

ALLIANCE ISLAMIC BANK BERHAD**200701018870 (776882-V)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Statement of Financial Position as at 30 June 2024**

		30 June	31 March
		2024	2024
	Note	RM'000	RM'000
ASSETS			
Cash and short-term funds		717,568	1,315,522
Financial investments at fair value through other comprehensive income	A12	1,921,725	1,818,464
Financial investments at amortised cost	A13	1,013,967	813,434
Financing and advances	A14	13,762,615	13,556,542
Other assets	A15	11,131	11,750
Statutory deposits with Bank Negara Malaysia		283,970	273,600
Right-of-use assets		596	715
Property, plant and equipment		133	156
Deferred tax assets		51,760	49,927
Intangible assets		2,031	2,153
TOTAL ASSETS		17,765,496	17,842,263
LIABILITIES AND EQUITY			
Deposits from customers	A16	15,060,341	15,102,735
Deposits and placements of banks and other financial institutions	A17	199,588	189,063
Recourse obligation on financing sold to Cagamas		502,881	502,878
Lease liabilities		726	869
Other liabilities	A18	216,077	296,185
Provision for taxation		16,350	14,607
Provision for zakat		858	917
Subordinated Sukuk		232,312	232,483
TOTAL LIABILITIES		16,229,133	16,339,737
Share capital		695,454	637,500
Reserves		840,909	865,026
TOTAL EQUITY		1,536,363	1,502,526
TOTAL LIABILITIES AND EQUITY		17,765,496	17,842,263
COMMITMENTS AND CONTINGENCIES	A26	3,875,055	3,633,360

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

ALLIANCE ISLAMIC BANK BERHAD**200701018870 (776882-V)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Statement of Income****for the Financial Period Ended 30 June 2024**

	Note	1st Quarter Ended		Three Months Ended	
		30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Income derived from investment of depositors' funds and others	A19	223,012	190,676	223,012	190,676
Income derived from investment of shareholder's funds	A20	22,513	18,513	22,513	18,513
Allowance for expected credit losses on financing and advances and other financial assets	A21	(32,118)	(17,419)	(32,118)	(17,419)
Write-back of/(Allowance for) expected credit losses on financial investments	A22	28	(3)	28	(3)
Total distributable income		213,435	191,767	213,435	191,767
Income attributable to the depositors and financial institutions	A23	(116,935)	(108,183)	(116,935)	(108,183)
Total net income		96,500	83,584	96,500	83,584
Other operating expenses	A24	(48,530)	(44,643)	(48,530)	(44,643)
Profit before taxation and zakat		47,970	38,941	47,970	38,941
Taxation and zakat		(11,823)	(9,751)	(11,823)	(9,751)
Net profit for the financial period		36,147	29,190	36,147	29,190
Net profit for the financial period attributable to:					
Equity holder of the Bank		36,147	29,190	36,147	29,190
Earnings per share attributable to:					
Equity holder of the Bank					
- Basic/diluted (sen)	A25	8.1	7.0	8.1	7.0

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

ALLIANCE ISLAMIC BANK BERHAD**200701018870 (776882-V)**

(Incorporated in Malaysia)

Condensed Interim Financial Statements**Unaudited Statement of Comprehensive Income
for the Financial Period Ended 30 June 2024**

	1st Quarter Ended		Three Months Ended	
	30 June	30 June	30 June	30 June
	2024	2023	2024	2023
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial period	36,147	29,190	36,147	29,190
Other comprehensive (expense)/income: 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	(495)	2,560	(495)	2,560
- Realised loss transferred to statement of income on disposal	(1,332)	-	(1,332)	-
- Transfer from/(to) deferred tax	438	(614)	438	(614)
- Changes in expected credit losses	(28)	3	(28)	3
Other comprehensive (expense)/income, net of tax	(1,417)	1,949	(1,417)	1,949
Total comprehensive income for the financial period	34,730	31,139	34,730	31,139
Total comprehensive income for the financial period attributable to: Equity holder of the Bank	34,730	31,139	34,730	31,139

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

ALLIANCE ISLAMIC BANK BERHAD

200701018870 (776882-V)

(Incorporated in Malaysia)

Condensed Interim Financial Statements

Unaudited Statement of Changes in Equity for the Financial Period Ended 30 June 2024

	← 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	
At 1 April 2024	637,500	-	(5,420)	870,446	1,502,526
Net profit for the financial period	-	-	-	36,147	36,147
Other comprehensive expense	-	-	(1,417)	-	(1,417)
Total comprehensive (expense)/income for the financial period	-	-	(1,417)	36,147	34,730
Issue of ordinary shares	57,954	-	-	-	57,954
Dividend paid to shareholder	-	-	-	(58,847)	(58,847)
At 30 June 2024	695,454	-	(6,837)	847,746	1,536,363
At 1 April 2023	600,000	19,339	(13,681)	727,052	1,332,710
Net profit for the financial period	-	-	-	29,190	29,190
Other comprehensive income	-	-	1,949	-	1,949
Total comprehensive income for the financial period	-	-	1,949	29,190	31,139
Transfer to regulatory reserves	-	20,684	-	(20,684)	-
Issue of ordinary shares	37,500	-	-	-	37,500
Dividend paid to shareholder	-	-	-	(37,697)	(37,697)
At 30 June 2023	637,500	40,023	(11,732)	697,861	1,363,652

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

ALLIANCE ISLAMIC BANK BERHAD

200701018870 (776882-V)

(Incorporated in Malaysia)

**Condensed Interim Financial Statements
Unaudited Statement of Cash Flows
for the Financial Period Ended 30 June 2024**

	30 June 2024 RM'000	30 June 2023 RM'000
Profit before taxation and zakat	47,970	38,941
Adjustments for non-cash items	6,359	(14,041)
Operating profit before changes in working capital	54,329	24,900
Changes in working capital	(362,808)	(415,438)
Tax expense and zakat paid	(11,534)	(14,401)
Net cash used in operating activities	(320,013)	(404,939)
Net cash used in investing activities	(211,024)	(262,687)
Net cash (used in)/generated from financing activities	(66,917)	158,271
Net change in cash and cash equivalents	(597,954)	(509,355)
Cash and cash equivalents at beginning of financial period	1,315,522	1,474,713
Cash and cash equivalents at end of financial period	717,568	965,358
Cash and cash equivalents comprise the following:		
Cash and short-term funds	717,568	965,358

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

Explanatory Notes

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

A1 Basis of Preparation

The unaudited condensed interim financial statements for the financial period ended 30 June 2024 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"), Chapter 9.22 of Bursa Malaysia Securities Berhad's Listing Requirements and should be read in conjunction with the audited annual financial statements of the Bank for the financial year ended 31 March 2024. 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 Bank since the financial year ended 31 March 2024.

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 2024 and modified for the adoption of the following accounting standards applicable for financial periods beginning on or after 1 April 2024:

- Amendments to MFRS 16 "Lease Liability in a Sales and Leaseback"
- Amendments to MFRS 101 "Classification of Liabilities as Current or Non-current"
- Amendments to MFRS 101 "Non-current Liabilities with Covenants"

The adoption of the above standards, amendments to published standards and interpretation to existing standards did not give rise to any significant impact on the financial statements of 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 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 from those estimates.

A2 Auditors' Report on Preceding Annual Financial Statements

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

A3 Seasonality or Cyclicity of Operations

The operations of the Bank was not materially affected by any seasonal or cyclical fluctuations during the financial period ended 30 June 2024.

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 Bank during the financial period ended 30 June 2024.

A5 Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect during the financial period ended 30 June 2024.

A6 Issuance and Repayment of Debt and Equity Securities

The Bank had on 18 June 2024 increased its issued and paid up capital from RM637,500,000 (comprising 440,139,772 ordinary shares) to RM695,454,404 (comprising 480,152,479 ordinary shares) via issuance of 40,012,707 Right Issue at RM1.4484 per share to Alliance Bank Malaysia Berhad, the holding company of the Bank amounting to RM57,954,404.

A7 Dividend Paid

A single tier interim dividend of 13.37 sen per share, on 440,139,772 ordinary shares amounting to approximately RM58,847,000 in respect of the financial year ended 31 March 2024, was paid on 18 June 2024.

A8 Significant Events

There were no significant event during the financial period ended 30 June 2024.

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

There were no material events subsequent to financial period ended 30 June 2024.

A10 Related Party Transactions

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

A11 Proposed Dividend

No dividend has been proposed or declared during the current financial period ended 30 June 2024.

A12 Financial Investments at Fair Value Through Other Comprehensive Income

	30 June 2024 RM'000	31 March 2024 RM'000
At fair value - debt instruments		
<u>Money market instruments:</u>		
Malaysian Government investment issues	<u>884,650</u>	<u>701,076</u>
	884,650	701,076
<u>Unquoted securities:</u>		
Sukuk	<u>1,037,075</u>	<u>1,117,388</u>
	1,037,075	1,117,388
Total financial investments at FVOCI	<u>1,921,725</u>	<u>1,818,464</u>

A12 Financial Investments at Fair Value Through Other Comprehensive Income (contd.)

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	Total RM'000
At 1 April 2024	205	4	209
New financial assets originated or purchased	7	-	7
Financial assets derecognised other than write-off	(23)	-	(23)
Changes due to change in credit risk	(11)	(1)	(12)
Total write-back from income statement	(27)	(1)	(28)
At 30 June 2024	178	3	181

	12-month ECL (Stage 1) RM'000	Lifetime ECL not-credit impaired (Stage 2) RM'000	Total RM'000
At 1 April 2023	136	-	136
Transfer to Stage 2	(2)	4	2
New financial assets originated or purchased	74	-	74
Financial assets derecognised other than write-off	(18)	-	(18)
Changes due to change in credit risk	15	-	15
Total charge to income statement	69	4	73
At 31 March 2024	205	4	209

Note:

(a) The transfers between stages are inclusive of net remeasurement of allowances.

(b) There were no credit impaired exposures during the financial period.

A13 Financial Investments at Amortised Cost

	30 June 2024 RM'000	31 March 2024 RM'000
At amortised cost		
<u>Money market instruments:</u>		
Malaysian Government investment issues	731,110	656,884
	731,110	656,884
<u>Unquoted securities:</u>		
Sukuk	282,857	156,550
	282,857	156,550
Total financial investments at amortised cost	1,013,967	813,434

A14 Financing and Advances

By types and Shariah concepts:

	<u>Notes</u>	Bai` Bithaman Ajjil RM'000	Tawarruq RM'000	Al-Ijarah Thumma Al-Bai`/ AITAB RM'000	Murabahah RM'000	Qard RM'000	Bai` Al-Dayn RM'000	Bai` `Inah RM'000	Total Financing and Advances RM'000
30 June 2024									
At amortised cost									
Cash line financing		17,268	1,181,528	-	-	9,209	-	-	1,208,005
Term financing									
- Housing financing		3,494,568	120,222	-	-	-	-	-	3,614,790
- Hire purchase receivables	(a)	-	-	47,711	-	-	-	-	47,711
- Other term financing		1,604,510	5,930,705	-	-	-	-	47,577	7,582,792
Bills receivables		-	36,833	-	8,631	-	-	-	45,464
Trust receipts		-	-	-	38,822	-	-	-	38,822
Claims on customers under acceptance credits		-	-	-	947,921	-	93,511	-	1,041,432
Staff financing (Financing to Directors: RM Nil)		11,993	-	-	-	-	-	-	11,993
Revolving credits	(b)	64,151	392,954	-	-	-	-	-	457,105
Gross financing and advances		<u>5,192,490</u>	<u>7,662,242</u>	<u>47,711</u>	<u>995,374</u>	<u>9,209</u>	<u>93,511</u>	<u>47,577</u>	<u>14,048,114</u>
Add: Sales commission and handling fees									105,017
Less: Allowance for expected credit losses on financing and advances									(390,516)
Total net financing and advances									<u><u>13,762,615</u></u>

A14 Financing and Advances (Contd.)

By types and Shariah concepts: (contd.)

	<u>Notes</u>	Bai` Bithaman Ajil RM'000	Tawarrug RM'000	Al-Ijarah Thumma Al-Bai`/ AITAB RM'000	Murabahah RM'000	Qard RM'000	Bai` Al-Dayn RM'000	Bai` `Inah RM'000	Total Financing and Advances RM'000
31 March 2024									
At amortised cost									
Cash line financing		22,186	1,266,166	-	-	10,378	-	-	1,298,730
Term financing									
- Housing financing		3,503,317	45,453	-	-	-	-	-	3,548,770
- Hire purchase receivables	(a)	-	-	50,890	-	-	-	-	50,890
- Other term financing		1,655,805	5,597,312	-	-	-	-	53,740	7,306,857
Bills receivables		-	32,598	-	4,235	-	-	-	36,833
Trust receipts		-	-	-	43,316	-	-	-	43,316
Claims on customers under acceptance credits		-	-	-	966,743	-	99,258	-	1,066,001
Staff financing (Financing to Directors: RM Nil)		12,232	-	-	-	-	-	-	12,232
Revolving credits	(b)	68,244	403,747	-	-	-	-	-	471,991
Gross financing and advances		5,261,784	7,345,276	50,890	1,014,294	10,378	99,258	53,740	13,835,620
Add: Sales commission and handling fees									93,099
Less: Allowance for expected credit losses on financing and advances									(372,177)
Total net financing and advances									<u>13,556,542</u>

Notes:

(a) Included hire purchase receivables under Al-Ijarah Thumma Al-Bai` ("AITAB") which is the contract of lease ending transfer of ownership from the lessor to the lessee in the form of sale transaction, which may take place at the end of the Ijarah period or at any point of time during the period, subject to the agreed terms and conditions between the contracting parties.

(b) The total Financing and Advances under Bai` Bithaman Ajil ("BBA") includes Revolving Credit-I (Murabahah) which substantively adopts a BBA product structure.

(i) Purpose and source of fund for Qard Financing:

	30 June 2024 RM'000	31 March 2024 RM'000
At beginning of financial period/year	10,378	15,914
Sources of Qard fund:		
- Shareholders' fund	2,952	9,391
Uses of Qard fund:		
- Purchase of landed property - Residential	-	(987)
- Personal use	(109)	(5,353)
- Working capital	(4,012)	(8,587)
At end of financial period/year	<u>9,209</u>	<u>10,378</u>

A14 Financing and Advances (Contd.)

(ii) By maturity structure:

	30 June 2024 RM'000	31 March 2024 RM'000
Within one year	2,831,870	2,957,247
One year to three years	555,749	529,086
Three years to five years	740,405	772,588
Over five years	9,920,090	9,576,699
Gross financing and advances	<u><u>14,048,114</u></u>	<u><u>13,835,620</u></u>

(iii) By type of customers:

	30 June 2024 RM'000	31 March 2024 RM'000
Domestic non-bank financial institutions	272,154	287,152
Domestic business enterprises		
- Small and medium enterprises	5,521,230	5,364,013
- Others	1,337,475	1,385,919
Individuals	6,835,760	6,717,958
Other domestic entities	9,091	9,446
Foreign entities	72,404	71,132
Gross financing and advances	<u><u>14,048,114</u></u>	<u><u>13,835,620</u></u>

(iv) By profit rate sensitivity:

	30 June 2024 RM'000	31 March 2024 RM'000
Fixed rate		
- Housing financing	14,027	14,127
- Hire purchase receivables	47,711	50,890
- Other fixed rate financing	3,134,412	3,057,175
Variable rate		
- Base financing rate plus	6,296,337	6,212,666
- Base rate plus	3,705,002	3,631,417
- Cost plus	850,625	869,345
Gross financing and advances	<u><u>14,048,114</u></u>	<u><u>13,835,620</u></u>

(v) By economic purposes:

	30 June 2024 RM'000	31 March 2024 RM'000
Purchase of transport vehicles	57,991	64,574
Purchase of landed property	6,268,482	6,033,607
of which: - Residential	<u>3,675,919</u>	<u>3,608,324</u>
- Non-residential	<u>2,592,563</u>	<u>2,425,283</u>
Purchase of fixed assets excluding land & buildings	49,920	56,926
Personal use	3,257,199	3,200,974
Construction	259,327	223,246
Working capital	3,186,696	3,306,868
Others	968,499	949,425
Gross financing and advances	<u><u>14,048,114</u></u>	<u><u>13,835,620</u></u>

A14 Financing and Advances (Contd.)

(vi) By economic sectors:

	30 June 2024 RM'000	31 March 2024 RM'000
Primary agriculture	436,917	452,817
Mining and quarrying	15,831	17,401
Manufacturing	1,470,130	1,521,352
Electricity, gas and water	14,465	17,106
Construction	549,535	534,350
Wholesale, retail trade, restaurants and hotels	2,703,643	2,589,317
Transport, storage and communication	239,268	230,726
Financing, insurance, real estate and business services	1,573,041	1,542,555
Community, social and personal services	137,120	140,907
Household	6,908,164	6,789,089
Gross financing and advances	14,048,114	13,835,620

(vii) By geographical distribution:

	30 June 2024 RM'000	31 March 2024 RM'000
Northern region	1,794,982	1,754,667
Central region	9,356,956	9,163,109
Southern region	1,386,136	1,373,354
Sabah region	1,184,636	1,226,464
Sarawak region	325,404	318,026
Gross financing and advances	14,048,114	13,835,620

(viii) Movements in credit impaired financing and advances ("impaired financing") under Stage 3:

	30 June 2024 RM'000	31 March 2024 RM'000
At beginning of financial period/year	315,458	352,834
Impaired during the financial period/year	121,166	474,943
Reclassified as unimpaired during the financial period/year	(57,402)	(329,474)
Recovered during the financial period/year	(5,983)	(26,243)
Financial assets derecognised other than write-off during the financial period/year	(10,861)	(48,825)
Amount written-off	(25,252)	(107,777)
At end of financial period/year	337,126	315,458
Gross impaired financing ratio	2.40%	2.28%
Net impaired financing ratio	1.58%	1.45%

A14 Financing and Advances (Contd.)

(ix) Credit impaired financing and advances analysed by economic purposes:

	30 June	31 March
	2024	2024
	RM'000	RM'000
Purchase of transport vehicles	1,467	1,661
Purchase of landed property	169,283	153,615
of which: - Residential	145,385	127,940
- Non-residential	23,898	25,675
Purchase of fixed assets excluding land & buildings	153	157
Personal use	129,002	122,540
Working capital	26,270	26,511
Others	10,951	10,974
Gross impaired financing and advances	337,126	315,458

(x) Credit impaired financing and advances analysed by economic sectors:

	30 June	31 March
	2024	2024
	RM'000	RM'000
Primary agriculture	1,731	1,736
Manufacturing	17,362	21,786
Construction	11,066	11,065
Wholesale, retail trade, restaurants and hotels	21,161	19,951
Transport, storage and communication	914	977
Financing, insurance, real estate and business services	2,010	1,703
Community, social and personal services	5,745	4,887
Household	277,137	253,353
Gross impaired financing and advances	337,126	315,458

(xi) Credit impaired financing and advances analysed by geographical distribution:

	30 June	31 March
	2024	2024
	RM'000	RM'000
Northern region	45,509	40,720
Central region	243,875	224,455
Southern region	28,530	30,273
Sabah region	18,009	18,773
Sarawak region	1,203	1,237
Gross impaired financing and advances	337,126	315,458

A14 Financing and Advances (Contd.)

(xii) Movements in allowance for expected credit losses on financing and advances 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
At 1 April 2024	89,606	165,847	116,724	372,177
Transfer to Stage 1	7,060	(20,989)	(634)	(14,563)
Transfer to Stage 2	(14,597)	63,781	(15,977)	33,207
Transfer to Stage 3	-	(27,872)	35,708	7,836
New financial assets originated or purchased	12,610	4,399	132	17,141
Financial assets derecognised other than write-off	(5,349)	(4,974)	(2,171)	(12,494)
Changes due to change in credit risk	(491)	5,508	823	5,840
	(767)	19,853	17,881	36,967
Unwinding of discount	-	-	3,713	3,713
Total (write-back from)/charge to income statement	(767)	19,853	21,594	40,680
Write-off	-	(426)	(21,915)	(22,341)
At 30 June 2024	88,839	185,274	116,403	390,516
At 1 April 2023	66,042	219,623	130,746	416,411
Transfer to Stage 1	55,837	(129,516)	(21)	(73,700)
Transfer to Stage 2	(48,660)	213,385	(80,578)	84,147
Transfer to Stage 3	(829)	(119,777)	136,789	16,183
New financial assets originated or purchased	41,599	25,935	3,940	71,474
Financial assets derecognised other than write-off	(13,429)	(41,479)	(11,148)	(66,056)
Changes due to change in credit risk	(10,954)	(655)	8,773	(2,836)
	23,564	(52,107)	57,755	29,212
Unwinding of discount	-	-	8,326	8,326
Total charge to /(write-back from) income statement	23,564	(52,107)	66,081	37,538
Write-off	-	(1,669)	(80,103)	(81,772)
At 31 March 2024	89,606	165,847	116,724	372,177

Note:

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

A15 Other Assets

	30 June 2024 RM'000	31 March 2024 RM'000
Other receivables	8,215	8,627
Deposits	94	93
Prepayment	5,779	5,717
	14,088	14,437
Less:		
Allowance for expected credit losses on other receivables [Note]	(2,957)	(2,687)
	11,131	11,750

Note:

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

	<u>Lifetime ECL</u>	
	30 June 2024 RM'000	31 March 2024 RM'000
At beginning of financial period/year	2,687	2,394
New financial assets originated or purchased	158	1,004
Financial assets derecognised other than write-off	(431)	(1,340)
Changes due to change in credit risk	543	629
Total charge to income statement	270	293
At end of financial period/year	2,957	2,687

As at 30 June 2024, the Bank's gross exposure of other receivables that are under lifetime expected credit losses was at RM2,957,000 (31 March 2024: RM2,687,000).

A16 Deposits from Customers

A16a By type of deposits:

	30 June 2024 RM'000	31 March 2024 RM'000
Demand deposits		
- Qard	4,212,959	4,143,573
- Tawarruq	488,090	452,317
Savings deposits		
- Qard	371,116	370,352
- Tawarruq	7,989	6,980
Term deposits		
- Tawarruq	8,555,409	8,698,901
- Negotiable Islamic Debt Certificate		
- Bai' Inah	214,039	211,862
- Money market deposits		
- Tawarruq	1,087,005	1,105,821
- Other deposits		
- Mudharabah	58,626	59,338
- Wakalah	31,732	31,516
- Qard	33,376	22,075
	15,060,341	15,102,735

A16 Deposits from Customers (Contd.)

A16b The maturity structure of term deposits are as follows:

	30 June 2024 RM'000	31 March 2024 RM'000
Due within six months	6,910,257	8,397,566
Six months to one year	2,834,807	1,261,319
One year to three years	235,123	470,628
	<u>9,980,187</u>	<u>10,129,513</u>

A16c The deposits are sourced from the following type of customers:

	30 June 2024 RM'000	31 March 2024 RM'000
Domestic financial institutions	214,039	211,862
Domestic non-bank financial institutions	1,607,730	1,685,184
Government and statutory bodies	1,838,230	1,555,505
Business enterprises	4,960,732	4,815,602
Individuals	5,622,151	6,100,219
Foreign entities	151,942	146,885
Others	665,517	587,478
	<u>15,060,341</u>	<u>15,102,735</u>

A17 Deposits and Placements of Banks and Other Financial Institutions

	30 June 2024 RM'000	31 March 2024 RM'000
Non-Mudharabah Fund		
Bank Negara Malaysia	199,588	189,063
	<u>199,588</u>	<u>189,063</u>

A18 Other Liabilities

	30 June 2024 RM'000	31 March 2024 RM'000
Other payables	126,618	127,744
Bills payable	11,940	16,897
Clearing account	26,516	34,331
Sundry deposits	8,678	7,066
Provision and accruals	13,355	15,736
Amount due to holding company	19,165	83,606
Amount due to related company	4,940	3,712
Allowance for expected credit losses on commitments and contingencies	4,865	7,093
	<u>216,077</u>	<u>296,185</u>

A18 Other Liabilities (Contd.)

Movements in allowance for expected credit losses on commitments and contingencies 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
At 1 April 2024	2,232	4,571	290	7,093
Transfer to Stage 1	467	(1,608)	-	(1,141)
Transfer to Stage 2	(41)	578	(192)	345
Transfer to Stage 3	-	(24)	114	90
New financial assets originated or purchased	454	208	-	662
Financial assets derecognised other than write-off	(197)	(87)	(470)	(754)
Changes due to change in credit risk	(238)	(1,578)	384	(1,432)
	445	(2,511)	(164)	(2,230)
Unwinding of discount	-	-	2	2
Total charge to/(write-back from) income statement	445	(2,511)	(162)	(2,228)
At 30 June 2024	2,677	2,060	128	4,865
At 1 April 2023	693	2,011	223	2,927
Transfer to Stage 1	177	(1,798)	-	(1,621)
Transfer to Stage 2	(155)	2,197	(107)	1,935
Transfer to Stage 3	-	(151)	876	725
New financial assets originated or purchased	1,540	821	-	2,361
Financial assets derecognised other than write-off	(573)	(4,480)	(474)	(5,527)
Changes due to change in credit risk	549	5,972	(229)	6,292
Other adjustment	1	(1)	-	-
	1,539	2,560	66	4,165
Unwinding of discount	-	-	1	1
Total charge to income statement	1,539	2,560	67	4,166
At 31 March 2024	2,232	4,571	290	7,093

Note:

(a) The transfers between stages are inclusive of net remeasurement of allowances.

(b) As at 30 June 2024, the Bank's gross exposures of commitments and contingencies that are credit impaired was at RM907,000 (31 March 2024: RM1,422,000).

A19 Income Derived from Investment of Depositors' Funds and Others

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Income derived from investment of:				
(i) Term deposits	145,249	123,482	145,249	123,482
(ii) Other deposits	77,763	67,194	77,763	67,194
	223,012	190,676	223,012	190,676

(i) Income derived from investment of term deposits:

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Finance income and hibah				
Financing and advances	114,719	96,325	114,719	96,325
Financial investments at fair value through other comprehensive income	11,021	10,458	11,021	10,458
Financial investments at amortised cost	5,529	3,467	5,529	3,467
Money at call and deposit placements with financial institutions	2,763	5,445	2,763	5,445
	134,032	115,695	134,032	115,695
Accretion of discount less amortisation of premium	4,440	4,037	4,440	4,037
Total finance income and hibah	138,472	119,732	138,472	119,732
Other operating income				
- Fee income	5,905	3,481	5,905	3,481
- Investment gain/(loss)	705	(204)	705	(204)
- Other income	167	473	167	473
	145,249	123,482	145,249	123,482

Note:

Included in financing income earned on financing and advances for the current financial period was profit accrued on impaired financing of the Bank amounting to RM326,000 (30 June 2023: RM513,000).

A19 Income Derived from Investment of Depositors' Funds and Others (Contd.)

(ii) Income derived from investment of other deposits:

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Finance income and hibah				
Financing and advances	61,418	52,415	61,418	52,415
Financial investments at fair value through other comprehensive income	5,900	5,691	5,900	5,691
Financial investments at amortised cost	2,960	1,887	2,960	1,887
Money at call and deposit placements with financial institutions	1,479	2,963	1,479	2,963
	<u>71,757</u>	<u>62,956</u>	<u>71,757</u>	<u>62,956</u>
Accretion of discount less amortisation of premium	2,377	2,197	2,377	2,197
Total finance income and hibah	<u>74,134</u>	<u>65,153</u>	<u>74,134</u>	<u>65,153</u>
Other operating income				
- Fee income	3,162	1,894	3,162	1,894
- Investment gain/(loss)	378	(111)	378	(111)
- Other income	89	258	89	258
	<u>77,763</u>	<u>67,194</u>	<u>77,763</u>	<u>67,194</u>

Note:

Included in financing income earned on financing and advances for the current financial period was profit accrued on impaired financing of the Bank amounting to RM175,000 (30 June 2023: RM279,000).

A20 Income Derived from Investment of Shareholder's Funds

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Finance income and hibah				
Financing and advances	17,781	14,442	17,781	14,442
Financial investments at fair value through other comprehensive income	1,708	1,568	1,708	1,568
Financial investments at amortised cost	857	520	857	520
Money at call and deposit placements with financial institutions	429	816	429	816
	<u>20,775</u>	<u>17,346</u>	<u>20,775</u>	<u>17,346</u>
Accretion of discount less amortisation of premium	688	605	688	605
Total finance income and hibah	<u>21,463</u>	<u>17,951</u>	<u>21,463</u>	<u>17,951</u>
Other operating income				
- Fee income	915	522	915	522
- Investment gain/(loss)	109	(31)	109	(31)
- Other income	26	71	26	71
	<u>22,513</u>	<u>18,513</u>	<u>22,513</u>	<u>18,513</u>

Notes:

Included in financing income earned on financing and advances for the current financial period was profit accrued on impaired financing of the Bank amounting to RM51,000 (30 June 2023: RM77,000).

A21 Allowance for Expected Credit Losses on Financing and Advances and Other Financial Assets

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Allowance for/(write-back of) expected credit losses on:				
(a) Financing and advances	36,967	10,401	36,967	10,401
(b) Commitments and contingencies on financing and advances	(2,230)	4,112	(2,230)	4,112
(c) Other receivables	270	(222)	270	(222)
	<u>35,007</u>	<u>14,291</u>	<u>35,007</u>	<u>14,291</u>
(d) Credit impaired on financing and advances				
- Recovered during the financial period	(6,602)	(4,536)	(6,602)	(4,536)
- Write-off during the financial period	3,713	7,664	3,713	7,664
	<u>32,118</u>	<u>17,419</u>	<u>32,118</u>	<u>17,419</u>

A22 (Write-back of)/Allowance for Expected Credit Losses on Financial Investments

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
(Write-back of)/allowance for expected credit losses on financial investments at fair value through other comprehensive income	(28)	3	(28)	3
	<u>(28)</u>	<u>3</u>	<u>(28)</u>	<u>3</u>

A23 Income Attributable to the Depositors and Financial Institutions

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
Deposits from customers:				
- Mudharabah fund	427	433	427	433
- Non-Mudharabah fund	108,702	102,152	108,702	102,152
Deposits and placements of banks and other financial institutions:				
- Non-Mudharabah fund	48	180	48	180
Recourse obligation on financing sold to Cagamas	5,034	2,446	5,034	2,446
Subordinated Sukuk Murabahah	2,714	2,964	2,714	2,964
Lease liabilities	10	8	10	8
	<u>116,935</u>	<u>108,183</u>	<u>116,935</u>	<u>108,183</u>

A24 Other Operating Expenses

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	25,303	24,462	25,303	24,462
- Contribution to EPF	3,943	4,179	3,943	4,179
- Others	2,321	1,905	2,321	1,905
	31,567	30,546	31,567	30,546
<u>Establishment costs</u>				
- Depreciation on property, plant and equipment	23	27	23	27
- Depreciation on right-of-use assets	119	278	119	278
- Amortisation of computer software	152	132	152	132
- Rental of premises	38	93	38	93
- Water and electricity	347	351	347	351
- Repairs and maintenance	548	344	548	344
- Information technology expenses	8,361	7,178	8,361	7,178
- Others [Note]	519	481	519	481
	10,107	8,884	10,107	8,884
<u>Marketing expenses</u>				
- Promotion and advertisement	1,096	423	1,096	423
- Branding and publicity	209	1,387	209	1,387
- Others	258	277	258	277
	1,563	2,087	1,563	2,087
<u>Administration and general expenses</u>				
- Communication expenses	433	422	433	422
- Printing and stationeries	84	80	84	80
- Insurance	245	1,029	245	1,029
- Professional fees	2,306	1,838	2,306	1,838
- Others	2,225	(243)	2,225	(243)
	5,293	3,126	5,293	3,126
Total other operating expenses	48,530	44,643	48,530	44,643

Note:

Included in the other operating expenses are the Shariah Committee members' remuneration of RM124,500 (30 June 2023: RM109,500).

A24 Other Operating Expenses (Contd.)

The following represents a detailed breakdown of the Bank's share of the holding company's other operating expenses included within the Bank's total other operating expenses:

	1st Quarter Ended		Three Months Ended	
	30 June 2024 RM'000	30 June 2023 RM'000	30 June 2024 RM'000	30 June 2023 RM'000
<u>Sharing of Other Operating Expenses</u>				
<u>Personnel costs</u>				
- Salaries, allowances and bonuses	21,891	20,886	21,891	20,886
- Contribution to EPF	3,406	3,635	3,406	3,635
- Others	2,078	1,627	2,078	1,627
	27,375	26,148	27,375	26,148
<u>Establishment costs</u>				
- Rental of premises	38	93	38	93
- Water and electricity	339	344	339	344
- Repairs and maintenance	540	332	540	332
- Information technology expenses	8,265	7,121	8,265	7,121
- Others [Note]	519	481	519	481
	9,701	8,371	9,701	8,371
<u>Marketing expenses</u>				
- Promotion and advertisement	1,012	293	1,012	293
- Branding and publicity	205	1,386	205	1,386
- Others	229	247	229	247
	1,446	1,926	1,446	1,926
<u>Administration and general expenses</u>				
- Communication expenses	337	249	337	249
- Printing and stationeries	58	65	58	65
- Professional fees	1,432	1,093	1,432	1,093
- Others	1,634	(749)	1,634	(749)
	3,461	658	3,461	658
Total sharing of other operating expenses	41,983	37,103	41,983	37,103

Note:

Being substantially cross-charge amount for using the fixed assets of the holding company. This includes computer software, computer equipment and furniture and fittings.

A25 Earnings Per Share

Basic/Diluted

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

	1st Quarter Ended		Three Months Ended	
	30 June 2024	30 June 2023	30 June 2024	30 June 2023
Net profit for the financial period attributable to equity holder of the Bank (RM'000)	36,147	29,190	36,147	29,190
Weighted average numbers of ordinary shares in issue ('000)	445,856	415,103	445,856	415,103
Basic/diluted earnings per share (sen)	8.1	7.0	8.1	7.0

A26 Commitments and Contingencies

In the normal course of business, the Bank makes various commitments and incurs 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 Bank are as follows:

	30 June 2024 RM'000	31 March 2024 RM'000
<u>Credit-related exposures</u>		
Direct credit substitutes	92,240	88,732
Transaction-related contingent items	107,456	92,383
Short-term self-liquidating trade-related contingencies	19,868	16,786
Forward assets purchase	5,249	9,502
Irrevocable commitments to extend credit:		
- maturity exceeding one year	672,539	692,129
- maturity not exceeding one year	2,977,703	2,733,828
	3,875,055	3,633,360

A27 Capital Adequacy

BNM's Transitional Arrangements for Regulatory Capital Treatment of Accounting Provisions which took effect on 9 December 2020 has ended on 31 March 2024.

Effective from 1 April 2024, the capital adequacy ratio of the Bank is computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework. The Framework sets out the approach for computing regulatory 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 asset of the Bank is computed using the Standardised Approach for credit risk and market risk, and the Basic Indicator Approach for operational risk.

The Bank have sufficient capital as follows:

	30 June 2024	31 March 2024
(i) With transitional arrangements		
<u>Before deducting proposed dividends</u>		
CET 1 capital ratio	12.152%	12.938%
Tier I capital ratio	12.992%	13.785%
Total capital ratio	15.245%	16.049%
<u>After deducting proposed dividends</u>		
CET 1 capital ratio	12.152%	12.930%
Tier 1 capital ratio	12.992%	13.778%
Total capital ratio	15.245%	16.042%
(ii) Without transitional arrangements		
<u>Before deducting proposed dividends</u>		
CET I capital ratio	12.152%	12.287%
Tier I capital ratio	12.992%	13.134%
Total capital ratio	15.245%	15.398%
<u>After deducting proposed dividends</u>		
CET 1 capital ratio	12.152%	12.279%
Tier 1 capital ratio	12.992%	13.127%
Total capital ratio	15.245%	15.391%

(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:

	30 June 2024 RM'000	31 March 2024 RM'000
<u>CET I Capital</u>		
Paid-up share capital	695,454	637,500
Retained profits	811,599	870,446
FVOCI reserves	(7,018)	(5,629)
	1,500,035	1,502,317
(Less)/add: Regulatory adjustments		
- Intangible assets	(2,031)	(2,153)
- Deferred tax assets	(51,760)	(49,927)
- Transitional arrangements	-	76,848
Total CET I Capital	1,446,244	1,527,085

A27 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: (contd.)

	30 June 2024 RM'000	31 March 2024 RM'000
Additional Tier 1 Sukuk Wakalah	100,000	100,000
Total Additional Tier 1 Capital	100,000	100,000
Total Tier I Capital	1,546,244	1,627,085
<u>Tier II Capital</u>		
Subordinated Sukuk Murabahah	130,000	130,000
Expected credit losses	138,144	137,224
Total Tier II Capital	268,144	267,224
Total Capital	1,814,388	1,894,309

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

	30 June 2024 RM'000	31 March 2024 RM'000
Credit risk	11,051,545	10,977,956
Market risk	193	242
Operational risk	849,428	824,883
Total RWA and capital requirements	11,901,166	11,803,081

A28 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 levels 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 Bank recognises 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.

A28 Fair Value Measurements (Contd.)

(a) Determination of fair value and the fair value hierarchy (Contd.)

(i) Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement 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 Bank then determines fair value based upon valuation techniques that use market parameters, including but not limited to yield curves, volatilities and foreign exchange rates, as inputs. 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, corporate notes and repurchase agreements.

(iii) Financial instruments in Level 3

The Bank classifies 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 assets value, discounted cash flows, and other appropriate valuation models.

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

The following tables show 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
30 June 2024				
<u>Financial Assets</u>				
Financial investments at FVOCI				
- Money market instruments	-	884,650	-	884,650
- Unquoted securities	-	1,037,075	-	1,037,075
31 March 2024				
<u>Financial Assets</u>				
Financial investments at FVOCI				
- Money market instruments	-	701,076	-	701,076
- Unquoted securities	-	1,117,388	-	1,117,388

There were no transfers between Level 1 and 2 of the fair value hierarchy for the Bank during the financial period/year ended 30 June 2024 and 31 March 2024.

PART B - Review of Performance & Current Year Prospect

B1 Review of Performance for Financial Period Ended 30 June 2024

Profitability

The Bank recorded a net profit after taxation of RM36.1 million for the first financial quarter ended 30 June 2024, higher by RM7.0 million or 23.8% year-on-year (“YOY”) due to higher revenue offset by higher allowance for expected credit losses.

Net profit income increased by RM22.5 million or 23.8% YOY due to higher financing income. Net profit margin (“NPM”) stood at 2.73% (Jun 23: 2.38%).

Financing Growth

The implementation of the ACCELER8 strategic plan facilitated a notable expansion in the Bank’s financing and advances, which surged by 13.4% YOY to reach RM14.0 billion. This growth was predominantly propelled by advancements in the small and medium enterprises (“SME”), Commercial and Consumer financing, which grew by 26.4%, 17.1% and 8.2% respectively.

Other Operating Income

The Bank reported other operating income of RM11.5 million, marking an increase of RM5.1 million or 80.3% YOY. This growth primarily stemmed from higher wealth management income, as well as increased revenue from treasury and investment income and trade fees.

Managing Operating Expenses

Operating expenses increased by RM3.9 million or 8.7% YOY, resulting in a cost-to-income ratio (“CIR”) stood at 37.7% (Jun 23: 44.2%). The Bank remains committed to prudent cost management throughout the financial year.

Asset Quality

The Bank’s allowance for expected credit losses on financing, advances and other financial assets posted a charge of RM32.1 million, marking an increase of RM14.7 million YOY. The net credit cost recorded at 23.0 bps (Jun 23: 14.0bps), while the financing loss coverage (including regulatory reserves) was at 115.8% (Jun 23: 120.0%).

The Bank will maintain a prudent approach by implementing the credit risk framework across all business lines. This involves stratifying customers based on their risk profiles and prioritizing customer interactions accordingly. Additionally, the Bank will focus on controlling credit costs by refining credit policies, tightening credit underwriting standards, and intensifying collection efforts.

Healthy Funding and Liquidity Position

The Bank’s current account/savings account (“CASA”) ratio was recorded at 33.7%, with customer deposits totalling RM15.1 billion. The Bank’s liquidity coverage and financing-to-funds ratios stood at 170.1% and 87.4%, respectively.

Proactive Capital Management

We continue to maintain a robust and strong capital position, with the Common Equity Tier-1 (“CET 1”) ratio at 12.2%, Tier-1 Capital Ratio at 13.0% and Total Capital Ratio at 15.2%, all comfortably surpassing regulatory thresholds.

B2 Prospect for the Current Financial Period

For calendar year 2024, Bank Negara Malaysia (“BNM”) projects Malaysia’s gross domestic product (“GDP”) growth to range between 4% and 5%, an improvement from the 3.7% growth recorded in the preceding year.

We anticipate Malaysia’s economic advancement will be bolstered by sustained domestic demand, propelled by ongoing enhancements in labour market conditions and renewed governmental efforts to stimulate growth. However, we are cognisant of the uneven nature of the overall recovery, with certain sectors experiencing continued strain. Furthermore, we maintain a cautious stance regarding potential downside risks to growth stemming from external uncertainties, such as escalating geopolitical tensions.

The Bank anticipates maintaining its positive financial performance and remains committed to realising growth objectives under ACCELER8. In FY2025, our focus areas include:

- i) Continuing momentum in customer acquisition through the expansion of new-to-bank acquisition channels, leveraging digital platforms, strategic partnerships, increased productivity, and branch enhancements;
- ii) Deepening client wallet share post-customer acquisition by enhancing product and channel offerings for key target segments and sectors in both Consumer and Business Banking, with the aim of driving fee income. Additionally, we will seek to maximise cross-business unit collaboration to provide more comprehensive customer service; and
- iii) Strengthening Islamic banking propositions to drive incremental growth, with a focus on scaling up differentiated Islamic banking solutions by expanding unique Shariah-compliant and Value Based Intermediation propositions.

With a focus on prudent financing growth, strong credit risk management practices, enhancement of deposit/CASA propositions, and continued investments in technology, the Bank aims to further expand its growth momentum in FY2025.