

**ALLIANCE INVESTMENT BANK BERHAD**  
**197401004393 (21605-D)**  
(Incorporated in Malaysia)

**Condensed Interim Financial Statements**  
**Unaudited Statements of Financial Position as at 31 December 2021**

	Note	<u>GROUP</u>		<u>BANK</u>	
		31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>ASSETS</b>					
Cash and short-term funds		-	56,058	-	56,058
Deposits and placements with banks and other financial institutions		<b>7,004</b>	-	<b>7,004</b>	-
Amounts due from clients and brokers	A12	-	105,041	-	105,041
Financial assets at fair value through profit or loss	A13	<b>74,353</b>	70,194	<b>74,353</b>	70,194
Financial investments at fair value through other comprehensive income	A14	<b>543,239</b>	921,075	<b>543,239</b>	921,075
Financial investments at amortised cost	A15	<b>16</b>	16	<b>16</b>	16
Loans, advances and financing	A16	<b>126,209</b>	262,747	<b>126,209</b>	262,747
Other assets	A17	<b>951</b>	11,364	<b>951</b>	11,364
Tax recoverable		<b>944</b>	-	<b>944</b>	-
Investment in an associate		<b>291</b>	290	<b>230</b>	230
Investment in joint venture		<b>1,039</b>	994	<b>394</b>	394
Right-of-use assets		<b>1,448</b>	2,387	<b>1,448</b>	2,387
Property, plant and equipment		<b>222</b>	878	<b>222</b>	878
Deferred tax assets		<b>2,419</b>	-	<b>2,419</b>	-
Intangible assets		<b>21,763</b>	22,332	<b>24,323</b>	24,892
		<b>779,898</b>	1,453,376	<b>781,752</b>	1,455,276
Assets classified as held for sale	A28	<b>191,020</b>	-	<b>191,020</b>	-
<b>TOTAL ASSETS</b>		<b>970,918</b>	<b>1,453,376</b>	<b>972,772</b>	<b>1,455,276</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A18	<b>316,297</b>	338,287	<b>316,297</b>	338,287
Deposits and placements of banks and other financial institutions	A19	<b>134,137</b>	528,128	<b>134,137</b>	528,128
Amounts due to clients and brokers	A20	-	63,416	-	63,416
Lease liabilities		<b>1,545</b>	2,457	<b>1,545</b>	2,457
Other liabilities	A21	<b>15,502</b>	51,622	<b>15,502</b>	51,622
Provision for taxation		-	761	-	761
Deferred tax liabilities		-	2,311	-	2,311
		<b>467,481</b>	986,982	<b>467,481</b>	986,982
Liabilities classified as held for sale	A28	<b>42,588</b>	-	<b>42,588</b>	-
<b>TOTAL LIABILITIES</b>		<b>510,069</b>	<b>986,982</b>	<b>510,069</b>	<b>986,982</b>
Share capital		<b>365,962</b>	365,962	<b>365,962</b>	365,962
Reserves		<b>94,887</b>	100,432	<b>96,741</b>	102,332
<b>TOTAL EQUITY</b>		<b>460,849</b>	<b>466,394</b>	<b>462,703</b>	<b>468,294</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>970,918</b>	<b>1,453,376</b>	<b>972,772</b>	<b>1,455,276</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A31	<b>311,082</b>	<b>327,127</b>	<b>311,082</b>	<b>327,127</b>

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2021.

**Condensed Interim Financial Statements**  
**Unaudited Consolidated Statements of Income**  
**for the Financial Period Ended 31 December 2021**

<u>GROUP</u>	Note	3rd Quarter Ended		Nine Months Ended	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Interest income	A22	6,931	11,590	24,438	41,005
Interest expense	A23	(2,311)	(3,427)	(8,453)	(14,755)
Net interest income		4,620	8,163	15,985	26,250
Net income from Islamic banking business	A35	677	683	2,004	6,042
		5,297	8,846	17,989	32,292
Fee and commission income		33	7	46	145
Investment income		3,593	12,990	21,892	21,202
Other income/(expense)		5	(6)	46	4
Other operating income	A24	3,631	12,991	21,984	21,351
Net income		8,928	21,837	39,973	53,643
Other operating expenses	A25	(1,074)	(1,069)	(3,190)	(3,317)
Operating profit before allowances (Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	A26	(62)	342	1,233	179
Write-back of expected credit losses on financial investments	A27	43	66	37	80
Operating profit after allowances		7,835	21,176	38,053	50,585
Share of results in an associate		-	2	1	4
Share of results of joint venture		14	20	45	73
Profit before taxation from continuing operations		7,849	21,198	38,099	50,662
Taxation		(1,880)	(4,121)	(7,992)	(9,635)
Net profit from continuing operations		5,969	17,077	30,107	41,027
Net (loss)/profit from discontinued operations	A29	(1,276)	4,666	1,557	11,403
Net profit for the financial period		4,693	21,743	31,664	52,430
<b>Net profit for the financial period attributable to:</b>					
Equity holder of the Bank		4,693	21,743	31,664	52,430
Earnings/(loss) per share attributable to Equity holder of the Bank:					
- Continuing operations basic/diluted (sen)	A30	1.6	4.7	8.3	11.2
- Discontinued operations basic/diluted (sen)	A30	(0.4)	1.3	0.4	3.2
		1.2	6.0	8.7	14.4

**Condensed Interim Financial Statements**  
**Unaudited Consolidated Statements of Comprehensive Income**  
**for the Financial Period Ended 31 December 2021**

<b>GROUP</b>	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Net profit for the financial period</b>	<b>4,693</b>	21,743	<b>31,664</b>	52,430
<b>Other comprehensive (expense)/income:</b>				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on financial investments at fair value through other comprehensive income ("FVOCI")				
- Net (loss)/gain from change in fair value	<b>(4,582)</b>	(4,616)	<b>(4,246)</b>	36,612
- Realised gain transferred to statements of income on disposal	<b>(3,593)</b>	(12,990)	<b>(17,098)</b>	(18,180)
- Transfer from/(to) deferred tax	<b>1,962</b>	4,225	<b>5,123</b>	(4,424)
- Changes in expected credit losses	<b>(43)</b>	(66)	<b>(37)</b>	(80)
Other comprehensive (expense)/income, net of tax	<b>(6,256)</b>	(13,447)	<b>(16,258)</b>	13,928
<b>Total comprehensive (expense)/income for the financial period:</b>				
Continuing operations	<b>(287)</b>	3,630	<b>13,849</b>	54,955
Discontinued operations	<b>(1,276)</b>	4,666	<b>1,557</b>	11,403
	<b>(1,563)</b>	8,296	<b>15,406</b>	66,358
<b>Total comprehensive (expense)/income for the financial period attributable to:</b>				
Equity holder of the Bank	<b>(1,563)</b>	8,296	<b>15,406</b>	66,358

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**Condensed Interim Financial Statements**  
**Unaudited Statements of Income**  
**for the Financial Period Ended 31 December 2021**

	Note	3rd Quarter Ended		Nine Months Ended	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b><u>BANK</u></b>					
Interest income	A22	6,931	11,590	24,438	41,005
Interest expense	A23	(2,311)	(3,427)	(8,453)	(14,755)
Net interest income		4,620	8,163	15,985	26,250
Net income from Islamic banking business	A35	677	683	2,004	6,042
		<b>5,297</b>	<b>8,846</b>	<b>17,989</b>	<b>32,292</b>
Fee and commission income		33	7	46	145
Investment income		3,593	12,990	21,892	21,202
Other income/(expense)		5	(6)	46	4
Other operating income	A24	3,631	12,991	21,984	21,351
Net income		8,928	21,837	39,973	53,643
Other operating expenses	A25	(1,074)	(1,069)	(3,190)	(3,317)
Operating profit before allowances (Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	A26	(62)	342	1,233	179
Write-back of expected credit losses on financial investments	A27	43	66	37	80
Profit before taxation from continuing operations		7,835	21,176	38,053	50,585
Taxation		(1,880)	(4,121)	(7,992)	(9,635)
Net profit from continuing operations		5,955	17,055	30,061	40,950
Net (loss)/profit from discontinued operations	A29	(1,276)	4,666	1,557	11,403
Net profit for the financial period		4,679	21,721	31,618	52,353
<b>Net profit for the financial period attributable to:</b>					
Equity holder of the Bank		4,679	21,721	31,618	52,353
Earnings/(loss) per share attributable to Equity holder of the Bank:					
- Continuing operations basic/diluted (sen)	A30	1.6	4.7	8.2	11.2
- Discontinued operations basic/diluted (sen)	A30	(0.3)	1.3	0.4	3.1
		1.3	6.0	8.6	14.3

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2021.

**Condensed Interim Financial Statements**  
**Unaudited Statements of Comprehensive Income**  
**for the Financial Period Ended 31 December 2021**

	3rd Quarter Ended		Nine Months Ended	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b><u>BANK</u></b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Net profit for the financial period</b>	<b>4,679</b>	21,721	<b>31,618</b>	52,353
<b>Other comprehensive (expense)/income:</b>				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on FVOCI				
- Net (loss)/gain from change in fair value	<b>(4,582)</b>	(4,616)	<b>(4,246)</b>	36,612
- Realised gain transferred to statements of income on disposal	<b>(3,593)</b>	(12,990)	<b>(17,098)</b>	(18,180)
- Transfer from/(to) deferred tax	<b>1,962</b>	4,225	<b>5,123</b>	(4,424)
- Changes in expected credit losses	<b>(43)</b>	(66)	<b>(37)</b>	(80)
Other comprehensive (expense)/income, net of tax	<b>(6,256)</b>	(13,447)	<b>(16,258)</b>	13,928
<b>Total comprehensive (expense)/income for the financial period:</b>				
Continuing operations	<b>(301)</b>	3,608	<b>13,803</b>	54,878
Discontinuing operations	<b>(1,276)</b>	4,666	<b>1,557</b>	11,403
	<b>(1,577)</b>	8,274	<b>15,360</b>	66,281
<b>Total comprehensive (expense)/income for the financial period attributable to:</b>				
Equity holder of the Bank	<b>(1,577)</b>	8,274	<b>15,360</b>	66,281

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**Condensed Interim Financial Statements**  
**Unaudited Consolidated Statements of Changes in Equity for the Financial Period Ended 31 December 2021**

<b>GROUP</b>	←----- Attributable to Equity holder of the Bank -----→				
	Share capital RM'000	Regulatory reserves RM'000	FVOCI reserves RM'000	Retained profits RM'000	Total equity RM'000
At 1 April 2021	365,962	6,434	21,240	72,758	466,394
Net profit for the financial period	-	-	-	31,664	31,664
Other comprehensive expense	-	-	(16,258)	-	(16,258)
Total comprehensive (expense)/income for the financial period	-	-	(16,258)	31,664	15,406
Transfer from regulatory reserves	-	(389)	-	389	-
Dividends paid	-	-	-	(20,951)	(20,951)
<b>At 31 December 2021</b>	<b>365,962</b>	<b>6,045</b>	<b>4,982</b>	<b>83,860</b>	<b>460,849</b>
At 1 April 2020	365,962	7,540	26,449	258,887	658,838
Net profit for the financial period	-	-	-	52,430	52,430
Other comprehensive income	-	-	13,928	-	13,928
Total comprehensive income for the financial period	-	-	13,928	52,430	66,358
Transfer from regulatory reserves	-	(1,250)	-	1,250	-
Dividends paid	-	-	-	(238,929)	(238,929)
At 31 December 2020	365,962	6,290	40,377	73,638	486,267

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2021.

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**Condensed Interim Financial Statements**  
**Unaudited Statements of Changes in Equity for the Financial Period Ended 31 December 2021**

	← Non-distributable reserves →			Distributable reserves	Total equity RM'000
	Share capital RM'000	Regulatory reserves RM'000	FVOCI reserves RM'000	Retained profits RM'000	
<b><u>BANK</u></b>					
At 1 April 2021	365,962	6,434	21,240	74,658	468,294
Net profit for the financial period	-	-	-	31,618	31,618
Other comprehensive expense	-	-	(16,258)	-	(16,258)
Total comprehensive (expense)/income for the financial period	-	-	(16,258)	31,618	15,360
Transfer from regulatory reserves	-	(389)	-	389	-
Dividends paid	-	-	-	(20,951)	(20,951)
<b>At 31 December 2021</b>	<b>365,962</b>	<b>6,045</b>	<b>4,982</b>	<b>85,714</b>	<b>462,703</b>
At 1 April 2020	365,962	7,540	26,449	260,882	660,833
Net profit for the financial period	-	-	-	52,353	52,353
Other comprehensive income	-	-	13,928	-	13,928
Total comprehensive income for the financial period	-	-	13,928	52,353	66,281
Transfer from regulatory reserves	-	(1,250)	-	1,250	-
Dividends paid	-	-	-	(238,929)	(238,929)
At 31 December 2020	365,962	6,290	40,377	75,556	488,185

The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2021.

**ALLIANCE INVESTMENT BANK BERHAD**  
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**Condensed Interim Financial Statements**  
**Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 31 December 2021**

	<u>GROUP</u>		<u>BANK</u>	
	<b>31 December 2021 RM'000</b>	31 December 2020 RM'000	<b>31 December 2021 RM'000</b>	31 December 2020 RM'000
Profit before taxation from:				
Continuing operations	<b>38,099</b>	50,662	<b>38,053</b>	50,585
Discontinued operations	<b>2,138</b>	14,956	<b>2,138</b>	14,956
Adjustments for non-cash items	<b>(39,471)</b>	(55,160)	<b>(39,425)</b>	(55,083)
Cash flow from operating activities before working capital changes	<b>766</b>	10,458	<b>766</b>	10,458
Changes in working capital	<b>(398,632)</b>	(282,211)	<b>(398,632)</b>	(282,211)
Taxation paid	<b>(9,886)</b>	(2,569)	<b>(9,886)</b>	(2,569)
Net cash used in operating activities	<b>(407,752)</b>	(274,322)	<b>(407,752)</b>	(274,322)
Net cash generated from investing activities	<b>392,570</b>	534,376	<b>392,570</b>	534,376
Net cash used in financing activities	<b>(21,792)</b>	(238,593)	<b>(21,792)</b>	(238,593)
Net change in cash and cash equivalents	<b>(36,974)</b>	21,461	<b>(36,974)</b>	21,461
Cash and cash equivalents at beginning of financial period	<b>56,058</b>	44,783	<b>56,058</b>	44,783
Cash and cash equivalents at end of financial period	<b>19,084</b>	66,244	<b>19,084</b>	66,244
Cash and cash equivalent comprise the following:				
Cash and short-term funds	<b>19,084</b>	66,244	<b>19,084</b>	66,244

*The Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 March 2021.*



## **Explanatory Notes**

### **PART A - Explanatory Notes Pursuant to Malaysian Financial Reporting Standard ("MFRS") 134 and Guidelines on Financial Reporting Issued by Bank Negara Malaysia ("BNM")**

#### **A1 Basis of Preparation**

The unaudited condensed interim financial statements for the current financial period ended 31 December 2021 have been prepared under the historical cost convention, except for financial assets at fair value through profit or loss and financial investments at fair value through other comprehensive income that are measured at fair value.

The unaudited condensed interim financial statements have been prepared in accordance with MFRS 134 "Interim Financial Reporting" issued by the Malaysian Accounting Standards Board ("MASB").

The unaudited condensed interim financial statements should be read in conjunction with the audited annual financial statements of Alliance Investment Bank Berhad ("the Bank") and the Group for the financial year ended 31 March 2021. The explanatory notes attached to the interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the financial position and performance of the Group and the Bank since the financial year ended 31 March 2021.

The significant accounting policies and methods of computation applied in the unaudited condensed interim financial statements are consistent with those adopted in the most recent audited annual financial statements for the financial year ended 31 March 2021 and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 April 2021:

- Interest rate benchmark reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)
- Amendment to MFRS 16 Leases - Covid-19 Related Rent Concessions beyond 30 June 2021

The adoption of the above standards, amendments to published standards and interpretation to existing standards did not have any significant impact on the financial statements of the Group and the Bank.

The preparation of unaudited condensed interim financial statements in conformity with the Malaysian Financial Reporting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the unaudited condensed interim financial statements, and the reported amounts of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Group's and the Bank's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ.

Under Note A8, the Bank has entered into two conditional business sale and purchase agreement which was approved by Bank Negara Malaysia and Securities Commission Malaysia. In accordance to the MFRS 5, the assets and liabilities of these proposals are classified under assets and liabilities held for sale in the statement of financial position; and the Profit and Loss for the above proposals are classified under discontinued operation in the statement of income.

#### **A2 Auditors' Report on Preceding Annual Financial Statements**

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2021 was not qualified.

#### **A3 Seasonality or Cyclicity of Operations**

The operations of the Group and the Bank were not materially affected by any seasonal or cyclical fluctuations in the current financial period ended 31 December 2021.

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**A4 Unusual Items Due to Their Nature, Size or Incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank in the current financial period ended 31 December 2021 other than disclosed under A8.

**A5 Changes in Estimates**

There were no material changes in estimates of amounts reported in prior financial years that have a material effect in the current financial period ended 31 December 2021.

**A6 Issuance and Repayment of Debt and Equity Securities**

There were no issuance nor repayment of debt and equity securities in the current financial period ended 31 December 2021.

**A7 Dividends Paid**

A single tier second interim dividend of 5.74 sen per share, on 365,000,000 ordinary shares amounting to approximately RM20,951,000 in respect of the financial year ended 31 March 2021, was paid on 28 June 2021.

**A8 Significant Events**

On the 2 December 2021, the Board of Directors of the Alliance Bank Malaysia Berhad (ABMB), the holding company of Alliance Investment Bank Berhad ("the Bank") announced that the Bank has entered into a conditional business sale and purchase agreement (BSPA) with Phillip Futures Sdn Bhd (PFSB) for the proposed disposal of the Bank's stockbroking business (as a going concern), subsisting as at the specified transfer point, together with the assets and liabilities as specified in the BSPA (Proposed Disposal of Stockbroking Business) for a cash consideration based on an aggregate of:

- (a) an amount in cash equal to the net asset value of the Stockbroking Business as at the completion date of the Proposed Disposal of Stockbroking Business; and
- (b) an amount in cash equal to 60% of the aggregate brokerage fee in respect of all brokerage transactions concluded by PFSB in respect of the 12-month period from the specified transfer point until the date that is the 12-month anniversary of the completion date less the brokerage transaction costs; and less an amount in cash equal to the receivable shortfall.

In connection with the Proposed Disposal of Stockbroking Business, the Bank has also on the 2 December 2021 entered into a separate conditional business sale and purchase agreement with Alliance Islamic Bank Berhad (AIS), a wholly owned subsidiary of ABMB, for the transfer of the Bank's corporate finance, equity capital markets and debt capital markets business (excluding all non-shariah compliant mandates) (the Capital Markets Business) to AIS, for a cash consideration based on an amount equal to the net asset value taking into consideration the total assets and total liabilities of the Capital Markets Business.

Bank Negara Malaysia had on 1 December 2021 granted its approval to the Bank in relation to the above Proposals (ie. Proposed Disposal of Stockbroking Business and Proposed Capital Markets Business Transfer). In addition, the Securities Commission Malaysia (SC) had granted its conditional approval in relation to the Proposed Disposal of Stockbroking Business via a letter dated 1 November 2021 to PFSB and a letter dated 3 November 2021 to the Bank in relation to the Proposed Capital Markets Business Transfer. The SC Approval to the Bank states that given that AIS is a registered person within Part 1, Schedule 4 to the Capital Markets and Services Act, 2007, AIS is allowed to carry out the Capital Markets Business.

Barring any unforeseen circumstances, the Proposals are expected to be completed in financial year ending 31 March 2023.

**A9 Material Events Subsequent to the End of the Financial Reporting Period**

There were no material events subsequent to the end of the financial reporting period that require disclosure or adjustment to the unaudited condensed interim financial statements.

**A10 Related Party Transactions**

All related party transactions within the Group and the Bank have been entered into in the normal course of business.

**A11 Proposed Dividend**

No dividend has been proposed or declared for the current financial period ended 31 December 2021.

**A12 Amounts Due From Clients and Brokers**

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
Due from clients	-	105,041
Due from brokers	-	-
	<u>-</u>	<u>105,041</u>
Less: Allowance for expected credit losses	-	-
	<u>-</u>	<u>105,041</u>

These represent amounts receivable from non-margin clients and outstanding contracts entered into on behalf of clients where settlement via Bursa Malaysia Securities Clearing Sdn. Bhd. has yet to be made.

The Group's and the Bank's normal trade credit terms for non-margin clients is two (2) market days in accordance with Bursa Malaysia Securities Berhad's ("Bursa") Fixed Delivery and Settlement System ("FDSS") trading rules.

Movements in the allowance for expected credit losses are as follows:

	<u>Lifetime ECL</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
<u>GROUP/BANK</u>		
At beginning of financial year	-	3
Write-back made during the financial period/year (net)	-	(3)
At end of financial period/year	<u>-</u>	<u>-</u>

**A13 Financial Assets at Fair Value Through Profit or Loss ("FVTPL")**

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
<b>At fair value</b>		
<u>Unquoted securities:</u>		
Shares	<u>74,353</u>	<u>70,194</u>
Total financial assets at FVTPL	<u>74,353</u>	<u>70,194</u>

**A14 Financial Investments at Fair Value Through Other Comprehensive Income ("FVOCI")**

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
<b>At fair value</b>		
<u>Money market instruments:</u>		
Malaysian Government securities	133,759	95,086
Malaysian Government investment issues	<b>156,192</b>	199,551
	<b>289,951</b>	294,637
<u>Unquoted securities:</u>		
Corporate bonds and sukuk	<b>253,288</b>	626,438
Total financial investments at FVOCI	<b>543,239</b>	921,075

Movements in allowance for expected credit losses are as follows:

	12-month ECL (Stage 1) RM'000	Lifetime ECL Not-credit Impaired (Stage 2) RM'000	Lifetime ECL Credit Impaired (Stage 3) RM'000	Total RM'000
	<b>GROUP/BANK</b>			
At 1 April 2021	18	117	-	135
Financial investments derecognised other than write-off	(3)	(3)	-	(6)
Changes due to change in credit risk	(2)	(29)	-	(31)
Total charge to income statement	(5)	(32)	-	(37)
<b>At 31 December 2021</b>	<b>13</b>	<b>85</b>	<b>-</b>	<b>98</b>
At 1 April 2020	241	57	-	298
Transfer to Stage 1	17	(183)	-	(166)
Transfer to Stage 2	(17)	367	-	350
Financial investments derecognised other than write-off	(40)	-	-	(40)
Changes due to change in credit risk	(183)	(124)	-	(307)
Total (write-back from)/charge to income statement	(223)	60	-	(163)
At 31 March 2021	18	117	-	135

Note:

The transfer between stages are inclusive of net remeasurement of allowances.

**A15 Financial Investments at Amortised Cost**

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
<b>At amortised cost</b>		
<u>Unquoted securities:</u>		
Corporate bonds and sukuk	291	291
Less: Allowance for expected credit losses	(275)	(275)
Total financial investments at amortised cost	<u>16</u>	<u>16</u>

Movements in allowance for expected credit losses are as follows:

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
<b>GROUP/BANK</b>				
At 1 April 2021/31 December 2021	-	-	275	275
At 1 April 2020	-	-	24,397	24,397
New financial investments originated or purchased	-	-	196	196
Financial investments derecognised other than write-off	-	-	(196)	(196)
Total charge to income statement	-	-	-	-
Write-off	-	-	(24,122)	(24,122)
At 31 March 2021	-	-	275	275

The Group's and the Bank's movement on gross exposure of financial investments at amortised cost that are credit impaired are as follows:

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
At beginning of financial year	291	24,413
New financial investments originated or purchased	-	196
Write-off during the financial period/year	-	(24,122)
Financial investments derecognised other than write-off	-	(196)
At end of financial period/year	<u>291</u>	<u>291</u>

**A16 Loans, Advances and Financing**

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
<b>At amortised cost</b>		
Term loans	72,097	78,441
Staff loans (Loan to Directors: RM Nil [31 March 2021: RM Nil])	93	107
Revolving credits	3,001	8,008
Share margin financing	51,499	176,873
Gross loans, advances and financing	<u>126,690</u>	<u>263,429</u>
Less: Allowance for expected credit losses on loans, advances and financing	(481)	(682)
Total net loans, advances and financing	<u>126,209</u>	<u>262,747</u>

**A16 Loans, Advances and Financing (Contd.)**

**A16a** By maturity structure:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Within one year	98,358	228,744
One year to three years	28,097	34,385
Three years to five years	37	101
Over five years	198	199
Gross loans, advances and financing	<u>126,690</u>	<u>263,429</u>

**A16b** By type of customers:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Domestic business enterprises		
- Small and medium enterprises	-	3,964
- Others	94,731	106,456
Individuals	31,959	151,222
Other domestic entities	-	1,734
Foreign entities	-	53
Gross loans, advances and financing	<u>126,690</u>	<u>263,429</u>

**A16c** By interest/profit rate sensitivity:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed rate	93	2,154
Variable rate		
- Base lending rate plus	44	35,551
- Base rate plus	51,570	139,436
- Cost plus	74,983	86,288
Gross loans, advances and financing	<u>126,690</u>	<u>263,429</u>

**A16d** By economic purposes:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchase of securities	51,499	176,871
Purchase of landed property - Residential	311	371
Working capital	3,001	8,008
Others	71,879	78,179
Gross loans, advances and financing	<u>126,690</u>	<u>263,429</u>

**A16 Loans, Advances and Financing (Contd.)**

**A16e** By economic sectors:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Manufacturing	-	488
Construction	<b>50,955</b>	52,030
Financing, insurance, real estate and business services	<b>43,777</b>	57,903
Household	<b>31,958</b>	151,274
Others	-	1,734
Gross loans, advances and financing	<b>126,690</b>	<b>263,429</b>

**A16f** By geographical distribution:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Northern region	-	35,415
Central region	<b>126,690</b>	198,214
Southern region	-	29,800
Gross loans, advances and financing	<b>126,690</b>	<b>263,429</b>

**A16g** Movements in credit impaired loans, advances and financing ("impaired loans") under stage 3:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
At beginning of financial year	<b>182</b>	428
Impaired during the financial period/year	<b>3</b>	131
Recovered during the financial period/year	-	(186)
Reclassified as unimpaired during the financial period/year	<b>(27)</b>	(32)
Financial assets derecognised other than write-off during the financial period/year	-	(81)
Amount written-off during the financial period/year	-	(78)
At end of financial period/year	<b>158</b>	182
Gross impaired loans ratio	<b>0.12%</b>	0.07%
Net impaired loans ratio	<b>0.12%</b>	0.07%

**A16h** Credit impaired loans analysed by economic purposes:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchase of landed properties - Residential	<b>158</b>	182
Gross impaired loans	<b>158</b>	182

**A16 Loans, Advances and Financing (Contd.)**

**A16i** Credit impaired loans analysed by economic sectors:

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Household	<b>158</b>	182
Gross impaired loans	<b>158</b>	<b>182</b>

**A16j** Credit impaired loans by geographical distribution:

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Central region	<b>158</b>	182
Gross impaired loans	<b>158</b>	<b>182</b>

**A16k** Movements in allowance for expected credit losses on loans, advances and financing are as follows:

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit Impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
	<b>GROUP/BANK</b>			
At 1 April 2021	220	462	-	682
Transferred to assets held for sale	(2)	-	-	(2)
Financial assets derecognised other than write-off	(33)	-	-	(33)
Changes due to change in credit risk	(65)	(101)	-	(166)
Total write-back from income statement	(98)	(101)	-	(199)
<b>At 31 December 2021</b>	<b>120</b>	<b>361</b>	<b>-</b>	<b>481</b>
At 1 April 2020	701	-	342	1,043
Transfer to Stage 2	(222)	787	-	565
Transfer to Stage 3	-	(2)	-	(2)
New financial assets originated or purchased	48	-	-	48
Financial assets derecognised other than write-off	(181)	-	(81)	(262)
Changes due to change in credit risk	(126)	(323)	(183)	(632)
Total (write-back from)/charge to income statement	(481)	462	(264)	(283)
Write-off	-	-	(78)	(78)
At 31 March 2021	<b>220</b>	<b>462</b>	<b>-</b>	<b>682</b>

Note:

The transfer between stages are inclusive of net remeasurement of allowances.



**A17 Other Assets**

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
Other receivables, deposits and prepayments	2,240	13,751
Less: Allowance for expected credit losses on other receivables [Note]	<u>(1,289)</u>	<u>(2,387)</u>
	<u>951</u>	<u>11,364</u>

Note:

Movements in allowance for expected credit losses on other receivables are as follows:

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
<b><u>Lifetime ECL</u></b>		
At beginning of financial year	2,387	2,276
Transferred to assets held for sale	(86)	-
New financial assets originated or purchased	(239)	170
Financial assets derecognised other than write-off	(285)	(265)
Changes due to change in credit risk	(488)	206
Total (write-back from)/charge to income statement	<u>(1,012)</u>	<u>111</u>
At end of financial period/year	<u>1,289</u>	<u>2,387</u>

As at 31 December 2021, the Group's and the Bank's gross exposure of other receivables that are under lifetime expected credit losses was at RM1,289,000 (31 March 2021: RM2,387,000).

**A18 Deposits from Customers**

**A18a** By type of deposits:

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
Fixed deposits	252,051	208,244
Money market deposits	64,246	130,043
	<u>316,297</u>	<u>338,287</u>

**A18b** The maturity structure of fixed deposits and money market deposits are as follows:

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
Due within six months	<u>316,297</u>	<u>338,287</u>

**A18 Deposits from Customers (Contd.)**

**A18c** By type of customers:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Domestic non-bank financial institutions	<b>236,239</b>	205,420
Business enterprises	<b>80,058</b>	132,867
	<b><u>316,297</u></b>	<b><u>338,287</u></b>

**A19 Deposits and Placements of Banks and Other Financial Institutions**

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	<b>78,064</b>	187,966
Licensed investment banks	<b>56,073</b>	340,162
	<b><u>134,137</u></b>	<b><u>528,128</u></b>

**A20 Amounts Due To Clients And Brokers**

	<b>GROUP/BANK</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Due to clients	-	57,554
Due to brokers	-	5,862
	<b><u>-</u></b>	<b><u>63,416</u></b>

These mainly relate to amounts payable to non-margin clients and outstanding contracts entered into on behalf of clients where settlement via Bursa Malaysia Securities Clearing Sdn. Bhd. has yet to be made.

The Group's and the Bank's normal trade credit terms for trade payable for non-margin client is two (2) market days according to Bursa's FDSS trading rules.

Following the issuance of FRSIC Consensus 18, the Group and the Bank no longer recognise trust monies balances in the statements of financial position, as the Group and the Bank do not have any control over the trust monies to obtain the future economic benefits embodied in the trust monies. The trust monies maintained by the Group and the Bank amounting to RM Nil (31 March 2021: RM123,393,000) have been excluded accordingly.

**A21 Other Liabilities**

	<b>GROUP/BANK</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Other payables	1,149	25,484
Provision and accruals	13,932	16,629
Remisier's accounts	-	9,274
Amount due to joint venture	108	129
Amount due to other related company	3	3
Amount due to holding company	261	43
Allowance for expected credit losses on commitments and contingencies [Note]	49	60
	<b>15,502</b>	<b>51,622</b>

Note:

Movements in allowance for expected credit losses on commitments and contingencies are as follows:

	<b>12-month ECL (Stage 1) RM'000</b>	<b>Lifetime ECL Not-credit impaired (Stage 2) RM'000</b>	<b>Lifetime ECL Credit Impaired (Stage 3) RM'000</b>	<b>Total RM'000</b>
	<b>GROUP/BANK</b>			
At 1 April 2021	18	42	-	60
Transferred to asset held for sale	(1)	-	-	(1)
Net charge/(write-back) to income statement due to change in credit risk	1	(11)	-	(10)
<b>At 31 December 2021</b>	<b>18</b>	<b>31</b>	<b>-</b>	<b>49</b>
At 1 April 2020	99	-	-	99
Transfer to Stage 2	(7)	36	-	29
New financial assets originated or purchased	1	-	-	1
Financial assets derecognised other than write-off	(8)	-	-	(8)
Changes due to change in credit risk	(67)	6	-	(61)
Total (write-back from)/charge to income statement	(81)	42	-	(39)
At 31 March 2021	18	42	-	60

The transfer between stages are inclusive of net remeasurement of allowances.

**A22 Interest Income**

	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December 2021 RM'000</b>	<b>31 December 2020 RM'000</b>	<b>31 December 2021 RM'000</b>	<b>31 December 2020 RM'000</b>
<b>GROUP/BANK</b>				
Loans, advances and financing financial institutions	2,213	2,683	6,557	8,781
Financial investments at fair value through other comprehensive income	-	8	-	8
	<b>4,945</b>	<b>9,046</b>	<b>18,242</b>	<b>32,259</b>
	<b>7,158</b>	<b>11,737</b>	<b>24,799</b>	<b>41,048</b>
Accretion of discount less amortisation of premium (net)	(227)	(147)	(361)	(43)
	<b>6,931</b>	<b>11,590</b>	<b>24,438</b>	<b>41,005</b>

**A23 Interest Expense**

	3rd Quarter Ended		Nine Months Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>GROUP/BANK</b>				
Deposits and placements of banks and other financial institutions	718	1,667	3,672	7,899
Deposits from customers	1,570	1,733	4,712	6,821
Lease liabilities	23	27	69	35
	<b>2,311</b>	<b>3,427</b>	<b>8,453</b>	<b>14,755</b>

**A24 Other Operating Income**

	3rd Quarter Ended		Nine Months Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>GROUP/BANK</b>				
(a) <u>Fee and commission income:</u>				
Guarantee fees	7	7	20	20
Arrangement and related fees	26	-	26	125
	<b>33</b>	<b>7</b>	<b>46</b>	<b>145</b>
(b) <u>Investment income:</u>				
Gain arising from sale/redemption of:				
- Financial investments at fair value through other comprehensive income	3,593	12,990	17,098	14,850
Unrealised gain from revaluation of:				
- Financial assets at fair value through profit or loss	-	-	4,159	5,802
Gross dividend income from:				
- Financial assets at fair value through profit or loss	-	-	580	550
- Associate	-	-	55	-
	<b>3,593</b>	<b>12,990</b>	<b>21,892</b>	<b>21,202</b>
(c) <u>Other income/(expense):</u>				
Foreign exchange gain/(loss)	5	(6)	46	(14)
Others	-	-	-	18
	<b>5</b>	<b>(6)</b>	<b>46</b>	<b>4</b>
Total other operating income	<b>3,631</b>	<b>12,991</b>	<b>21,984</b>	<b>21,351</b>

**A25 Other Operating Expenses**

	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December</b>	31 December	<b>31 December</b>	31 December
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b><u>GROUP/BANK</u></b>				
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	<b>193</b>	183	<b>598</b>	594
- Contribution to EPF	<b>30</b>	31	<b>92</b>	105
- Others	<b>14</b>	13	<b>26</b>	79
	<b>237</b>	227	<b>716</b>	778
<u>Establishment costs</u>				
- Depreciation of property, plant and equipment	<b>161</b>	46	<b>538</b>	123
- Depreciation of right-of-use assets	<b>179</b>	200	<b>541</b>	581
- Amortisation of computer software	<b>179</b>	302	<b>565</b>	918
- Water and electricity	<b>1</b>	2	<b>1</b>	2
- Repairs and maintenance	<b>3</b>	2	<b>9</b>	9
- Information technology expenses	<b>216</b>	187	<b>450</b>	331
- Others	<b>26</b>	10	<b>76</b>	169
	<b>765</b>	749	<b>2,180</b>	2,133
<u>Marketing expenses</u>				
- Advertisement and publicity	<b>-</b>	-	<b>7</b>	7
- Others	<b>1</b>	2	<b>1</b>	2
	<b>1</b>	2	<b>8</b>	9
<u>Administration and general expenses</u>				
- Communication expenses	<b>1</b>	2	<b>6</b>	5
- Printing and stationeries	<b>1</b>	2	<b>2</b>	2
- Professional fees	<b>2</b>	11	<b>79</b>	175
- Others	<b>67</b>	76	<b>199</b>	215
	<b>71</b>	91	<b>286</b>	397
Total other operating expenses	<b>1,074</b>	1,069	<b>3,190</b>	3,317

**A26 Allowance for/(Write-back of) Expected Credit Losses on Loans, Advances and Financing and Other Financial Assets**

	3rd Quarter Ended		Nine Months Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>GROUP/BANK</b>				
Allowance for expected credit losses on:				
(a) Loans, advances and financing				
- Allowance made during the financial period	(10)	(341)	(199)	(129)
(b) Credit impaired loans, advances and financing				
- Recovered during the financial period	(5)	(1)	(12)	(75)
(c) Commitments and contingencies on loans, advances and financing				
- (Write-back of)/allowance for during the financial period	(2)	-	(10)	25
	<u>(17)</u>	<u>(342)</u>	<u>(221)</u>	<u>(179)</u>
Other receivables				
- Allowance for/(write-back of) expected credit losses	79	-	(1,012)	-
	<u>62</u>	<u>(342)</u>	<u>(1,233)</u>	<u>(179)</u>

**A27 Write-back of Expected Credit Losses on Financial Investments**

	3rd Quarter Ended		Nine Months Ended	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>GROUP/BANK</b>				
Financial investments at fair value through other comprehensive income				
- Write-back during the financial period	(43)	(66)	(37)	(80)
	<u>(43)</u>	<u>(66)</u>	<u>(37)</u>	<u>(80)</u>

**A28 Assets and Liabilities Classified as Held for Sale**

The assets and liabilities of the Proposed Disposal of Stockbroking and Proposed Capital Markets Business Transfer as per Note A8 are as follows:

<b><u>GROUP/BANK</u></b>	<b>31 December 2021 RM'000</b>
<b>ASSETS</b>	
Cash and short-term funds	19,084
Deposits and placements with banks and other financial institutions	849
Amounts due from clients and brokers	40,046
Loans, advances and financing	121,226
Other assets	9,165
Right-of-use assets	536
Property, plant and equipment	105
Intangible assets	9
<b>TOTAL ASSETS</b>	<b><u>191,020</u></b>
<b>LIABILITIES</b>	
Amounts due to clients and brokers	13,148
Lease liabilities	550
Other liabilities	28,890
<b>TOTAL LIABILITIES</b>	<b><u>42,588</u></b>

**A29 Discontinued Operations**

The income statement of the Proposed Disposal of Stockbroking and Proposed Capital Markets Business Transfer as per Note A8 are as follows:

<b>GROUP/BANK</b>	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December 2021</b>	<b>31 December 2020</b>	<b>31 December 2021</b>	<b>31 December 2020</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	696	661	1,997	1,774
Interest expense	(10)	(10)	(38)	(15)
Net interest income	686	651	1,959	1,759
Fee and commission income	9,026	21,144	35,123	58,628
Fee and commission expense	(3,070)	(8,498)	(11,252)	(22,340)
Investment income	103	-	381	-
Other income	395	497	1,277	1,289
Other operating income	6,454	13,143	25,529	37,577
Net income	7,140	13,794	27,488	39,336
Other operating expenses	(8,388)	(7,753)	(24,910)	(24,513)
Operating profit before allowances (Allowance for)/write-back of expected credit losses on loans, advances and financing and other financial assets	(1,248)	6,041	2,578	14,823
(Loss)/profit before taxation	(383)	(27)	(440)	133
from discontinued operations	(1,631)	6,014	2,138	14,956
Taxation	355	(1,348)	(581)	(3,553)
Net (loss)/profit from discontinued operations	(1,276)	4,666	1,557	11,403



**A30 Earnings Per Share**

**Basic/Diluted**

Basic/diluted earnings per share are calculated by dividing profit for the financial period attributable to Equity holder of the Group and the Bank by the weighted average number of ordinary shares in issue during the financial period.

	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December 2021</b>	31 December 2020	<b>31 December 2021</b>	31 December 2020
<b>GROUP</b>				
Net profit from continuing operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>5,969</b>	17,077	<b>30,107</b>	41,027
Net (loss)/profit from discontinuing operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>(1,276)</b>	4,666	<b>1,557</b>	11,403
	<b>4,693</b>	21,743	<b>31,664</b>	52,430
Weighted average numbers of ordinary shares in issue ('000)	<b>365,000</b>	365,000	<b>365,000</b>	365,000
Basic/diluted earnings per share from continuing operations (sen)	<b>1.6</b>	4.7	<b>8.3</b>	11.2
Basic/diluted (loss)/earnings per share from discontinued operations (sen)	<b>(0.4)</b>	1.3	<b>0.4</b>	3.2
	<b>1.2</b>	6.0	<b>8.7</b>	14.4
<b>BANK</b>				
Net profit from continuing operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>5,955</b>	17,055	<b>30,061</b>	40,950
Net (loss)/profit from discontinuing operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>(1,276)</b>	4,666	<b>1,557</b>	11,403
	<b>4,679</b>	21,721	<b>31,618</b>	52,353
Weighted average numbers of ordinary shares in issue ('000)	<b>365,000</b>	365,000	<b>365,000</b>	365,000
Basic/diluted earnings per share from continuing operations (sen)	<b>1.6</b>	4.7	<b>8.2</b>	11.2
Basic/diluted (loss)/earnings per share from discontinuing operations (sen)	<b>(0.3)</b>	1.3	<b>0.4</b>	3.1
	<b>1.3</b>	6.0	<b>8.6</b>	14.3

### A31 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 their customers. No material losses are anticipated as a result of these transactions.

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

	<u>GROUP/BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000
<u>Commitments and Contingencies</u>		
Transaction-related contingent items	1,050	1,050
Obligations under an on-going underwriting agreement	-	20,000
Irrevocable commitments to extend credit:		
- maturity not exceeding one year	308,691	304,736
- maturity exceeding one year	1,341	1,341
<b>Total</b>	<b>311,082</b>	<b>327,127</b>

### A32 Capital Adequacy

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework. The Framework sets out the approach for computing regulatory capital adequacy ratios, as well as the levels of those ratios at which banking institutions are required to operate. The framework is to strengthen capital adequacy standards, in line with the requirements set forth under Basel III. The risk-weighted assets of the Group and the Bank are computed using the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk.

The Group and the Bank have also adopted the transitional arrangements on provisions for expected credit losses in accordance with Bank Negara Malaysia's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions effective on 9 December 2020.

This allow the Group and the Bank to add back a portion of Stage 1 ("S1") and Stage 2 ("S2") provisions with an "add-back factor", to the Common Equity Tier 1 ("CET 1") capital from Financial Year 2021 to Financial Year 2024.

The capital adequacy ratios with and without transitional arrangements for the Group and the Bank are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	31 December 2021	31 March 2021	31 December 2021	31 March 2021
<b>(i) With transitional arrangements:</b>				
<u>Before deducting proposed dividends</u>				
CET 1 capital ratio	88.966%	72.608%	89.002%	72.580%
Tier 1 capital ratio	88.966%	72.608%	89.002%	72.580%
Total capital ratio	89.825%	73.534%	89.861%	73.506%
<u>After deducting proposed dividends</u>				
CET 1 capital ratio	88.966%	69.026%	89.002%	69.000%
Tier 1 capital ratio	88.966%	69.026%	89.002%	69.000%
Total capital ratio	89.825%	69.953%	89.861%	69.926%
<b>(ii) Without transitional arrangements:</b>				
<u>Before deducting proposed dividends</u>				
CET 1 capital ratio	88.966%	72.578%	89.002%	72.550%
Tier 1 capital ratio	88.966%	72.578%	89.002%	72.550%
Total capital ratio	89.825%	73.504%	89.861%	73.476%
<u>After deducting proposed dividends</u>				
CET 1 capital ratio	88.966%	68.997%	89.002%	68.970%
Tier 1 capital ratio	88.966%	68.997%	89.002%	68.970%
Total capital ratio	89.825%	69.923%	89.861%	69.896%

**A32 Capital Adequacy (Contd.)**

(a) Components of Common Equity Tier I ("CET I"), Tier I and Tier II capital under the Capital Adequacy Framework with transitional arrangements are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b><u>CET I Capital/Tier I Capital</u></b>				
Paid-up share capital	365,962	365,962	365,962	365,962
Retained profits	79,167	72,758	81,035	74,658
FVOCI reserves	4,884	21,105	4,884	21,105
Regulatory reserves	6,045	6,434	6,045	6,434
	<b>456,058</b>	466,259	<b>457,926</b>	468,159
(Less)/add: Regulatory adjustments				
- Goodwill and other intangibles	(21,772)	(22,332)	(24,332)	(24,892)
- Deferred tax assets	(2,419)	-	(2,419)	-
- 55% of FVOCI reserves	(2,686)	(11,608)	(2,686)	(11,608)
- Regulatory reserves	(6,045)	(6,434)	(6,045)	(6,434)
- Investment in associate and joint venture	(1,330)	(1,284)	(624)	(624)
- Transitional arrangements	-	175	-	175
Total CET I Capital / Total Tier I Capital	<b>421,806</b>	424,776	<b>421,820</b>	424,776
<b><u>Tier II Capital</u></b>				
Expected credit losses and regulatory reserves	4,071	5,421	4,071	5,421
Total Tier II Capital	<b>4,071</b>	5,421	<b>4,071</b>	5,421
<b>Total Capital</b>	<b>425,877</b>	430,197	<b>425,891</b>	430,197

(b) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category are as follows:

	<u>GROUP</u>		<u>BANK</u>	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Credit risk	325,673	433,700	325,673	433,700
Market risk	198	174	198	174
Operational risk	148,247	151,155	148,073	151,379
Total RWA and capital requirements	<b>474,118</b>	585,029	<b>473,944</b>	585,253

### **A33 Fair Value Measurements**

#### **(a) Determination of fair value and the fair value hierarchy**

MFRS 13 Fair Value Measurement requires disclosure of financial instruments measured at fair value to be categorised according to a hierarchy of valuation techniques, whether the inputs used are observable or unobservable. The following level of hierarchy are used for determining and disclosing the fair value of the financial instruments:

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

Level 2 - inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices); and

Level 3 - inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The Group and the Bank recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. The fair value of an asset to be transferred between levels is determined as of the date of the event or change in circumstances that caused the transfer.

#### **(i) Financial instruments in Level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the statements of financial position date. A market is regarded as active if quoted prices are readily and regularly available from an exchange and those prices represent actual and regularly occurring market transactions on an arm's length basis. This includes listed equities and corporate debt securities which are actively traded.

#### **(ii) Financial instruments in Level 2**

Where fair value is determined using quoted prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2. In cases where quoted prices are generally not available, the Group and the Bank then determine fair value based upon valuation techniques that use as inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high. These would include government securities, corporate private debt securities and corporate notes.

#### **(iii) Financial instruments in Level 3**

The Group and the Bank classify financial instruments as Level 3 when there is reliance on unobservable inputs to the valuation model attributing to a significant contribution to the instrument value. Valuation reserves or pricing adjustments where applicable will be used to converge to fair value.

The valuation techniques and inputs used generally depend on the contractual terms and the risks inherent in the instrument as well as the availability of pricing information in the market. Principal techniques used include net tangible assets, net asset value, discounted cash flows, and other appropriate valuation models. These includes private equity investments.

**A33 Fair Value Measurements (Contd.)**

**(b) Financial instruments measured at fair value and the fair value hierarchy**

The following tables show the Group's and the Bank's financial instruments which are measured at fair value at the reporting date analysed by the various levels within the fair value hierarchy:

	<u>Level 1</u> RM'000	<u>Level 2</u> RM'000	<u>Level 3</u> RM'000	<u>Total</u> RM'000
<b><u>GROUP/BANK</u></b>				
31 December 2021				
<u>Assets</u>				
Financial assets at FVTPL				
- Unquoted securities	-	-	74,353	74,353
Financial investments at FVOCI				
- Money market instruments	-	289,951	-	289,951
- Unquoted securities	-	253,288	-	253,288
31 March 2021				
<u>Assets</u>				
Financial assets at FVTPL				
- Unquoted securities	-	-	70,194	70,194
Financial investments at FVOCI				
- Money market instruments	-	294,637	-	294,637
- Unquoted securities	-	626,438	-	626,438

There were no transfers between levels of the fair value hierarchy for the Group and the Bank during the financial period/year ended 31 December 2021 and 31 March 2021.

Reconciliation of movements in Level 3 financial instruments:

	<b><u>GROUP/BANK</u></b>	
	<b>31 December</b>	31 March
	<b>2021</b>	2021
	<b>RM'000</b>	RM'000
At beginning of financial year	70,194	64,392
Total gain recognised in statements of income:		
- Unrealised gain from revaluation	4,159	5,802
At end of financial period/year	<u>74,353</u>	<u>70,194</u>

The Group's and the Bank's exposure to financial instruments measured using unobservable inputs (Level 3) constitutes a small component of the Group's and the Bank's portfolio of financial instruments. Changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for Level 3 financial instruments.

**A34 Offsetting Financial Assets And Financial Liabilities**

In accordance with MFRS 132 Financial Instruments: Presentation, the Group and the Bank report financial assets and financial liabilities on a net basis on the statements of financial position, only if there is a legally enforceable right to set off the recognised amounts and there is intention to settle on a net basis, or to realise the asset and settle the liability simultaneously. The following table shows the impact of netting arrangements on:

- (i) all financial assets and liabilities that are reported net on the statements of financial position; and
- (ii) all financial assets and liabilities that are subject to enforceable master netting arrangements or similar agreements, but do not qualify for statements of financial position netting.

**(a) Financial assets**

	Gross amounts of recognised financial assets <u>RM'000</u>	Gross amounts of recognised financial liabilities set off in the statements of financial position <u>RM'000</u>	Net amounts of financial assets presented in the statements of financial position <u>RM'000</u>
<b>GROUP/BANK</b>			
31 December 2021			
Amounts due from clients and brokers	57,832	(17,786)	40,046
Total	<u>57,832</u>	<u>(17,786)</u>	<u>40,046</u>
31 March 2021			
Amounts due from clients and brokers	193,562	(88,521)	105,041
Total	<u>193,562</u>	<u>(88,521)</u>	<u>105,041</u>

**(b) Financial liabilities**

	Gross amounts of recognised financial liabilities <u>RM'000</u>	Gross amounts of recognised financial assets set off in the statements of financial position <u>RM'000</u>	Net amounts of financial liabilities presented in the statements of financial position <u>RM'000</u>
<b>GROUP/BANK</b>			
31 December 2021			
Amounts due to clients and brokers	30,934	(17,786)	13,148
Total	<u>30,934</u>	<u>(17,786)</u>	<u>13,148</u>
31 March 2021			
Amounts due to clients and brokers	151,937	(88,521)	63,416
Total	<u>151,937</u>	<u>(88,521)</u>	<u>63,416</u>

**A35 Islamic Banking Business**

**A35a Unaudited Statements of Financial Position as at 31 December 2021**

		<b><u>GROUP/BANK</u></b>	
		<b>31 December</b>	31 March
		<b>2021</b>	2021
Note		<b>RM'000</b>	RM'000
<b>ASSETS</b>			
Cash and short-term funds		19	6,404
Deposits and placements with banks and other financial institutions		7,853	-
Financial investments at fair value through other comprehensive income	A35d	72,746	73,447
Other assets		19	14
Deferred tax assets		112	36
<b>Total Assets</b>		<b>80,749</b>	<b>79,901</b>
<b>LIABILITIES AND ISLAMIC BANKING FUNDS</b>			
Provision for taxation		1,278	5,465
Other liabilities		4,800	132
<b>Total Liabilities</b>		<b>6,078</b>	<b>5,597</b>
Islamic Banking Funds		56,000	56,000
Reserves		18,671	18,304
<b>Total Islamic Banking Funds</b>		<b>74,671</b>	<b>74,304</b>
<b>TOTAL LIABILITES AND ISLAMIC BANKING FUNDS</b>		<b>80,749</b>	<b>79,901</b>

**A35 Islamic Banking Business (Contd.)**

**A35b Unaudited Consolidated Statements of Comprehensive Income for the Financial Period Ended 31 December 2021**

	Note	3rd Quarter Ended		Nine Months Ended	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>GROUP/BANK</b>					
Income derived from investment of Islamic banking funds	A35e	677	683	2,002	6,042
Income derived from investment of depositors' funds and others	A35f	-	-	5	-
<b>Total distributable income</b>		<b>677</b>	<b>683</b>	<b>2,007</b>	<b>6,042</b>
Income attributable to the depositors and financial institutions	A35g	-	-	(3)	-
<b>Total net income</b>		<b>677</b>	<b>683</b>	<b>2,004</b>	<b>6,042</b>
Other operating expenses		-	-	(6)	(3)
Write-back of expected credit losses on financial investments		-	-	-	211
<b>Profit before taxation</b>		<b>677</b>	<b>683</b>	<b>1,998</b>	<b>6,250</b>
Taxation		(163)	(164)	(480)	(1,499)
<b>Net profit after taxation</b>		<b>514</b>	<b>519</b>	<b>1,518</b>	<b>4,751</b>
<b>Other comprehensive (expense)/income:</b>					
Items that may be classified subsequently to profit or loss:					
Revaluation reserve on financial investments at FVOCI					
- Net (loss)/gain from change in fair value		(287)	(451)	(313)	3,675
- Realised gain transferred to statements of income on disposal		-	-	-	(3,330)
- Transfer from/(to) deferred tax		68	108	75	(83)
- Changes in expected credit losses		-	-	-	(211)
Other comprehensive (expense)/income, net of tax		(219)	(343)	(238)	51
<b>Total comprehensive income for the financial period</b>		<b>295</b>	<b>176</b>	<b>1,280</b>	<b>4,802</b>

Net income from Islamic banking business stated in the consolidated statement of comprehensive income is derived from:

Income derived from investment of Islamic Banking Funds	677	683	2,002	6,042
Income derived from investment of depositors' funds and others	-	-	5	-
	<b>677</b>	<b>683</b>	<b>2,007</b>	<b>6,042</b>



**A35 Islamic Banking Business (Contd.)**

**A35c Unaudited Statement of Changes in Equity for the Financial Period Ended 31 December 2021**

	← Non-distributable reserves →			Distributable reserves	Total equity RM'000
	Funds allocated from Head Office (HO) RM'000	Regulatory reserves RM'000	FVOCI reserves RM'000	Retained profits RM'000	
<b>GROUP/BANK</b>					
At 1 April 2021	56,000	-	(114)	18,418	74,304
Net profit for the financial period	-	-	-	1,518	1,518
Other comprehensive expense	-	-	(238)	-	(238)
Total comprehensive (expense)/ income for the financial period	-	-	(238)	1,518	1,280
Dividends paid	-	-	-	(913)	(913)
<b>At 31 December 2021</b>	<b>56,000</b>	<b>-</b>	<b>(352)</b>	<b>19,023</b>	<b>74,671</b>
At 1 April 2020	56,000	48	960	62,332	119,340
Net profit for the financial period	-	-	-	4,751	4,751
Other comprehensive income	-	-	51	-	51
Total comprehensive income for the financial period	-	-	51	4,751	4,802
Transfer from regulatory reserves	-	(48)	-	48	-
Dividends paid	-	-	-	(49,112)	(49,112)
At 31 December 2020	56,000	-	1,011	18,019	75,030

**A35d Financial Investments at Fair Value Through Other Comprehensive Income ("FVOCI")**

	<b>GROUP/BANK</b>	
	31 December 2021 RM'000	31 March 2021 RM'000
<b>At fair value</b>		
<u>Money market instruments:</u>		
Malaysian Government investment issues	62,867	63,554
	<u>62,867</u>	<u>63,554</u>
<u>Unquoted securities:</u>		
Sukuk	9,879	9,893
	<u>9,879</u>	<u>9,893</u>
Total financial investments at FVOCI	<u><u>72,746</u></u>	<u><u>73,447</u></u>

Movements in allowance for expected credit losses are as follows:

	12 months ECL (Stage 1)	
	31 December 2021 RM'000	31 March 2021 RM'000
<b>GROUP/BANK</b>		
At beginning of financial year	-	211
Financial assets derecognised other than write-off	-	(35)
Changes due to change in credit risk	-	(176)
Total write-back from income statement	-	(211)
At end of financial period/year	<u><u>-</u></u>	<u><u>-</u></u>

**A35 Islamic Banking Business (Contd.)**

**A35e Income derived from investment of Islamic Banking Funds**

<b>GROUP/BANK</b>	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December</b>	31 December	<b>31 December</b>	31 December
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Finance income and hibah</b>				
Financial investments at fair value through other comprehensive income	<b>726</b>	424	<b>2,158</b>	2,133
Money at call and deposit placements with financial institutions	<b>41</b>	329	<b>105</b>	760
	<b>767</b>	753	<b>2,263</b>	2,893
Accretion of discount less amortisation of premium (net)	<b>(90)</b>	(70)	<b>(261)</b>	(181)
Total finance income and hibah	<b>677</b>	683	<b>2,002</b>	2,712
Investment income	-	-	-	3,330
	<b>677</b>	683	<b>2,002</b>	6,042

**A35f Income derived from investment of depositors' funds and others**

	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December</b>	31 December	<b>31 December</b>	31 December
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Finance income and hibah</b>				
Financial investments at fair value through other comprehensive income	-	-	<b>6</b>	-
Accretion of discount less amortisation of premium (net)	-	-	<b>(1)</b>	-
Total finance income and hibah	-	-	<b>5</b>	-

**A35g Income Attributable to the Depositors and Financial Institutions**

	<b>3rd Quarter Ended</b>		<b>Nine Months Ended</b>	
	<b>31 December</b>	31 December	<b>31 December</b>	31 December
	<b>2021</b>	2020	<b>2021</b>	2020
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Deposits and placements of banks and other financial institutions:				
- Non-Mudharabah fund	-	-	<b>3</b>	-

**A35 Islamic Banking Business (Contd.)**

**A35h Capital Adequacy**

The capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework. The Framework sets out the approach for computing regulatory capital adequacy ratios, as well as the levels of those ratios at which banking institutions are required to operate. The framework is to strengthen capital adequacy standards, in line with the requirements set forth under Basel III. The risk-weighted assets of the Group and the Bank are computed using the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk.

The Group and the Bank have also adopted the transitional arrangements on provisions for expected credit losses in accordance with Bank Negara Malaysia's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions effective on 9 December 2020.

This allow the Group and the Bank to add back a portion of Stage 1 ("S1") and Stage 2 ("S2") provisions with an "add-back factor", to the Common Equity Tier I ("CET I") capital from Financial Year 2021 to Financial Year 2024.

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

	<b>GROUP/BANK</b>	
	<b>31 December</b>	31 March
	<b>2021</b>	2021
<b>With and without transitional arrangements:</b>		
<u>Before deducting proposed dividends</u>		
CET I capital ratio	<b>815.934%</b>	776.781%
Tier I capital ratio	<b>815.934%</b>	776.781%
Total capital ratio	<b>815.934%</b>	776.781%
<u>After deducting proposed dividends</u>		
CET I capital ratio	<b>815.934%</b>	767.231%
Tier I capital ratio	<b>815.934%</b>	767.231%
Total capital ratio	<b>815.934%</b>	767.231%

(i) Components of Common Equity Tier I ("CET I"), Tier I and Tier II capital under the Capital Adequacy Framework with transitional arrangements are as follows:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	31 March
	<b>2021</b>	2021
	<b>RM'000</b>	RM'000
<b><u>CET I Capital/Tier 1 Capital</u></b>		
Funds allocated from Head Office	<b>56,000</b>	56,000
Retained profits	<b>18,510</b>	18,418
FVOCI reserves	<b>(352)</b>	(114)
	<b>74,158</b>	74,304
Less: Regulatory adjustments		
- Deferred tax assets	<b>(112)</b>	(36)
Total CET I Capital / Total Tier I Capital / Total Capital	<b>74,046</b>	74,268

(ii) The breakdown of risk-weighted assets ("RWA") by exposures in each major risk category are as follows:

	<b>GROUP/BANK</b>	
	<b>31 December</b>	31 March
	<b>2021</b>	2021
	<b>RM'000</b>	RM'000
Credit risk	<b>1,590</b>	1,291
Operational risk	<b>7,485</b>	8,270
Total RWA and capital requirements	<b>9,075</b>	9,561

## **PART B – Review of Performance & Current Year Prospect**

### **B1 Review of Performance for Financial Period Ended 31 December 2021 ("3QFY2022")**

#### Profitability

The Bank's net profit after taxation was RM31.7 million for the nine months ended 31 December 2021, lower by RM20.8 million or 39.6% year-on-year ("YOY"). The decreased were largely due to lower revenue and higher operating expenses.

Net interest income recorded at RM20.0 million, lower by RM10.8 million or 35.1% YOY. Nevertheless, the interest margin (NIM) recorded higher at 2.66% (3QFY21: 2.61%).

Other operating income recorded at RM47.5 million, lower by RM14.7 million or 23.7% YOY mainly from lower brokerage fee and treasury and investment income.

Operating expenses increased marginally. The cost to income ratio stood at 41.7% (3QFY2021: 29.9%).

#### Proactive Capital Management

Both Total Capital and Common Equity Tier 1 continue to remain strong at 89.8% and 89.0% respectively as at 31 December 2021.

### **B2 Current Year Prospect**

The cumulative trading value for the stockbroking business for 3QFY2022 was RM319.3 billion, 10.8% lower than the immediate preceding quarter's RM358.0 billion. There was generally risk aversion in the equity space this quarter amidst the fear of possible COVID-19 Omicron variant wave coupled with concerns on Budget 2022's Cukai Makmur and how inflation would affect local corporates. Local retail investor participation averaging 30.2% in 3QFY2022 (2QFY2022: 34.6%).

As part of the Group's broader strategy to accelerate the momentum of its core businesses, we continuously explore strategic options to maximise return. This includes reviewing the sustainability of the various businesses within the Group. After careful and extensive reviews of various business structures and models, we have decided to:

- Sell our stockbroking business to a regional stockbroking company, Phillip Futures Sdn Bhd ("Phillip Futures"). We believe this decision will enable our customers to access regional trading platforms and a broad range of global investment products so they can better grow their wealth; and
- Transferring AIBB's Corporate & Investment Banking units of Corporate Finance, Coverage & Origination, Debt Capital Markets and Equity Syndication to Alliance Islamic Bank (AIS).

Both of the above is expected to be completed in Financial Year Ending 2023.

In FY2022, we continue to prioritise the health and safety of our employees and our focus remains on helping our clients emerge from this challenging period on a better footing.