

**Condensed Interim Financial Statements**  
**Unaudited Statements of Financial Position as at 30 June 2022**

	Note	<b><u>ECONOMIC ENTITY</u></b>		<b><u>BANK</u></b>	
		<b>30 June</b>	31 March	<b>30 June</b>	31 March
		<b>2022</b>	2022	<b>2022</b>	2022
		<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>ASSETS</b>					
Cash and short-term funds		<b>9,616</b>	8,378	<b>9,616</b>	8,378
Financial assets at fair value through profit or loss	A12	<b>71,034</b>	74,353	<b>71,034</b>	74,353
Financial investments at fair value through other comprehensive income	A13	<b>560,331</b>	570,931	<b>560,331</b>	570,931
Financial investments at amortised cost	A14	<b>16</b>	16	<b>16</b>	16
Loans, advances and financing	A15	<b>72,179</b>	124,514	<b>72,179</b>	124,514
Other assets	A16	<b>10,833</b>	1,897	<b>10,833</b>	1,897
Tax recoverable		<b>6,211</b>	3,055	<b>6,211</b>	3,055
Investment in an associate		<b>237</b>	237	<b>230</b>	230
Investment in joint venture		<b>1,063</b>	1,048	<b>394</b>	394
Right-of-use assets		<b>1,027</b>	1,499	<b>1,027</b>	1,499
Property, plant and equipment		<b>85</b>	108	<b>85</b>	108
Deferred tax assets		<b>7,281</b>	5,180	<b>7,281</b>	5,180
Intangible assets		<b>21,415</b>	21,585	<b>23,975</b>	24,145
		<b>761,328</b>	812,801	<b>763,212</b>	814,700
Assets classified as held for sale	A26	<b>167,168</b>	224,506	<b>167,168</b>	224,506
<b>TOTAL ASSETS</b>		<b>928,496</b>	1,037,307	<b>930,380</b>	1,039,206
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A17	<b>297,122</b>	356,370	<b>297,122</b>	356,370
Deposits and placements of banks and other financial institutions	A18	<b>122,189</b>	143,451	<b>122,189</b>	143,451
Lease liabilities		<b>1,118</b>	1,597	<b>1,118</b>	1,597
Other liabilities	A19	<b>17,975</b>	20,702	<b>17,975</b>	20,702
		<b>438,404</b>	522,120	<b>438,404</b>	522,120
Liabilities classified as held for sale	A26	<b>35,907</b>	57,980	<b>35,907</b>	57,980
<b>TOTAL LIABILITIES</b>		<b>474,311</b>	580,100	<b>474,311</b>	580,100
Share capital		<b>365,962</b>	365,962	<b>365,962</b>	365,962
Reserves		<b>88,223</b>	91,245	<b>90,107</b>	93,144
<b>TOTAL EQUITY</b>		<b>454,185</b>	457,207	<b>456,069</b>	459,106
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>928,496</b>	1,037,307	<b>930,380</b>	1,039,206
<b>COMMITMENTS AND CONTINGENCIES</b>					
	A29	<b>305,436</b>	315,498	<b>305,436</b>	315,498

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements  
Unaudited Consolidated Statements of Income  
for the Financial Period Ended 30 June 2022**

<b><u>ECONOMIC ENTITY</u></b>	Note	<b>1st Quarter Ended</b>		<b>Three Months Ended</b>	
		<b>30 June 2022</b>	<b>30 June 2021</b>	<b>30 June 2022</b>	<b>30 June 2021</b>
		<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Interest income	A20	<b>6,483</b>	9,942	<b>6,483</b>	9,942
Interest expense	A21	<b>(2,248)</b>	(3,594)	<b>(2,248)</b>	(3,594)
Net interest income		<b>4,235</b>	6,348	<b>4,235</b>	6,348
Net income from Islamic banking business	A33	<b>669</b>	661	<b>669</b>	661
		<b>4,904</b>	7,009	<b>4,904</b>	7,009
Fee and commission income		<b>6</b>	7	<b>6</b>	7
Investment income		<b>3,964</b>	10,577	<b>3,964</b>	10,577
Other (expense)/income		<b>(10)</b>	5	<b>(10)</b>	5
Other operating income	A22	<b>3,960</b>	10,589	<b>3,960</b>	10,589
Net income		<b>8,864</b>	17,598	<b>8,864</b>	17,598
Other operating expenses	A23	<b>(803)</b>	(1,094)	<b>(803)</b>	(1,094)
Operating profit before allowances		<b>8,061</b>	16,504	<b>8,061</b>	16,504
Write-back of/(allowance for) expected credit losses on loans, advances and financing and other financial assets	A24	<b>3</b>	(81)	<b>3</b>	(81)
Write-back of/(allowance for) expected credit losses on financial investments	A25	<b>6</b>	(20)	<b>6</b>	(20)
Operating profit after allowances		<b>8,070</b>	16,403	<b>8,070</b>	16,403
Share of results in an associate		-	1	-	1
Share of results of joint venture		<b>15</b>	17	<b>15</b>	17
Profit before taxation from continuing operations		<b>8,085</b>	16,421	<b>8,085</b>	16,421
Taxation		<b>(992)</b>	(3,900)	<b>(992)</b>	(3,900)
Net profit from continuing operations		<b>7,093</b>	12,521	<b>7,093</b>	12,521
Net (loss)/profit from discontinued operations	A27	<b>(1,996)</b>	2,311	<b>(1,996)</b>	2,311
Net profit for the financial period		<b>5,097</b>	14,832	<b>5,097</b>	14,832
<b>Net profit for the financial period attributable to:</b>					
Equity holder of the Bank		<b>5,097</b>	14,832	<b>5,097</b>	14,832
Earnings/(loss) per share attributable to Equity holder of the Bank:					
- Continuing operations basic/diluted (sen)	A28	<b>1.9</b>	3.4	<b>1.9</b>	3.4
- Discontinued operations basic/diluted (sen)	A28	<b>(0.5)</b>	0.7	<b>(0.5)</b>	0.7
		<b>1.4</b>	4.1	<b>1.4</b>	4.1

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 2022.

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements****Unaudited Consolidated Statements of Comprehensive Income  
for the Financial Period Ended 30 June 2022**

	<b>1st Quarter Ended</b>		<b>Three Months Ended</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<b><u>ECONOMIC ENTITY</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>5,097</b>	<b>14,832</b>	<b>5,097</b>	<b>14,832</b>
<b>Other comprehensive expense:</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>(10,674)</b>	<b>5,297</b>	<b>(10,674)</b>	<b>5,297</b>
- Realised gain transferred to statements of income on disposal	<b>-</b>	<b>(10,422)</b>	<b>-</b>	<b>(10,422)</b>
- Transfer from deferred tax	<b>2,561</b>	<b>1,230</b>	<b>2,561</b>	<b>1,230</b>
- Changes in expected credit losses	<b>(6)</b>	<b>20</b>	<b>(6)</b>	<b>20</b>
Other comprehensive expense, net of tax	<b>(8,119)</b>	<b>(3,875)</b>	<b>(8,119)</b>	<b>(3,875)</b>
<b>Total comprehensive (expense)/income for the financial period:</b>				
Continuing operations	<b>(1,026)</b>	<b>8,646</b>	<b>(1,026)</b>	<b>8,646</b>
Discontinued operations	<b>(1,996)</b>	<b>2,311</b>	<b>(1,996)</b>	<b>2,311</b>
	<b>(3,022)</b>	<b>10,957</b>	<b>(3,022)</b>	<b>10,957</b>
<b>Total comprehensive (expense)/income for the financial period attributable to:</b>				
Equity holder of the Bank	<b>(3,022)</b>	<b>10,957</b>	<b>(3,022)</b>	<b>10,957</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 2022.

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements  
Unaudited Statements of Income  
for the Financial Period Ended 30 June 2022**

		1st Quarter Ended		Three Months Ended	
		30 June 2022 RM'000	30 June 2021 RM'000	30 June 2022 RM'000	30 June 2021 RM'000
<b><u>BANK</u></b>	Note				
Interest income	A20	6,483	9,942	6,483	9,942
Interest expense	A21	(2,248)	(3,594)	(2,248)	(3,594)
Net interest income		4,235	6,348	4,235	6,348
Net income from Islamic banking business	A33	669	661	669	661
		4,904	7,009	4,904	7,009
Fee and commission income		6	7	6	7
Investment income		3,964	10,577	3,964	10,577
Other (expense)/income		(10)	5	(10)	5
Other operating income	A22	3,960	10,589	3,960	10,589
Net income		8,864	17,598	8,864	17,598
Other operating expenses	A23	(803)	(1,094)	(803)	(1,094)
Operating profit before allowances		8,061	16,504	8,061	16,504
Write-back of/(allowance for) expected credit losses on loans, advances and financing and other financial assets	A24	3	(81)	3	(81)
Write-back of/(allowance for) expected credit losses on financial investments	A25	6	(20)	6	(20)
Profit before taxation from continuing operations		8,070	16,403	8,070	16,403
Taxation		(992)	(3,900)	(992)	(3,900)
Net profit from continuing operations		7,078	12,503	7,078	12,503
Net (loss)/profit from discontinued operations	A27	(1,996)	2,311	(1,996)	2,311
Net profit for the financial period		5,082	14,814	5,082	14,814
<b>Net profit for the financial period attributable to:</b>					
Equity holder of the Bank		5,082	14,814	5,082	14,814
Earnings/(loss) per share attributable to Equity holder of the Bank:					
- Continuing operations basic/diluted (sen)	A28	1.9	3.4	1.9	3.4
- Discontinued operations basic/diluted (sen)	A28	(0.5)	0.7	(0.5)	0.7
		1.4	4.1	1.4	4.1

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**Condensed Interim Financial Statements  
Unaudited Statements of Comprehensive Income  
for the Financial Period Ended 30 June 2022**

	<b>1st Quarter Ended</b>		<b>Three Months Ended</b>	
	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>	<b>2022</b>	<b>2021</b>
<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>5,082</b>	<b>14,814</b>	<b>5,082</b>	<b>14,814</b>
<b>Other comprehensive expense:</b>				
Items that may be reclassified subsequently to profit or loss:				
Revaluation reserve on FVOCI				
- Net (loss)/gain from change in fair value	<b>(10,674)</b>	5,297	<b>(10,674)</b>	5,297
- Realised gain transferred to statements of income on disposal	-	(10,422)	-	(10,422)
- Transfer from deferred tax	<b>2,561</b>	1,230	<b>2,561</b>	1,230
- Changes in expected credit losses	<b>(6)</b>	20	<b>(6)</b>	20
Other comprehensive expense, net of tax	<b>(8,119)</b>	<b>(3,875)</b>	<b>(8,119)</b>	<b>(3,875)</b>
<b>Total comprehensive (expense)/income for the financial period:</b>				
Continuing operations	<b>(1,041)</b>	8,628	<b>(1,041)</b>	8,628
Discontinuing operations	<b>(1,996)</b>	2,311	<b>(1,996)</b>	2,311
	<b>(3,037)</b>	<b>10,939</b>	<b>(3,037)</b>	<b>10,939</b>
<b>Total comprehensive (expense)/income for the financial period attributable to:</b>				
Equity holder of the Bank	<b>(3,037)</b>	<b>10,939</b>	<b>(3,037)</b>	<b>10,939</b>

**ALLIANCE INVESTMENT BANK BERHAD**  
**197401004393 (21605-D)**  
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**Condensed Interim Financial Statements**

**Unaudited Consolidated Statements of Changes in Equity for the Financial Period Ended 30 June 2022**

	←----- Attributable to Equity holder of the Bank ----->				
<b><u>ECONOMIC ENTITY</u></b>	Share capital RM'000	Regulatory reserves RM'000	FVOCI reserves RM'000	Retained profits RM'000	Total equity RM'000
At 1 April 2022	365,962	6,045	(34)	85,234	457,207
Net profit for the financial period	-	-	-	5,097	5,097
Other comprehensive expense	-	-	(8,119)	-	(8,119)
Total comprehensive (expense)/income for the financial period	-	-	(8,119)	5,097	(3,022)
<b>At 30 June 2022</b>	<b>365,962</b>	<b>6,045</b>	<b>(8,153)</b>	<b>90,331</b>	<b>454,185</b>
At 1 April 2021	365,962	6,434	21,240	72,758	466,394
Net profit for the financial period	-	-	-	14,832	14,832
Other comprehensive expense	-	-	(3,875)	-	(3,875)
Total comprehensive (expense)/income for the financial period	-	-	(3,875)	14,832	10,957
Transfer from regulatory reserves	-	(511)	-	511	-
Dividends paid	-	-	-	(20,951)	(20,951)
<b>At 30 June 2021</b>	<b>365,962</b>	<b>5,923</b>	<b>17,365</b>	<b>67,150</b>	<b>456,400</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 2022.

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

**Condensed Interim Financial Statements**  
**Unaudited Statements of Changes in Equity for the Financial Period Ended 30 June 2022**

	← Non-distributable reserves →			Distributable reserves	
<b><u>BANK</u></b>	Share capital RM'000	Regulatory reserves RM'000	FVOCI reserves RM'000	Retained profits RM'000	Total equity RM'000
At 1 April 2022	365,962	6,045	(34)	87,133	459,106
Net profit for the financial period	-	-	-	5,082	5,082
Other comprehensive expense	-	-	(8,119)	-	(8,119)
Total comprehensive (expense)/income for the financial period	-	-	(8,119)	5,082	(3,037)
<b>At 30 June 2022</b>	<b>365,962</b>	<b>6,045</b>	<b>(8,153)</b>	<b>92,215</b>	<b>456,069</b>
At 1 April 2021	365,962	6,434	21,240	74,658	468,294
Net profit for the financial period	-	-	-	14,814	14,814
Other comprehensive expense	-	-	(3,875)	-	(3,875)
Total comprehensive (expense)/income for the financial period	-	-	(3,875)	14,814	10,939
Transfer from regulatory reserves	-	(511)	-	511	-
Dividends paid	-	-	-	(20,951)	(20,951)
<b>At 30 June 2021</b>	<b>365,962</b>	<b>5,923</b>	<b>17,365</b>	<b>69,032</b>	<b>458,282</b>

**Condensed Interim Financial Statements**

**Unaudited Condensed Statements of Cash Flows for the Financial Period Ended 30 June 2022**

	<b><u>ECONOMIC ENTITY</u></b>		<b><u>BANK</u></b>	
	<b>30 June</b>	30 June	<b>30 June</b>	30 June
	<b>2022</b>	2021	<b>2022</b>	2021
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
Profit before taxation from:				
Continuing operations	<b>8,085</b>	16,421	<b>8,070</b>	16,403
Discontinued operations	<b>(2,528)</b>	3,063	<b>(2,528)</b>	3,063
Adjustments for non-cash items	<b>(8,176)</b>	(17,633)	<b>(8,161)</b>	(17,615)
Cash flow from operating activities				
before working capital changes	<b>(2,619)</b>	1,851	<b>(2,619)</b>	1,851
Changes in working capital	<b>(15,847)</b>	(277,311)	<b>(15,847)</b>	(277,311)
Taxation paid	<b>(3,155)</b>	(5,820)	<b>(3,155)</b>	(5,820)
Net cash used in operating activities	<b>(21,621)</b>	(281,280)	<b>(21,621)</b>	(281,280)
Net cash generated from investing activities	<b>4,968</b>	300,986	<b>4,968</b>	300,986
Net cash used in financing activities	<b>(252)</b>	(21,172)	<b>(252)</b>	(21,172)
Net change in cash and cash equivalents	<b>(16,905)</b>	(1,466)	<b>(16,905)</b>	(1,466)
Cash and cash equivalents at beginning of financial period	<b>45,647</b>	56,058	<b>45,647</b>	56,058
Cash and cash equivalents at end of financial period	<b>28,742</b>	54,592	<b>28,742</b>	54,592
Cash and cash equivalent comprise from:				
Cash and short-term funds	<b>9,616</b>	54,592	<b>9,616</b>	54,592
Cash and short-term funds under Assets Held for Sale (Note A26)	<b>19,126</b>	-	<b>19,126</b>	-
	<b>28,742</b>	54,592	<b>28,742</b>	54,592



**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 30 June 2022 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 Economic Entity for the financial year ended 31 March 2022. 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 Economic Entity and the Bank since the financial year ended 31 March 2022.

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 2022 and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 April 2022:

- Amendments to MFRS 16 "COVID-19 Related Rent Concessions beyond 30 June 2021"
- Amendments to MFRS 3 "Reference to the Conceptual Framework"
- Amendments to MFRS 116 "Proceeds before Intended Use"
- Amendments to MFRS 137 "Onerous Contracts – Cost of Fulfilling a Contract"
- Annual improvements to MFRS 9 "Fees in the 10% Test for Derecognition of Financial Liabilities"
- Annual improvements to MFRS 1 "Subsidiary as First-time Adopter"
- Annual improvements to illustrative Example accompanying MFRS 16 Leases: Lease Incentives

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 Economic Entity 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 Economic Entity'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.

As disclosed in Note A9, the Bank has received Vesting Order from the High Court of Malaya to transfer the stockbroking business to Philip Capital Sdn.Bhd. In accordance to the MFRS 5, the assets and liabilities of the proposal is 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 2022 was not qualified.

**A3 Seasonality or Cyclicity of Operations**

The operations of the Economic Entity and the Bank were not materially affected by any seasonal or cyclical fluctuations in the current financial period ended 30 June 2022.

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**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 Economic Entity and the Bank in the current financial period ended 30 June 2022.

**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 30 June 2022.

**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 30 June 2022.

**A7 Dividends Paid**

No dividend has been paid for the first financial quarter ended 30 June 2022.

**A8 Significant Events**

The Bank has entered into a business sale and purchase agreement with Alliance Islamic Bank Berhad ('AIS'), a related company of the Bank, to transfer 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 of RM20,000 which equal to the net asset value taking into consideration the total assets and total liabilities of the Capital Markets Business.

On 1 April 2022, the total assets and total liabilities of the Capital Markets Business were fully transferred to AIS.

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

Alliance Bank Malaysia Berhad, the holding company of the Bank, had on 1 July 2022 announced that the Bank has obtained Vesting Order from the High Court of Malaya and on schedule to complete the transfer of its stockbroking business to Philip Capital Sdn. Bhd. (formerly known as Philip Futures Sdn. Bhd.) on 30 July 2022.

**A10 Related Party Transactions**

All related party transactions within the Economic Entity 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 30 June 2022.

**A12 Financial Assets at Fair Value Through Profit or Loss ("FVTPL")****ECONOMIC ENTITY/BANK**

<b>30 June</b>	31 March
<b>2022</b>	2022
<b>RM'000</b>	RM'000

**At fair value****Unquoted securities:**

Shares

Total financial assets at FVTPL

<b>71,034</b>	74,353
<b>71,034</b>	74,353

**ALLIANCE INVESTMENT BANK BERHAD**
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**A13 Financial Investments at Fair Value Through Other Comprehensive Income ("FVOCI")**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
<b>At fair value</b>		
<u>Money market instruments:</u>		
Malaysian Government securities	<b>160,287</b>	163,173
Malaysian Government investment issues	<b>178,790</b>	182,525
	<b>339,077</b>	345,698
<u>Unquoted securities:</u>		
Corporate bonds and sukuk	<b>221,254</b>	225,233
	<b>221,254</b>	225,233
 Total financial investments at FVOCI	 <b>560,331</b>	 570,931

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>
At 1 April 2022	<b>53</b>	<b>160</b>	-	<b>213</b>
Total write-back from income statement due to change in credit risk	<b>(1)</b>	<b>(5)</b>	-	<b>(6)</b>
<b>At 30 June 2022</b>	<b>52</b>	<b>155</b>	-	<b>207</b>
At 1 April 2021	18	117	-	135
Financial investments derecognised other than write-off	(2)	(14)	-	(16)
Changes due to change in credit risk	37	57	-	94
Total charge to income statement	35	43	-	78
At 31 March 2022	53	160	-	213

Note:

(a) There were no credit impaired exposure of financial investments at FVOCI.

**A14 Financial Investments at Amortised Cost**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
<b>At amortised cost</b>		
Unquoted securities:		
Corporate bonds and sukuk	<b>291</b>	<b>291</b>
Less: Allowance for expected credit losses	<b>(275)</b>	<b>(275)</b>
Total financial investments at amortised cost	<b>16</b>	<b>16</b>

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><u>ECONOMIC ENTITY/BANK</u></b>				
At 1 April 2022/30 June 2022	<b>-</b>	<b>-</b>	<b>275</b>	<b>275</b>
At 1 April 2021/ 31 March 2022	<b>-</b>	<b>-</b>	<b>275</b>	<b>275</b>

The movement on gross exposure of financial investments at amortised cost that are credit impaired are as follows:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
At beginning/end of financial period/year	<b>291</b>	<b>291</b>

**A15 Loans, Advances and Financing**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
<b>At amortised cost</b>		
Term loans	<b>69,626</b>	<b>70,820</b>
Staff loans (Loan to Directors: RM Nil [31 March 2022: RM Nil])	<b>81</b>	<b>87</b>
Revolving credits	<b>3,010</b>	<b>3,001</b>
Share margin financing	<b>-</b>	<b>51,153</b>
Gross loans, advances and financing	<b>72,717</b>	<b>125,061</b>
Less: Allowance for expected credit losses on loans, advances and financing	<b>(538)</b>	<b>(547)</b>
Total net loans, advances and financing	<b>72,179</b>	<b>124,514</b>

**A15 Loans, Advances and Financing (Contd.)**

**A15a** By maturity structure:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	31 March
	<b>2022</b>	2022
	<b>RM'000</b>	RM'000
Within one year	<b>46,872</b>	98,000
One year to three years	<b>25,603</b>	26,828
Three years to five years	<b>36</b>	73
Over five years	<b>206</b>	160
Gross loans, advances and financing	<b><u>72,717</u></b>	<u>125,061</u>

**A15b** By type of customers:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	31 March
	<b>2022</b>	2022
	<b>RM'000</b>	RM'000
Domestic business enterprises		
- Others	<b>72,385</b>	93,035
Individuals	<b>332</b>	32,026
Gross loans, advances and financing	<b><u>72,717</u></b>	<u>125,061</u>

**A15c** By interest/profit rate sensitivity:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	31 March
	<b>2022</b>	2022
	<b>RM'000</b>	RM'000
Fixed rate	<b>82</b>	87
Variable rate		
- Base lending rate plus	<b>29</b>	31
- Base rate plus	<b>70</b>	51,223
- Cost plus	<b>72,536</b>	73,720
Gross loans, advances and financing	<b><u>72,717</u></b>	<u>125,061</u>

**A15d** By economic purposes:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	31 March
	<b>2022</b>	2022
	<b>RM'000</b>	RM'000
Purchase of securities	<b>-</b>	51,153
Purchase of landed property - Residential	<b>332</b>	294
Working capital	<b>3,010</b>	3,001
Others	<b>69,375</b>	70,613
Gross loans, advances and financing	<b><u>72,717</u></b>	<u>125,061</u>

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**A15 Loans, Advances and Financing (Contd.)****A15e** By economic sectors:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Construction	<b>46,871</b>	50,603
Financing, insurance, real estate and business services	<b>25,513</b>	42,431
Household	<b>333</b>	32,027
Gross loans, advances and financing	<b><u>72,717</u></b>	<b><u>125,061</u></b>

**A15f** By geographical distribution:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Central region	<b>72,717</b>	125,061
Gross loans, advances and financing	<b><u>72,717</u></b>	<b><u>125,061</u></b>

**A15g** Movements in credit impaired loans, advances and financing ("impaired loans") under stage 3:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
At beginning of financial year	<b>175</b>	182
Impaired during the financial period/year	<b>1</b>	20
Reclassified as unimpaired during the financial period/year	<b>(106)</b>	(27)
At end of financial period/year	<b><u>70</u></b>	<b><u>175</u></b>
Gross impaired loans ratio	<b>0.10%</b>	0.14%
Net impaired loans ratio	<b>0.10%</b>	0.14%

**A15h** Credit impaired loans analysed by economic purposes:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Purchase of landed properties - Residential	<b>70</b>	175
Gross impaired loans	<b><u>70</u></b>	<b><u>175</u></b>

**ALLIANCE INVESTMENT BANK BERHAD****197401004393 (21605-D)**

(Incorporated in Malaysia)

**A15 Loans, Advances and Financing (Contd.)****A15i** Credit impaired loans analysed by economic sectors:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Household	<b>70</b>	<b>175</b>
Gross impaired loans	<b>70</b>	<b>175</b>

**A15j** Credit impaired loans by geographical distribution:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Central region	<b>70</b>	<b>175</b>
Gross impaired loans	<b>70</b>	<b>175</b>

**A15k** 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><u>ECONOMIC ENTITY/BANK</u></b>				
At 1 April 2022	<b>110</b>	<b>437</b>	<b>-</b>	<b>547</b>
Total (write-back from)/charge to income statement due to change in credit risk	<b>(19)</b>	<b>10</b>	<b>-</b>	<b>(9)</b>
<b>At 30 June 2022</b>	<b>91</b>	<b>447</b>	<b>-</b>	<b>538</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	(75)	(25)	-	(100)
Total write-back from income statement	(108)	(25)	-	(133)
At 31 March 2022	110	437	-	547

**A16 Other Assets**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Other receivables, deposits and prepayments	11,201	2,490
Amount due from other related company	4	-
Amount due from holding company	234	-
Less: Allowance for expected credit losses on other receivables [Note]	(606)	(593)
	<b>10,833</b>	<b>1,897</b>

Note:

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

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
<b><u>Lifetime ECL</u></b>		
At beginning of financial year	593	2,387
Transferred to assets held for sale	-	(62)
New financial assets originated or purchased	10	55
Financial assets derecognised other than write-off	-	(65)
Changes due to change in credit risk	3	(957)
Total charge to/(write-back from) income statement	13	(967)
Write-off	-	(765)
At end of financial period/year	<b>606</b>	<b>593</b>

As at 30 June 2022, the gross exposure of other receivables that are under lifetime expected credit losses was at RM606,000 (31 March 2022: RM593,000).

**A17 Deposits from Customers**

**A17a** By type of deposits:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Fixed deposits	145,723	223,457
Money market deposits	91,055	72,879
Negotiable instruments of deposits	60,344	60,034
	<b>297,122</b>	<b>356,370</b>

**A17b** The maturity structure of fixed deposits and money market deposits are as follows:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Due within six months	<b>297,122</b>	<b>356,370</b>



**A17 Deposits from Customers (Contd.)**

**A17c** By type of customers:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Government and statutory bodies	-	16,982
Business enterprises	64,336	74,283
Domestic financial institutions	60,343	60,034
Domestic non-bank financial institutions	172,443	205,071
	<b>297,122</b>	<b>356,370</b>

**A18 Deposits and Placements of Banks and Other Financial Institutions**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed banks	122,189	80,008
Licensed investment banks	-	23,441
Other financial institutions	-	40,002
	<b>122,189</b>	<b>143,451</b>

**A19 Other Liabilities**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
Other payables	927	1,061
Provision and accruals	15,829	19,130
Amount due to joint venture	1,168	115
Amount due to other related company	-	3
Amount due to holding company	-	338
Allowance for expected credit losses on commitments and contingencies [Note]	51	55
	<b>17,975</b>	<b>20,702</b>

Note:

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

	<b>12-month ECL</b>	<b>Lifetime ECL</b>	<b>Lifetime ECL</b>	
	<b>(Stage 1)</b>	<b>Not-credit</b>	<b>Credit</b>	
	<b>(Stage 1)</b>	<b>impaired</b>	<b>Impaired</b>	<b>Total</b>
	<b>RM'000</b>	<b>(Stage 2)</b>	<b>(Stage 3)</b>	<b>RM'000</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>ECONOMIC ENTITY/BANK</u></b>				
At 1 April 2022	17	38	-	55
Financial assets derecognised other than write-off	(4)	-	-	(4)
Changes due to change in credit risk	(1)	1	-	-
Net (write-back from)/charge to income statement	(5)	1	-	(4)
<b>At 30 June 2022</b>	<b>12</b>	<b>39</b>	<b>-</b>	<b>51</b>
At 1 April 2021	18	42	-	60
Transferred to liabilities held for sale	(1)	-	-	(1)
Net write-back from income statement	-	(4)	-	(4)
<b>At 31 March 2022</b>	<b>17</b>	<b>38</b>	<b>-</b>	<b>55</b>

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

**A20 Interest Income**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
Loans, advances and financing	1,836	2,154	1,836	2,154
Financial investments at fair value through other comprehensive income	4,960	7,847	4,960	7,847
	6,796	10,001	6,796	10,001
Accretion of discount less amortisation of premium (net)	(313)	(59)	(313)	(59)
	6,483	9,942	6,483	9,942

**A21 Interest Expense**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
Deposits and placements of banks and other financial institutions	562	1,962	562	1,962
Deposits from customers	1,672	1,600	1,672	1,600
Lease liabilities	14	32	14	32
	2,248	3,594	2,248	3,594

**A22 Other Operating Income**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
(a) <u>Fee and commission income:</u>				
Guarantee fees	6	7	6	7
	6	7	6	7
(b) <u>Investment income:</u>				
Gain arising from sale/redemption of:				
- Financial assets at fair value through profit or loss	3,604	-	3,604	-
- Financial investments at fair value through other comprehensive income	-	10,422	-	10,422
Gross dividend income from:				
- Financial assets at fair value through profit or loss	360	100	360	100
- Associate	-	55	-	55
	3,964	10,577	3,964	10,577
(c) <u>Other (expense)/income:</u>				
Foreign exchange (loss)/gain	(10)	5	(10)	5
	(10)	5	(10)	5
Total other operating income	3,960	10,589	3,960	10,589

**A23 Other Operating Expenses**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	168	215	168	215
- Contribution to EPF	25	22	25	22
- Others	6	7	6	7
	<u>199</u>	<u>244</u>	<u>199</u>	<u>244</u>
<u>Establishment costs</u>				
- Depreciation of property, plant and equipment	16	188	16	188
- Depreciation of right-of-use assets	187	230	187	230
- Amortisation of computer software	172	207	172	207
- Repairs and maintenance	3	3	3	3
- Information technology expenses	101	122	101	122
- Others	9	10	9	10
	<u>488</u>	<u>760</u>	<u>488</u>	<u>760</u>
<u>Administration and general expenses</u>				
- Communication expenses	2	2	2	2
- Professional fees	76	23	76	23
- Others	38	65	38	65
	<u>116</u>	<u>90</u>	<u>116</u>	<u>90</u>
Total other operating expenses	<u>803</u>	<u>1,094</u>	<u>803</u>	<u>1,094</u>

**A24 (Write-back of)/Allowance for Expected Credit Losses on Loans, Advances and Financing and Other Financial Assets**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
Allowance for expected credit losses on:				
(a) Loans, advances and financing				
- (Write-back)/allowance during the financial period	(9)	84	(9)	84
(b) Credit impaired loans, advances and financing				
- Recovered during the financial period	(3)	(3)	(3)	(3)
(c) Commitments and contingencies on loans, advances and financing				
- (Write-back)/allowance during the financial period	(4)	-	(4)	-
	<u>(16)</u>	<u>81</u>	<u>(16)</u>	<u>81</u>
Allowance for expected credit losses on:				
(d) Other receivables	13	-	13	-
	<u>(3)</u>	<u>81</u>	<u>(3)</u>	<u>81</u>

**A25 (Write-back of)/Allowance for Expected Credit Losses on Financial Investments**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2022	2021	2022	2021
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
Financial investments at fair value through other comprehensive income				
- (Write-back)/allowance during the financial period	(6)	20	(6)	20

**A26 Assets and Liabilities Classified as Held for Sale**

As disclosed in Note A9, the Bank has received Vesting Order from the High Court of Malaya to transfer the stockbroking business to Philip Capital Sdn.Bhd. with effect from 30 July 2022.

The assets and liabilities of Stockbroking Business Transfer are as follows:

<b><u>ECONOMIC ENTITY/BANK</u></b>	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
<b>ASSETS</b>		
Cash and short-term funds	19,126	37,269
Amounts due from clients and brokers	34,044	55,040
Loans, advances and financing	113,521	121,406
Other assets	197	10,455
Right-of-use assets	225	226
Property, plant and equipment	55	89
Intangible assets	-	21
<b>TOTAL ASSETS</b>	<b>167,168</b>	<b>224,506</b>
<b>LIABILITIES</b>		
Amounts due to clients and brokers	9,012	28,404
Lease liabilities	226	226
Other liabilities	26,669	29,350
<b>TOTAL LIABILITIES</b>	<b>35,907</b>	<b>57,980</b>

**A27 Discontinued Operations**

The income statements of the Stockbroking Business Transfer as per Note A9 are as follows:

<b><u>ECONOMIC ENTITY/BANK</u></b>	<b>1st Quarter Ended</b>		<b>Three Months Ended</b>	
	<b>30 June 2022 RM'000</b>	<b>30 June 2021 RM'000</b>	<b>30 June 2022 RM'000</b>	<b>30 June 2021 RM'000</b>
Interest income	572	655	572	655
Interest expense	(5)	(2)	(5)	(2)
Net interest income	567	653	567	653
Fee and commission income	4,956	15,411	4,956	15,411
Fee and commission expense	(1,785)	(4,506)	(1,785)	(4,506)
Other income	351	311	351	311
Other operating income	3,522	11,216	3,522	11,216
Net income	4,089	11,869	4,089	11,869
Other operating expenses	(6,617)	(8,759)	(6,617)	(8,759)
Operating profit before allowances	(2,528)	3,110	(2,528)	3,110
Allowance for expected credit losses on loans, advances and financing and other financial assets	-	(47)	-	(47)
(Loss)/profit before taxation	(2,528)	3,063	(2,528)	3,063
Taxation	532	(752)	532	(752)
Net (loss)/profit from discontinued operations	(1,996)	2,311	(1,996)	2,311

**A28 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 Economic Entity and the Bank by the weighted average number of ordinary shares in issue during the financial period.

	<b>1st Quarter Ended</b>		<b>Three Months Ended</b>	
	<b>30 June 2022</b>	30 June 2021	<b>30 June 2022</b>	30 June 2021
<b><u>ECONOMIC ENTITY</u></b>				
Net profit from continuing operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>7,093</b>	12,521	<b>7,093</b>	12,521
Net (loss)/profit from discontinued operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>(1,996)</b>	2,311	<b>(1,996)</b>	2,311
	<b>5,097</b>	14,832	<b>5,097</b>	14,832
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>1.9</b>	3.4	<b>1.9</b>	3.4
Basic/diluted (loss)/earnings per share from discontinued operations (sen)	<b>(0.5)</b>	0.7	<b>(0.5)</b>	0.7
	<b>1.4</b>	4.1	<b>1.4</b>	4.1
<b><u>BANK</u></b>				
Net profit from continuing operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>7,078</b>	12,503	<b>7,078</b>	12,503
Net (loss)/profit from discontinued operations for the financial period attributable to Equity holder of the Bank (RM'000)	<b>(1,996)</b>	2,311	<b>(1,996)</b>	2,311
	<b>5,082</b>	14,814	<b>5,082</b>	14,814
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>1.9</b>	3.4	<b>1.9</b>	3.4
Basic/diluted (loss)/earnings per share from discontinued operations (sen)	<b>(0.5)</b>	0.7	<b>(0.5)</b>	0.7
	<b>1.4</b>	4.1	<b>1.4</b>	4.1

## **A29 Commitments and Contingencies**

In the normal course of business, the Economic Entity 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 Economic Entity and the Bank are as follows:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	31 March
	<b>2022</b>	2022
	<b>RM'000</b>	RM'000
<u>Commitments and Contingencies</u>		
Transaction-related contingent items	<b>1,050</b>	1,050
Irrevocable commitments to extend credit:		
- maturity not exceeding one year	<b>303,045</b>	313,107
- maturity exceeding one year	<b>1,341</b>	1,341
<b>Total</b>	<b><u>305,436</u></b>	<u>315,498</u>

## **A30 Capital Adequacy**

BNM's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions took effect on 9 December 2020. This allows the Economic Entity 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 Economic Entity and the Bank have sufficient capital under both conditions with or without the Transitional Arrangement.

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

	<b><u>ECONOMIC ENTITY</u></b>		<b><u>BANK</u></b>	
	<b>30 June</b>	31 March	<b>30 June</b>	31 March
	<b>2022</b>	2022	<b>2022</b>	2022
<b>(i) With transitional arrangements:</b>				
CET 1 capital ratio	<b>102.319%</b>	87.272%	<b>102.357%</b>	87.301%
Tier 1 capital ratio	<b>102.319%</b>	87.272%	<b>102.357%</b>	87.301%
Total capital ratio	<b>103.140%</b>	88.145%	<b>103.178%</b>	88.174%
<b>(ii) Without transitional arrangements:</b>				
CET 1 capital ratio	<b>102.302%</b>	87.211%	<b>102.340%</b>	87.240%
Tier 1 capital ratio	<b>102.302%</b>	87.211%	<b>102.340%</b>	87.240%
Total capital ratio	<b>103.123%</b>	88.084%	<b>103.161%</b>	88.113%

**A30 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:

	<b><u>ECONOMIC ENTITY</u></b>		<b><u>BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b><u>CET I Capital/Tier I Capital</u></b>				
Paid-up share capital	<b>365,962</b>	365,962	<b>365,962</b>	365,962
Retained profits	<b>90,331</b>	85,234	<b>92,215</b>	87,133
FVOCI reserves	<b>(8,360)</b>	(247)	<b>(8,360)</b>	(247)
Regulatory reserves	<b>6,045</b>	6,045	<b>6,045</b>	6,045
	<b>453,978</b>	456,994	<b>455,862</b>	458,893
(Less)/add: Regulatory adjustments				
- Goodwill and other intangibles	<b>(21,415)</b>	(21,606)	<b>(23,975)</b>	(24,166)
- Deferred tax assets	<b>(7,281)</b>	(5,180)	<b>(7,281)</b>	(5,180)
- Regulatory reserves	<b>(6,045)</b>	(6,045)	<b>(6,045)</b>	(6,045)
- Investment in associate and joint venture	<b>(1,300)</b>	(1,285)	<b>(624)</b>	(624)
- Transitional arrangements	<b>70</b>	295	<b>70</b>	295
Total CET I Capital / Total Tier I Capital	<b>418,007</b>	423,173	<b>418,007</b>	423,173
<b><u>Tier II Capital</u></b>				
Expected credit losses and regulatory reserves	<b>3,352</b>	4,231	<b>3,352</b>	4,231
Total Tier II Capital	<b>3,352</b>	4,231	<b>3,352</b>	4,231
<b>Total Capital</b>	<b>421,359</b>	427,404	<b>421,359</b>	427,404

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

	<b><u>ECONOMIC ENTITY</u></b>		<b><u>BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
Credit risk	<b>268,167</b>	338,467	<b>268,167</b>	338,467
Market risk	<b>201</b>	180	<b>201</b>	180
Operational risk	<b>140,164</b>	146,243	<b>140,014</b>	146,083
Total RWA and capital requirements	<b>408,532</b>	484,890	<b>408,382</b>	484,730

### **A31 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 Economic Entity 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 Economic Entity 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.



**A31 Fair Value Measurements (Contd.)**

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

The following tables show the Economic Entity'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>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
	RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				
30 June 2022				
<u>Assets</u>				
Financial assets at FVTPL				
- Unquoted securities	-	-	71,034	71,034
Financial investments at FVOCI				
- Money market instruments	-	339,077	-	339,077
- Unquoted securities	-	221,254	-	221,254
31 March 2022				
<u>Assets</u>				
Financial assets at FVTPL				
- Unquoted securities	-	-	74,353	74,353
Financial investments at FVOCI				
- Money market instruments	-	345,698	-	345,698
- Unquoted securities	-	225,233	-	225,233

There were no transfers between levels of the fair value hierarchy for the Economic Entity and the Bank during the financial period/year ended 30 June 2022 and 31 March 2022.

Reconciliation of movements in Level 3 financial instruments:

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>31 March</b>
	<b>2022</b>	<b>2022</b>
	<b>RM'000</b>	<b>RM'000</b>
At beginning of financial year	74,353	70,194
Disposal during the period	(3,319)	-
Total gain recognised in statements of income:		
- Unrealised gain from revaluation	-	4,159
At end of financial period/year	71,034	74,353

The Economic Entity's and the Bank's exposure to financial instruments measured using unobservable inputs (Level 3) constitutes a small component of the Economic Entity'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.

### **A32 Offsetting Financial Assets And Financial Liabilities**

In accordance with MFRS 132 Financial Instruments: Presentation, the Economic Entity 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><u>ECONOMIC ENTITY/BANK</u></b>			
30 June 2022			
Amounts due from clients and brokers	<b>48,947</b>	<b>(14,903)</b>	<b>34,044</b>
Total	<b>48,947</b>	<b>(14,903)</b>	<b>34,044</b>
31 March 2022			
Amounts due from clients and brokers	84,883	(29,843)	55,040
Total	84,883	(29,843)	55,040

#### **(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><u>ECONOMIC ENTITY/BANK</u></b>			
30 June 2022			
Amounts due to clients and brokers	<b>23,915</b>	<b>(14,903)</b>	<b>9,012</b>
Total	<b>23,915</b>	<b>(14,903)</b>	<b>9,012</b>
31 March 2022			
Amounts due to clients and brokers	58,247	(29,843)	28,404
Total	58,247	(29,843)	28,404

**A33 Islamic Banking Business**

**A33a Unaudited Statements of Financial Position as at 30 June 2022**

		<b><u>ECONOMIC ENTITY/BANK</u></b>	
		<b>30 June</b>	<b>31 March</b>
		<b>2022</b>	<b>2022</b>
	Note	<b>RM'000</b>	<b>RM'000</b>
<b>ASSETS</b>			
Cash and short-term funds		<b>9,349</b>	8,458
Financial investments at fair value through other comprehensive income	A33d	<b>69,048</b>	71,168
Other assets		<b>58</b>	59
Deferred tax assets		<b>954</b>	498
<b>Total Assets</b>		<b><u>79,409</u></b>	<u>80,183</u>
<b>LIABILITIES AND ISLAMIC BANKING FUNDS</b>			
Other liabilities		<b>4,800</b>	4,800
Provision for taxation		<b>1,596</b>	1,436
<b>Total Liabilities</b>		<b><u>6,396</u></b>	<u>6,236</u>
Islamic Banking Funds		<b>56,000</b>	56,000
Reserves		<b>17,013</b>	17,947
<b>Total Islamic Banking Funds</b>		<b><u>73,013</u></b>	<u>73,947</u>
<b>TOTAL LIABILITIES AND ISLAMIC BANKING FUNDS</b>		<b><u>79,409</u></b>	<u>80,183</u>

**A33 Islamic Banking Business (Contd.)**

**A33b Unaudited Consolidated Statements of Comprehensive Income for the Financial Period Ended 30 June 2022**

		1st Quarter Ended		Three Months Ended	
		30 June	30 June	30 June	30 June
		2022	2021	2022	2021
Note		RM'000	RM'000	RM'000	RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>					
Income derived from investment of Islamic banking funds	A33e	669	658	669	658
Income derived from investment of depositors' funds and others	A33f	-	3	-	3
<b>Total net income</b>		<b>669</b>	<b>661</b>	<b>669</b>	<b>661</b>
Other operating expenses		-	(5)	-	(5)
<b>Profit before taxation</b>		<b>669</b>	<b>656</b>	<b>669</b>	<b>656</b>
Taxation		<b>(161)</b>	<b>(157)</b>	<b>(161)</b>	<b>(157)</b>
<b>Net profit after taxation</b>		<b>508</b>	<b>499</b>	<b>508</b>	<b>499</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		<b>(1,898)</b>	495	<b>(1,898)</b>	495
- Transfer from/(to) deferred tax		<b>456</b>	(119)	<b>456</b>	(119)
Other comprehensive (expense)/income, net of tax		<b>(1,442)</b>	376	<b>(1,442)</b>	376
<b>Total comprehensive (expense)/income for the financial period</b>		<b>(934)</b>	875	<b>(934)</b>	875

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	669	658	669	658
Income derived from investment of depositors' funds and others	-	3	-	3
	<b>669</b>	<b>661</b>	<b>669</b>	<b>661</b>

**A33 Islamic Banking Business (Contd.)**

**A33c Unaudited Statement of Changes in Equity for the Financial Period Ended 30 June 2022**

	← Non-distributable reserves →	Distributable reserves		
	Funds allocated from Head Office (HO) RM'000	Regulatory reserves RM'000	FVOCI reserves RM'000	Retained profits RM'000
<b><u>ECONOMIC ENTITY/BANK</u></b>				Total equity RM'000
At 1 April 2022	56,000	-	(1,577)	19,524
Net profit for the financial period	-	-	-	508
Other comprehensive expense	-	-	(1,442)	-
Total comprehensive (expense)/ income for the financial period	-	-	(1,442)	508
<b>At 30 June 2022</b>	<b>56,000</b>	<b>-</b>	<b>(3,019)</b>	<b>20,032</b>
At 1 April 2021	56,000	-	(114)	18,418
Net profit for the financial period	-	-	-	499
Other comprehensive income	-	-	376	-
Total comprehensive income for the financial period	-	-	376	499
Dividends paid	-	-	-	(913)
<b>At 30 June 2021</b>	<b>56,000</b>	<b>-</b>	<b>262</b>	<b>18,004</b>

**A33d Financial Investments at Fair Value Through Other Comprehensive Income ("FVOCI")**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
<b>At fair value</b>		
<u>Money market instruments:</u>		
Malaysian Government investment issues	<b>59,582</b>	61,488
	<b>59,582</b>	61,488
<u>Unquoted securities:</u>		
Sukuk	<b>9,466</b>	9,680
	<b>9,466</b>	9,680
<b>Total financial investments at FVOCI</b>	<b>69,048</b>	71,168

There was no expected credit losses for financial investments at FVOCI during the financial period/year

**A33 Islamic Banking Business (Contd.)**

**A33e Income derived from investment of Islamic Banking Funds**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>		
Financial investments at fair value through other comprehensive income	<b>716</b>	713
Money at call and deposit placements with financial institutions	<b>42</b>	31
	<b>758</b>	744
Accretion of discount less amortisation of premium (net)	<b>(89)</b>	(86)
Total finance income and hibah	<b>669</b>	658

**A33f Income derived from investment of depositors' funds and others**

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June</b>	<b>30 June</b>
	<b>2022</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
<b>Finance income and hibah</b>		
Financial investments at fair value through other comprehensive income	<b>-</b>	3

**A33 Islamic Banking Business (Contd.)**

**A33g Capital Adequacy**

BNM's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions took effect on 9 December 2020. This allows the Economic Entity 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 Economic Entity and the Bank have sufficient capital under both conditions with or without the Transitional Arrangement.

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

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022</b>	<b>31 March 2022</b>
<b>With and without transitional arrangements:</b>		
CET I capital ratio	<b>832.378%</b>	819.012%
Tier I capital ratio	<b>832.378%</b>	819.012%
Total capital ratio	<b>832.378%</b>	819.012%

- (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><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
<b><u>CET I Capital/Tier 1 Capital</u></b>		
Funds allocated from Head Office	<b>56,000</b>	56,000
Retained profits	<b>20,032</b>	19,524
FVOCI reserves	<b>(3,019)</b>	(1,577)
	<b>73,013</b>	73,947
Less: Regulatory adjustments		
- Deferred tax assets	<b>(954)</b>	(498)
Total CET I Capital / Total Tier I Capital / Total Capital	<b>72,059</b>	73,449

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

	<b><u>ECONOMIC ENTITY/BANK</u></b>	
	<b>30 June 2022 RM'000</b>	<b>31 March 2022 RM'000</b>
Credit risk	<b>1,925</b>	1,746
Operational risk	<b>6,732</b>	7,222
Total RWA and capital requirements	<b>8,657</b>	8,968

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

### **B1 Business Review of Performance for The First Quarter Ended 30 June 2022 ("1QFY2023")**

#### Profitability

The Bank's net profit after taxation was RM5.1 million for the first financial quarter ended 30 June 2022, lower by RM9.7 million or 65.6% year-on-year ("YOY"). The decrease was largely due to lower revenue.

Net interest income recorded at RM5.5 million. It is lower by RM2.2 million or 28.6% YOY. The interest margin (NIM) stood at 2.58% (1QFY2022: 2.63%).

Other operating income recorded at RM7.5 million, lower by RM14.3 million or 65.7% mainly from lower brokerage and arrangement fees and treasury and investment income.

Operating expenses were lower by RM2.4 million or 24.7%. The cost to income ratio stood at 57.3% (1QFY2022: 33.4%).

#### Proactive Capital Management

Both Total Capital and Common Equity Tier 1 ratio continue to remain strong at 103.2% and 102.4% respectively as at 30 June 2022.

### **B2 Prospect for The Current Financial Period**

The Group has on 1 July 2022 announced that the Bank has received Vesting Order from the High Court of Malaya to transfer the stockbroking business to Phillip Capital Sdn. Bhd. (formerly known as Phillip Futures Sdn. Bhd.) ("Phillip Capital") with effect from 30 July 2022.

Upon completion of the business sale, the Bank intends to enter into a strategic stockbroking partnership arrangement with Phillip Capital. This will enable the Bank's customer to gain access to regional trading platforms and a broad range of global investment products.

The excess capital from the sale of the stockbroking business will be re-deployed to accelerate growth in the Bank's core businesses.

Notwithstanding the above, we will continue to run the remaining business as usual until the completion of the sale of the stockbroking business where we will prioritise the needs of our clients and our employees.