

Affin Hwang Investment Bank Berhad  
(Incorporated in Malaysia)

Condensed Interim Financial Statements  
Unaudited Statements of Financial Position  
as at 31 March 2024

	Note	The Group		The Bank	
		As at	As at	As at	As at
		31-03-2024	31-12-2023	31-03-2024	31-12-2023
		RM'000	RM'000	RM'000	RM'000
<b>ASSETS</b>					
Cash and short-term funds		326,004	686,512	324,006	684,062
Financial assets at fair value through profit or loss ("FVTPL")	12.	181,178	106,836	179,912	105,579
Financial investments at fair value through other comprehensive income ("FVOCI")	12	3,943,546	4,439,658	3,943,546	4,439,658
Financial investments at amortised cost	12	1,057,522	1,056,550	1,057,522	1,056,550
Loans and advances	13	2,087,088	1,953,780	2,087,088	1,953,780
Trade receivables	14	491,492	397,533	491,492	397,533
Derivative financial assets		57,306	141,380	57,306	141,380
Other assets	15	120,040	65,077	119,743	64,823
Statutory deposits with Bank Negara Malaysia		135,101	130,600	135,000	130,500
Amount due from subsidiaries		-	-	310	654
Investment in subsidiaries	16	-	-	1,794	1,794
Investment in associates	17	-	-	372	372
Tax recoverable		12,617	33,634	12,615	33,631
Deferred tax assets		34,861	27,652	34,861	27,652
Property and equipment		11,319	9,937	11,315	9,932
Intangible assets		307,128	307,321	307,104	307,285
Right-of-use ("ROU") assets		13,376	15,302	13,376	15,302
<b>TOTAL ASSETS</b>		<b>8,778,578</b>	<b>9,371,772</b>	<b>8,777,362</b>	<b>9,370,487</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	18	5,054,286	4,801,493	5,054,286	4,801,493
Deposits and placements of banks and other financial institutions	19	1,019,556	1,545,169	1,019,556	1,545,169
Obligations on securities sold under repurchase agreements		368,100	813,956	368,100	813,956
Trade payables	20	367,695	214,100	367,695	214,100
Lease liabilities		15,163	17,212	15,163	17,212
Derivative financial liabilities		71,241	82,340	71,241	82,340
Amount due to holding company		17,331	9,324	17,331	9,324
Other liabilities	21	418,859	465,447	417,843	464,158
Provision for taxation		1	1	-	-
<b>TOTAL LIABILITIES</b>		<b>7,332,232</b>	<b>7,949,042</b>	<b>7,331,215</b>	<b>7,947,752</b>
Share capital		999,800	999,800	999,800	999,800
Reserves	22	446,546	422,930	446,347	422,935
<b>TOTAL EQUITY</b>		<b>1,446,346</b>	<b>1,422,730</b>	<b>1,446,147</b>	<b>1,422,735</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>8,778,578</b>	<b>9,371,772</b>	<b>8,777,362</b>	<b>9,370,487</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	31	<b>10,054,139</b>	<b>16,785,067</b>	<b>10,054,139</b>	<b>16,785,067</b>
<b>CAPITAL ADEQUACY</b>					
<b>Basel III</b>					
<b>Before/After deducting proposed dividend:</b>					
Common Equity Tier ("CET 1") capital ratio	30	35.932%	36.394%	40.066%	41.532%
Tier 1 capital ratio	30	35.932%	36.394%	40.066%	41.532%
Total capital ratio	30	36.588%	37.054%	40.798%	42.286%

The unaudited 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 December 2023.

**Affin Hwang Investment Bank Berhad**  
(Incorporated in Malaysia)

**Condensed Interim Financial Statements**  
**Unaudited Income Statements**  
**for the financial period ended 31 March 2024**

The Group	Note	Individual Quarter		Cumulative Quarter	
		Current Financial Period 31-03-2024 RM'000	Preceding Year Corresponding Period 31-03-2023 RM'000	Current Financial Period-to-date 31-03-2024 RM'000	Preceding Year Corresponding Period-to-date 31-03-2023 RM'000
Interest income	23	87,751	69,593	87,751	69,593
Interest expense	24	(71,806)	(50,414)	(71,806)	(50,414)
<b>Net interest income</b>		<b>15,945</b>	<b>19,179</b>	<b>15,945</b>	<b>19,179</b>
Net fee and commission income	25	27,887	21,213	27,887	21,213
Net gains and losses on financial instruments	26	19,730	8,737	19,730	8,737
Other operating income	27	2,957	1,507	2,957	1,507
<b>Net income</b>		<b>66,519</b>	<b>50,636</b>	<b>66,519</b>	<b>50,636</b>
Other operating expenses	28	(42,046)	(39,292)	(42,046)	(39,292)
<b>Operating profit before allowances</b>		<b>24,473</b>	<b>11,344</b>	<b>24,473</b>	<b>11,344</b>
(Allowances)/Writeback for credit impairment losses on financial assets	29	(3,717)	7,938	(3,717)	7,938
<b>Profit before zakat and taxation</b>		<b>20,756</b>	<b>19,282</b>	<b>20,756</b>	<b>19,282</b>
Zakat		(889)	-	(889)	-
<b>Profit before taxation</b>		<b>19,867</b>	<b>19,282</b>	<b>19,867</b>	<b>19,282</b>
Taxation		(5,155)	(4,796)	(5,155)	(4,796)
<b>Net profit after zakat and taxation</b>		<b>14,712</b>	<b>14,486</b>	<b>14,712</b>	<b>14,486</b>
<b>Attributable to the equity holder of the Bank</b>		<b>14,712</b>	<b>14,486</b>	<b>14,712</b>	<b>14,486</b>
<b>Earnings per share (sen):</b>					
- basic/fully diluted		<b>1.89</b>	<b>1.86</b>	<b>1.89</b>	<b>1.86</b>

The unaudited 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 December 2023.

**Affin Hwang Investment Bank Berhad**  
(Incorporated in Malaysia)

**Condensed Interim Financial Statements**  
**Unaudited Statements of Comprehensive Income**  
**for the financial period ended 31 March 2024**

The Group

	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period	Period	Period-to-date	Period-to-date
	31-03-2024	30-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Net profit after zakat and taxation	14,712	14,486	14,712	14,486
Other comprehensive income:				
<u>Items that may be reclassified subsequently to</u>				
<u>profit or loss</u>				
Net fair value change in financial investments at FVOCI (debt instruments)	11,685	41,265	11,685	41,265
Net credit impairment losses change in financial investments at FVOCI (debt instruments)	(48)	(322)	(48)	(322)
Net gains on financial investments at FVOCI reclassified to profit or loss on disposal (debt instruments)	96	(379)	96	(379)
Deferred tax on financial investments at FVOCI	(2,829)	(9,813)	(2,829)	(9,813)
Net changes in foreign exchange	-	-	-	-
<u>Items that will not be reclassified subsequently to</u>				
<u>profit or loss</u>				
Net fair value change in financial investments designated at FVOCI (equity instruments)	-	-	-	-
Other comprehensive income for the financial period, net of tax	8,904	30,751	8,904	30,751
Total comprehensive income for the financial period	23,616	45,237	23,616	45,237
Attributable to the equity holder of the Bank	23,616	45,237	23,616	45,237

The unaudited 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 December 2023.

Affin Hwang Investment Bank Berhad  
(Incorporated in Malaysia)

Condensed Interim Financial Statements  
Unaudited Income Statements  
for the financial period ended 31 March 2024

The Bank	Note	Individual Quarter		Cumulative Quarter	
		Current Financial Period 31-03-2024 RM'000	Preceding Year Corresponding Period 31-03-2023 RM'000	Current Financial Period-to-date 31-03-2024 RM'000	Preceding Year Corresponding Period-to-date 31-03-2023 RM'000
Interest income	23	87,741	69,587	87,741	69,587
Interest expense	24	(71,806)	(50,414)	(71,806)	(50,414)
Net interest income		15,935	19,173	15,935	19,173
Net fee and commission income	25	27,509	20,956	27,509	20,956
Net gains and losses on financial instruments	26	19,722	8,723	19,722	8,723
Other operating income	27	2,879	1,507	2,879	1,507
Net income		66,045	50,359	66,045	50,359
Other operating expenses	28	(41,718)	(39,018)	(41,718)	(39,018)
Operating profit before allowances		24,327	11,341	24,327	11,341
(Allowances)/Writeback for credit impairment losses on financial assets	29	(3,783)	7,940	(3,783)	7,940
Profit before zakat and taxation		20,544	19,281	20,544	19,281
Zakat		(889)	-	(889)	-
Profit before taxation		19,655	19,281	19,655	19,281
Taxation		(5,147)	(4,795)	(5,147)	(4,795)
Net profit after zakat and taxation		14,508	14,486	14,508	14,486
Attributable to the equity holder of the Bank		14,508	14,486	14,508	14,486
Earnings per share (sen):					
- basic/fully diluted		1.86	1.86	1.86	1.86

The unaudited 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 December 2023.

Affin Hwang Investment Bank Berhad  
(Incorporated in Malaysia)

Condensed Interim Financial Statements  
Unaudited Statements of Comprehensive Income  
for the financial period ended 31 March 2024

The Bank

	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period	Period	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Net profit after zakat and taxation	14,508	14,486	14,508	14,486
Other comprehensive income:				
<u>Items that may be reclassified subsequently to</u>				
<u>profit or loss</u>				
Net fair value change in financial investments at FVOCI (debt instruments)	11,685	41,265	11,685	41,265
Net credit impairment losses change in financial investments at FVOCI (debt instruments)	(48)	(322)	(48)	(322)
Net gains on financial investments at FVOCI reclassified to profit or loss on disposal (debt instruments)	96	(379)	96	(379)
Deferred tax on financial investments at FVOCI	(2,829)	(9,813)	(2,829)	(9,813)
<u>Items that will not be reclassified subsequently to</u>				
<u>profit or loss</u>				
Net fair value change in financial investments designated at FVOCI (equity instruments)	-	-	-	-
Other comprehensive income for the financial period, net of tax	8,904	30,751	8,904	30,751
Total comprehensive income for the financial period	23,412	45,237	23,412	45,237
Attributable to equity holder of the Bank	23,412	45,237	23,412	45,237

The unaudited 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 December 2023.

**Affin Hwang Investment Bank Berhad**  
(Incorporated in Malaysia)

**Condensed Interim Financial Statements**  
**Unaudited Statements of Changes in Equity**  
**for the financial period ended 31 March 2024**

**The Group**  
**At 1 January 2024**  
**Comprehensive income:**  
Net profit for the financial period  
Other comprehensive income (net of tax)  
- Financial investments at FVOCI  
**Total comprehensive income**  
Transfer to regulatory reserves  
**At 31 March 2024**

At 1 January 2023  
Comprehensive income:  
Net profit for the financial period  
Other comprehensive income (net of tax)  
- Financial investments at FVOCI  
Total comprehensive income  
Transfer from regulatory reserves  
At 31 March 2023

<----- Attributable to equity holder of the Bank ----->

Share Capital RM'000	Regulatory reserves RM'000	FVOCI revaluation reserves RM'000	Retained profits RM'000	Total equity RM'000
999,800	20,728	(26,516)	428,718	1,422,730
-	-	-	14,712	14,712
-	-	8,904	-	8,904
-	-	8,904	14,712	23,616
-	1,153	-	(1,153)	-
999,800	21,881	(17,612)	442,277	1,446,346
999,800	16,709	(92,555)	513,272	1,437,226
-	-	-	14,486	14,486
-	-	30,751	-	30,751
-	-	30,751	14,486	45,237
-	1,304	-	(1,304)	-
999,800	18,013	(61,804)	526,454	1,482,463

# Other reserves represents corresponding debit arising from Group's obligation to purchase subsidiaries' shares held by non-controlling interest.

The unaudited 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 December 2023.

Affin Hwang Investment Bank Berhad  
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Condensed Interim Financial Statements  
Unaudited Statements of Changes in Equity  
for the financial period ended 31 March 2024

	<----- Non-distributable ----->		<- Distributable ->		
	Share Capital	Regulatory	FVOCI	Retained	Total
	RM'000	reserves	revaluation	profits	equity
	RM'000	RM'000	reserves	RM'000	RM'000
RM'000			RM'000		
<b>The Bank</b>					
<b>At 1 January 2024</b>	999,800	20,728	(26,516)	428,723	1,422,735
<b>Comprehensive income:</b>					
Net profit for the financial period	-	-	-	14,508	14,508
Other comprehensive income (net of tax)					
- Financial investments at FVOCI	-	-	8,904	-	8,904
<b>Total comprehensive income</b>	-	-	8,904	14,508	23,412
Transfer to regulatory reserves	-	1,153	-	(1,153)	-
<b>At 31 March 2024</b>	<b>999,800</b>	<b>21,881</b>	<b>(17,612)</b>	<b>442,078</b>	<b>1,446,147</b>
<b>At 1 January 2023</b>	999,800	16,709	(92,555)	513,268	1,437,222
<b>Comprehensive income:</b>					
Net profit for the financial period	-	-	-	14,486	14,486
Other comprehensive income (net of tax)					
- Financial investments at FVOCI	-	-	30,751	-	30,751
<b>Total comprehensive income</b>	-	-	30,751	14,486	45,237
Transfer from regulatory reserves	-	1,304	-	(1,304)	-
<b>At 31 March 2023</b>	<b>999,800</b>	<b>18,013</b>	<b>(61,804)</b>	<b>526,450</b>	<b>1,482,459</b>

The unaudited 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 December 2023.

**Affin Hwang Investment Bank Berhad**  
(Incorporated in Malaysia)

**Condensed Interim Financial Statements**  
**Unaudited Condensed Statements of Cash Flows**  
**for the financial period ended 31 March 2024**

	<b>The Group</b>		<b>The Bank</b>	
	<b>31-03-2024</b>	31-03-2023	<b>31-03-2024</b>	31-03-2023
	<b>RM'000</b>	RM'000	<b>RM'000</b>	RM'000
<b>Cash flow from operating activities</b>				
Profit before taxation	<b>19,867</b>	19,282	<b>19,655</b>	19,281
Adjustments for non-operating and not involving the movement of cash and cash equivalents	<b>345</b>	(55,263)	<b>489</b>	(55,443)
<i>Operating profit/(loss) before changes in working capital</i>	<b>20,212</b>	(35,981)	<b>20,144</b>	(36,162)
Net changes in operating assets	<b>(332,305)</b>	(168,628)	<b>(331,982)</b>	(168,349)
<i>Decrease in operating liabilities</i>				
Net changes in operating liabilities	<b>(612,771)</b>	503,835	<b>(612,502)</b>	504,148
<b>Cash (used in)/generated from operating activities</b>	<b>(924,864)</b>	299,226	<b>(924,340)</b>	299,637
Tax paid	<b>5,826</b>	(2,109)	<b>5,832</b>	(2,107)
<b>Net cash (used in)/generated from operating activities</b>	<b>(919,038)</b>	297,117	<b>(918,508)</b>	297,530
<b>Cash flow from investing activities</b>				
Interest received from financial investments	<b>59,243</b>	36,603	<b>59,243</b>	36,603
Purchase of financial investments	<b>(240,704)</b>	(401,090)	<b>(240,704)</b>	(401,090)
Redemption/disposal of financial investments	<b>743,754</b>	85,481	<b>743,754</b>	85,481
Dividend income received from:				
- financial assets	<b>17</b>	8	<b>9</b>	-
Proceeds from disposal of property and equipment	<b>70</b>	1	<b>-</b>	1
Purchase of property and equipment	<b>(1,989)</b>	(1,182)	<b>(1,989)</b>	(1,182)
Purchase of intangible assets	<b>(8)</b>	(303)	<b>(8)</b>	(303)
<b>Net cash generated from/(used in) investing activities</b>	<b>560,735</b>	(280,482)	<b>560,657</b>	(280,490)
<b>Cash flow from financing activities</b>				
Lease payments	<b>(2,205)</b>	(1,469)	<b>(2,205)</b>	(1,469)
<b>Net cash used in financing activities</b>	<b>(2,205)</b>	(1,469)	<b>(2,205)</b>	(1,469)
<b>Net (decrease)/increase in cash and cash equivalents</b>	<b>(360,508)</b>	15,166	<b>(360,056)</b>	15,571
Cash and cash equivalents at beginning of the financial period	<b>686,512</b>	247,379	<b>684,062</b>	245,028
<b>Cash and cash equivalents at end of the financial period</b>	<b>326,004</b>	262,545	<b>324,006</b>	260,599

The unaudited 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 December 2023.



## **Affin Hwang Investment Bank Berhad**

(Incorporated in Malaysia)

### **Notes to the unaudited condensed interim financial statements for the financial period ended 31 March 2024**

#### **1. Review of financial performance**

The Group recorded a profit before zakat and taxation ("PBZT") of RM20.8 million for the 3 months period ended 31 March 2024 ("3M2024"), 8% higher as compared to the previous corresponding financial period of RM19.3 million.

Analysis of the Group's 3M2024 financial performance is as follows:

- Net interest income of RM15.9 million in 3M2024 was 17% lower than the previous corresponding period of RM19.2 million primarily due to higher cost of borrowing in the current period under review.
- Net fee and commission income of RM27.9 million in 3M2024 was 31% higher than the previous corresponding period of RM21.2 million. The increase was primarily due to higher net brokerage income and higher corporate advisory fees earned in the current period.
- Net gains and losses on financial instruments increased from RM8.7 million to RM19.7 million in the current period mainly due to higher net trading gain from financial assets at FVTPL of RM15.0 million (3M2024: RM7.7 million) and higher gain from derivative instruments of RM4.9 million (3M2024: RM0.6 million).
- Other operating income registered an increase from RM1.5 million in the previous corresponding period to RM3.0 million in the current period mainly due to higher foreign exchange gain.
- Operating expenses for the period under review were higher at RM42.0 million compared to RM39.3 million incurred in the previous corresponding period mainly due to higher personnel and administrative costs, partially offset by lower establishment and marketing costs.
- Net allowance on credit impairment losses of RM3.7 million compared to net writeback on credit impairment losses of RM7.9 million in the previous corresponding period was mainly due to expected credit losses made on others assets of RM4.9 million. The net writeback on credit impairment losses in the previous corresponding period was supported by a writeback on impairment losses for financial instruments amounting to RM7.2 million.

#### **2. Prospect for the current financial year**

The International Monetary Fund ("IMF") expects global growth to remain unchanged at 3.1% in 2024, supported by better-than-expected economic performance in the United States. While inflationary pressures have eased, downside risks persist due to the threat of increasing geopolitical unrest in the Middle East. This unrest may cause supply chain disruptions and volatility in commodity prices.

The Malaysian economy is projected to grow by 4.5% in 2024 (compared to 3.8% in 2023). This growth is driven by public and private investments, particularly in transportation and digital infrastructure projects.

Recent geopolitical tensions in the Middle East may lead to an increase in global oil prices, potentially resulting in a prolonged elevated interest rate environment.

Bank Negara Malaysia continues to adopt a balanced interest rate policy, aiming to promote economic growth while moderating inflation. The domestic banking sector outlook for 2024 remains positive, supported by moderate loan growth and manageable asset quality. Competition for deposits is expected to ease in the second half of the year, while Malaysian banks maintain adequate liquidity buffers and relatively healthy capital ratios.

## **Affin Hwang Investment Bank Berhad**

(Incorporated in Malaysia)

### **Notes to the unaudited condensed interim financial statements for the financial period ended 31 March 2024**

#### **3. Basis of preparation**

The unaudited interim financial statements for the period under review have been prepared in accordance with the applicable provisions of the Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS"), and relevant Bank Negara Malaysia ("BNM") policy documents.

The unaudited condensed interim financial statements should be read in conjunction with the annual financial statements for the financial year ended 31 December 2023. The explanatory notes to the unaudited condensed interim financial statements provide an explanation of events and transactions that are significant to an understanding of the changes in the Group and the Bank since the financial year ended 31 December 2023.

The significant accounting policies and methods of computation applied in the condensed interim financial statements are consistent with those applied in the annual financial statements for the financial year ended 31 December 2023, except for the amendments to MFRS 101 "Presentation of Financial Statements", MFRS 16 "Lease Liability in a Sale and Leaseback" and MFRS 121 "Lack of Exchangeability" that are effective and applicable to the Group and the Bank for the financial period beginning or after 1 January 2024.

#### **4. Qualification of preceding annual financial statements**

The Group's and the Bank's financial statements for financial year ended 31 December 2023 were not qualified by the auditors.

#### **5. Seasonal or cyclical factors**

The operations of the Group and the Bank are generally not affected by any seasonal or cyclical factors, but are in tandem with the domestic and global economy, and the performance of the capital markets.

#### **6. Unusual items due to their nature, size or incidence**

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank during the financial period.

#### **7. Changes in debt and equity securities**

There were no issuances, cancellation, repurchases, resale or repayment of debt and equity securities by the Group and the Bank during the financial period.

#### **8. Material litigations**

There is no material litigation during the financial period ended 31 March 2024.

#### **9. Changes in the composition of the Group**

There is no change to the composition of the Group as at end of the financial period.

#### **10. Dividends**

The Directors did not recommend any payment of interim dividend for the financial period ended 31 March 2024.

#### **11. Significant event subsequent to the financial period**

There is no significant event subsequent to the financial period.

Affin Hwang Investment Bank Berhad  
(Incorporated in Malaysia)

Notes to the unaudited condensed interim financial statements  
for the financial period ended 31 March 2024

12. Securities portfolio

(i) Financial assets at fair value through profit or loss ("FVTPL")

	The Group		The Bank	
	31-03-2024	31-12-2023	31-03-2024	31-12-2023
	RM'000	RM'000	RM'000	RM'000
At fair value				
Money market instruments				
Malaysian government securities	32,557	-	32,557	-
Malaysian government islamic investment issues	1	-	1	-
	<u>32,558</u>	<u>-</u>	<u>32,558</u>	<u>-</u>
Quoted securities				
Unit trusts in Malaysia	1,266	1,257	-	-
Shares and warrants in Malaysia	131,122	89,123	131,122	89,123
	<u>132,388</u>	<u>90,380</u>	<u>131,122</u>	<u>89,123</u>
Unquoted securities				
Corporate bonds and/or Sukuk in Malaysia	1	2	1	2
Corporate bonds and/or Sukuk outside Malaysia	16,231	16,454	16,231	16,454
	<u>16,232</u>	<u>16,456</u>	<u>16,232</u>	<u>16,456</u>
	<u>181,178</u>	<u>106,836</u>	<u>179,912</u>	<u>105,579</u>

(ii) Financial investments at fair value through other comprehensive income ("FVOCI")

	The Group and the Bank	
	31-03-2024	31-12-2023
	RM'000	RM'000
At fair value		
Money market instruments		
Malaysian government islamic investment issues	992,883	1,362,482
Malaysian government securities	999,600	1,055,875
Cagamas bonds	29,946	65,450
	<u>2,022,429</u>	<u>2,483,807</u>
Unquoted securities		
Corporate bonds and/or Sukuk in Malaysia	1,814,435	1,902,608
Corporate bonds and/or Sukuk outside Malaysia	81,923	28,484
Shares in Malaysia ^	24,759	24,759
	<u>3,943,546</u>	<u>4,439,658</u>

^ Equity securities designated at fair value through other comprehensive income.

Included in the financial investments at FVOCI are Malaysian government islamic issue and Malaysian government securities, which are pledged as collateral for obligations on securities sold under repurchase agreements for the Group and the Bank amounting to RM Nil (31.12.2023: RM 858,900,000).

(a) The Group and the Bank designated certain equity investments at FVOCI as shown in the following table. The FVOCI designation was made as the investments were made for strategic purposes rather than with a view to profit on a subsequent sale, these strategic investment is more of medium term investment.

	The Group and the Bank	
	31-03-2024	31-12-2023
	RM'000	RM'000
Unquoted securities		
Shares in Malaysia:		
Cagamas Berhad	23,420	23,420
Malaysian Rating Corporation Berhad	1,339	1,339
	<u>24,759</u>	<u>24,759</u>

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12. Securities portfolio (continued)

(ii) Financial investments at fair value through other comprehensive income ("FVOCI") (continued)

(b) Movements in allowance for impairment which reflect the expected credit losses ("ECL") model on impairment are as follows:

The Group and the Bank 31-03-2024	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 beginning of the financial period	68	21,172	-	21,240
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	-	-	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	-	-	-	-
Derecognised during the financial period (other than write-offs)	-	-	-	-
New financial assets originated or purchased	16	-	-	16
Changes due to change in credit risk	5	3	-	8
Changes due to change in model/risk parameters	(38)	(34)	-	(72)
Write-offs	-	-	-	-
Other adjustments:				
- Foreign exchange and other adjustments	-	-	-	-
At end of the financial period	51	21,141	-	21,192

The Group and the Bank 31-12-2023	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 beginning of the financial year	803	18,376	-	19,179
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(196)	196	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	(196)	196	-	-
Derecognised during the financial period (other than write-offs)	(69)	-	-	(69)
New financial assets originated or purchased	346	-	-	346
Changes due to change in credit risk	(803)	2,619	-	1,816
Changes due to change in model/risk parameters	(13)	(19)	-	(32)
At end of the financial year	68	21,172	-	21,240

The gross carrying amount of financial investments at FVOCI is at fair value. ECL are provided based on Exposure at Default ("EAD") of the assets. ECL is recognised in reserves with the corresponding entry to income statement.

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12. Securities portfolio (continued)

(ii) Financial investments at fair value through other comprehensive income ("FVOCI") (continued)

(c) Movements in the gross carrying amount of financial investments that contributed to changes in the expected credit losses ("ECL") 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
The Group and the Bank 31-03-2024				
At beginning of the financial period	4,267,354	147,545	-	4,414,899
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	-	-	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	-	-	-	-
Derecognised during the financial year (other than write-offs)	(745,324)	(5,041)	-	(750,365)
New financial assets originated or purchased	240,705	-	-	240,705
Changes in interest accruals and accretion/amortisation	2,701	(902)	-	1,799
Changes due to change in fair value	11,720	59	-	11,779
Other adjustments:				
- Foreign exchange and other adjustments	(30)	-	-	(30)
At end of the financial period	3,777,126	141,661	-	3,918,787

	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 31-12-2023 RM'000
The Group and the Bank 31-12-2023				
At beginning of the financial year	3,450,924	100,662	-	3,551,586
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(51,028)	51,028	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	(51,028)	51,028	-	-
Derecognised during the financial year (other than write-offs)	(369,226)	-	-	(369,226)
New financial assets originated or purchased	1,175,929	-	-	1,175,929
Changes in interest accruals and accretion/amortisation	(21,661)	(4,999)	-	(26,660)
Changes due to change in fair value	82,217	854	-	83,071
Other adjustments:				
- Foreign exchange and other adjustments	199	-	-	199
At end of the financial year	4,267,354	147,545	-	4,414,899

The gross carrying amount of financial investments at FVOCI is at fair value. ECL is recognised in reserves with the corresponding entry to income statement.

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12. Securities portfolio (continued)

(iii) Financial investments at amortised cost

	The Group and the Bank	
	31-03-2024	31-12-2023
	RM'000	RM'000
At fair value		
Money market instruments		
Malaysian government islamic investment issues	150,420	149,318
Malaysian government securities	191,693	190,695
	342,113	340,013
Unquoted securities		
Corporate bonds and/or Sukuk in Malaysia	678,600	679,060
Corporate bonds and/or Sukuk outside Malaysia	37,115	37,786
Loan stocks in Malaysia	-	8,101
	1,057,828	1,064,960
Expected credit losses	(306)	(8,410)
	1,057,522	1,056,550

Included in the financial investments at amortised cost are Malaysian government securities, which are pledged as collateral for obligations on securities sold under repurchase agreements for the Group and the Bank amounting to RM 368,100,000 (31.12.2023: RM 10,000,000).

(a) Movements in allowance for impairment which reflect the expected credit losses (“ECL”) model on impairment are as follows:

The Group and the Bank	12-month	Lifetime ECL	Lifetime ECL	Total
	ECL	not Credit	Credit	
31-03-2024	Stage 1	Stage 2	Stage 3	RM'000
	RM'000	RM'000	RM'000	
At beginning of the financial period	309	-	8,101	8,410
Derecognised during the financial period (other than write-offs)	-	-	-	-
New financial assets originated or purchased	-	-	-	-
Changes due to change in credit risk	46	-	-	46
Changes due to change in model/risk parameters	-	-	(214)	(214)
Other adjustments	-	-	-	-
Writeoffs	-	-	(7,936)	(7,936)
At end of the financial period	355	-	(49)	306

The Group and the Bank	12-month	Lifetime ECL	Lifetime ECL	Total
	ECL	not Credit	Credit	
31-12-2023	Stage 1	Stage 2	Stage 3	RM'000
	RM'000	RM'000	RM'000	
At beginning of the financial year	849	-	15,560	16,409
Derecognised during the financial period (other than write-offs)	(12)	-	(7,064)	(7,076)
New financial assets originated or purchased	82	-	-	82
Changes due to change in credit risk	(496)	-	-	(496)
Changes due to change in model/risk parameters	(114)	-	-	(114)
Other adjustments	-	-	(395)	(395)
At end of the financial year	309	-	8,101	8,410

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12. Securities portfolio (continued)

(iii) Financial investments at amortised cost (continued)

(b) Movements in the gross carrying amount of financial assets that contributed to changes in the expected credit losses:

The Group and the Bank 31-03-2024	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 beginning of the financial period	1,056,859	-	8,101	1,064,960
Derecognised during the financial period (other than write-offs)	-	-	-	-
New originated or purchased	-	-	-	-
Changes due to interest accruals	1,634	-	-	1,634
Writeoffs	-	-	(7,936)	(7,936)
Foreign exchange and other adjustments	(665)	-	(165)	(830)
At end of the financial period	1,057,828	-	-	1,057,828

The Group and the Bank 31-12-2023	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 beginning of the financial year	880,496	-	15,560	896,056
Derecognised during the financial period (other than write-offs)	(160,632)	-	(7,064)	(167,696)
New financial assets originated or purchased	332,859	-	-	332,859
Changes in interest accruals and accretion/amortisation	2,565	-	-	2,565
Writeoffs	-	-	-	-
Foreign exchange and other adjustments	1,571	-	(395)	1,176
At end of the financial period	1,056,859	-	8,101	1,064,960

13. Loans and advances

(i) By Type of Loans

	The Group and the Bank	
	31-03-2024	31-12-2023
	RM'000	RM'000
Term loans:		
- Syndicated term loans	40,738	41,163
- Other term loans	147,649	144,143
Share margin financing	1,756,829	1,623,784
Revolving credits	187,477	189,339
Staff loans	5,626	6,054
Gross loans and advances	2,138,319	2,004,483
Less : expected credit losses	(51,231)	(50,703)
Total net loans and advances	2,087,088	1,953,780

(ii) By Type of Customers

Domestic business enterprises:		
- Small medium enterprises	77,408	63,388
- Others	432,546	387,726
Domestic non-bank financial institutions	359,419	363,246
Individuals	1,238,802	1,136,465
Foreign individuals	434	453
Foreign business enterprises	29,710	53,205
Total gross loans and advances	2,138,319	2,004,483

(iii) By Interest Rate Sensitivity

Fixed rate		
- Other fixed rate loans	48,202	47,359
- Housing loans	4,717	5,046
- Hire purchase receivables	909	1,008
Variable rate		
- Cost-plus	1,930,250	1,799,846
- BFR plus *	124,531	122,120
- Other floating rate	29,710	29,104
Total gross loans and advances	2,138,319	2,004,483

\* refers to Base Financing Rate (“BFR”) from Affin Bank.

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**13. Loans and advances (continued)**

		<b>The Group and the Bank</b>	
		<b>31-03-2024</b>	<b>31-12-2023</b>
		<b>RM'000</b>	<b>RM'000</b>
<b>(iv) By Economic Purpose</b>			
Purchase of securities		<b>1,808,644</b>	1,675,076
Purchase of landed properties of which			
- Residential		<b>4,717</b>	5,046
- Non-residential		<b>15,893</b>	19,650
Working capital		<b>68,508</b>	68,706
Construction		<b>9,151</b>	12,613
Purchase of transport vehicles		<b>23,445</b>	25,109
Others		<b>207,961</b>	198,283
<b>Total gross loans and advances</b>		<b>2,138,319</b>	2,004,483
<b>(v) By Economic Sectors</b>			
Household		<b>1,239,236</b>	1,136,917
Finance, insurance and business services		<b>417,878</b>	399,936
Real estate		<b>193,672</b>	149,932
Construction		<b>165,890</b>	193,993
Transport, storage and communication		<b>53,329</b>	54,645
Agriculture		<b>15,033</b>	18,274
Manufacturing		<b>28,991</b>	26,735
Wholesale, retail trade, hotels and restaurants		<b>6,599</b>	7,129
Education, health and others		<b>17,088</b>	16,335
Electricity, gas and water supply		<b>603</b>	587
<b>Total gross loans and advances</b>		<b>2,138,319</b>	2,004,483
<b>(vi) By Geographical Distribution</b>			
Wilayah Persekutuan		<b>1,439,209</b>	1,335,149
Selangor		<b>381,204</b>	372,212
Johor		<b>155,245</b>	135,747
Sarawak		<b>61,236</b>	54,664
Pulau Pinang		<b>33,690</b>	31,310
Sabah		<b>19,588</b>	24,599
Terengganu		<b>9,151</b>	12,613
Perak		<b>3,130</b>	2,811
Kedah		<b>3,612</b>	3,961
Negeri Sembilan		<b>2,544</b>	2,313
Labuan		<b>29,710</b>	29,104
<b>Total gross loans and advances</b>		<b>2,138,319</b>	2,004,483
<b>(vii) By Maturity Structure</b>			
Maturing within one year		<b>1,946,786</b>	1,808,939
One year to three years		<b>67,739</b>	71,699
Three years to five years		<b>30,267</b>	30,171
Over five years		<b>93,527</b>	93,674
<b>Total gross loans and advances</b>		<b>2,138,319</b>	2,004,483
<b>(viii) Movements of impaired loans and advances</b>			
At beginning of the financial period		<b>71,288</b>	78,325
Classified as impaired during the financial period		<b>12,287</b>	-
Amount recovered		<b>(1,106)</b>	(10,398)
Interest on credit impaired loans and advances		<b>1,169</b>	3,361
At end of the financial period		<b>83,638</b>	71,288
Gross impaired loans as a percentage of gross loans and advances		<b>3.91%</b>	3.56%
<b>(ix) Impaired loans and advances analysed by economic purpose</b>			
Working capital		<b>48,202</b>	47,359
Purchase of securities		<b>29,508</b>	18,032
Others		<b>5,928</b>	5,897
<b>Total impaired loans and advances</b>		<b>83,638</b>	71,288



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13. Loans and advances (continued)

		The Group and the Bank	
		31-03-2024	31-12-2023
		RM'000	RM'000
(x)	Impaired loans and advances analysed by economic sector		
	Construction	48,202	47,359
	Real estate	24,255	23,929
	Household	11,181	-
	Total impaired loans and advances	83,638	71,288
(xi)	Impaired loans and advances by geographical distribution		
	Sarawak	48,202	47,359
	Selangor	24,255	23,929
	Wilayah Persekutuan	11,181	-
	Total impaired loans and advances	83,638	71,288

(xii) Movement in expected credit losses for loans and advances

	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
The Group and the Bank 31-03-2024				
At beginning of the financial period	953	17,428	32,322	50,703
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	79	-	(79)	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	-	-	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	(2)	-	2	-
Total transfer between stages	77	-	(77)	-
Loans derecognised during the period (other than write-offs)	(84)	-	-	(84)
New loans originated or purchased	22	-	-	22
Changes due to change in credit risk	422	(1,226)	77	(727)
Other adjustments:				
- Foreign exchange and other adjustments	4	144	1,169	1,317
At end of the financial period	1,394	16,346	33,491	51,231

	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
The Group and the Bank 31-12-2023				
At beginning of the financial year	1,582	26,769	36,389	64,740
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(219)	219	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	(219)	219	-	-
Loans derecognised during the financial year (other than write-offs)	(205)	-	(3,172)	(3,377)
New loans originated or purchased	222	-	-	222
Changes due to change in credit risk	(165)	(9,362)	(4,256)	(13,783)
Changes due to change in model/risk parameters	(263)	(198)	-	(461)
Other adjustments:				
- Foreign exchange and other adjustments	1	-	3,361	3,362
At end of the financial year	953	17,428	32,322	50,703

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13. Loans and advances (continued)

(xiii) Movement in the gross carrying amount of financial assets that contributed to changes in the expected credit losses

The Group and the Bank 31-03-2024	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 beginning of the financial period	1,875,134	58,061	71,288	2,004,483
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	(12,228)	-	12,228	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	-	-	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	79	-	(79)	-
Total transfer between stages	(12,149)	-	12,149	-
Loans derecognised during the financial year (other than write-offs)	(24,461)	-	-	(24,461)
New loans originated or purchased	264,166	-	60	264,226
Changes due to change in credit risk	(100,938)	(6,760)	(1,027)	(108,725)
Changes in interest accrual				-
Write-offs	-	-	-	-
Other adjustments				
- Foreign exchange and other adjustments	935	693	1,168	2,796
At end of the financial period	2,002,687	51,994	83,638	2,138,319

The Group and the Bank 31-12-2023	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 beginning of the financial year	1,497,059	59,361	78,325	1,634,745
Transfer between stages due to change in credit risk:				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(23,534)	23,534	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	(23,534)	23,534	-	-
Loans derecognised during the financial year (other than write-offs)	(133,437)	-	(3,180)	(136,617)
New loans originated or purchased	1,023,354	-	-	1,023,354
Changes due to change in credit risk	(489,290)	(26,168)	(7,218)	(522,676)
Other adjustments				
- Foreign exchange and other adjustments	982	1,334	3,361	5,677
At end of the financial year	1,875,134	58,061	71,288	2,004,483

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14. Trade receivables

	The Group and the Bank	
	31-03-2024	31-12-2023
	RM'000	RM'000
Amount due from clients:		
- performing accounts	271,508	337,519
- impaired accounts (a)	183	114
Amount due from brokers	53,500	33,648
Amount due from Bursa Securities Clearing Sdn. Bhd.	166,562	26,475
	491,753	397,756
Less: expected credit losses	(261)	(223)
	491,492	397,533

(a) Movement of impaired amount due from clients

	The Group and the Bank	
	31-03-2024	31-12-2023
	RM'000	RM'000
At beginning of the financial period/year	114	941
Classified as impaired during the financial period/year	4,733	412
Amount recovered	(4,664)	(1,239)
At end of the financial period/year	183	114

(b) Movements in expected credit losses ("ECL") on trade receivables

The Group and the Bank 31-03-2024	Lifetime ECL not Credit Impaired RM'000	Lifetime ECL Credit Impaired RM'000	Total RM'000
At beginning of financial period	109	114	223
Allowance made	7	4,732	4,739
Amount written back	(37)	(4,664)	(4,701)
At end of financial period	79	182	261

  

The Group and the Bank 31-12-2023	Lifetime ECL not Credit Impaired RM'000	Lifetime ECL Credit Impaired RM'000	Total RM'000
At beginning of the financial year	71	685	756
Allowance made	94	412	506
Amount written back	(56)	(983)	(1,039)
At end of the financial year	109	114	223

15. Other assets

	The Group		The Bank	
	31-03-2024	31-12-2023	31-03-2024	31-12-2023
	RM'000	RM'000	RM'000	RM'000
Other debtors, deposits and prepayments	69,218	22,343	68,898	22,000
Collaterals pledged for derivatives transactions	-	2,700	-	2,700
Securities lending	52,950	37,478	52,950	37,478
Clearing guarantee fund	1,671	1,847	1,671	1,847
Clearing fund	2,906	2,745	2,906	2,745
Transferable membership	250	250	250	250
	126,995	67,363	126,675	67,020
Less : expected credit losses ("ECL")	(6,955)	(2,286)	(6,932)	(2,197)
	120,040	65,077	119,743	64,823

Movement in credit impaired accounts

	The Group		The Bank	
	31-03-2024	31-12-2023	31-03-2024	31-12-2023
	RM'000	RM'000	RM'000	RM'000
At beginning of the financial period/year	2,293	4,757	2,205	4,753
Classified as impaired during the financial period/year	-	-	-	-
Additional during the period	4,851	1,533	4,814	1,238
Amount recovered	(141)	(2,983)	(37)	(2,772)
Amount written off	-	(1,014)	-	(1,014)
At end of the financial period/year	7,003	2,293	6,982	2,205

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15. Other assets (continued)  
(a) Movements in expected credit losses ("ECL") on other assets

The Group 31-03-2024	Lifetime ECL not Credit Impaired RM'000	Lifetime ECL Credit Impaired RM'000	Total RM'000
At beginning of the financial period	14	2,272	2,286
Allowance made	53	4,850	4,903
Amount written back	(27)	(207)	(234)
At end of the financial period	40	6,915	6,955

The Group 31-12-2023	Lifetime ECL not Credit Impaired RM'000	Lifetime ECL Credit Impaired RM'000	Total RM'000
At beginning of the financial year	16	4,733	4,749
Allowance made	43	1,533	1,576
Amount written back	(45)	(2,980)	(3,025)
Amount written off	-	(1,014)	(1,014)
At end of the financial year	14	2,272	2,286

The Bank 31-03-2024	Lifetime ECL not Credit Impaired RM'000	Lifetime ECL Credit Impaired RM'000	Total RM'000
At beginning of the financial period	14	2,183	2,197
Allowance made	50	4,814	4,864
Amount written back	(25)	(104)	(129)
At end of the financial period	39	6,893	6,932

The Bank 31-12-2023	Lifetime ECL not Credit Impaired RM'000	Lifetime ECL Credit Impaired RM'000	Total RM'000
At beginning of the financial year	16	4,729	4,745
Allowance made	32	1,238	1,270
Amount written back	(33)	(2,770)	(2,804)
Amount written off	-	(1,014)	(1,014)
At end of the financial year	14	2,183	2,197

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16. Investment in subsidiaries

	31.03.2024 RM'000	31.12.2023 RM'000
Cost		
At beginning of the financial year	5,310	5,310
Additions	-	-
Disposal of a subsidiary	-	-
At the end of the financial period/year	5,310	5,310
Less: Accumulated impairment losses		
At beginning of the financial year	3,516	3,516
Impaired during the financial year	-	-
Disposal of a subsidiary	-	-
At the end of the financial period/year	3,516	3,516
Net carrying value		
At the end of the financial period/year	1,794	1,794

(a) During the financial period, no impairment losses was recognised (31.12.2023: Nil) for investments in Affin Hwang Nominees (Asing) Sdn. Bhd., Affin Hwang Nominees (Tempatan) Sdn. Bhd., AHC Global Sdn. Bhd. and AHC Associates Sdn. Bhd.

Details of entities that holds interest in Affin Hwang Trustee Berhad ("AHTB") are as follows:

	Percentage of equity held	
	31-03-2024	31-12-2023
Held by the Bank -	%	%
Affin Hwang Investment Bank Berhad	20	20
Held by subsidiaries of the Bank -		
Affin Hwang Nominees (Asing) Sdn. Bhd.	20	20
AHC Global Sdn. Bhd.	20	20
AHC Associates Sdn. Bhd.	20	20

At Group level, AHTB is deemed as wholly owned subsidiary of the Bank by virtue of its 100% effective equity interest in AHTB.

17. Investment in associates

	The Bank	
	31.03.2024 RM'000	31.12.2023 RM'000
Cost		
At beginning of the financial period/year		
Share of results of associate, net of tax	1,332	1,332
Net redemption investments in funds	-	-
At the end of the financial period/year	-	-
Less: Accumulated impairment losses		
At beginning of the financial period/year		
Impaired during the financial period/year (a)	960	960
At the end of the financial period/year	-	-
Net carrying value	960	960
At the end of the financial period/year	372	372

(a) During the financial period, no impairment losses was recognised (31.12.2023: Nil) for investment in AHTB. Recoverable amount is tested annually or more frequently if events, or changes in circumstances indicate that impairment might be required. Management has assessed the recoverable amount of AHTB based on its VIU, calculated based on the cash flow projections derived from the financial budgets and business plans prepared by management that were updated to reflect the most recent market developments. The impairment test has indicated no impairment loss for the financial year period.

(b) Information about associates:

The Bank Name	Principal Activities	Issued and paid up share capital RM'000	Percentage of equity held	
			31-03-2024 %	31-12-2023 %
Affin Hwang Trustee Berhad ("AHTB") #	Provision of trustee services	6,500	20%	20%

# The associate company is deemed as a wholly owned subsidiary of the Bank at Group level by virtue of the 20% shareholding by each of the subsidiary companies of the Bank as disclosed in Note 16 to the condensed interim financial statements.

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18. Deposits from customers

		The Group and the Bank	
		31-03-2024	31-12-2023
		RM'000	RM'000
(i)	By Type of Deposits		
	Fixed deposits	3,922,498	3,777,394
	Negotiable instruments of deposits	1,107,246	1,004,305
	Other deposits	24,542	19,794
		5,054,286	4,801,493
(ii)	By Maturity Structure		
	Due within six months	4,217,067	3,921,919
	Six months to one year	280,662	326,359
	One year to three years	556,557	553,215
		5,054,286	4,801,493
(iii)	By Type of Customer		
	Domestic non-banking financial institutions	2,490,385	2,326,611
	Business enterprises	1,025,762	1,107,866
	Domestic banking institutions	1,107,246	1,004,305
	Government and statutory bodies	377,816	308,574
	Individuals	39,907	39,514
	Foreign entities	5,339	7,294
	Other entities	7,831	7,329
		5,054,286	4,801,493

19. Deposits and placements of banks and other financial institutions

		The Group and the Bank	
		31-03-2024	31-12-2023
		RM'000	RM'000
	Licensed banks	918,809	1,376,318
	Licensed investment banks	100,747	168,851
		1,019,556	1,545,169

20. Trade payables

		The Group and the Bank	
		31-03-2024	31-12-2023
		RM'000	RM'000
	Amount due to clients	234,554	174,921
	Amount due to brokers	133,141	39,179
		367,695	214,100

Trade payables include amount payable under outstanding contracts from the stock and share broking activities and amounts due to unit trust funds and unit holders from asset management activities. The credit terms of amounts due to creditors range from 1 to 30 days (2023: 1 to 30 days).

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21. Other liabilities

	The Group		The Bank	
	31-03-2024	31-12-2023	31-03-2024	31-12-2023
	RM'000	RM'000	RM'000	RM'000
Commissioned dealer's representative trust balances	58,512	64,818	58,512	64,818
Amounts payable to commissioned and salaried dealer's representatives	55,672	58,775	55,672	58,775
Accrued employee benefit	22,240	33,122	22,072	32,896
Securities borrowing	210,874	151,709	210,874	151,709
Other creditors and accruals	52,708	53,114	51,860	52,051
Collaterals pledged for derivatives transactions	1,060	85,846	1,060	85,846
	401,066	447,384	400,050	446,095
Add: expected credit losses - loans commitments and financial guarantees	17,793	18,063	17,793	18,063
	418,859	465,447	417,843	464,158

Movement in expected credit losses ("ECL") on loans commitments and financial guarantees:

	12-month ECL Stage 1	Lifetime ECL not Credit Impaired Stage 2	Lifetime ECL Credit Impaired Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
The Group and the Bank 31-03-2024				
At beginning of the financial year	1	301	17,761	18,063
Changes due to change in credit risk :-				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	-	-	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	-	-	-	-
New loan commitments/financial guarantees issued	39	-	-	39
Changes due to change in credit risk	(8)	(301)	-	(309)
Changes in model/risk parameters	-	-	-	-
At end of the financial period	32	-	17,761	17,793

	12-month ECL Stage 1	Lifetime ECL not Credit Impaired Stage 2	Lifetime ECL Credit Impaired Stage 3	Total
	RM'000	RM'000	RM'000	RM'000
The Group and the Bank 31-12-2023				
At beginning of the financial year	69	-	17,925	17,994
Changes due to change in credit risk :-				
- Transfer to 12-month ECL (Stage 1)	-	-	-	-
- Transfer to Lifetime ECL not credit impaired (Stage 2)	(52)	52	-	-
- Transfer to Lifetime ECL credit impaired (Stage 3)	-	-	-	-
Total transfer between stages	(52)	52	-	-
New loan commitments/financial guarantees issued	181	-	-	181
Changes due to change in credit risk	(197)	378	(164)	17
Changes in model/risk parameters	-	(129)	-	(129)
At end of the financial year	1	301	17,761	18,063

22. Reserves

	The Group		The Bank	
	31-03-2024	31-12-2023	31-03-2024	31-12-2023
	RM'000	RM'000	RM'000	RM'000
FVOCI revaluation reserves (a)	(17,612)	(26,516)	(17,612)	(26,516)
Regulatory reserves (b)	21,881	20,728	21,881	20,728
	4,269	(5,788)	4,269	(5,788)
Retained profits	442,277	428,718	442,078	428,723
	446,546	422,930	446,347	422,935

- (a) The FVOCI revaluation reserves, net of deferred tax represent the unrealised gains or losses arising from a change in the fair value of investments classified as financial investments at FVOCI, as well as the expected credit loss allowance for financial investments at FVOCI. The gains or losses are transferred to the income statement upon disposal or when the securities becomes impaired.
- (b) Pursuant to BNM Financial Reporting policy dated 29 April 2022, the Group and the Bank shall maintain, in aggregate, loss allowance for non-credit-impaired exposures and regulatory reserves of no less than 1% of all credit exposures, net of loss allowance for credit-impaired exposures.

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23. Interest income

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Loans and advances	31,412	24,360	31,412	24,360
Money at call and deposit placements with financial institutions	7,218	5,259	7,218	5,259
Financial investments at FVOCI	35,684	27,950	35,684	27,950
Financial investments at amortised cost	12,081	10,828	12,081	10,828
Others	1,356	1,196	1,356	1,196
	87,751	69,593	87,751	69,593
of which:				
Interest income earned on impaired loans and advances	83	481	83	481

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Loans and advances	31,412	24,360	31,412	24,360
Money at call and deposit placements with financial institutions	7,208	5,253	7,208	5,253
Financial investments at FVOCI	35,684	27,950	35,684	27,950
Financial invesments at amortised cost	12,081	10,828	12,081	10,828
Others	1,356	1,196	1,356	1,196
	87,741	69,587	87,741	69,587
of which:				
Interest income earned on impaired loans and advances	83	481	83	481

24. Interest expense

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Deposits from customers	52,082	43,907	52,082	43,907
Deposits and placements of banks and other financial institutions	11,952	4,290	11,952	4,290
Deposits on obligations on securities sold under repurchase agreements	4,778	970	4,778	970
Lease liabilities	146	120	146	120
Others	2,848	1,127	2,848	1,127
	71,806	50,414	71,806	50,414

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Deposits from customers	52,082	43,907	52,082	43,907
Deposits and placements of banks and other financial institutions	11,952	4,290	11,952	4,290
Obligations on securities sold under repurchase agreements	4,778	970	4,778	970
Lease liabilities	146	120	146	120
Others	2,848	1,127	2,848	1,127
	71,806	50,414	71,806	50,414



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25. Net fee and commission income

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Fee and commission income				
Net brokerage income	16,567	11,739	16,567	11,739
Loans related fees	4,189	3,390	4,189	3,390
Placement fees	1,370	1,365	1,370	1,365
Corporate advisory fees	2,467	1,057	2,467	1,057
Underwriting commissions	-	647	-	647
Arrangement fees	325	427	325	427
Others	2,969	2,588	2,969	2,588
	27,887	21,213	27,887	21,213

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Fee and commission income				
Net brokerage income	16,567	11,739	16,567	11,739
Loans related fees	4,189	3,390	4,189	3,390
Placement fees	1,370	1,365	1,370	1,365
Corporate advisory fees	2,467	1,057	2,467	1,057
Underwriting commissions	-	647	-	647
Arrangement fees	325	427	325	427
Others	2,591	2,331	2,591	2,331
	27,509	20,956	27,509	20,956

26. Net gains and losses on financial instruments

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Gains/(Losses) arising on financial assets at FVTPL				
- net gains on disposal	8,520	5,813	8,520	5,813
- unrealised loss	(417)	(2,864)	(417)	(2,864)
- gross dividend income	174	131	174	131
- interest income	6,694	4,599	6,694	4,599
Gains/(Losses) on derivative instruments				
- net (loss)/gain on disposal	(467)	91	(467)	91
- unrealised gain/(loss)	4,923	(153)	4,923	(153)
- interest income	4,068	2,182	4,068	2,182
- interest expense	(3,612)	(1,478)	(3,612)	(1,478)
Gains arising on financial investments at FVOCI				
- net (loss)/gain on disposal	(153)	416	(153)	416
	19,730	8,737	19,730	8,737

\* Included in gross dividend income arising from financial investments at FVOCI are dividend income from equity instruments designated at FVOCI held during the financial period amounting to RM0.15 million (30-06-2022 : RM0.29 million).

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26. Net gains and losses on financial instruments (continued)

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Gains/(Losses) arising on financial assets at FVTPL				
- net gain on disposal	8,520	5,813	8,520	5,813
- unrealised loss	(417)	(2,870)	(417)	(2,870)
- gross dividend income	174	123	174	123
- interest income	6,686	4,599	6,686	4,599
Gains/(Losses) on derivative instruments				
- net (loss)/gain on disposal	(467)	91	(467)	91
- unrealised gain/(loss)	4,923	(153)	4,923	(153)
- interest income	4,068	2,182	4,068	2,182
- interest expense	(3,612)	(1,478)	(3,612)	(1,478)
Gains arising on financial investments at FVOCI				
- net (loss)/gain on disposal	(153)	416	(153)	416
	19,722	8,723	19,722	8,723

27. Other operating income

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Foreign exchange gains/(losses)				
- realised	64,018	(6,557)	64,018	(6,557)
- unrealised	(61,161)	8,081	(61,161)	8,081
Gains on disposal of property and equipment	70	1	70	1
Others	30	(18)	30	(18)
	2,957	1,507	2,957	1,507

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	30-09-2023	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Foreign exchange gains/(losses)				
- realised	64,018	(6,557)	64,018	(6,557)
- unrealised	(61,161)	8,081	(61,161)	8,081
Gains on disposal of property and equipment	-	1	-	1
Others	22	(18)	22	(18)
	2,879	1,507	2,879	1,507

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28. Other operating expenses

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
<b>Personnel costs</b>				
Salaries, allowances and bonuses	16,414	15,073	16,414	15,073
Defined contribution plan	2,709	2,461	2,709	2,461
Other personnel costs	2,850	1,995	2,850	1,995
	<u>21,973</u>	<u>19,529</u>	<u>21,973</u>	<u>19,529</u>
<b>Marketing expenses</b>				
Business promotion and advertisement	148	191	148	191
Brokerage expenses	95	50	95	50
Entertainment	206	79	206	79
Travelling and accomodation	228	80	228	80
	<u>677</u>	<u>400</u>	<u>677</u>	<u>400</u>
<b>Establishment cost</b>				
Repair and maintenance	2,166	2,114	2,166	2,114
Rental of premises and equipment	922	1,781	922	1,781
Depreciation – ROU	1,927	1,405	1,927	1,405
Depreciation of property and equipment	607	664	607	664
Electricity, water and sewerage	269	374	269	374
Insurance and indemnities	331	132	331	132
Amortisation of intangible assets	200	206	200	206
	<u>6,422</u>	<u>6,676</u>	<u>6,422</u>	<u>6,676</u>
<b>Administration and general expenses</b>				
Subscription fees	2,787	2,536	2,787	2,536
Telecommunication expenses	2,684	1,993	2,684	1,993
Professional fees	945	1,170	945	1,170
Directors' remuneration	522	572	522	572
Auditors' remuneration	158	154	158	154
Management fees #	4,995	5,589	4,995	5,589
Others	883	673	883	673
	<u>12,974</u>	<u>12,687</u>	<u>12,974</u>	<u>12,687</u>
<b>Total other operating expenses</b>	<u>42,046</u>	<u>39,292</u>	<u>42,046</u>	<u>39,292</u>

# The Group and the Bank incur intercompany charges for shared operating costs of Affin Banking Group in Malaysia. The services received for group shared services are in respect of Finance, Company Secretary, Legal, People Office, Procurement, Admin & Facility Management, Information Technology, Corporate Affairs, Internal Audit, Risk Management, Compliance, Treasury & Markets effective from 1 October 2022, and Customer Service Unit (Retail Business, Securities) effective from 1 April 2023.

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28. Other operating expenses (continued)

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-to-date	Period-to-date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
<b>Personnel costs</b>				
Salaries, allowances and bonuses	16,194	14,934	16,194	14,934
Defined contribution plan	2,677	2,437	2,677	2,437
Other personnel costs	2,824	1,973	2,824	1,973
	<u>21,695</u>	<u>19,344</u>	<u>21,695</u>	<u>19,344</u>
<b>Marketing expenses</b>				
Business promotion and advertisement	148	191	148	191
Brokerage expenses	88	39	88	39
Entertainment	206	79	206	79
Travelling and accomodation	228	80	228	80
	<u>670</u>	<u>389</u>	<u>670</u>	<u>389</u>
<b>Establishment cost</b>				
Repair and maintenance	2,154	2,097	2,154	2,097
Rental of premises and equipment	922	1,756	922	1,756
Depreciation – ROU	1,927	1,405	1,927	1,405
Depreciation of property and equipment	607	675	607	675
Electricity, water and sewerage	269	374	269	374
Insurance and indemnities	331	132	331	132
Amortisation of intangible assets	188	193	188	193
	<u>6,398</u>	<u>6,632</u>	<u>6,398</u>	<u>6,632</u>
<b>Administration and general expenses</b>				
Subscription fees	2,782	2,527	2,782	2,527
Telecommunication expenses	2,684	1,990	2,684	1,990
Professional fees	939	1,154	939	1,154
Directors' remuneration	522	572	522	572
Auditors' remuneration	150	150	150	150
Management fees #	4,995	5,589	4,995	5,589
Others	883	671	883	671
	<u>12,955</u>	<u>12,653</u>	<u>12,955</u>	<u>12,653</u>
<b>Total other operating expenses</b>	<u>41,718</u>	<u>39,018</u>	<u>41,718</u>	<u>39,018</u>

# The Group and the Bank incur intercompany charges for shared operating costs of Affin Banking Group in Malaysia. The services received for group shared services are in respect of Finance, Company Secretary, Legal, People Office, Procurement, Admin & Facility Management, Information Technology, Corporate Affairs, Internal Audit, Risk Management, Compliance, Treasury & Markets effective from 1 October 2022, and Customer Service Unit (Retail Business, Securities) effective from 1 April 2023.

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29. Allowances for credit impairment losses on financial assets

	The Group			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-To-Date	Period-To-Date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Expected credit losses (made)/written-back on:				
- loans and advances	641	603	641	603
- trade receivables	(38)	342	(38)	342
- financial investments	52	7,206	52	7,206
- other assets	(4,669)	(300)	(4,669)	(300)
- loans commitments and financial guarantees	270	(141)	270	(141)
Bad debts recovered	27	233	27	233
Bad debts written off	-	(5)	-	(5)
	(3,717)	7,938	(3,717)	7,938

	The Bank			
	Individual Quarter		Cumulative Quarter	
	Current	Preceding Year	Current	Preceding Year
	Financial	Corresponding	Financial	Corresponding
	Period Ended	Period Ended	Period-To-Date	Period-To-Date
	31-03-2024	31-03-2023	31-03-2024	31-03-2023
	RM'000	RM'000	RM'000	RM'000
Expected credit losses (made)/written-back on:				
- loans and advances	641	603	641	603
- trade receivables	(38)	342	(38)	342
- financial investments	52	7,206	52	7,206
- other assets	(4,735)	(303)	(4,735)	(303)
- loans commitments and financial guarantees	270	(141)	270	(141)
Bad debts recovered	27	233	27	233
	(3,783)	7,940	(3,783)	7,940

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30. Capital adequacy

The total capital and capital adequacy ratios of the Group and the Bank are computed in accordance with Bank Negara Malaysia's Capital Adequacy Framework (Capital Components) updated on 15 December 2023.

The Group and the Bank are currently adopting Standardised Approach for Credit Risk and Market Risk and the Basic Indicator Approach for Operational Risk.

The Group and the Bank have elected to apply transitional arrangements for four financial years beginning on 1 January 2020. Under the transitional arrangements, the amount of loss allowances measured at an amount equal to 12-month ECL and lifetime ECL to the extent they are ascribed to non-credit-impaired exposures (which is Stage 1 and Stage 2 provisions), is allowed to be added back in the calculation of CET1 capital ratio.

The Group's and the Bank's objectives when managing capital are:

- To comply with the capital requirements set by the regulators of the banking markets where the entities within the Group and the Bank operates;
- To safeguard the Group's and the Bank's ability to continue as a going concern so that it can continue to provide returns for shareholders and benefits for other stakeholders; and
- To maintain a strong capital base to support the development of its business.

The table below summarises the composition of regulatory capital and the ratios of the Group and of the Bank:

	The Group		The Bank	
	31-03-2024	31-12-2023	31-03-2024	31-12-2023
	RM'000	RM'000	RM'000	RM'000
<b>Basel III</b>				
<b>Common Equity Tier (CET) 1 Capital :</b>				
Share capital	999,800	999,800	999,800	999,800
Other reserves	20,728	20,728	20,728	20,728
Foreign exchange translation reserves	-	-	-	-
Retained profits	428,718	428,718	428,723	428,723
Unrealised losses on FVOCI instruments	(17,612)	(26,516)	(17,612)	(26,516)
	<u>1,431,634</u>	<u>1,422,730</u>	<u>1,431,639</u>	<u>1,422,735</u>
Less : Regulatory adjustments				
Goodwill and other intangible assets	(307,128)	(307,321)	(307,104)	(307,285)
Investment in subsidiaries/associates	-	-	(2,166)	(2,166)
Regulatory reserves	(21,881)	(20,728)	(21,881)	(20,728)
Deferred tax assets	(34,861)	(27,652)	(34,861)	(27,652)
Other CET1 regulatory adjustments specified by BNM	-	8,101	-	8,113
<b>Total CET 1 capital/Total Tier 1 Capital (a)</b>	<u>1,067,764</u>	<u>1,075,130</u>	<u>1,065,627</u>	<u>1,073,017</u>
<b>Tier 2 capital</b>				
Qualifying loss provisions #	19,500	19,353	19,480	19,336
<b>Total Tier 2 capital (b)</b>	<u>19,500</u>	<u>19,353</u>	<u>19,480</u>	<u>19,336</u>
<b>Total Capital (a) + (b)</b>	<u>1,087,264</u>	<u>1,094,483</u>	<u>1,085,107</u>	<u>1,092,353</u>

# Qualifying loss provisions are restricted to allowances on unimpaired portion of the loans and advances.

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30. Capital adequacy (continued)

Breakdown of risk-weighted assets in the various categories of risk-weights:	The Group		The Bank	
	31-03-2024 RM'000	31-12-2023 RM'000	30-03-2024 RM'000	31-12-2023 RM'000
Credit risk	1,560,039	1,548,262	1,558,360	1,546,887
Market risk	648,499	555,321	648,499	555,321
Operational risk	763,109	828,299	452,849	461,829
Total Risk-Weighted Assets	2,971,647	2,931,882	2,659,708	2,564,037
<b>Capital Ratios:</b>				
<u>With transitional arrangements</u>				
CET 1 capital ratio	35.932%	36.670%	40.066%	41.849%
Tier 1 capital ratio	35.932%	36.670%	40.066%	41.849%
Total capital ratio	36.588%	37.330%	40.798%	42.603%
CET 1 capital ratio (net of proposed dividends)	35.932%	36.670%	40.066%	41.849%
Tier 1 capital ratio (net of proposed dividends)	35.932%	36.670%	40.066%	41.849%
Total capital ratio (net of proposed dividends)	36.588%	37.330%	40.798%	42.603%
<u>Before transitional arrangements</u>				
CET 1 capital ratio	35.932%	36.394%	40.066%	41.532%
Tier 1 capital ratio	35.932%	36.394%	40.066%	41.532%
Total capital ratio	36.588%	37.054%	40.798%	42.286%
CET 1 capital ratio (net of proposed dividends)	35.932%	36.394%	40.066%	41.532%
Tier 1 capital ratio (net of proposed dividends)	35.932%	36.394%	40.066%	41.532%
Total capital ratio (net of proposed dividends)	36.588%	37.054%	40.798%	42.286%

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**31. Commitments and contingencies**

	The Group and The Bank	
	31-03-2024	31-12-2023
	Principal amount	Principal amount
	RM'000	RM'000
Transaction related contingent items	64,606	64,606
Forward asset purchases	-	-
Irrevocable commitments to extend credit:		
- maturity less than one year	77,021	26,321
- maturity more than one year	24,703	46,814
Interest rate related contracts:		
- less than one year	740,000	670,000
- one year to less than five years	2,382,000	2,512,000
Foreign exchange related contracts:		
- less than one year	4,794,867	11,496,621
- one year to less than five years	175,834	326,890
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice or that effectively provide for automatic cancellation due to deterioration in a borrower's creditworthiness	1,643,667	1,624,905
Equity related contracts:		
- less than one year	151,441	16,910
<b>Total</b>	<b>10,054,139</b>	<b>16,785,067</b>

**32. Credit exposures arising from transactions with connected parties**

In compliance with the requirement of BNM's guidelines on Credit Transactions and Exposures with Connected Parties for the Bank (Ref No: BNM/RH/GL 001-25), the following information as at 31 March 2024 are as follows:

(i) The aggregate value of outstanding credit exposures with connected parties (RM'000)	997,126
(ii) The percentage of outstanding credit exposures to connected parties as a proportion of credit exposures	14.5%
(iii) The percentage of outstanding credit exposures with connected parties which is non-performing or in default	Nil



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**33. Fair value measurements**

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy:-

- (a) Level 1 - Quoted prices (unadjusted) in active markets for identical assets and liabilities.
- (b) Level 2 - Quoted prices for identical or similar instruments in markets that are not active and model-derived valuations in which inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly.
- (c) Level 3 - Valuations derived from valuation techniques in which one or more significant inputs are not based on observable market data.

The Group 31-03-2024	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Assets</b>				
Financial assets at FVTPL				
- Money market instruments	-	32,558	-	32,558
- Corporate bonds or sukuk	-	16,232	-	16,232
- Shares, warrants and unit trusts	132,388	-	-	132,388
Financial investments at FVOCI				
- Money market instruments	-	2,022,429	-	2,022,429
- Corporate bonds or sukuk	-	1,896,358	-	1,896,358
- Shares	-	-	24,759	24,759
Derivative financial assets	-	57,306	-	57,306
<b>Total</b>	<b>132,388</b>	<b>4,024,883</b>	<b>24,759</b>	<b>4,182,030</b>
<b>Liabilities</b>				
Derivative financial liabilities	-	71,241	-	71,241
Other liabilities - equities trading	36	-	-	36
<b>Total</b>	<b>36</b>	<b>71,241</b>	<b>-</b>	<b>71,277</b>

The Group 31-12-2023	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
<b>Assets</b>				
Financial assets at FVTPL				
- Corporate bonds or sukuk	-	16,456	-	16,456
- Shares, warrants and unit trusts	90,380	-	-	90,380
Financial investments at FVOCI				
- Money market instruments	-	2,483,807	-	2,483,807
- Corporate bonds or sukuk	-	1,931,092	-	1,931,092
- Shares	-	-	24,759	24,759
Derivative financial assets	-	141,380	-	141,380
<b>Total</b>	<b>90,380</b>	<b>4,572,735</b>	<b>24,759</b>	<b>4,687,874</b>
<b>Liabilities</b>				
Derivative financial liabilities	-	82,340	-	82,340
Other liabilities -equities trading	981	-	-	981
<b>Total</b>	<b>981</b>	<b>82,340</b>	<b>-</b>	<b>83,321</b>

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**33. Fair value measurements (continued)**

The following table presents assets and liabilities measured at fair value and classified by level of the following fair value measurement hierarchy (continued):

<b>The Bank</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>31-03-2024</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>				
Financial assets at FVTPL				
- Money market instruments	-	32,558	-	32,558
- Corporate bonds or sukuk	-	16,232	-	16,232
- Shares, warrants and unit trusts	131,122	-	-	131,122
Financial investments at FVOCI				
- Money market instruments	-	2,022,429	-	2,022,429
- Corporate bonds or sukuk	-	1,896,358	-	1,896,358
- Shares	-	-	24,759	24,759
Derivative financial assets	-	57,306	-	57,306
<b>Total</b>	<b>131,122</b>	<b>4,024,883</b>	<b>24,759</b>	<b>4,180,764</b>
<b>Liabilities</b>				
Derivative financial liabilities	-	71,241	-	71,241
Other liabilities - equities trading	36	-	-	36
<b>Total</b>	<b>36</b>	<b>71,241</b>	<b>-</b>	<b>71,277</b>

  

<b>The Bank</b>	<b>Level 1</b>	<b>Level 2</b>	<b>Level 3</b>	<b>Total</b>
<b>31-12-2023</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>Assets</b>				
Financial assets at FVTPL				
- Corporate bonds or sukuk	-	16,456	-	16,456
- Shares, warrants and unit trusts	89,123	-	-	89,123
Financial investments at FVOCI				
- Money market instruments	-	2,483,807	-	2,483,807
- Corporate bonds or sukuk	-	1,931,092	-	1,931,092
- Shares	-	-	24,759	24,759
Derivative financial assets	-	141,380	-	141,380
<b>Total</b>	<b>89,123</b>	<b>4,572,735</b>	<b>24,759</b>	<b>4,686,617</b>
<b>Liabilities</b>				
Derivative financial liabilities	-	82,340	-	82,340
Other liabilities - equities trading	981	-	-	981
<b>Total</b>	<b>981</b>	<b>82,340</b>	<b>-</b>	<b>83,321</b>

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**33. Fair value measurements (continued)**

Financial instruments are classified as Level 1 if their value is observable in an active market. Such instruments are valued by reference to unadjusted quoted prices for identical assets or liabilities in active markets where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include actively traded listed equities and actively exchange-traded derivatives.

Where fair value is determined using unquoted market 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.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). Such inputs are generally determined based on observable inputs of a similar nature, historical observations on the level of the input or other analytical techniques.

This category includes unquoted shares held for socio economic reasons. Fair values for shares held for socio economic reasons are based on the net tangible assets of the affected companies. The Group's and the Bank's exposure to financial instruments classified as Level 3 comprised a small number of financial instruments which constitute an insignificant component of the Group's and the Bank's portfolio of financial instruments. Hence, changing one or more of the inputs to reasonable alternative assumptions would not change the value significantly for the financial assets in Level 3 of the fair value hierarchy.

The Group and the Bank recognise transfers between levels of the fair value hierarchy at the end of the reporting period during which the transfer has occurred. Transfers between fair value hierarchy primarily due to change in the level of trading activity, change in observable market activity related to an input, reassessment of available pricing information and change in the significance of the unobservable input. There were no transfers between Level 1, 2 and 3 of the fair value hierarchy during the financial period (2022: Nil).

The following table present the changes in Level 3 instruments for the financial period/year ended:-

	<b>The Group and The Bank</b>	
	<b>31-03-2024</b>	31-12-2023
	<b>RM'000</b>	RM'000
Opening	<b>24,759</b>	23,915
FVOCI revaluation reserves	-	844
Closing	<b>24,759</b>	24,759

**Effect of changes in significant unobservable assumptions to reasonably possible alternatives**

As at end of the current reporting date and last financial year ended 31 December 2023, financial instruments measured with valuation techniques using significant unobservable inputs (Level 3) are unquoted shares held for socio economic purpose.