u>123,413</u>	<u>117,777</u>	<u>123,413</u>	<u>117,777</u>



**A29. BASIC EARNINGS PER SHARE**

**Basic/Diluted**

The basic/diluted earnings per share is calculated by dividing the net profit attributable to the equity holder of the Bank by the weighted average number of ordinary shares in issue during the financial period.

	Individual Quarter		Cumulative Quarter	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Net profit attributable to equity holder of the Bank (RM'000)	137,606	107,293	137,606	107,293
Number of ordinary shares at beginning and end of the financial period representing the weighted average number of ordinary shares in issue ('000)	494,369	494,369	494,369	494,369
Basic/Diluted earnings per share (sen)	<b>27.83</b>	<b>21.70</b>	<b>27.83</b>	<b>21.70</b>

### **A30. BUSINESS SEGMENT ANALYSIS**

Segment information is presented in respect of the Bank'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 a segment and to assess its performance.

The Bank comprises the following main business segments:

(a) Retail Banking

Retail Banking continues to focus on building mass affluent, affluent and small business customers. Retail Banking offers products and financial solutions which includes auto finance, mortgages, personal financing, credit cards, small business financing, priority banking services, wealth management, remittance services and deposits.

(b) Business Banking

Business Banking ("BB") focuses on the Small, Medium and Large Enterprises segment, which comprises Enterprise Banking and Commercial Banking. Solutions offered to Enterprise Banking customers encompass Capital Expenditure ("CAPEX") financing, Working Capital financing and Cash Management and while Commercial Banking offers the same suite of products, it also provides more sophisticated structures such as Contract Financing, Development Financing and Project Financing.

(c) Wholesale Banking

Wholesale Banking comprises Corporate Banking, Transaction Banking and Group Treasury and Markets:

(i) Corporate and Transaction Banking

Corporate Banking offers a full range of products and services, including corporate lending, investment banking advisory, trade finance, offshore banking and cash management solutions to wholesale banking clients;

Transaction Banking delivers tailor-made digital and cash management solutions, as well as trade financing and remittance services, to corporate and SME clients;

(iii) Group Treasury and Markets manages funding and liquidity for the banking group and offers financial market and hedging solutions across all asset classes to a broad range of clients. The sales and trading activities cover fixed income, interest rates, foreign exchange, money market, equity derivatives, commodities and other derivatives.

**A30. BUSINESS SEGMENT ANALYSIS (CONT'D.)**

The Bank comprises the following main business segments (cont'd.):

(d) Investment Banking

Investment Banking offers Islamic advisory services and a wide range of Shariah-compliant financial and investment solutions that include sukuk origination, Islamic equity or equity related capital markets offerings, Islamic structured finance.

(e) Others

Others comprise activities to support operations of the main business units and non-core operations of the Bank.

Measurement of Segment Performance

The segment performance is measured on income, expenses and profit basis. These are shown after allocation of certain centralised costs, funding income 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 finance 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 Bank's activities are principally conducted in Malaysia.
- (iii) The comparatives have been restated to conform with current business realignment between the business segment.

**A30. BUSINESS SEGMENT ANALYSIS (CONT'D.)**

For the financial period ended 30 June 2024

		<u>Wholesale banking</u>						
	<b>Retail Banking</b>	<b>Business</b>	<b>Corporate and</b>	<b>Transaction</b>	<b>Group Treasury</b>	<b>Investment</b>	<b>Others</b>	<b>Total</b>
	<b>RM'000</b>	<b>Banking</b>	<b>Transaction</b>	<b>Banking</b>	<b>and Market</b>	<b>Banking</b>	<b>RM'000</b>	<b>RM'000</b>
		<b>RM'000</b>	<b>Banking</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
External net income	205,113	126,450	78,992	(112,865)	893	(252)	298,331	
Intersegments net income	(56,377)	(48,260)	(44,687)	149,961	9	(646)	-	
Net income	<u>148,736</u>	<u>78,190</u>	<u>34,305</u>	<u>37,096</u>	<u>902</u>	<u>(898)</u>	<u>298,331</u>	
Net finance income	133,772	66,770	30,911	40,248	20	(1,005)	270,716	
Other income	14,963	11,420	3,394	(3,151)	882	107	27,615	
Net income	<u>148,735</u>	<u>78,190</u>	<u>34,305</u>	<u>37,097</u>	<u>902</u>	<u>(898)</u>	<u>298,331</u>	
Other operating expenses of which:	(79,813)	(24,341)	(14,469)	(6,202)	-	1,412	(123,413)	
<i>Depreciation of property and equipment</i>	-	-	-	-	-	(45)	(45)	
<i>Depreciation of right-of-use-assets</i>	-	-	-	-	-	(76)	(76)	
<i>Amortisation of intangible assets</i>	(1)	-	-	-	-	(17)	(18)	
Profit before impairment losses and provision	68,922	53,849	19,836	30,895	902	514	174,918	
(Allowance)/Writeback of allowance for impairment on financing and advances	(19,580)	8,567	14,862	-	-	-	3,849	
Writeback of allowance/(Allowance) for impairment on financial investments	-	173	93	354	-	-	620	
Writeback of provision for commitments and contingencies	730	(340)	545	-	-	-	935	
Profit/(loss) before zakat and taxation	50,072	62,249	35,336	31,249	902	514	180,322	
Zakat and taxation	(12,018)	(14,940)	(8,480)	(5,134)	(216)	(1,928)	(42,716)	
Profit/(loss) for the financial period	<u>38,054</u>	<u>47,309</u>	<u>26,856</u>	<u>26,115</u>	<u>686</u>	<u>(1,414)</u>	<u>137,606</u>	
<b>Other information</b>								
Total segment assets	24,966,587	12,611,726	8,023,347	14,847,689	-	159,034	60,608,383	
Total segment liabilities	20,708,095	7,995,435	4,030,248	22,954,534	1,945	16,241	55,706,498	
Cost to income ratio	53.7%	31.1%	42.2%	16.7%	0.0%	>100%	41.4%	
Gross financing and advances	25,261,263	12,113,092	7,515,577	-	-	-	44,889,932	
Net financing and advances	24,860,887	11,997,807	7,404,291	-	-	-	44,262,985	
Impaired financing and advances	428,886	140,100	75,978	-	-	-	644,964	
Deposits	20,554,885	7,925,956	4,008,701	14,168,827	-	-	46,658,369	
Additions to :								
Property and Equipment	-	-	-	-	-	3	3	
Intangible assets	-	-	-	-	-	70	70	

**A30. BUSINESS SEGMENT ANALYSIS (CONT'D.)**

For the financial period ended 30 June 2023  
(Restated)

	Wholesale banking						Total RM'000
	Retail Banking RM'000	Business Banking RM'000	Corporate and Transaction Banking RM'000	Group Treasury and Market RM'000	Investment Banking RM'000	Others RM'000	
External net income	195,415	129,577	98,436	(128,269)	308	(643)	294,824
Intersegments net income	(56,872)	(59,259)	(56,172)	173,714	(10)	(1,401)	-
Net income	138,543	70,318	42,264	45,445	298	(2,044)	294,824
Net finance income	130,090	56,292	39,480	24,822	22	(2,186)	248,520
Other income	8,453	14,027	2,784	20,622	277	141	46,304
Net income	138,543	70,319	42,264	45,444	299	(2,045)	294,824
Other operating expenses of which:	(84,723)	(20,098)	(14,751)	(5,856)	-	7,651	(117,777)
<i>Depreciation of property and equipment</i>	-	-	-	-	-	(29)	(29)
<i>Depreciation of right-of-use-assets</i>	-	-	-	-	-	(76)	(76)
<i>Amortisation of intangible assets</i>	(1)	(1)	-	-	-	(30)	(32)
Profit before impairment losses and provision	53,820	50,221	27,513	39,588	299	5,606	177,047
(Allowance)/Writeback of allowance for impairment on financing and advances	(36,765)	(22,239)	26,694	-	-	-	(32,310)
Allowance for impairment on financial investments	-	(331)	(3,907)	(3,010)	-	-	(7,248)
Writeback of allowance for impairment on other financial assets	-	-	-	(19)	-	-	(19)
(Provision)/Writeback of provision for commitments and contingencies	237	(647)	1,851	-	-	-	1,441
Profit before zakat and taxation	17,292	27,004	52,151	36,559	299	5,606	138,911
Zakat and taxation	(4,150)	(6,481)	(12,516)	(6,408)	(72)	(1,991)	(31,618)
Profit for the financial period	13,142	20,523	39,635	30,151	227	3,615	107,293
<b>Other information</b>							
Total segment assets	24,914,035	11,436,320	9,001,038	15,464,994	-	170,919	60,987,306
Total segment liabilities	18,528,814	5,868,534	3,495,853	28,132,184	1,477	447,215	56,474,077
Cost to income ratio	61.2%	28.6%	34.9%	12.9%	0.0%	>100%	39.9%
Gross financing and advances	25,144,252	10,844,971	9,026,033	-	-	-	45,015,256
Net financing and advances	24,805,874	10,699,149	8,816,925	-	-	-	44,321,948
Impaired financing and advances	383,049	149,107	48,100	-	-	-	580,256
Deposits	18,375,128	5,810,336	3,470,289	20,996,706	-	-	48,652,459
Additions to:							
Property and Equipment	-	-	-	-	-	42	42
Intangible assets	-	-	-	-	-	8	8

### **A31. PERFORMANCE REVIEW FOR THE FINANCIAL PERIOD ENDED 30 JUNE 2024**

The Bank reported a higher profit after zakat and taxation of RM137.6 million for the financial period ended 30 June 2024 compared to the corresponding period ended 30 June 2023 of RM107.3 million.

The higher profit was mainly due to net writeback of allowance for impairment on financing and advances of RM3.8 million (30 June 2023: net allowance of RM32.3 million), higher net finance income by RM22.2 million mainly due to higher net finance margin and writeback of impairment on financial investments of RM0.6 million (30 June 2023: allowance of RM7.2 million).

The higher profit is offset by lower other operating income mainly from lower trading and securities gain by RM18.7 million, higher other operating expenses of RM5.6 million from service transfer pricing charges and lower writeback of ECL on financing commitments and financial guarantee contracts by RM0.5 million.

The Bank's capital common equity tier 1 ("CET1") ratio improved to 13.04% (FY2024: 12.75%) while total capital ratio ("TCR") improved to 17.84% (FY2024: 17.48%). If Q1FY2025 unverified profits were included, CET1 would improve further to 13.42% while TCR would improve to 18.22%.

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

### **A32. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2025**

Recently, the United States ("US") Federal Reserve ("Fed") signalled that rate cuts during the upcoming September meeting is 'on the table', giving investors the good news they have been waiting for. The signal underpins that the Fed is now focusing less on inflationary pressure and more on the softening labour market. Latest data suggests the world's biggest economy is cooling steadily amid the unprecedented policy tightening. Nonetheless, the Fed officials conveyed mixed messages as most of them are still not ready to start lowering the Federal Funds Rate ("FFR"), highlighting not to let the risk of "moving too early" to materialise. Overall, global markets are now expecting the Fed to start cutting the FFR during September meeting but pared their bets on a larger 50 basis points ("bps") as data only suggests 'soft-landing' scenario and not a 'hard-landing' one. In the meantime, both the Eurozone's and United Kingdom's economies continue to limp along after it overcame the technical recession experienced in the second half of calendar year ("CY") 2023.

The European Central Bank ("ECB") took its first step in doing so during June's policy meeting and further established itself among the earliest major central banks to ease its monetary policy. The ECB continues to be cautious as disinflation progress seemed to be stalling, holding rates unchanged during recent July meeting but kept the 'door open' for a September cut amidst downside risks. In the United Kingdom ("UK"), the Bank of England ("BoE") took its first rate cut decision since 2020 but the tight voting of 5-4 denoting a more measured rate cut cycle compared to other central banks. This is appropriate in our view, as looking past headline inflation, certain components of inflation such as services remain too hot.

**A32. PROSPECTS FOR THE FINANCIAL YEAR ENDING 31 MARCH 2025 (CONT'D.)**

We anticipate continued support for growth from domestic demand and recovery in the external trade for the rest of CY2024. The possible statutory minimum wage revision, civil servants' wage review, EPF's Flexible (Account 3) withdrawals, progressive wage model and continued subsidies for lower-income household groups will help support domestic consumption. Furthermore, tourism and related sectors are improving. Market indicators suggest that the semiconductor industry reached its low point at the end of the first half of CY2023 and has since embarked on a path to recovery, offering positive prospects for CY2024.

Thanks to the surprisingly good print in second quarter of CY2024 which saw Malaysia's economy surged to 5.9% YoY (first quarter of CY2024: 4.2% YoY), we believe this year's growth will hover closer to 5.0%, falling at the upper official range of 4.0% to 5.0%. However, it's important to note that this forecast is subject to potential risks, such as global economic conditions and geopolitical tensions, which could affect the recovery of the semiconductor industry and the overall Gross Domestic Products ("GDP") growth.

For the banking sector, the outstanding financing grew by 6.4%YoY in June 2024, the highest growth since 2022. Interestingly, both the household and non-household segment financing expanded by 6.4% YoY. We anticipate financing growth to be in the range of 5.0% to 6.0% in lieu of promising GDP growth for the year. The overall banking system remains highly liquid. This is reflected by the liquidity coverage ratio of 155.2% in June 2024. The funding profile remains well-diversified, with June 2024's financing-to-fund ratio and financing-to-fund-and-equity ratio at 82.8% and 72.1%, respectively.

We believe the Overnight Policy Rate ("OPR") will be maintained at its current rate of 3.0% throughout CY2024. However, the rollout of subsidy rationalisation and wage growth may add some inflationary pressure in the second half of the year and beyond. However, our baseline view suggests that the OPR could go up in first quarter of CY2025 when the growth momentum is at the full speed. We are not discounting an earlier hike should the current momentum persists into second half of CY2024.

Moving forward, AMMB Group's strategic focus will be on driving its SME and Mid Corp segments to lead lending growth, building out its wealth management offerings and developing efficient supply chain solutions for customers. AMMB Group will continue to invest in technology, in line with its digitalisation agenda, to achieve operational excellence through improved process efficiency and the development of productivity tools. To future-proof its workforce, AMMB Group will strengthen its talent pool by acquiring and developing new skills and capabilities as required. Sustainability continues to be at the forefront of our key priorities as our legitimacy to operate and to reinforce our franchise.

Simultaneously, AMMB Group commits to maintaining healthy liquidity levels and the continuous strengthening of capital base while closely monitoring asset quality to mitigate balance sheet related risks.

**A33. VALUATION OF PROPERTY AND EQUIPMENT**

The Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses (if any).

**A34. SIGNIFICANT EVENT DURING THE FINANCIAL PERIOD**

There was no significant event during the current financial quarter.

### A35. COMMITMENTS AND CONTINGENCIES

In the normal course of business, the Bank makes various commitments and incurs 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 Bank's assets.

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

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
<b>Commitments</b>		
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	6,867,726	6,371,330
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	771,805	888,936
Unutilised credit card lines	1,580,586	1,597,265
Forward asset purchase	60,848	213,211
	<u>9,280,965</u>	<u>9,070,742</u>
<b>Contingencies</b>		
Direct credit substitutes	208,197	262,092
Transaction related contingent items	1,387,379	1,653,847
Short-term self-liquidating trade-related contingencies	58,058	97,000
	<u>1,653,634</u>	<u>2,012,939</u>
<b>Derivative Financial Instruments</b>		
Foreign exchange related contracts		
- One year or less	2,161,065	2,501,706
- Over one year to five years	274,188	315,363
Profit rate related contracts		
- One year or less	350,000	350,000
- Over one year to five years	200,000	-
Commodity related contracts		
- One year or less	80,086	80,115
	<u>3,065,339</u>	<u>3,247,184</u>
<b>Total</b>	<u>13,999,938</u>	<u>14,330,865</u>



### **A36. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**

#### **Determination of fair value and fair value hierarchy**

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

- 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 Bank determines 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 Bank'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 Bank. Therefore, unobservable inputs reflect 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 Bank's own data, as well as financial information of the counterparties. The Bank does not have any financial assets or liabilities measured at level 3 as at the end of the reporting period and 31 March 2024.

**A36. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)**

a) The following table provides the fair value measurement hierarchy of the Bank's assets and liabilities.

	Valuation techniques			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b>30 June 2024</b>				
<b>Assets measured at fair value</b>				
Derivative financial assets	-	28,396	-	28,396
Financial assets at fair value through profit or loss				
- Money market securities	-	2,052,812	-	2,052,812
- Unquoted sukuk	-	564,882	-	564,882
Financial investments at fair value through other comprehensive income				
- Money market securities	-	3,598,514	-	3,598,514
- Quoted shares	14,000	-	-	14,000
- Unquoted sukuk	-	3,688,547	-	3,688,547
- Unquoted shares	-	41,175	-	41,175
	<u>14,000</u>	<u>9,974,326</u>	<u>-</u>	<u>9,988,326</u>
<b>Liabilities measured at fair value</b>				
Derivative financial liabilities	-	28,419	-	28,419
	<u>-</u>	<u>28,419</u>	<u>-</u>	<u>28,419</u>
<b>31 March 2024</b>				
<b>Assets measured at fair value</b>				
Derivative financial assets	-	41,917	-	41,917
Financial assets at fair value through profit or loss				
- Money market securities	-	3,175,923	-	3,175,923
- Unquoted sukuk	-	59,883	-	59,883
Financial investments at fair value through other comprehensive income				
- Money market securities	-	2,808,361	-	2,808,361
- Quoted shares	12,740	-	-	12,740
- Unquoted sukuk	-	3,855,338	-	3,855,338
- Unquoted shares	-	37,469	-	37,469
	<u>12,740</u>	<u>9,978,891</u>	<u>-</u>	<u>9,991,631</u>
<b>Liabilities measured at fair value</b>				
Derivative financial liabilities	-	41,030	-	41,030
	<u>-</u>	<u>41,030</u>	<u>-</u>	<u>41,030</u>

There were no transfers between Level 1 and Level 2 during the current financial period and previous financial year for the Bank.

**A37. CAPITAL ADEQUACY**

(a) As of 31 March 2024, the Capital Adequacy Ratios were computed based on BNM's policy document on Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 15 December 2023, where the Bank had applied transitional arrangements on provision for Expected Credit Loss ("ECL"). Under the transitional arrangements, the Bank is allowed to add back a portion of loss allowance for non-credit-impaired exposure (i.e. Stage 1 and Stage 2 provisions) to Common Equity Tier 1 ("CET 1") Capital from financial year 2021 to financial year 2024.

The capital adequacy ratios with transitional arrangement of the Bank are as follows:

	<b>31 March 2024</b>
<b>Before deducting proposed dividends:</b>	
CET 1 Capital Ratio	13.103%
Tier 1 Capital ratio	13.103%
Total Capital ratio	17.774%
<b>After deducting proposed dividends:</b>	
CET 1 Capital Ratio	13.047%
Tier 1 Capital ratio	13.047%
Total Capital ratio	17.719%

**A37. CAPITAL ADEQUACY (CONT'D.)**

- (b) Effective 1 April 2024, the transitional arrangements have ended and the capital adequacy ratios of the Bank are computed in accordance with BNM's policy document on Capital Adequacy Framework for Islamic Banks (Capital Components) issued on 14 June 2024.

The capital adequacy ratios without transitional arrangement of the Bank are as follows:

	<b>30 June 2024</b> *	<b>31 March 2024</b>
<b>Before deducting proposed dividends:</b>		
CET 1 Capital Ratio	13.038%	12.808%
Tier 1 Capital Ratio	13.038%	12.808%
Total Capital Ratio	17.835%	17.530%
<b>After deducting proposed dividends:</b>		
CET 1 Capital Ratio	13.038%	12.753%
Tier 1 Capital Ratio	13.038%	12.753%
Total Capital Ratio	17.835%	17.475%

\* No proposed interim dividend for the financial period ended 30 June 2024.

Pursuant to BNM's policy document on Capital Adequacy Framework for Islamic Banks (Capital Components), financial institutions are required to maintain minimum CET 1 Capital Ratio of 4.5%, Tier 1 Capital Ratio of 6.0% and Total Capital Ratio of 8.0% at all times. The Bank is also required to maintain the following capital buffers:

- (i) a Capital Conservation Buffer ("CCB") of 2.5%;
- (ii) a Countercyclical Capital Buffer ("CCyB"), determined as the weighted-average of the prevailing CCyB rates applied in the jurisdictions in which the Bank 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; and
- (iii) a Higher Loss Absorbency ("HLA") requirement for a financial institution that is designated as a domestic systemically important bank ("D-SIB").

**A37. CAPITAL ADEQUACY (CONT'D.)**

(c) The components of CET 1 Capital, Tier 1 Capital, Tier 2 Capital and Total Capital of the Bank are as follows:

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
<b>CET 1 Capital</b>		
Ordinary shares	1,387,107	1,387,107
Retained earnings	3,315,635	3,344,076
Fair value reserve	9,997	8,390
Regulatory reserve	51,540	43,368
Less : Regulatory adjustments applied on CET 1 Capital		
- Intangible assets	(272)	(220)
- Deferred tax assets	(47,004)	(52,449)
- 55% of cumulative gain of FVOCI financial instruments	(5,499)	(4,615)
- Regulatory reserve	(51,540)	(43,368)
- Unrealised fair value gains on financial liabilities due to changes in own credit risk	(35)	(44)
- Other CET 1 regulatory adjustment specified by BNM*	-	107,754
<b>CET 1 Capital/ Tier 1 Capital</b>	<u>4,659,929</u>	<u>4,789,999</u>
<b>Tier 2 Capital</b>		
Tier 2 Capital instruments meeting all relevant criteria for inclusion	1,300,000	1,300,000
General provisions**	414,599	407,645
<b>Tier 2 Capital</b>	<u>1,714,599</u>	<u>1,707,645</u>
<b>Total Capital</b>	<u>6,374,528</u>	<u>6,497,644</u>

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

	<b>30 June 2024 RM'000</b>	<b>31 March 2024 RM'000</b>
Credit RWA	34,386,970	35,468,914
Less : Credit RWA absorbed by Investment Account	<u>(1,219,042)</u>	<u>(1,371,871)</u>
Total Credit RWA	33,167,928	34,097,043
Market RWA	432,457	345,524
Operational RWA	2,140,820	2,114,545
<b>Total Risk Weighted Assets</b>	<u>35,741,205</u>	<u>36,557,112</u>

\* Refers to adjustments on transitional arrangement as per Note A37(a)

\*\* Consists of stage 1 and stage 2 loss allowances and regulatory reserve subject to a maximum 1.25% of total credit RWA