

Registration No. 196901000166 (8515-D)

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

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

AmBank (M) Berhad
(Incorporated in Malaysia)
And Its Subsidiaries

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2024

		Group		Bank	
	Note	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
ASSETS					
Cash and short-term funds	A8	6,420,440	6,140,967	6,381,562	6,103,853
Deposits and placements with banks and other financial institutions	A9	932,063	1,784,033	932,063	1,784,033
Investment account placement	A10	1,213,123	1,364,533	1,213,123	1,364,533
Derivative financial assets		808,208	1,010,103	808,208	1,010,103
Financial assets at fair value through profit or loss ("FVTPL")	A11	7,002,444	6,766,682	7,002,413	6,766,649
Financial investments at fair value through other comprehensive income	A12	20,010,856	19,700,129	20,010,856	19,700,129
Financial investments at amortised cost	A13	7,415,954	7,391,293	7,415,954	7,391,293
Loans and advances	A14	85,562,880	86,248,361	85,557,762	86,237,993
Statutory deposit with Bank Negara Malaysia		1,799,755	1,678,024	1,799,755	1,678,024
Deferred tax assets		150,776	192,707	150,776	192,707
Investment in subsidiaries		-	-	13,477	13,477
Investment in associates		18,346	17,745	19,598	19,598
Other assets	A15	2,615,555	3,035,546	2,614,030	3,033,852
Property and equipment		126,052	129,645	119,913	123,472
Right-of-use assets		181,879	196,449	182,398	197,072
Intangible assets		122,360	123,528	122,360	123,528
TOTAL ASSETS		134,380,691	135,779,745	134,344,248	135,740,316
LIABILITIES AND EQUITY					
Deposits from customers	A16	90,612,913	94,337,410	90,615,973	94,341,441
Deposits and placements of banks and other financial institutions	A17	7,219,750	7,620,130	7,250,826	7,646,192
Securities sold under repurchase agreements		9,037,198	6,328,335	9,037,198	6,328,335
Recourse obligation on loans sold to Cagamas Berhad		4,465,018	5,265,017	4,465,018	5,265,017
Derivative financial liabilities		857,410	1,021,778	857,410	1,021,778
Term funding		4,014,615	1,614,991	4,014,615	1,614,991
Debt capital		3,095,000	3,095,000	3,095,000	3,095,000
Other liabilities	A18	2,764,916	4,120,130	2,746,718	4,101,878
TOTAL LIABILITIES		122,066,820	123,402,791	122,082,758	123,414,632
Share capital		3,040,465	3,040,465	3,040,465	3,040,465
Reserves		9,273,280	9,336,363	9,221,025	9,285,219
Equity attributable to equity holder of the Bank		12,313,745	12,376,828	12,261,490	12,325,684
Non-controlling interests		126	126	-	-
TOTAL EQUITY		12,313,871	12,376,954	12,261,490	12,325,684
TOTAL LIABILITIES AND EQUITY		134,380,691	135,779,745	134,344,248	135,740,316
COMMITMENTS AND CONTINGENCIES	A33	124,796,831	118,118,529	124,858,831	118,178,129
NET ASSETS PER SHARE (RM)		12.96	13.03	12.91	12.98

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 2024.

AmBank (M) Berhad
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UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024

Group	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
Interest income	A19	1,542,403	1,510,341	1,542,403	1,510,341
Interest expense	A20	(963,586)	(959,119)	(963,586)	(959,119)
Net interest income		578,817	551,222	578,817	551,222
Other operating income	A21	173,090	210,348	173,090	210,348
Share in results of an associate		601	(7)	601	(7)
Net income		752,508	761,563	752,508	761,563
Other operating expenses	A22	(332,449)	(329,986)	(332,449)	(329,986)
Operating profit		420,059	431,577	420,059	431,577
Allowance for impairment on loans and advances	A23	(40,920)	(132,868)	(40,920)	(132,868)
Writeback of/(provision for) commitments and contingencies		17,442	(3,948)	17,442	(3,948)
Writeback of/(allowance for) impairment on:					
Financial investments	A24	4,527	(12,664)	4,527	(12,664)
Other financial assets	A25	805	(2,467)	805	(2,467)
Other recoveries		1	4	1	4
Profit before taxation		401,914	279,634	401,914	279,634
Taxation		(96,620)	(60,327)	(96,620)	(60,327)
Profit for the financial period		305,294	219,307	305,294	219,307
Attributable to:					
Equity holder of the Bank		305,294	219,307	305,294	219,307
Non-controlling interests		-	-	-	-
Profit for the financial period		305,294	219,307	305,294	219,307
Earnings per share (sen)					
Basic/Diluted	A26	32.14	23.09	32.14	23.09

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 2024.

AmBank (M) Berhad
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UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024

Group	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	305,294	219,307	305,294	219,307
Other comprehensive income				
Items that will not be reclassified subsequently to statement of profit or loss				
<u>Equity Instruments</u>				
Financial investments at fair value through other comprehensive income				
- net unrealised gain on changes in fair value	85,815	38,308	85,815	38,308
Tax effect	220	-	220	-
Items that may be reclassified subsequently to statement of profit or loss				
Currency translation on offshore operations	(61)	15,337	(61)	15,337
Cash flow hedge				
- amortisation of fair value changes of terminated hedge	445	1,576	445	1,576
Tax effect	(107)	(378)	(107)	(378)
<u>Debt instruments</u>				
Financial investments at fair value through other comprehensive income				
- net (loss)/gain on changes in fair value	(5,903)	14,910	(5,903)	14,910
- net (gain)/loss reclassified to profit or loss	(598)	130	(598)	130
- changes in expected credit losses ("ECL")	(1,382)	9,626	(1,382)	9,626
- foreign exchange differences	-	1	-	1
Tax effect	1,560	(3,610)	1,560	(3,610)
Other comprehensive income, net of tax	79,989	75,900	79,989	75,900
Total comprehensive income for the financial period, net of tax	385,283	295,207	385,283	295,207
Attributable to:				
Equity holder of the Bank	385,283	295,207	385,283	295,207
Non-controlling interests	-	-	-	-
	385,283	295,207	385,283	295,207

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 2024.

AmBank (M) Berhad
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UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024

Bank	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
Interest income	A19	1,541,535	1,509,724	1,541,535	1,509,724
Interest expense	A20	(963,594)	(959,191)	(963,594)	(959,191)
Net interest income		577,941	550,533	577,941	550,533
Other operating income	A21	173,322	210,352	173,322	210,352
Net income		751,263	760,885	751,263	760,885
Other operating expenses	A22	(332,625)	(330,155)	(332,625)	(330,155)
Operating profit		418,638	430,730	418,638	430,730
Allowance for impairment on loans and advances	A23	(40,821)	(133,075)	(40,821)	(133,075)
Writeback of/(provision for) commitments and contingencies		17,447	(3,976)	17,447	(3,976)
Writeback of/(allowance for) impairment on:					
Financial investments	A24	4,527	(12,664)	4,527	(12,664)
Other financial assets	A25	805	(2,422)	805	(2,422)
Other recoveries		1	4	1	4
Profit before taxation		400,597	278,597	400,597	278,597
Taxation		(96,414)	(60,113)	(96,414)	(60,113)
Profit for the financial period		304,183	218,484	304,183	218,484
Earnings per share (sen)					
Basic/Diluted	A26	32.02	23.00	32.02	23.00

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 2024.

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

	Individual Quarter		Cumulative Quarter	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Bank				
Profit for the financial period	304,183	218,484	304,183	218,484
Other comprehensive income				
Items that will not be reclassified subsequently to statement of profit or loss				
<u>Equity Instruments</u>				
Financial investments at fair value through other comprehensive income				
- net unrealised gain on changes in fair value	85,815	38,308	85,815	38,308
Tax effect	220	-	220	-
Items that may be reclassified subsequently to statement of profit or loss				
Currency translation on offshore operations	(61)	15,324	(61)	15,324
Cash flow hedge				
- amortisation of fair value changes of terminated hedge	445	1,576	445	1,576
Tax effect	(107)	(378)	(107)	(378)
<u>Debt instruments</u>				
Financial investments at fair value through other comprehensive income				
- net (loss)/gain on changes in fair value	(5,903)	14,910	(5,903)	14,910
- net (gain)/loss reclassified to profit or loss	(598)	130	(598)	130
- changes in expected credit losses ("ECL")	(1,382)	9,626	(1,382)	9,626
- foreign exchange differences	-	1	-	1
Tax effect	1,560	(3,610)	1,560	(3,610)
Other comprehensive income, net of tax	79,989	75,887	79,989	75,887
Total comprehensive income for the financial period, net of tax	384,172	294,371	384,172	294,371

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 2024.

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UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024

Group	Attributable to equity holder of the Bank									
	Non-distributable						Distributable			
	Share capital RM'000	Regulatory reserve RM'000	Merger reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total attributable to equity holder RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2023	3,040,465	201,229	104,149	299,138	(4,259)	101,830	7,456,999	11,199,551	145	11,199,696
Profit for the financial period	-	-	-	-	-	-	219,307	219,307	-	219,307
Other comprehensive income, net	-	-	-	59,365	1,198	15,337	-	75,900	-	75,900
Total comprehensive income for the financial period	-	-	-	59,365	1,198	15,337	219,307	295,207	-	295,207
Transfer from regulatory reserve	-	(38,600)	-	-	-	-	38,600	-	-	-
Dividends on ordinary shares: - final, financial year ended 31 March 2023	-	-	-	-	-	-	(164,337)	(164,337)	-	(164,337)
Transaction with owner and other equity movements	-	(38,600)	-	-	-	-	(125,737)	(164,337)	-	(164,337)
At 30 June 2023	3,040,465	162,629	104,149	358,503	(3,061)	117,167	7,550,569	11,330,421	145	11,330,566

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 2024.

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UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D.)
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024

Group	Attributable to equity holder of the Bank									
	Non-distributable						Distributable			
	Share capital RM'000	Regulatory reserve RM'000	Merger reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total attributable to equity holder RM'000	Non-controlling interests RM'000	Total equity RM'000
At 1 April 2024	3,040,465	188,146	104,149	411,695	(1,029)	121,067	8,512,335	12,376,828	126	12,376,954
Profit for the financial period	-	-	-	-	-	-	305,294	305,294	-	305,294
Other comprehensive income/(loss), net	-	-	-	79,712	338	(61)	-	79,989	-	79,989
Total comprehensive income/(loss) for the financial period	-	-	-	79,712	338	(61)	305,294	385,283	-	385,283
Transfer to regulatory reserve	-	4,620	-	-	-	-	(4,620)	-	-	-
Dividends on ordinary shares: - final, financial year ended 31 March 2024	-	-	-	-	-	-	(448,366)	(448,366)	-	(448,366)
Transaction with owner and other equity movements	-	4,620	-	-	-	-	(452,986)	(448,366)	-	(448,366)
At 30 June 2024	3,040,465	192,766	104,149	491,407	(691)	121,006	8,364,643	12,313,745	126	12,313,871

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 2024.

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

	Attributable to equity holder of the Bank					Distributable	Total equity RM'000
	Non-distributable						
Bank	Share capital RM'000	Regulatory reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	
At 1 April 2023	3,040,465	201,229	299,138	(4,259)	105,630	7,508,139	11,150,342
Profit for the financial period	-	-	-	-	-	218,484	218,484
Other comprehensive income, net	-	-	59,365	1,198	15,324	-	75,887
Total comprehensive income for the financial period	-	-	59,365	1,198	15,324	218,484	294,371
Transfer from regulatory reserve	-	(38,600)	-	-	-	38,600	-
Dividends on ordinary shares: - final, financial year ended 31 March 2023	-	-	-	-	-	(164,337)	(164,337)
Transaction with owner and other equity movements	-	(38,600)	-	-	-	(125,737)	(164,337)
At 30 June 2023	3,040,465	162,629	358,503	(3,061)	120,954	7,600,886	11,280,376

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**UNAUDITED STATEMENT OF CHANGES IN EQUITY (CONT'D.)
FOR THE FINANCIAL QUARTER ENDED 30 JUNE 2024**

	Attributable to equity holder of the Bank					Distributable	Total equity RM'000
	Non-distributable						
Bank	Share capital RM'000	Regulatory reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	
At 1 April 2024	3,040,465	188,146	411,695	(1,029)	124,851	8,561,556	12,325,684
Profit for the financial period	-	-	-	-	-	304,183	304,183
Other comprehensive income/(loss), net	-	-	79,712	338	(61)	-	79,989
Total comprehensive income/(loss) for the financial period	-	-	79,712	338	(61)	304,183	384,172
Transfer to regulatory reserve	-	4,620	-	-	-	(4,620)	-
Dividends on ordinary shares: - final, financial year ended 31 March 2024	-	-	-	-	-	(448,366)	(448,366)
Transaction with owner and other equity movements	-	4,620	-	-	-	(452,986)	(448,366)
At 30 June 2024	3,040,465	192,766	491,407	(691)	124,790	8,412,753	12,261,490

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 2024.

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

	Group		Bank	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Profit before taxation	401,914	279,634	400,597	278,597
Adjustments for non-operating and non-cash items	212,269	(7,521)	212,858	(7,242)
Operating profit before working capital changes	614,183	272,113	613,455	271,355
Changes in working capital:				
Net change in operating assets	754,396	(672,929)	749,258	(667,818)
Net change in operating liabilities	(1,150,624)	(3,091,292)	(1,146,424)	(3,135,414)
Tax paid	(53,775)	(96,875)	(53,751)	(96,250)
Net cash generated from/(used in) operating activities	164,180	(3,588,983)	162,538	(3,628,127)
Net cash (used in)/generated from investing activities	(271,647)	2,204,304	(271,647)	2,213,304
Net cash (used in)/generated from financing activities	(465,859)	317,782	(465,981)	317,659
Net decrease in cash and cash equivalents	(573,326)	(1,066,897)	(575,090)	(1,097,164)
Cash and cash equivalents at beginning of the financial period	7,042,260	7,053,121	7,005,146	7,052,096
Effect of exchange rate changes	(4)	276	(4)	276
Cash and cash equivalents at end of financial period	6,468,930	5,986,500	6,430,052	5,955,208
Cash and cash equivalents comprise:				
Cash and short-term funds	6,420,440	5,723,090	6,381,562	5,691,798
Deposits and placements with banks and other financial institutions	932,063	2,041,121	932,063	2,041,121
	7,352,503	7,764,211	7,313,625	7,732,919
Less: Deposits and placements with original maturity of more than 3 months	(884,894)	(1,781,489)	(884,894)	(1,781,489)
	6,467,609	5,982,722	6,428,731	5,951,430
Allowances for expected credit loss ("ECL") for cash and cash equivalents at end of the financial period	1,321	3,778	1,321	3,778
	6,468,930	5,986,500	6,430,052	5,955,208

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 2024.

AmBank (M) Berhad
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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 Group and 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 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:

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

The amendments clarified that after the commencement date, 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.

(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

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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.)

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

(a) Amendments to published standard 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.

(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 system.

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 solely 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 standards 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 19 *Subsidiaries without Public Accountability: Disclosures*

MFRS 19 introduced reduced disclosure requirements for eligible subsidiaries. An eligible subsidiary has the option to adopt this standard in its consolidated or separate financial statements provided that it does not have public accountability and it has an ultimate or intermediate holding company that produces consolidated financial statements in accordance with IFRS Accounting Standards.

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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.)

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

(d) Amendments to published 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 clarified 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.

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 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 Group's and the Bank's accounting policies, the material 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 Group and the Bank are not materially affected by any seasonal or cyclical fluctuation in the current financial quarter and period.

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

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

A5. CHANGES IN ESTIMATES

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

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A6. ISSUANCE, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY SECURITIES

On 19 June 2024, the Bank issued the following tranches under its RM7.0 billion nominal value Senior Notes Programme:

- a) Tranche 10 of Senior Notes with nominal value of RM300.0 million. Tranche 10 bears interest at 4.00% per annum payable half-yearly with a tenure of 5 years.
- b) Tranche 11 of Senior Notes with nominal value of RM800.0 million. Tranche 11 bears interest at 4.10% per annum payable half-yearly with a tenure of 7 years.
- c) Tranche 12 of Senior Notes with nominal value of RM500.0 million. Tranche 12 bears interest at 4.15% per annum payable half-yearly with a tenure of 10 years.

Save as disclosed above, there were no new issuance for equity securities, share buy-backs, share cancellations, shares held as treasury shares, resale of treasury shares and repayment of debt securities by the Group and the Bank during the financial quarter.

A7. DIVIDENDS

During the financial quarter, the final single-tier cash dividend of 47.20 sen per ordinary share on 949,927,564 ordinary shares amounting to approximately RM448,365,810 in respect of the financial year ended 31 March 2024 was paid on 28 June 2024.

The Directors did not declare any interim dividend during the financial period for the current financial year ending 31 March 2025.

A8. CASH AND SHORT-TERM FUNDS

	Group		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Cash and bank balances	2,906,881	3,549,652	2,906,192	3,548,794
Deposit placements maturing within one month:				
Licensed banks	1,324,857	1,312,608	1,286,668	1,276,352
Bank Negara Malaysia	2,190,000	1,280,000	2,190,000	1,280,000
	<u>3,514,857</u>	<u>2,592,608</u>	<u>3,476,668</u>	<u>2,556,352</u>
Total cash and bank balances and deposit placements	6,421,738	6,142,260	6,382,860	6,105,146
Less: Allowances for ECL	(1,298)	(1,293)	(1,298)	(1,293)
	<u>6,420,440</u>	<u>6,140,967</u>	<u>6,381,562</u>	<u>6,103,853</u>
Deposits and placements with original maturity of:				
Three months or less	3,514,857	2,592,608	3,476,668	2,556,352

Movements in allowances for ECL are as follows:

	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
Group and Bank			
30 June 2024			
Balance at beginning of the financial period	1,262	31	1,293
Net (writeback of)/allowances for ECL (Note A25):	(243)	253	10
New financial assets originated	2,013	58	2,071
Financial assets derecognised	(2,300)	-	(2,300)
Transfer from deposits and placements with banks and other financial institution (Note A9)	216	-	216
Net remeasurement of allowances	(172)	195	23
Foreign exchange differences	(5)	-	(5)
Balance at end of the financial period	<u>1,014</u>	<u>284</u>	<u>1,298</u>

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A8. CASH AND SHORT-TERM FUNDS (CONT'D.)

Movements in allowances for ECL are as follows (Cont'd.):

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
31 March 2024			
Balance at beginning of the financial year	1,448	300	1,748
Net writeback of ECL:	(206)	(270)	(476)
Transfer to Stage 1	1	(273)	(272)
New financial assets originated	15,265	686	15,951
Financial assets derecognised	(19,571)	(686)	(20,257)
Transfer from deposits and placements with banks and other financial institutions (Note A9)	3,900	-	3,900
Net remeasurement of allowances	199	3	202
Foreign exchange differences	20	1	21
Balance at end of the financial year	1,262	31	1,293

A9. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group and Bank	
	30 June 2024 RM'000	31 March 2024 RM'000
Licensed banks	47,192	-
Licensed Islamic bank (a related company)	84,894	84,033
Licensed investment bank (a related company)	800,000	1,700,000
	932,086	1,784,033
Less: Allowances for ECL	(23)	-
	932,063	1,784,033
Deposits and placements with original maturity of:		
Three months or less	47,192	900,000
More than three months	884,894	884,033
	932,086	1,784,033

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000
30 June 2024	
Balance at beginning of the financial period	-
Net allowances for ECL (Note A25):	23
New financial assets originated	239
Transfer to cash and short term funds (Note A8)	(216)
Balance at end of the financial period	23
31 March 2024	
Balance at beginning of the financial year	66
Net writeback of ECL:	(66)
New financial assets originated	3,002
Transfer to cash and short-term funds (Note A8)	(3,900)
Net remeasurement of allowances	832
Balance at end of the financial year	-

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A10. INVESTMENT ACCOUNT PLACEMENT

	Group and Bank	
	30 June	31 March
	2024	2024
	RM'000	RM'000
Licensed Islamic bank	1,214,571	1,366,363
Less: Allowances for ECL	(1,448)	(1,830)
	<u>1,213,123</u>	<u>1,364,533</u>

This represents investment placed under Restricted Investment Account ("RA") arrangement with AmBank Islamic. The contract is based on the Shariah concept of Mudarabah between two parties, that is, the investor ("the Bank") and the entrepreneur ("AmBank Islamic") to finance a business venture where the investor provides capital and the business venture is managed solely by the entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratio. Losses shall be borne solely by the investor. The investment assets financed under this arrangement are financing and advances extended by AmBank Islamic to its external customers. As losses are borne solely by the investor, the related ECL allowance for financing and advances extended by AmBank Islamic is recorded by the Bank.

As at 30 June 2024, the gross exposure (inclusive interest receivable disclosed in other assets) relating to the RA financing for the Group and the Bank amounted to RM1,217.2 million (31 March 2024: RM1,370.0 million). No stage 2 and 3 ECL is provided for the RA financing as at 30 June 2024 and 31 March 2024.

Movements in allowances for ECL are as follows:

		Stage 1
		12-Month
		ECL
		RM'000
Group and Bank		
30 June 2024		
Balance at beginning of the financial period		1,830
Net writeback of ECL (Note A25):		(382)
New financial assets originated		1,448
Financial assets derecognised		(1,830)
Balance at end of the financial period		<u>1,448</u>
		Stage 1
		12-Month
		ECL
		RM'000
Group and Bank		
31 March 2024		
Balance at beginning of the financial year		1,269
Net allowance for ECL:		561
New financial assets originated		1,830
Financial assets derecognised		(1,269)
Balance at end of the financial year		<u>1,830</u>

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A11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
At fair value				
Money market instruments:				
Bank Negara Monetary Notes	279,958	788,949	279,958	788,949
Malaysian Treasury Bills	1,067,201	636,441	1,067,201	636,441
Malaysian Government Investment Issues	1,230,815	476,634	1,230,815	476,634
Malaysian Government Securities	1,824,279	1,909,429	1,824,279	1,909,429
	<u>4,402,253</u>	<u>3,811,453</u>	<u>4,402,253</u>	<u>3,811,453</u>
Quoted securities:				
<i>In Malaysia:</i>				
Shares	982,502	780,376	982,502	780,376
Unit trusts	45,517	44,875	45,517	44,875
Sukuk	10,210	10,249	10,210	10,249
	<u>1,038,229</u>	<u>835,500</u>	<u>1,038,229</u>	<u>835,500</u>
<i>Outside Malaysia:</i>				
Shares	<u>826,650</u>	<u>1,015,733</u>	<u>826,648</u>	<u>1,015,729</u>
Unquoted securities:				
<i>In Malaysia:</i>				
Shares	29	29	-	-
Corporate bonds and sukuk	735,283	1,103,967	735,283	1,103,967
	<u>735,312</u>	<u>1,103,996</u>	<u>735,283</u>	<u>1,103,967</u>
	<u>7,002,444</u>	<u>6,766,682</u>	<u>7,002,413</u>	<u>6,766,649</u>

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A12. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
At fair value				
Money market instruments:				
Malaysian Government Investment Issues	4,141,042	3,630,267	4,141,042	3,630,267
Malaysian Government Securities	5,198,581	4,703,417	5,198,581	4,703,417
Foreign Government Investment Issues	13,872	13,931	13,872	13,931
Negotiable Instruments of Deposit	-	200,013	-	200,013
	<u>9,353,495</u>	<u>8,547,628</u>	<u>9,353,495</u>	<u>8,547,628</u>
Quoted securities:				
<i>In Malaysia:</i>				
Unit trusts	<u>57,799</u>	<u>58,717</u>	<u>57,799</u>	<u>58,717</u>
Unquoted securities:				
<i>In Malaysia:</i>				
Corporate bonds and sukuk	9,797,263	10,378,218	9,797,263	10,378,218
Shares	<u>801,377</u>	<u>714,780</u>	<u>801,377</u>	<u>714,780</u>
	<u>10,598,640</u>	<u>11,092,998</u>	<u>10,598,640</u>	<u>11,092,998</u>
<i>Outside Malaysia:</i>				
Shares	<u>922</u>	<u>786</u>	<u>922</u>	<u>786</u>
	<u>20,010,856</u>	<u>19,700,129</u>	<u>20,010,856</u>	<u>19,700,129</u>

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A12. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI") (CONT'D.)

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
30 June 2024			
Balance at beginning of the financial period	17,526	3,496	21,022
Net writeback of ECL (Note A24):	(716)	(666)	(1,382)
New financial assets originated	531	-	531
Financial assets derecognised	(1,308)	(778)	(2,086)
Net remeasurement of allowances	61	112	173
Balance at end of the financial period	16,810	2,830	19,640
31 March 2024			
Balance at beginning of the financial year	8,562	1,979	10,541
Net allowances for ECL:	8,963	1,517	10,480
- Transfer to Stage 2	(9)	146	137
New financial assets originated	7,976	1,399	9,375
Financial assets derecognised	(3,628)	(100)	(3,728)
Net remeasurement of allowances	4,624	72	4,696
Foreign exchange differences	1	-	1
Balance at end of the financial year	17,526	3,496	21,022

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A13. FINANCIAL INVESTMENTS AT AMORTISED COST

	Group and Bank	
	30 June 2024 RM'000	31 March 2024 RM'000
At amortised cost		
Money market instruments:		
Malaysian Government Investment Issues	946,097	946,020
Malaysian Government Securities	794,941	795,703
	<u>1,741,038</u>	<u>1,741,723</u>
Unquoted securities:		
<i>In Malaysia:</i>		
Corporate bonds and sukuk	5,722,192	5,699,991
	<u>7,463,230</u>	<u>7,441,714</u>
Less: Allowances for ECL	(47,276)	(50,421)
	<u>7,415,954</u>	<u>7,391,293</u>

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2024			
Balance at beginning of the financial period	13,787	36,634	50,421
Net writeback of ECL (Note A24):	(3,131)	(14)	(3,145)
New financial assets originated	323	-	323
Net remeasurement of allowances	(3,174)	(14)	(3,188)
Financial assets derecognised	(280)	-	(280)
Balance at end of the financial period	<u>10,656</u>	<u>36,620</u>	<u>47,276</u>
31 March 2024			
Balance at beginning of the financial year	4,758	35,283	40,041
Net allowances for ECL:	9,029	1,351	10,380
New financial assets originated	6,086	-	6,086
Net remeasurement of allowances	3,986	1,351	5,337
Financial assets derecognised	(1,043)	-	(1,043)
Balance at end of the financial year	<u>13,787</u>	<u>36,634</u>	<u>50,421</u>

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A14. LOANS AND ADVANCES

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
At amortised cost:				
Overdraft	2,007,609	1,973,452	2,007,609	1,973,452
Term loans	27,770,324	27,793,774	27,770,324	27,793,774
Housing loan receivables	30,532,796	30,284,316	30,187,855	29,931,579
Hire purchase receivables	8,920,226	9,279,460	8,920,226	9,279,460
Bills receivables	2,302,653	2,598,509	2,302,653	2,598,509
Trust receipts	2,237,652	2,103,003	2,237,652	2,103,003
Claims on customers under acceptance credits	4,525,630	4,689,444	4,525,630	4,689,444
Card receivables	1,693,809	1,707,587	1,693,809	1,707,587
Revolving credits	6,596,433	6,919,288	6,935,925	7,261,425
Staff loans	80,390	83,286	80,390	83,286
Others	267,042	187,659	267,042	187,659
Gross loans and advances	86,934,564	87,619,778	86,929,115	87,609,178
Allowances for ECL:				
- Stage 1 - 12 months ECL	(200,299)	(224,192)	(200,468)	(224,423)
- Stage 2 - Lifetime ECL not credit impaired	(705,855)	(691,248)	(705,827)	(691,198)
- Stage 3 - Lifetime ECL credit impaired	(465,530)	(455,977)	(465,058)	(455,564)
Net loans and advances	85,562,880	86,248,361	85,557,762	86,237,993

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Domestic non-bank financial institutions	1,121,526	1,086,241	1,461,019	1,428,377
Domestic business enterprises				
- Small medium enterprises	21,124,818	20,762,827	21,124,818	20,762,827
- Others	19,647,420	20,161,392	19,647,420	20,161,392
Government and statutory bodies	25,862	29,289	25,862	29,289
Individuals	44,111,098	44,324,965	43,766,156	43,972,229
Other domestic entities	7,577	5,377	7,577	5,377
Foreign individuals and entities	896,263	1,249,687	896,263	1,249,687
	86,934,564	87,619,778	86,929,115	87,609,178

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A14. LOANS AND ADVANCES (CONT'D.)

(b) Gross loans and advances analysed by geographical distribution are as follows:

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
In Malaysia	86,800,347	87,469,912	86,794,898	87,459,312
Outside Malaysia	134,217	149,866	134,217	149,866
	<u>86,934,564</u>	<u>87,619,778</u>	<u>86,929,115</u>	<u>87,609,178</u>

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Fixed rate				
- Housing loans	426,610	427,052	81,669	74,316
- Hire purchase receivables	8,657,690	9,001,660	8,657,690	9,001,660
- Other fixed rate loans	7,456,248	7,582,263	7,456,248	7,582,263
Variable rate				
- Base rate and base lending rate plus	49,475,415	49,031,022	49,475,415	49,031,022
- Cost plus	20,177,213	20,742,923	20,516,705	21,085,059
- Other variable rates	741,388	834,858	741,388	834,858
	<u>86,934,564</u>	<u>87,619,778</u>	<u>86,929,115</u>	<u>87,609,178</u>

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

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Agriculture	1,214,727	1,449,173	1,214,727	1,449,173
Mining and quarrying	1,390,743	1,680,024	1,390,743	1,680,024
Manufacturing	11,065,019	11,440,034	11,065,019	11,440,034
Electricity, gas and water	1,205,752	1,100,462	1,205,752	1,100,462
Construction	4,105,580	3,912,660	4,105,580	3,912,660
Wholesale and retail trade and hotel and restaurants	9,591,305	9,569,443	9,591,305	9,569,443
Transport, storage and communication	2,457,023	2,419,231	2,457,023	2,419,231
Finance and insurance	1,321,107	1,315,485	1,660,599	1,657,621
Real estate	6,962,441	6,952,824	6,962,441	6,952,824
Business activities	1,847,816	1,878,804	1,847,816	1,878,804
Education and health	1,195,154	1,099,576	1,195,154	1,099,576
Household of which:	44,573,954	44,801,440	44,229,013	44,448,704
- purchase of residential properties	30,763,083	30,517,032	30,418,142	30,164,296
- purchase of transport vehicles	7,758,027	8,132,243	7,758,027	8,132,243
- others	6,052,844	6,152,165	6,052,844	6,152,165
Others	3,943	622	3,943	622
	<u>86,934,564</u>	<u>87,619,778</u>	<u>86,929,115</u>	<u>87,609,178</u>

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A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Maturing within one year	20,751,569	21,297,533	21,088,318	21,637,055
Over one year to three years	4,714,174	5,588,329	4,709,842	5,583,611
Over three years to five years	7,331,748	7,159,736	7,324,853	7,152,626
Over five years	54,137,073	53,574,180	53,806,102	53,235,886
	<u>86,934,564</u>	<u>87,619,778</u>	<u>86,929,115</u>	<u>87,609,178</u>

(f) Movements in impaired loans and advances are as follows:

	Group		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Balance at beginning of the financial period/year	1,555,540	1,375,292	1,553,692	1,374,240
Additions during the financial period/year	355,689	1,396,431	355,210	1,395,261
Reclassified as non-impaired	(165,746)	(161,446)	(165,588)	(161,134)
Recoveries	(76,573)	(450,578)	(76,527)	(450,516)
Amount written off	(82,848)	(604,699)	(82,848)	(604,699)
Foreign exchange differences	-	540	-	540
Balance at end of the financial period/year	<u>1,586,062</u>	<u>1,555,540</u>	<u>1,583,939</u>	<u>1,553,692</u>
Gross impaired loans and advances as % of gross loans and advances	<u>1.82%</u>	<u>1.78%</u>	<u>1.82%</u>	<u>1.77%</u>
Loan loss coverage (Including regulatory reserve)	<u>107.3%</u>	<u>110.2%</u>	<u>107.5%</u>	<u>110.3%</u>

(g) Impaired loans and advances analysed by geographical distribution are as follows:

	Group		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
In Malaysia	<u>1,586,062</u>	<u>1,555,540</u>	<u>1,583,939</u>	<u>1,553,692</u>

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A14. LOANS AND ADVANCES (CONT'D.)

(h) Impaired loans and advances analysed by sector are as follows:

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Agriculture	4,108	5,633	4,108	5,633
Mining and quarrying	14,357	16,398	14,357	16,398
Manufacturing	177,206	174,602	177,206	174,602
Electricity, gas and water	53,227	50,830	53,227	50,830
Construction	173,033	162,723	173,033	162,723
Wholesale and retail trade and hotel and restaurants	247,245	237,820	247,245	237,820
Transport, storage and communication	30,327	26,587	30,327	26,587
Finance and insurance	2,037	2,898	2,037	2,898
Real estate	19,646	16,771	19,646	16,771
Business activities	40,060	35,649	40,060	35,649
Education and health	32,745	37,146	32,745	37,146
Household of which:	792,071	788,483	789,948	786,635
- purchase of residential properties	619,868	607,337	619,868	605,489
- purchase of transport vehicles	66,284	74,352	66,284	74,352
- others	105,919	106,794	103,796	106,794
	1,586,062	1,555,540	1,583,939	1,553,692

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A14. LOANS AND ADVANCES (CONT'D.)

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

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2024				
Balance at beginning of the financial period	224,192	691,248	455,977	1,371,417
Net (writeback of)/allowances for ECL (Note A23):	(23,875)	14,609	92,415	83,149
- Transfer to Stage 1	8,184	(37,583)	(4,253)	(33,652)
- Transfer to Stage 2	(12,761)	68,150	(22,426)	32,963
- Transfer to Stage 3	(351)	(20,717)	52,305	31,237
New financial assets originated	28,345	15,225	150	43,720
Net remeasurement of allowances	(20,988)	(22,835)	96,772	52,949
Modification of contractual cash flows of financial assets	(918)	(1,747)	(70)	(2,735)
Financial assets derecognised	(25,386)	(14,705)	(30,063)	(70,154)
Changes to model assumptions and methodologies	-	28,821	-	28,821
Foreign exchange differences	(18)	(2)	(14)	(34)
Amount written-off	-	-	(82,848)	(82,848)
Balance at end of the financial period	200,299	705,855	465,530	1,371,684
31 March 2024				
Balance at beginning of the financial year	160,839	719,574	423,493	1,303,906
Net allowances for/(writeback of) ECL:	62,803	(28,318)	636,575	671,060
- Transfer to Stage 1	18,670	(108,608)	(7,955)	(97,893)
- Transfer to Stage 2	(9,021)	104,169	(17,694)	77,454
- Transfer to Stage 3	(1,084)	(36,337)	183,483	146,062
New financial assets originated	70,524	52,219	8,504	131,247
Net remeasurement of allowances	9,475	(26,179)	561,006	544,302
Modification of contractual cash flows of financial assets	197	(2,372)	(1,568)	(3,743)
Financial assets derecognised	(33,514)	(63,814)	(112,170)	(209,498)
Changes to model assumptions and methodologies	7,556	52,604	22,969	83,129
Foreign exchange differences	550	(8)	608	1,150
Amount written-off	-	-	(604,699)	(604,699)
Balance at end of the financial year	224,192	691,248	455,977	1,371,417

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A14. LOANS AND ADVANCES (CONT'D.)

(i) Movements in allowances for ECL are as follows (Cont'd.):

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2024				
Balance at beginning of the financial period	224,423	691,198	455,564	1,371,185
Net (writeback of)/allowances for ECL (Note A23):	(23,937)	14,631	92,356	83,050
- Transfer to Stage 1	8,182	(37,556)	(4,250)	(33,624)
- Transfer to Stage 2	(12,760)	68,130	(22,426)	32,944
- Transfer to Stage 3	(351)	(20,704)	52,258	31,203
New financial assets originated	28,345	15,225	150	43,720
Net remeasurement of allowances	(21,051)	(22,833)	96,741	52,857
Modification of contractual cash flows of financial assets	(918)	(1,747)	(70)	(2,735)
Financial assets derecognised	(25,384)	(14,705)	(30,047)	(70,136)
Changes to model assumptions and methodologies	-	28,821	-	28,821
Foreign exchange differences	(18)	(2)	(14)	(34)
Amount written-off	-	-	(82,848)	(82,848)
Balance at end of the financial period	200,468	705,827	465,058	1,371,353
31 March 2024				
Balance at beginning of the financial year	160,826	719,487	423,247	1,303,560
Net allowances for/(writeback of) ECL:	63,045	(28,281)	636,408	671,172
- Transfer to Stage 1	18,669	(108,555)	(7,942)	(97,828)
- Transfer to Stage 2	(9,019)	104,126	(17,694)	77,413
- Transfer to Stage 3	(1,083)	(36,337)	183,265	145,845
New financial assets originated	70,524	52,219	8,504	131,247
Net remeasurement of allowances	9,704	(26,176)	560,995	544,523
Modification of contractual cash flows of financial assets	197	(2,372)	(1,568)	(3,743)
Financial assets derecognised	(33,503)	(63,790)	(112,121)	(209,414)
Changes to model assumptions and methodologies	7,556	52,604	22,969	83,129
Foreign exchange differences	552	(8)	608	1,152
Amount written-off	-	-	(604,699)	(604,699)
Balance at end of the financial year	224,423	691,198	455,564	1,371,185

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A15. OTHER ASSETS

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Other receivables, deposits and prepayments	807,660	1,043,858	806,363	1,042,553
Interest receivable	426,481	447,627	426,472	447,619
Amount due from related companies	26,496	26,863	26,544	26,932
Collateral pledged for derivative and securities transactions	627,276	790,167	627,276	790,167
Foreclosed properties	307	307	-	-
Deferred charges	111,101	111,996	111,101	111,996
Tax recoverable	637,780	636,729	637,327	636,094
	<u>2,637,101</u>	<u>3,057,547</u>	<u>2,635,083</u>	<u>3,055,361</u>
Less: Accumulated impairment losses	(21,546)	(22,001)	(21,053)	(21,509)
	<u>2,615,555</u>	<u>3,035,546</u>	<u>2,614,030</u>	<u>3,033,852</u>

Amounts due from related companies are unsecured, non-interest bearing and are repayable on demand.

A16. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Demand deposits	26,596,086	29,883,483	26,598,308	29,886,682
Savings deposits	4,522,113	4,702,766	4,522,113	4,702,766
Term/Investment deposits	59,494,714	59,751,161	59,495,552	59,751,993
	<u>90,612,913</u>	<u>94,337,410</u>	<u>90,615,973</u>	<u>94,341,441</u>

(i) The deposits are sourced from the following type of customers:

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Government and other statutory bodies	1,804,474	1,816,922	1,804,474	1,816,922
Business enterprises	47,300,578	48,161,069	47,303,638	48,165,100
Individuals	37,347,773	40,666,138	37,347,773	40,666,138
Others	4,160,088	3,693,281	4,160,088	3,693,281
	<u>90,612,913</u>	<u>94,337,410</u>	<u>90,615,973</u>	<u>94,341,441</u>

(ii) The maturity structure of term/investment deposits is as follows:

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Due within six months	45,126,737	47,702,539	45,127,575	47,703,371
Over six months to one year	13,728,896	10,374,828	13,728,896	10,374,828
Over one year to three years	607,465	1,637,745	607,465	1,637,745
Over three years to five years	31,581	36,049	31,581	36,049
Over five years	35	-	35	-
	<u>59,494,714</u>	<u>59,751,161</u>	<u>59,495,552</u>	<u>59,751,993</u>

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A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Licensed banks	3,485,422	3,309,711	3,485,422	3,309,711
Licensed investment banks	538,956	1,243,378	538,956	1,243,378
Other financial institutions	1,620,671	1,546,435	1,651,747	1,572,497
Bank Negara Malaysia	1,574,701	1,520,606	1,574,701	1,520,606
	<u>7,219,750</u>	<u>7,620,130</u>	<u>7,250,826</u>	<u>7,646,192</u>

A18. OTHER LIABILITIES

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Other payables and accruals	1,237,364	1,214,820	1,218,280	1,195,578
Lease liabilities	188,439	202,540	189,080	203,279
Provision for reinstatement for leased premises	6,261	6,251	6,261	6,251
Interest payable	773,937	878,459	773,937	878,459
Amount due to holding company and other related companies	23,336	1,233,487	23,538	1,233,690
Collateral received for derivative and securities transactions	284,279	321,081	284,279	321,081
Lease deposits and advance rentals	42,834	42,333	42,834	42,333
Provision for commitments and contingencies	1,867	3,097	1,867	3,097
Allowances for ECL on loan commitments and financial guarantees (Note (a))	137,852	154,030	137,895	154,078
Provision for taxation	1,176	885	1,176	885
Deferred income	67,571	63,147	67,571	63,147
	<u>2,764,916</u>	<u>4,120,130</u>	<u>2,746,718</u>	<u>4,101,878</u>

Amounts due to holding company and other related companies relate to normal operating activities which are unsecured, non-interest bearing and repayable on demand.

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A18. OTHER LIABILITIES (CONT'D.)

(a) Movements in allowance for ECL on commitments and financial guarantees are as follows:

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2024				
Balance at beginning of the financial period	32,717	12,499	108,814	154,030
Net writeback for ECL:	(5,933)	(2,647)	(7,631)	(16,211)
- Transfer to Stage 1	446	(2,151)	-	(1,705)
- Transfer to Stage 2	(396)	2,385	-	1,989
- Transfer to Stage 3	(3)	(305)	-	(308)
New exposure originated	6,232	1,930	-	8,162
Net remeasurement of allowances	(4,308)	(1,837)	(7,631)	(13,776)
Financial exposure derecognised/withdrawn	(7,904)	(2,669)	-	(10,573)
Foreign exchange differences	26	5	2	33
Balance at end of the financial period	26,810	9,857	101,185	137,852
31 March 2024				
Balance at beginning of the financial year	31,057	26,808	135,220	193,085
Net allowances for/(writeback of) ECL:	1,503	(14,306)	(26,404)	(39,207)
- Transfer to Stage 1	1,442	(9,796)	-	(8,354)
- Transfer to Stage 2	(726)	3,037	-	2,311
- Transfer to Stage 3	(54)	(468)	9	(513)
New exposure originated	14,933	6,754	-	21,687
Net remeasurement of allowances	(5,795)	(4,952)	(26,333)	(37,080)
Financial exposure derecognised/withdrawn	(8,297)	(8,881)	(80)	(17,258)
Foreign exchange differences	157	(3)	(2)	152
Balance at end of the financial year	32,717	12,499	108,814	154,030

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A18. OTHER LIABILITIES (CONT'D.)

(a) Movements in allowance for ECL on commitments and financial guarantees are as follows (Cont'd.):

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
30 June 2024				
Balance at beginning of the financial period	32,765	12,499	108,814	154,078
Net writeback for ECL:	(5,938)	(2,647)	(7,631)	(16,216)
- Transfer to Stage 1	446	(2,151)	-	(1,705)
- Transfer to Stage 2	(396)	2,385	-	1,989
- Transfer to Stage 3	(3)	(305)	-	(308)
New exposure originated	6,232	1,930	-	8,162
Net remeasurement of allowances	(4,313)	(1,837)	(7,631)	(13,781)
Financial exposure derecognised/withdrawn	(7,904)	(2,669)	-	(10,573)
Foreign exchange differences	26	5	2	33
Balance at end of the financial period	26,853	9,857	101,185	137,895
31 March 2024				
Balance at beginning of the financial year	31,077	26,808	135,220	193,105
Net allowances for/(writeback of) ECL:	1,531	(14,306)	(26,404)	(39,179)
- Transfer to Stage 1	1,442	(9,796)	-	(8,354)
- Transfer to Stage 2	(726)	3,037	-	2,311
- Transfer to Stage 3	(54)	(468)	9	(513)
New exposure originated	14,933	6,754	-	21,687
Net remeasurement of allowances	(5,767)	(4,952)	(26,333)	(37,052)
Financial exposure derecognised/withdrawn	(8,297)	(8,881)	(80)	(17,258)
Foreign exchange differences	157	(3)	(2)	152
Balance at end of the financial year	32,765	12,499	108,814	154,078

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A19. INTEREST INCOME

		Individual Quarter		Cumulative Quarter	
		30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Group	Note				
Short-term funds and deposits and placements with financial institutions	(a)	58,265	85,149	58,265	85,149
Financial assets at fair value through profit or loss		46,950	72,798	46,950	72,798
Financial investments at fair value through other comprehensive income		176,172	171,226	176,172	171,226
Financial investments at amortised cost		81,290	94,451	81,290	94,451
Loans and advances	(b)	1,148,454	1,063,309	1,148,454	1,063,309
Investment account placement		13,285	13,810	13,285	13,810
Impaired loans and advances		2,182	1,901	2,182	1,901
Others		15,805	7,697	15,805	7,697
		<u>1,542,403</u>	<u>1,510,341</u>	<u>1,542,403</u>	<u>1,510,341</u>
Bank					
Short-term funds and deposits and placements with financial institutions	(a)	57,991	85,003	57,991	85,003
Financial assets at fair value through profit or loss		46,950	72,798	46,950	72,798
Financial investments at fair value through other comprehensive income		176,172	171,226	176,172	171,226
Financial investments at amortised cost		81,290	94,451	81,290	94,451
Loans and advances	(b)	1,147,860	1,062,838	1,147,860	1,062,838
Investment account placement		13,285	13,810	13,285	13,810
Impaired loans and advances		2,182	1,901	2,182	1,901
Others		15,805	7,697	15,805	7,697
		<u>1,541,535</u>	<u>1,509,724</u>	<u>1,541,535</u>	<u>1,509,724</u>

Note:

- (a) Included in the interest income on short term funds and deposits placements with financial institution is the fair value gain of RM Nil (June 2023: RM11.8 million) arising from the differential between the concession rates received and market rates of the placements made to AmBank Islamic and its unwinding amount for the financial quarter of gain of RM0.9 million (June 2023: loss of RM1.0 million). There was no fair value loss recognised in the current financial quarter.
- (b) Included in the interest income of loans and advances of the Group and of the Bank are the net loss of RM0.1 million (June 2023: loss of RM9.0 million) arising from government support measures implemented in response to COVID-19 pandemic.

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A20. INTEREST EXPENSE

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Group				
Deposits from customers	710,969	638,550	710,969	638,550
Deposits and placements of banks and other financial institutions	65,283	84,137	65,283	84,137
Securities sold under repurchase agreements	67,859	126,783	67,859	126,783
Recourse obligation on loans sold to Cagamas Berhad	49,805	51,303	49,805	51,303
Term funding	29,461	17,375	29,461	17,375
Debt capital	35,568	36,923	35,568	36,923
Others	4,641	4,048	4,641	4,048
	<u>963,586</u>	<u>959,119</u>	<u>963,586</u>	<u>959,119</u>
Bank				
Deposits from customers	710,973	638,558	710,973	638,558
Deposits and placements of banks and other financial institutions	65,287	84,201	65,287	84,201
Securities sold under repurchase agreements	67,859	126,783	67,859	126,783
Recourse obligation on loans sold to Cagamas Berhad	49,805	51,303	49,805	51,303
Term funding	29,461	17,375	29,461	17,375
Debt capital	35,568	36,923	35,568	36,923
Others	4,641	4,048	4,641	4,048
	<u>963,594</u>	<u>959,191</u>	<u>963,594</u>	<u>959,191</u>

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A21. OTHER OPERATING INCOME

Group	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Fee and commission income:				
Bancassurance commission	8,718	8,471	8,718	8,471
Brokerage fees, commission and rebates	401	264	401	264
Fees on loans, advances and securities	32,530	26,575	32,530	26,575
Fees, service and commission charges	7,725	6,104	7,725	6,104
Unit trust fees, commission and charges	13,816	9,371	13,816	9,371
Guarantee fees	13,594	12,113	13,594	12,113
Remittances	5,868	6,521	5,868	6,521
Other fee and commission	2,936	10,163	2,936	10,163
	<u>85,588</u>	<u>79,582</u>	<u>85,588</u>	<u>79,582</u>
Investment and trading income:				
Foreign exchange gain	45,302	167,258	45,302	167,258
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	6,696	1,789	6,696	1,789
Financial investments at fair value through other comprehensive income	4,775	4,672	4,775	4,672
Net gain/(loss) on sale of:				
Financial assets at fair value through profit or loss	54,898	18,049	54,898	18,049
Financial investments at fair value through other comprehensive income	598	(130)	598	(130)
Net gain on redemption of financial assets at amortised cost	-	34,855	-	34,855
Net loss on revaluation of financial assets at fair value through profit or loss	(129,804)	(85,689)	(129,804)	(85,689)
Net gain/(loss) on derivatives	98,252	(19,475)	98,252	(19,475)
Others	12	288	12	288
	<u>80,729</u>	<u>121,617</u>	<u>80,729</u>	<u>121,617</u>
Other income:				
Net gain on disposal of property and equipment	-	6	-	6
Net gain/(loss) on non trading foreign exchange	9	(31)	9	(31)
Profit from sale of goods and services	4,146	4,065	4,146	4,065
Rental income	-	2,040	-	2,040
Others	2,618	3,069	2,618	3,069
	<u>6,773</u>	<u>9,149</u>	<u>6,773</u>	<u>9,149</u>
	<u>173,090</u>	<u>210,348</u>	<u>173,090</u>	<u>210,348</u>

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A21. OTHER OPERATING INCOME (CONT'D.)

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Bank				
Fee and commission income:				
Bancassurance commission	8,718	8,471	8,718	8,471
Brokerage fees, commission and rebates	401	264	401	264
Fees on loans, advances and securities	32,530	26,575	32,530	26,575
Fees, service and commission charges	8,056	6,469	8,056	6,469
Unit trust fees, commission and charges	13,816	9,371	13,816	9,371
Guarantee fees	13,594	12,113	13,594	12,113
Remittances	5,868	6,521	5,868	6,521
Other fee and commission	2,936	10,163	2,936	10,163
	<u>85,919</u>	<u>79,947</u>	<u>85,919</u>	<u>79,947</u>
Investment and trading income:				
Foreign exchange gain	45,303	167,259	45,303	167,259
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	6,696	1,789	6,696	1,789
Financial investments at fair value through other comprehensive income	4,775	4,672	4,775	4,672
Net gain/(loss) on sale of:				
Financial assets at fair value through profit or loss	54,898	18,049	54,898	18,049
Financial investments at fair value through other comprehensive income	598	(130)	598	(130)
Net gain on redemption of financial assets at amortised cost	-	34,855	-	34,855
Net loss on revaluation of financial assets at fair value through profit or loss	(129,803)	(85,689)	(129,803)	(85,689)
Net gain/(loss) on derivatives	98,252	(19,475)	98,252	(19,475)
Others	12	288	12	288
	<u>80,731</u>	<u>121,618</u>	<u>80,731</u>	<u>121,618</u>
Other income:				
Net gain on disposal of property and equipment	-	7	-	7
Net gain/(loss) on non trading foreign exchange	9	(31)	9	(31)
Profit from sale of goods and services	4,146	4,065	4,146	4,065
Rental income	-	2,104	-	2,104
Others	2,517	2,642	2,517	2,642
	<u>6,672</u>	<u>8,787</u>	<u>6,672</u>	<u>8,787</u>
	<u>173,322</u>	<u>210,352</u>	<u>173,322</u>	<u>210,352</u>

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A22. OTHER OPERATING EXPENSES

Group	Individual Quarter		Cumulative Quarter	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Personnel costs:				
Medical	7,308	6,164	7,308	6,164
Insurance	7,994	5,504	7,994	5,504
Contributions to Employees' Provident Fund/ Private Retirement Schemes ("PRS")	37,251	37,530	37,251	37,530
Salaries, bonuses, allowances and incentives	238,838	240,276	238,838	240,276
Share granted under AMMB Executives' Share Scheme ("ESS") - charge	2,143	1,734	2,143	1,734
Social security costs	1,937	1,983	1,937	1,983
Recruitment costs	2,075	682	2,075	682
Training	1,413	1,053	1,413	1,053
Others	3,112	2,468	3,112	2,468
	<u>302,071</u>	<u>297,394</u>	<u>302,071</u>	<u>297,394</u>
Establishment costs:				
Amortisation of intangible assets	7,663	17,225	7,663	17,225
Cleaning, maintenance and security	8,824	6,643	8,824	6,643
Computerisation cost	60,167	49,027	60,167	49,027
Depreciation of property and equipment	10,818	11,869	10,818	11,869
Depreciation of right-of-use assets	16,599	16,948	16,599	16,948
Rental of premises	923	944	923	944
Finance cost:				
- Lease liabilities	1,363	1,586	1,363	1,586
- Provision for reinstatement for leased premises	11	15	11	15
Others	9,564	8,635	9,564	8,635
	<u>115,932</u>	<u>112,892</u>	<u>115,932</u>	<u>112,892</u>
Marketing and communication expenses:				
Advertising, marketing and communication	10,624	11,559	10,624	11,559
Commission	805	651	805	651
Others	1,625	1,401	1,625	1,401
	<u>13,054</u>	<u>13,611</u>	<u>13,054</u>	<u>13,611</u>
Administration and general expenses:				
Bank charges	3,712	3,123	3,712	3,123
Insurance	2,363	2,247	2,363	2,247
Professional services	16,824	14,698	16,824	14,698
Travelling	188	528	188	528
Subscriptions and periodicals	204	1,169	204	1,169
Others	7,568	5,544	7,568	5,544
	<u>30,859</u>	<u>27,309</u>	<u>30,859</u>	<u>27,309</u>
Service transfer pricing recovery - net	(129,467)	(121,220)	(129,467)	(121,220)
	<u>332,449</u>	<u>329,986</u>	<u>332,449</u>	<u>329,986</u>

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A22. OTHER OPERATING EXPENSES (CONT'D.)

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Bank				
Personnel costs:				
Medical	7,308	6,164	7,308	6,164
Insurance	7,994	5,504	7,994	5,504
Contributions to Employees' Provident Fund/ PRS	37,251	37,530	37,251	37,530
Salaries, bonuses, allowances and incentives	238,838	240,276	238,838	240,276
Share granted under AMMB ESS				
- charge	2,143	1,734	2,143	1,734
Social security costs	1,937	1,983	1,937	1,983
Recruitment costs	2,075	682	2,075	682
Training	1,413	1,053	1,413	1,053
Others	3,112	2,468	3,112	2,468
	<u>302,071</u>	<u>297,394</u>	<u>302,071</u>	<u>297,394</u>
Establishment costs:				
Amortisation of intangible assets	7,663	17,225	7,663	17,225
Cleaning, maintenance and security	8,801	6,605	8,801	6,605
Computerisation cost	60,167	49,027	60,167	49,027
Depreciation of property and equipment	10,784	11,835	10,784	11,835
Depreciation of right-of-use assets	16,702	17,052	16,702	17,052
Rental of premises	1,045	1,066	1,045	1,066
Finance cost:				
- Lease liabilities	1,387	1,613	1,387	1,613
- Provision for reinstatement for leased premises	11	15	11	15
Others	9,564	8,636	9,564	8,636
	<u>116,124</u>	<u>113,074</u>	<u>116,124</u>	<u>113,074</u>
Marketing and communication expenses:				
Advertising, marketing and communication	10,624	11,559	10,624	11,559
Commission	805	651	805	651
Others	1,625	1,401	1,625	1,401
	<u>13,054</u>	<u>13,611</u>	<u>13,054</u>	<u>13,611</u>
Administration and general expenses:				
Bank charges	3,712	3,123	3,712	3,123
Insurance	2,363	2,247	2,363	2,247
Professional services	16,808	14,686	16,808	14,686
Travelling	188	528	188	528
Subscriptions and periodicals	204	1,169	204	1,169
Others	7,568	5,543	7,568	5,543
	<u>30,843</u>	<u>27,296</u>	<u>30,843</u>	<u>27,296</u>
Service transfer pricing recovery - net	(129,467)	(121,220)	(129,467)	(121,220)
	<u>332,625</u>	<u>330,155</u>	<u>332,625</u>	<u>330,155</u>

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A23. ALLOWANCE FOR IMPAIRMENT ON LOANS AND ADVANCES

	Individual Quarter		Cumulative Quarter	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Group				
Allowance for impairment on loans and advances	83,149	171,902	83,149	171,902
Impaired loans and advances recovered, net	(42,229)	(39,034)	(42,229)	(39,034)
	<u>40,920</u>	<u>132,868</u>	<u>40,920</u>	<u>132,868</u>
Bank				
Allowance for impairment on loans and advances	83,050	172,109	83,050	172,109
Impaired loans and advances recovered, net	(42,229)	(39,034)	(42,229)	(39,034)
	<u>40,821</u>	<u>133,075</u>	<u>40,821</u>	<u>133,075</u>

A24. (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
Group and Bank				
Financial investments at fair value through other comprehensive income	(1,382)	9,626	(1,382)	9,626
Financial investments at amortised cost	(3,145)	3,038	(3,145)	3,038
	<u>(4,527)</u>	<u>12,664</u>	<u>(4,527)</u>	<u>12,664</u>

A25. (WRITEBACK OF)/ALLOWANCE FOR IMPAIRMENT ON OTHER FINANCIAL ASSETS AND NON-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
Group				
Cash and short-term funds	10	982	10	982
Deposits and placements with banks and other financial institutions	23	954	23	954
Investment account placement	(382)	921	(382)	921
Other assets	(456)	(390)	(456)	(390)
	<u>(805)</u>	<u>2,467</u>	<u>(805)</u>	<u>2,467</u>
Bank				
Cash and short-term funds	10	982	10	982
Deposits and placements with banks and other financial institutions	23	954	23	954
Investment account placement	(382)	921	(382)	921
Other assets	(456)	(435)	(456)	(435)
	<u>(805)</u>	<u>2,422</u>	<u>(805)</u>	<u>2,422</u>

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A26. EARNINGS PER SHARE ("EPS")

Basic/Diluted

The basic/diluted earnings per share is calculated by dividing the net profit attributable to 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
Group				
Net profit attributable to equity holder of the Bank (RM'000)	305,294	219,307	305,294	219,307
Number of ordinary shares at beginning and end of the financial period representing weighted average number of ordinary shares in issue ('000)	949,927	949,927	949,927	949,927
Basic/diluted earnings per share (sen)	32.14	23.09	32.14	23.09
Bank				
Net profit attributable to equity holder of the Bank (RM'000)	304,183	218,484	304,183	218,484
Number of ordinary shares at beginning and end of the financial period representing weighted average number of ordinary shares in issue ('000)	949,927	949,927	949,927	949,927
Basic/diluted earnings per share (sen)	32.02	23.00	32.02	23.00

A27. 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 a segment and to assess its performance.

The Group comprises the following main business segments:

(a) Retail Banking

Retail Banking provides everyday banking solutions to individuals and small and medium-sized enterprises ("SMEs") customers, covering both conventional and Islamic financial products and services which includes auto finance, mortgage, personal loan, credit cards, small business loans, wealth management, bancassurance, remittance, merchant business solutions and deposits.

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A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

The Group comprises the following main business segments (Cont'd.):

(b) Business Banking

Business Banking ("BB") focuses on the small and medium sized 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 Loans 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.

(ii) Group Treasury and Markets

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.

(d) Investment Banking

Under the Investment Banking division of AmBank, the core products are capital markets group, private banking and equity markets.

Capital Markets focuses on providing integrated financing solutions to our corporate and institutional clients. It offers a full suite of customised debt and capital financing solutions which include corporate bond issuances, loan syndication, structured finance, capital and project advisory services and primary syndication and underwriting services. Private Banking primarily services high net worth clients and offers financing and deposit products. Equity markets offers margin financing to retail and corporate clients.

(e) Others

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

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 interest 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 between the business segments.

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A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

Group For the financial period ended 30 June 2024	Retail Banking RM'000	Business Banking RM'000	Wholesale Banking		Investment Banking RM'000	Others RM'000	Total RM'000
			Corporate and Transaction Banking RM'000	Group Treasury and Markets RM'000			
External net income	346,163	293,600	154,415	(48,112)	8,133	(1,691)	752,508
Intersegments net income	(19,451)	(54,231)	(62,753)	146,457	1,482	(11,504)	-
Net income/(loss)	326,712	239,369	91,662	98,345	9,615	(13,195)	752,508
Net interest income/(loss)	264,219	171,337	79,010	77,282	7,287	(20,318)	578,817
Other operating income	61,893	68,031	12,652	21,063	2,327	7,124	173,090
Share in results of an associate	601	-	-	-	-	-	601
Net income/(loss)	326,713	239,368	91,662	98,345	9,614	(13,194)	752,508
Other operating expenses	(204,222)	(67,259)	(34,637)	(28,889)	(1,972)	4,530	(332,449)
of which:							
Depreciation of property and equipment	(4,293)	(398)	(262)	(123)	(3)	(5,739)	(10,818)
Depreciation of right-of-use assets	-	-	-	-	-	(16,599)	(16,599)
Amortisation of intangible assets	(2,354)	(99)	(860)	(1,712)	-	(2,638)	(7,663)
Profit/(loss) before impairment losses	122,491	172,109	57,025	69,456	7,642	(8,664)	420,059
(Allowance for)/writeback of impairment on loans and advances	(57,288)	10,173	4,446	-	1,749	-	(40,920)
Writeback of commitments and contingencies	1,598	13,430	1,188	-	-	1,226	17,442
(Allowance for)/writeback of impairment on financial investment, other financial assets and non-financial assets	(55)	397	3,064	1,926	-	-	5,332
Other recoveries	-	-	-	-	-	1	1
Profit/(loss) before taxation	66,746	196,109	65,723	71,382	9,391	(7,437)	401,914
Taxation	(15,874)	(45,699)	(15,736)	(16,684)	(1,975)	(652)	(96,620)
Profit/(loss) for the financial period	50,872	150,410	49,987	54,698	7,416	(8,089)	305,294
Other information							
Total segment assets	49,017,615	26,674,892	13,430,729	41,825,524	1,330,449	2,101,482	134,380,691
Total segment liabilities	45,249,199	20,903,642	8,550,155	45,397,451	1,574,574	391,799	122,066,820
Cost to income ratio	62.5%	28.1%	37.8%	29.4%	20.5%	34.3%	44.2%
Gross loans and advances	48,553,286	26,586,967	10,468,198	-	1,326,113	-	86,934,564
Net loans and advances	47,630,214	26,317,550	10,298,905	-	1,316,211	-	85,562,880
Impaired loans and advances	1,076,971	362,841	132,182	-	14,068	-	1,586,062
Total deposits	44,589,610	20,621,723	8,339,533	22,728,243	1,553,554	-	97,832,663
Additions to:							
Property and equipment	5,609	402	56	15	34	1,569	7,685
Intangible assets	4,217	805	326	-	8	678	6,034

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A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

Group 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 Markets RM'000	Investment Banking RM'000	Others RM'000	
External net income	374,042	258,202	158,809	(36,575)	14,268	(7,183)	761,563
Intersegments net income	(47,336)	(59,217)	(67,060)	187,173	(5,204)	(8,356)	-
Net income/(loss)	326,706	198,985	91,749	150,598	9,064	(15,539)	761,563
Net interest income/(loss)	276,008	150,043	72,662	69,854	7,078	(24,423)	551,222
Other operating income	50,706	48,940	19,087	80,744	1,987	8,884	210,348
Share in results of an associate	(7)	-	-	-	-	-	(7)
Net income/(loss)	326,707	198,983	91,749	150,598	9,065	(15,539)	761,563
Other operating expenses	(196,668)	(67,739)	(32,527)	(28,705)	(1,899)	(2,448)	(329,986)
of which:							
Depreciation of property and equipment	(3,893)	(420)	(280)	(124)	(3)	(7,149)	(11,869)
Depreciation of right-of-use	-	-	-	-	-	(16,948)	(16,948)
Amortisation of intangible assets	(4,861)	(281)	(1,502)	(1,516)	-	(9,065)	(17,225)
Profit/(loss) before impairment losses	130,039	131,244	59,222	121,893	7,166	(17,987)	431,577
(Allowance for)/writeback of impairment on loans and advances	(91,390)	(84,393)	42,905	-	10	-	(132,868)
Writeback of/(provision for) commitments and contingencies	1,026	(5,801)	(465)	-	-	1,292	(3,948)
Writeback of/(allowance for) impairment on financial investment and other financial assets	23	(167)	(2,969)	(11,973)	-	(45)	(15,131)
Other recoveries	-	-	-	-	-	4	4
Profit/(loss) before taxation	39,698	40,883	98,693	109,920	7,176	(16,736)	279,634
Taxation	(9,530)	(9,383)	(23,464)	(24,250)	(1,443)	7,743	(60,327)
Profit/(loss) for the financial period	30,168	31,500	75,229	85,670	5,733	(8,993)	219,307
Other information							
Total segment assets	48,240,677	22,374,671	13,245,711	47,136,119	1,570,203	2,136,106	134,703,487
Total segment liabilities	42,620,995	16,619,664	7,405,802	55,356,296	1,050,549	319,615	123,372,921
Cost to income ratio	60.2%	34.0%	35.5%	19.1%	20.9%	(15.8%)	43.3%
Gross loans and advances	48,115,217	22,373,694	11,076,484	-	1,552,241	-	83,117,636
Net loans and advances	47,277,082	22,024,670	10,889,161	-	1,552,241	-	81,743,154
Impaired loans and advances	1,056,662	380,599	121,940	-	-	-	1,559,201
Total deposits	41,912,030	16,406,725	7,158,135	28,532,359	1,037,757	-	95,047,006
Additions to:							
Property and equipment	5,411	187	307	106	101	6,303	12,415
Intangible assets	10,398	52	1,654	759	118	9,763	22,744

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A28. PERFORMANCE REVIEW FOR THE PERIOD ENDED 30 JUNE 2024

The Group registered a profit after taxation ("PAT") of RM305.3 million for the financial period ended 30 June 2024, representing an increase of RM86.0 million or 39.2% compared to the PAT for the corresponding period last year.

The increase in Group's PAT for the period is attributable to lower allowance for impairment on loans and advances of RM91.9 million, higher net interest income of RM27.6 million, writeback of provision for commitments and contingencies of RM17.4 million (30 June 2023: provision of RM3.9 million) and writeback of allowance for impairment on financial investments of RM4.5 million (30 June 2023: allowance of RM12.7 million).

The increase was partly offset by lower other operating income of RM37.3 million mainly contributed by lower gain on foreign exchange of RM122.0 million and lower trading of securities gain. It was partly offset by higher gain on derivatives of RM117.7 million.

The Group's impaired loans and advances ratio stood at 1.82% end June 2024. Loan loss coverage ratio including regulatory reserve is well above 100% at 107.33%.

The Group and the Bank's common equity tier 1 ("CET1") improved to 13.03% (FY2024: 12.79%) and 12.91% (FY2024: 12.68%) respectively, while total capital ratio ("TCR") improved to 17.75% (FY2024: 17.48%) and 17.61% (FY2024: 17.35%) respectively. If Q1FY2025 unverified profits were included, the Group and the Bank's CET1 would improve further to 13.38% and 13.26% respectively, while TCR would improve to 18.10% and 17.96% respectively.

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

A29. PROSPECTS FOR FINANCIAL YEAR ("FY") 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.

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% year-on-year ("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 loans grew by 6.4% YoY in June 2024, the highest growth since 2022. Interestingly, both the household and non-household segment loans expanded by 6.4% YoY. We anticipate loans 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 loan-to-fund ratio and loan-to-fund-and-equity ratio at 82.8% and 72.1%, respectively.

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A29. PROSPECTS FOR FINANCIAL YEAR ("FY") ENDING 31 MARCH 2025 (CONT'D.)

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, the 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. The 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, the 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, the 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.

A30. VALUATION OF PROPERTY AND EQUIPMENT

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

A31. SIGNIFICANT EVENT DURING THE REPORTING PERIOD

There was no significant event during the current financial quarter and period.

A32. CHANGES IN THE COMPOSITION OF THE GROUP AND THE BANK

There were no material changes in the composition of the Group and the Bank for the current financial quarter and period.

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A33. 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		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	14,247,396	12,719,151	14,309,396	12,778,751
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	2,595,012	2,876,245	2,595,012	2,876,245
Unutilised credit card lines	4,038,671	4,017,609	4,038,671	4,017,609
Forward asset purchase	219,389	691,518	219,389	691,518
	<u>21,100,468</u>	<u>20,304,523</u>	<u>21,162,468</u>	<u>20,364,123</u>
Contingencies				
Direct credit substitutes	1,114,189	1,398,711	1,114,189	1,398,711
Transaction related contingent items	5,477,640	5,447,644	5,477,640	5,447,644
Short term self-liquidating trade related contingencies	876,615	714,097	876,615	714,097
	<u>7,468,444</u>	<u>7,560,452</u>	<u>7,468,444</u>	<u>7,560,452</u>
Derivative Financial Instruments				
Foreign exchange related contracts				
- One year or less	47,541,714	47,126,315	47,541,714	47,126,315
- Over one year to five years	3,564,169	3,573,320	3,564,169	3,573,320
- Over five years	1,087,787	1,173,169	1,087,787	1,173,169
Interest rate related contracts				
- One year or less	10,179,406	8,781,793	10,179,406	8,781,793
- Over one year to five years	22,521,744	21,252,894	22,521,744	21,252,894
- Over five years	8,768,698	5,708,460	8,768,698	5,708,460
Equity and commodity related contracts				
- One year or less	2,528,551	2,618,763	2,528,551	2,618,763
- Over one year to five years	35,850	18,840	35,850	18,840
	<u>96,227,919</u>	<u>90,253,554</u>	<u>96,227,919</u>	<u>90,253,554</u>
Total	<u>124,796,831</u>	<u>118,118,529</u>	<u>124,858,831</u>	<u>118,178,129</u>

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A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS

Determination of fair value and fair value hierarchy

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

- Level 1: quoted 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 valuation techniques 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 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 and 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 of the counterparties. Equity instruments at FVOCI was revalued using net assets method.

About 2.9% of the Group's and the Bank's (31 March 2024: 2.6% 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.

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A34. 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.

	Group				Bank			
	Valuation technique				Valuation technique			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
30 June 2024								
Financial assets measured at fair value								
Derivative financial assets	358	807,850	-	808,208	358	807,850	-	808,208
Financial assets at fair value through profit or loss								
- Money market securities	-	4,402,253	-	4,402,253	-	4,402,253	-	4,402,253
- Quoted shares	1,809,152	-	-	1,809,152	1,809,150	-	-	1,809,150
- Unquoted shares	-	-	29	29	-	-	-	-
- Quoted unit trust	45,517	-	-	45,517	45,517	-	-	45,517
- Quoted sukuk	-	10,210	-	10,210	-	10,210	-	10,210
- Unquoted corporate bonds and sukuk	-	735,283	-	735,283	-	735,283	-	735,283
Financial investments at fair value through other comprehensive income								
- Money market securities	-	9,353,495	-	9,353,495	-	9,353,495	-	9,353,495
- Unquoted shares	-	-	802,299	802,299	-	-	802,299	802,299
- Quoted unit trust	57,799	-	-	57,799	57,799	-	-	57,799
- Unquoted corporate bonds and sukuk	-	9,797,263	-	9,797,263	-	9,797,263	-	9,797,263
	<u>1,912,826</u>	<u>25,106,354</u>	<u>802,328</u>	<u>27,821,508</u>	<u>1,912,824</u>	<u>25,106,354</u>	<u>802,299</u>	<u>27,821,477</u>
Financial liabilities measured at fair value								
Derivative financial liabilities	<u>63,135</u>	<u>794,275</u>	<u>-</u>	<u>857,410</u>	<u>63,135</u>	<u>794,275</u>	<u>-</u>	<u>857,410</u>

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A34. 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 (Cont'd.).

	Group				Bank			
	Valuation technique				Valuation technique			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 March 2024								
Financial assets measured at fair value								
Derivative financial assets	359	1,009,744	-	1,010,103	359	1,009,744	-	1,010,103
Financial assets at fair value through profit or loss								
- Money market securities	-	3,811,453	-	3,811,453	-	3,811,453	-	3,811,453
- Quoted shares	1,796,109	-	-	1,796,109	1,796,105	-	-	1,796,105
- Unquoted shares	-	-	29	29	-	-	-	-
- Quoted unit trust	44,875	-	-	44,875	44,875	-	-	44,875
- Quoted sukuk	-	10,249	-	10,249	-	10,249	-	10,249
- Unquoted corporate bonds and sukuk	-	1,103,967	-	1,103,967	-	1,103,967	-	1,103,967
Financial investments at fair value through other comprehensive income								
- Money market securities	-	8,547,628	-	8,547,628	-	8,547,628	-	8,547,628
- Unquoted shares	-	-	715,566	715,566	-	-	715,566	715,566
- Quoted unit trust	58,717	-	-	58,717	58,717	-	-	58,717
- Unquoted corporate bonds and sukuk	-	10,378,218	-	10,378,218	-	10,378,218	-	10,378,218
	<u>1,900,060</u>	<u>24,861,259</u>	<u>715,595</u>	<u>27,476,914</u>	<u>1,900,056</u>	<u>24,861,259</u>	<u>715,566</u>	<u>27,476,881</u>
Financial liabilities measured at fair value								
Derivative financial liabilities	<u>30,502</u>	<u>991,276</u>	<u>-</u>	<u>1,021,778</u>	<u>30,502</u>	<u>991,276</u>	<u>-</u>	<u>1,021,778</u>

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

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A34. 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 tables show the reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value:

Group	Equity instruments at FVTPL RM'000	Equity instruments at FVOCI RM'000	Total RM'000
At 1 April 2024	29	715,566	715,595
Gain on revaluation of financial assets taken up in statements of profit or loss and other comprehensive income	-	86,733	86,733
At 30 June 2024	29	802,299	802,328

	Equity instruments at FVTPL RM'000	Equity instruments at FVOCI RM'000	Total RM'000
At 1 April 2023	33	677,258	677,291
(Loss)/gain on revaluation of financial assets taken up in statements of profit or loss and other comprehensive income	(4)	38,308	38,304
At 31 March 2024	29	715,566	715,595

	Equity instruments at FVOCI RM'000
At 1 April 2024	715,566
Gain on revaluation of financial assets taken up in statement of other comprehensive income	86,733
At 30 June 2024	802,299

	Equity instruments at FVOCI RM'000
At 1 April 2023	677,258
Gain on revaluation of financial assets taken up in statement of other comprehensive income	38,308
At 31 March 2024	715,566

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A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)

Total gains or losses included in the statements of profit or loss and statements of comprehensive income for financial instruments held at the end of reporting period:

	Group		Bank	
	30 June	31 March	30 June	31 March
	2024	2024	2024	2024
	RM'000	RM'000	RM'000	RM'000
Financial assets at FVTPL				
Total loss included in:				
- profit or loss	-	(4)	-	-
Financial investments at FVOCI				
Total gain included in:				
- other comprehensive income	86,733	38,308	-	38,308

There were no transfers between Level 2 and Level 3 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

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.

A35. CAPITAL ADEQUACY

- (a) As of 31 March 2024, the Capital Adequacy Ratios were computed based on BNM's policy document on Capital Adequacy Framework (Capital Components) issued on 15 December 2023, where the Group and the Bank had applied transitional arrangements on provision for Expected Credit Loss ("ECL"). Under the transitional arrangements, the Group and the Bank are 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 Group and of the Bank are as follows:

	31 March 2024	
	Group	Bank
Before deducting proposed dividends:		
CET 1 Capital Ratio	13.559%	13.437%
Tier 1 Capital Ratio	13.559%	13.437%
Total Capital Ratio	18.201%	18.057%
After deducting proposed dividends:		
CET 1 Capital Ratio	13.047%	12.927%
Tier 1 Capital Ratio	13.047%	12.927%
Total Capital Ratio	17.688%	17.547%

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A35. CAPITAL ADEQUACY (CONT'D.)

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

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

	30 June 2024*		31 March 2024	
	Group	Bank	Group	Bank
Before deducting proposed dividends:				
CET 1 Capital Ratio	13.026%	12.905%	13.306%	13.185%
Tier 1 Capital Ratio	13.026%	12.905%	13.306%	13.185%
Total Capital Ratio	17.745%	17.608%	17.993%	17.856%
After deducting proposed dividends:				
CET 1 Capital Ratio	13.026%	12.905%	12.794%	12.675%
Tier 1 Capital Ratio	13.026%	12.905%	12.794%	12.675%
Total Capital Ratio	17.745%	17.608%	17.480%	17.346%

Pursuant to the above BNM's policy document on Capital Adequacy Framework (Capital Components), the minimum capital adequacy ratios to be maintained under the guideline are at 4.5% for CET 1 capital, 6.0% for Tier 1 capital and 8.0% for total capital ratio. In addition, banking institutions are also required to maintain capital buffers in form of CET 1 capital above the minimum CET 1 Capital, Tier 1 Capital and Total Capital adequacy levels. The capital buffers shall comprise the sum of the following:

- (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").

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

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A35. CAPITAL ADEQUACY (CONT'D.)

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

	Group		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
CET 1 Capital				
Share Capital	3,040,465	3,040,465	3,040,465	3,040,465
Retained earnings	8,059,349	8,512,335	8,108,570	8,561,556
Fair value reserve	491,407	411,695	491,407	411,695
Foreign currency translation reserve	121,006	121,067	124,790	124,851
Regulatory reserve	192,766	188,146	192,766	188,146
Merger reserve	104,149	104,149	-	-
Cash flow hedging deficit	(691)	(1,029)	(691)	(1,029)
Less: Regulatory adjustments applied on CET 1 Capital				
- Intangible assets	(122,360)	(123,528)	(122,360)	(123,528)
- Deferred tax assets	(160,618)	(198,535)	(160,618)	(198,535)
- 55% of cumulative fair value gains in fair value reserve	(270,274)	(226,432)	(270,274)	(226,432)
- Cash flow hedging deficit	691	1,029	691	1,029
- Regulatory reserve	(192,766)	(188,146)	(192,766)	(188,146)
- Investment in ordinary shares of unconsolidated financial entities	-	-	(1)	(1)
- Unrealised fair value gains on financial liabilities due to changes in own credit risk	(1,099)	(1,354)	(1,099)	(1,354)
- Other CET1 regulatory adjustments specified by the BNM*	-	221,507	-	221,599
Total CET 1 Capital	11,262,025	11,861,369	11,210,880	11,810,316
Additional Tier 1 Capital				
Qualifying CET 1, Additional Tier 1 capital instruments held by third parties	2	2	-	-
Total Tier 1 Capital	11,262,027	11,861,371	11,210,880	11,810,316
Tier 2 Capital				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	3,095,000	3,095,000	3,095,000	3,095,000
Qualifying CET 1, Additional Tier 1 and Tier 2 capital instruments held by third parties	1	1	-	-
General provisions**	984,827	965,228	990,135	965,363
Total Tier 2 capital	4,079,828	4,060,229	4,085,135	4,060,363
Total Capital	15,341,855	15,921,600	15,296,015	15,870,679

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

	Group		Bank	
	30 June 2024 RM'000	31 March 2024 RM'000	30 June 2024 RM'000	31 March 2024 RM'000
Credit RWA	78,786,144	80,388,525	79,210,825	80,811,594
Market RWA	2,254,984	1,708,940	2,254,949	1,708,904
Operational RWA	5,414,503	5,379,189	5,406,208	5,370,458
Total RWA	86,455,631	87,476,654	86,871,982	87,890,956

* Refers to adjustments on transitional arrangement as per Note A35(a).

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