

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION AS AT 30 SEPTEMBER 2023

| | Note | Group | | Bank | |
|--|------|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| ASSETS | | | | | |
| Cash and short-term funds | | 2,476,318 | 2,678,203 | 2,184,147 | 2,149,479 |
| Deposits and placements with banks and other financial institutions | | 255,608 | 198,012 | - | - |
| Financial assets at fair value through profit or loss ('FVTPL') | 8 | 985,605 | 880,028 | 122,998 | 71,822 |
| Financial assets at fair value through other comprehensive income ('FVOCI') | 9 | 690,654 | 280,036 | 685,424 | 277,307 |
| Financial investments at amortised costs | 10 | 798,757 | 957,408 | 798,757 | 957,408 |
| Loans and advances | 11 | 1,862,886 | 1,873,654 | 1,412,924 | 1,365,826 |
| Clients' and brokers' balances | 12 | 914,097 | 741,140 | 647,405 | 641,294 |
| Other assets | 13 | 183,171 | 142,916 | 33,155 | 63,745 |
| Derivative assets | | 7,630 | 1,275 | 5,822 | 716 |
| Statutory deposits | | 53,558 | 44,381 | 49,000 | 40,100 |
| Tax recoverable | | 34,036 | 36,172 | 31,618 | 31,382 |
| Deferred tax assets | | 18,520 | 16,875 | 10,367 | 8,381 |
| Investments in subsidiaries | | - | - | 695,344 | 699,324 |
| Investments in associates and joint venture | | 4,827 | 4,721 | 5,028 | 5,028 |
| Right-of-use assets | | 13,099 | 16,532 | 5,763 | 6,951 |
| Property, plant and equipment | | 36,200 | 36,749 | 16,770 | 20,001 |
| Goodwill and other intangible assets | | 497,975 | 497,661 | 402,872 | 403,716 |
| TOTAL ASSETS | | 8,832,941 | 8,405,763 | 7,107,394 | 6,742,480 |
| LIABILITIES AND EQUITY | | | | | |
| Deposits from customers | 14 | 1,093,530 | 1,289,098 | 1,093,530 | 1,289,098 |
| Deposits and placements of banks and other financial institutions | 15 | 3,250,434 | 1,918,878 | 3,250,434 | 1,918,878 |
| Obligations on securities sold under repurchase agreements | | - | 789,281 | - | 789,281 |
| Clients' and brokers' balances | | 960,174 | 776,789 | 713,242 | 692,619 |
| Other liabilities | 16 | 484,155 | 599,694 | 187,671 | 230,235 |
| Derivative liabilities | | 62,989 | 19,746 | 60,730 | 10,277 |
| Tax liabilities | | 3,726 | 6,061 | - | - |
| Lease liabilities | | 12,963 | 16,745 | 5,915 | 7,125 |
| Borrowings | | 634,185 | 755,916 | - | - |
| Subordinated obligations | | 102,207 | 101,097 | 102,207 | 101,097 |
| TOTAL LIABILITIES | | 6,604,363 | 6,273,305 | 5,413,729 | 5,038,610 |
| Share capital | | 1,220,000 | 1,220,000 | 1,220,000 | 1,220,000 |
| Reserves | | 996,924 | 901,877 | 473,665 | 483,870 |
| | | 2,216,924 | 2,121,877 | 1,693,665 | 1,703,870 |
| Non-controlling interests | | 11,654 | 10,581 | - | - |
| TOTAL EQUITY | | 2,228,578 | 2,132,458 | 1,693,665 | 1,703,870 |
| TOTAL LIABILITIES AND EQUITY | | 8,832,941 | 8,405,763 | 7,107,394 | 6,742,480 |
| COMMITMENTS AND CONTINGENCIES | 27 | 1,651,817 | 2,178,321 | 1,338,936 | 1,867,243 |

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| Group | Note | 3rd Quarter Ended | | Nine Months Ended | |
|---|-------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest income | 17 | 73,020 | 57,950 | 210,734 | 163,517 |
| Interest expense | 18 | (50,206) | (34,385) | (149,669) | (88,774) |
| Net interest income | | 22,814 | 23,565 | 61,065 | 74,743 |
| Fee and commission income | 19 | 135,589 | 142,345 | 392,534 | 430,124 |
| Fee and commission expense | 20 | (35,384) | (38,937) | (100,885) | (116,712) |
| Other operating income | 21 | 41,778 | 37,438 | 144,167 | 70,399 |
| | | 164,797 | 164,411 | 496,881 | 458,554 |
| Other operating expenses | 22 | (132,517) | (128,445) | (393,695) | (379,217) |
| Operating profit before allowances | | 32,280 | 35,966 | 103,186 | 79,337 |
| Allowance written back/(made) | | | | | |
| for expected credit losses | 23 | 109 | 543 | 5,348 | (634) |
| Impairment loss on other non-financial assets | 24 | - | (13) | - | (13) |
| | | 32,389 | 36,496 | 108,534 | 78,690 |
| Share of results of associates | | 42 | 16 | 106 | 46 |
| Profit before taxation | | 32,431 | 36,512 | 108,640 | 78,736 |
| Taxation | | (9,019) | (12,631) | (19,204) | (26,875) |
| Profit from continuing operations | | 23,412 | 23,881 | 89,436 | 51,861 |
| Profit from discontinued operation | | | | | |
| attributable to equity holder | | - | - | - | 20,848 |
| Net profit for the financial period | | 23,412 | 23,881 | 89,436 | 72,709 |
| Profit attributable to: | | | | | |
| - Equity holder of the Bank | 25 | 22,942 | 23,507 | 88,369 | 71,665 |
| - Non-controlling interests | | 470 | 374 | 1,067 | 1,044 |
| | | 23,412 | 23,881 | 89,436 | 72,709 |
| Basic earnings per share (sen) | | | | | |
| - Continuing operations | 25 | 28.7 | 29.4 | 110.5 | 63.5 |
| - Discontinued operation | 25 | - | - | - | 26.1 |
| | | 28.7 | 29.4 | 110.5 | 89.6 |

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RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| Group | 3rd Quarter Ended | | Nine Months Ended | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Net profit for the financial period | 23,412 | 23,881 | 89,436 | 72,709 |
| Other comprehensive (loss)/income: | | | | |
| (a) Items that will not be reclassified to income statements: | | | | |
| (i) Actuarial gain/(loss) on defined benefit plan of subsidiaries | 2 | - | (522) | 93 |
| (ii) Financial assets at FVOCI, equity instruments: | | | | |
| - Unrealised net gain on revaluation | 120 | 136 | 2,262 | 2,036 |
| - Net loss on disposal | - | - | (271) | - |
| (b) Items that will be reclassified subsequently to income statements: | | | | |
| (i) Foreign currency translation reserves: | | | | |
| - Currency translation differences | (7,417) | 20,063 | 42,794 | 37,742 |
| - Recycled to income statements on disposal of a subsidiary | - | - | - | (347) |
| (ii) Financial assets at FVOCI, debt instruments: | | | | |
| - Unrealised net (loss)/gain on revaluation | (281) | (677) | 1,229 | (9,309) |
| Income tax relating to components of other comprehensive (income)/loss | (93) | 162 | (534) | 2,464 |
| Other comprehensive (loss)/income, net of tax, for the financial period | (7,669) | 19,684 | 44,958 | 32,679 |
| Total comprehensive income for the financial period | 15,743 | 43,565 | 134,394 | 105,388 |
| Total comprehensive income attributable to: | | | | |
| - Equity holder of the Bank | 15,492 | 43,103 | 133,327 | 104,216 |
| - Non-controlling interests | 251 | 462 | 1,067 | 1,172 |
| | 15,743 | 43,565 | 134,394 | 105,388 |
| Total comprehensive income attributable to equity holder of the Bank from: | | | | |
| - Continuing operations | 15,492 | 43,103 | 133,327 | 83,362 |
| - Discontinued operation | - | - | - | 20,854 |
| | 15,492 | 43,103 | 133,327 | 104,216 |

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

RHB INVESTMENT BANK BERHAD
 Incorporated in Malaysia
 Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENT
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| Bank | Note | 3rd Quarter Ended | | Nine Months Ended | |
|---|-------------|--------------------------|--------------------------|--------------------------|--------------------------|
| | | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| Interest income | 17 | 58,888 | 47,417 | 169,199 | 132,733 |
| Interest expense | 18 | (38,648) | (27,870) | (115,466) | (73,831) |
| Net interest income | | 20,240 | 19,547 | 53,733 | 58,902 |
| Fee and commission income | 19 | 57,483 | 53,400 | 156,975 | 160,109 |
| Fee and commission expense | 20 | (4,322) | (2,748) | (7,813) | (6,041) |
| Other operating income | 21 | 31,001 | 28,457 | 67,352 | 52,325 |
| | | 104,402 | 98,656 | 270,247 | 265,295 |
| Other operating expenses | 22 | (77,741) | (74,382) | (231,107) | (221,150) |
| Operating profit before allowances | | 26,661 | 24,274 | 39,140 | 44,145 |
| Allowance (made)/written back for expected credit losses | 23 | (223) | 387 | (390) | (1,231) |
| Impairment loss on other non-financial assets | 24 | (3,970) | (494) | (3,970) | (1,822) |
| Profit before taxation | | 22,468 | 24,167 | 34,780 | 41,092 |
| Taxation | | (6,464) | (9,641) | (9,073) | (16,716) |
| Net profit for the financial period | | 16,004 | 14,526 | 25,707 | 24,376 |

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

RHB INVESTMENT BANK BERHAD
 Incorporated in Malaysia
 Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| Bank | 3rd Quarter Ended | | Nine Months Ended | |
|---|--------------------------|--------------------------|--------------------------|--------------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Net profit for the financial period | 16,004 | 14,526 | 25,707 | 24,376 |
| Other comprehensive (loss)/income: | | | | |
| (a) Item that will not be reclassified to income statement: | | | | |
| (i) Financial assets at FVOCI, equity instruments: | | | | |
| - Unrealised net gain on revaluation | - | - | 2,007 | 1,848 |
| - Net loss on disposal | - | - | (271) | - |
| (b) Item that will be reclassified subsequently to income statement: | | | | |
| (i) Financial assets at FVOCI, debt instruments: | | | | |
| - Unrealised net (loss)/gain on revaluation | (281) | (677) | 1,229 | (9,309) |
| Income tax relating to components of other comprehensive loss/(income) | 67 | 162 | (295) | 2,234 |
| Other comprehensive (loss)/income, net of tax, for the financial period | (214) | (515) | 2,670 | (5,227) |
| Total comprehensive income for the financial period | 15,790 | 14,011 | 28,377 | 19,149 |

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RHB INVESTMENT BANK BERHAD
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 Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

Attributable to the Equity Holder of the Bank

| Group | Note | Share capital | Statutory reserves | FVOCI reserves | Capital contribution by ultimate holding company | Translation reserves | Regulatory reserves | Retained profits | Total | Non-controlling interests | Total |
|---|-------------|----------------------|---------------------------|-----------------------|---|-----------------------------|----------------------------|-------------------------|------------------|----------------------------------|------------------|
| | | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at 1 January 2023 | | 1,220,000 | 515 | 35,601 | 827 | 73,605 | 29,766 | 761,563 | 2,121,877 | 10,581 | 2,132,458 |
| Net profit for the financial period | | - | - | - | - | - | - | 88,369 | 88,369 | 1,067 | 89,436 |
| Foreign currency translation reserves: | | | | | | | | | | | |
| - Currency translation differences | | - | - | - | - | 42,832 | - | - | 42,832 | (38) | 42,794 |
| Financial assets at FVOCI: | | | | | | | | | | | |
| - Equity instruments | | | | | | | | | | | |
| - Unrealised net gain on revaluation | | - | - | 2,211 | - | - | - | - | 2,211 | 51 | 2,262 |
| - Net loss on disposal | | - | - | - | - | - | - | (271) | (271) | - | (271) |
| - Debt instruments | | | | | | | | | | | |
| - Unrealised net gain on revaluation | | - | - | 1,229 | - | - | - | - | 1,229 | - | 1,229 |
| Actuarial loss on defined benefit plan of subsidiaries | | - | - | - | - | - | - | (511) | (511) | (11) | (522) |
| Income tax relating to components of other comprehensive income | | - | - | (295) | - | - | - | (237) | (532) | (2) | (534) |
| Other comprehensive income/(loss), net of tax, for the financial period | | - | - | 3,145 | - | 42,832 | - | (1,019) | 44,958 | - | 44,958 |
| Total comprehensive income for the financial period | | - | - | 3,145 | - | 42,832 | - | 87,350 | 133,327 | 1,067 | 134,394 |
| Share-based payment expenses | | - | - | - | 1,720 | - | - | - | 1,720 | 6 | 1,726 |
| Transfer to regulatory reserves | | - | - | - | - | - | 1,278 | (1,278) | - | - | - |
| Dividend paid | 7 | - | - | - | - | - | - | (40,000) | (40,000) | - | (40,000) |
| Total transactions with owner | | - | - | - | 1,720 | - | 1,278 | (41,278) | (38,280) | 6 | (38,274) |
| Balance as at 30 September 2023 | | 1,220,000 | 515 | 38,746 | 2,547 | 116,437 | 31,044 | 807,635 | 2,216,924 | 11,654 | 2,228,578 |

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RHB INVESTMENT BANK BERHAD
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 Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

Attributable to Equity Holder of the Bank

| Group | Share capital | Statutory reserves | FVOCI reserves | Capital contribution by ultimate holding company | Translation reserves | Regulatory reserves | Retained profits | Total | Non-controlling interests | Total |
|---|----------------------|---------------------------|-----------------------|---|-----------------------------|----------------------------|-------------------------|---------------|----------------------------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at 1 January 2022 | 1,220,000 | 515 | 38,949 | - | 63,460 | 30,471 | 767,406 | 2,120,801 | 10,267 | 2,131,068 |
| Net profit for the financial period | - | - | - | - | - | - | 71,665 | 71,665 | 1,044 | 72,709 |
| Foreign currency translation reserves: | | | | | | | | | | |
| - Currency translation differences | - | - | - | - | 37,657 | - | - | 37,657 | 85 | 37,742 |
| - Recycled to income statements on disposal of a subsidiary | - | - | - | - | (347) | - | - | (347) | - | (347) |
| Financial assets at FVOCI: | | | | | | | | | | |
| - Equity instruments | | | | | | | | | | |
| - Unrealised net gain on revaluation | - | - | 1,998 | - | - | - | - | 1,998 | 38 | 2,036 |
| - Debt instruments | | | | | | | | | | |
| - Unrealised net loss on revaluation | - | - | (9,309) | - | - | - | - | (9,309) | - | (9,309) |
| Actuarial gain on defined benefit plan of subsidiaries | - | - | - | - | - | - | 90 | 90 | 3 | 93 |
| Income tax relating to components of other comprehensive loss | - | - | 2,234 | - | - | - | 228 | 2,462 | 2 | 2,464 |
| Other comprehensive (loss)/income, net of tax, for the financial period | - | - | (5,077) | - | 37,310 | - | 318 | 32,551 | 128 | 32,679 |
| Total comprehensive (loss)/income for the financial period | - | - | (5,077) | - | 37,310 | - | 71,983 | 104,216 | 1,172 | 105,388 |
| Disposal of a subsidiary | - | - | - | - | - | - | - | - | (25) | (25) |
| Transfer from regulatory reserves | - | - | - | - | - | (851) | 851 | - | - | - |
| Share-based payment expenses | - | - | - | 453 | - | - | - | 453 | 1 | 454 |
| Dividend paid | - | - | - | - | - | - | (100,000) | (100,000) | - | (100,000) |
| Total transactions with owner | - | - | - | 453 | - | (851) | (99,149) | (99,547) | (24) | (99,571) |
| Balance as at 30 September 2022 | 1,220,000 | 515 | 33,872 | 453 | 100,770 | 29,620 | 740,240 | 2,125,470 | 11,415 | 2,136,885 |

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RHB INVESTMENT BANK BERHAD
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 Registration No. 197401002639 (19663-P)

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| | Non-Distributable | | | | Distributable | | Total RM'000 |
|---|-------------------|----------------------------|-----------------------------|--|----------------------------------|-------------------------------|------------------|
| | Note | Share capital RM'000 | FVOCI reserves RM'000 | Capital contribution by ultimate holding company RM'000 | Regulatory reserves RM'000 | Retained profits RM'000 | |
| Bank | | | | | | | |
| Balance as at 1 January 2023 | | 1,220,000 | 35,060 | 685 | 21,379 | 426,746 | 1,703,870 |
| Net profit for the financial period | | - | - | - | - | 25,707 | 25,707 |
| Financial assets at FVOCI: | | | | | | | |
| - Equity instruments | | | | | | | |
| - Unrealised net gain on revaluation | | - | 2,007 | - | - | - | 2,007 |
| - Net loss on disposal | | - | - | - | - | (271) | (271) |
| - Debt instruments | | | | | | | |
| - Unrealised net gain on revaluation | | - | 1,229 | - | - | - | 1,229 |
| Income tax relating to components of other comprehensive income | | - | (295) | - | - | - | (295) |
| Other comprehensive income/(loss), net of tax, for the financial period | | - | 2,941 | - | - | (271) | 2,670 |
| Total comprehensive income for the financial period | | - | 2,941 | - | - | 25,436 | 28,377 |
| Share-based payment expenses | | - | - | 1,418 | - | - | 1,418 |
| Transfer to regulatory reserves | | - | - | - | 394 | (394) | - |
| Dividend paid | 7 | - | - | - | - | (40,000) | (40,000) |
| Total transactions with owner | | - | - | 1,418 | 394 | (40,394) | (38,582) |
| Balance as at 30 September 2023 | | 1,220,000 | 38,001 | 2,103 | 21,773 | 411,788 | 1,693,665 |

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INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2022

| | Non-Distributable | | | Distributable | | Total RM'000 |
|--|----------------------------|-----------------------------|--|----------------------------------|-------------------------------|-----------------|
| | Share capital RM'000 | FVOCI reserves RM'000 | Capital contribution by ultimate holding company RM'000 | Regulatory reserves RM'000 | Retained profits RM'000 | |
| Bank | | | | | | |
| Balance as at 1 January 2022 | 1,220,000 | 38,642 | - | 21,030 | 481,289 | 1,760,961 |
| Net profit for the financial period | - | - | - | - | 24,376 | 24,376 |
| Financial assets at FVOCI: | | | | | | |
| - Equity instruments | | | | | | |
| - Unrealised net gain on revaluation | - | 1,848 | - | - | - | 1,848 |
| - Debt instruments | | | | | | |
| - Unrealised net loss on revaluation | - | (9,309) | - | - | - | (9,309) |
| Income tax relating to components of other comprehensive loss | - | 2,234 | - | - | - | 2,234 |
| Other comprehensive loss, net of tax, for the financial period | - | (5,227) | - | - | - | (5,227) |
| Total comprehensive (loss)/income for the financial period | - | (5,227) | - | - | 24,376 | 19,149 |
| Transfer to regulatory reserves | - | - | - | 1 | (1) | - |
| Share-based payment expenses | - | - | 362 | - | - | 362 |
| Dividend paid | - | - | - | - | (100,000) | (100,000) |
| Total transactions with owner | - | - | 362 | 1 | (100,001) | (99,638) |
| Balance as at 30 September 2022 | 1,220,000 | 33,415 | 362 | 21,031 | 405,664 | 1,680,472 |

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| | Note | Nine Months Ended | |
|---|------|-------------------|-------------------|
| | | 30 September 2023 | 30 September 2022 |
| | | RM'000 | RM'000 |
| Group | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before taxation: | | | |
| - Continuing operations | | 108,640 | 78,736 |
| - Discontinued operation | | - | 24,646 |
| | | 108,640 | 103,382 |
| Adjustments for non-operating and non-cash items | | (68,802) | (38,313) |
| Operating profit before working capital changes | | 39,838 | 65,069 |
| Changes in working capital: | | | |
| Net changes in operating assets | | (228,603) | (33,131) |
| Net changes in operating liabilities | | 451,281 | (87,898) |
| Cash generated from/(used in) operations | | 262,516 | (55,960) |
| Lease interest | | (495) | (704) |
| Net tax paid | | (21,447) | (48,056) |
| Net cash generated from/(used in) operating activities | | 240,574 | (104,720) |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Property, plant and equipment: | | | |
| - Purchases | | (5,139) | (9,555) |
| - Proceeds from disposal | | 135 | 3 |
| Purchases of other intangible assets | | (9,189) | (9,803) |
| Net (purchase of)/proceeds from financial assets at FVOCI and financial investments at amortised costs | | (246,101) | 310,928 |
| Net loss on disposal of financial assets at FVOCI, equity instruments | | (271) | - |
| Interest income received from financial assets at FVTPL, FVOCI and financial investments at amortised costs | | 34,806 | 44,327 |
| Dividend income received from financial assets at FVTPL and FVOCI | | 28,841 | 8,929 |
| Proceeds from disposal of a subsidiary, net of cash and cash equivalents received | | - | 26,652 |
| Contingent consideration paid arising from disposal of a subsidiary | 21 | (138) | (136) |
| Net cash (used in)/generated from investing activities | | (197,056) | 371,345 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Subordinated obligations interest paid | | (2,218) | (4,887) |
| Net (repayment)/drawdown of borrowings | | (156,624) | 89,066 |
| Borrowings interest paid | | (32,799) | (13,656) |
| Lease principal payment | | (7,819) | (7,792) |
| Dividend paid to shareholder | 7 | (40,000) | (100,000) |
| Net cash used in financing activities | | (239,460) | (37,269) |
| Net (decrease)/increase in cash and cash equivalents | | (195,942) | 229,356 |
| Effects of exchange rate differences | | (6,360) | (7,188) |
| Cash and cash equivalents: | | | |
| - At the beginning of the financial year | | 2,678,737 | 2,403,573 |
| - At the end of the financial period | | 2,476,435 | 2,625,741 |
| ANALYSIS OF CASH AND CASH EQUIVALENTS: | | | |
| Cash and short-term funds before expected credit losses ('ECL') | | 2,476,435 | 2,625,741 |
| Less: Allowance for ECL | | (117) | (175) |
| Cash and short-term funds, net of ECL | | 2,476,318 | 2,625,566 |
| Cash flows of discontinued operation | | - | (3,707) |

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

INTERIM FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

| | Note | Nine Months Ended | |
|---|------|-------------------|-------------------|
| | | 30 September 2023 | 30 September 2022 |
| | | RM'000 | RM'000 |
| Bank | | | |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | |
| Profit before taxation | | 34,780 | 41,092 |
| Adjustments for non-operating and non-cash items | | (35,680) | (20,216) |
| Operating (loss)/profit before working capital changes | | (900) | 20,876 |
| Changes in working capital: | | | |
| Net changes in operating assets | | (108,644) | 53,157 |
| Net changes in operating liabilities | | 379,991 | 454,056 |
| Cash generated from operations | | 270,447 | 528,089 |
| Lease interest | | (190) | (247) |
| Net tax paid | | (11,589) | (33,583) |
| Net cash generated from operating activities | | 258,668 | 494,259 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | |
| Property, plant and equipment: | | | |
| - Purchases | | (1,692) | (5,802) |
| - Proceeds from disposal | | 66 | - |
| Purchases of other intangible assets | | (5,258) | (6,941) |
| Net (purchase of)/proceeds from financial assets at FVOCI and financial investments at amortised costs | | (245,005) | 310,933 |
| Net loss from disposal of financial assets at FVOCI, equity instruments | | (271) | - |
| Interest income received from financial assets at FVTPL, FVOCI and financial investments at amortised costs | | 33,468 | 44,325 |
| Dividend income received from financial assets at FVTPL and FVOCI | | 844 | 1,445 |
| Dividend income received from subsidiaries | | 39,572 | 43,900 |
| Subscription of redeemable preference shares issued by a subsidiary | | - | (10,000) |
| Capital distributions from winding up subsidiaries | | 63 | 13,000 |
| Contingent consideration paid arising from disposal of a subsidiary | 21 | (138) | (136) |
| Net cash (used in)/generated from investing activities | | (178,351) | 390,724 |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | |
| Subordinated obligations interest paid | | (2,218) | (4,887) |
| Lease principal payment | | (3,437) | (3,691) |
| Dividend paid to shareholder | 7 | (40,000) | (100,000) |
| Net cash used in financing activities | | (45,655) | (108,578) |
| Net increase in cash and cash equivalents | | 34,662 | 776,405 |
| Cash and cash equivalents: | | | |
| - At the beginning of the financial year | | 2,149,517 | 1,518,690 |
| - At the end of the financial period | | 2,184,179 | 2,295,095 |
| ANALYSIS OF CASH AND CASH EQUIVALENTS: | | | |
| Cash and short-term funds before ECL | | 2,184,179 | 2,295,095 |
| Less: Allowance for ECL | | (32) | (39) |
| Cash and short-term funds, net of ECL | | 2,184,147 | 2,295,056 |

This Interim Financial Statements should be read in conjunction with the Audited Financial Statements for the financial year ended 31 December 2022.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023

1 Basis of Preparation

The interim financial statements are unaudited and have been prepared in compliance with Malaysian Financial Reporting Standard ('MFRS') 134, 'Interim Financial Reporting' issued by Malaysian Accounting Standards Board ('MASB') and should be read in conjunction with the audited financial statements of the Group and the Bank for the financial year ended 31 December 2022.

(a) The accounting policies and presentation adopted by the Group and the Bank for the interim financial statements are consistent with those adopted in the audited financial statements for the financial year ended 31 December 2022, except for the adoption of the following accounting standards, annual improvements and amendments to MFRS which are effective and applicable for the Group and the Bank for financial periods beginning on or after 1 January 2023:

- Amendments to MFRS 101, MFRS Practice Statement 2 and MFRS 108 on disclosure of accounting policies and definition of accounting estimates
- Amendments to MFRS 112 'Deferred Tax related to Assets and Liabilities arising from a Single Transaction'

The adoption of the above accounting standards, annual improvements and amendments do not give rise to any material financial impact to the Group and the Bank.

2 Auditors' Report

The auditors' report for the financial year ended 31 December 2022 was not subject to any qualification.

3 Seasonal or Cyclical Factors

The business operations of the Group and the Bank have not been affected by any material seasonal or cyclical factors.

4 Exceptional or Unusual Items

There were no exceptional or unusual items for the nine months ended 30 September 2023.

5 Changes in Estimates

There were no material changes in estimates of amounts reported in prior financial years that have a material effect for the nine months ended 30 September 2023.

6 Changes in Debt and Equity Securities

There were no issuances and repayments of debt and equity securities, share buy-back, share cancellations, shares held as treasury shares and resale of treasury shares for the nine months ended 30 September 2023.

7 Dividend Paid

The dividend paid by the Bank since 31 December 2022 was as follows:

In respect of the financial year ended 31 December 2022:

Single-tier interim dividend of 50.00 sen per ordinary share, paid on 27 March 2023

RM'000

40,000

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
Registration No. 197401002639 (19663-P)

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

8 Financial Assets at Fair Value Through Profit or Loss ('FVTPL')

| | Group | | Bank | |
|---|----------------------------|---------------------------|----------------------------|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| At fair value | | | | |
| <u>Money market instruments:</u> | | | | |
| Malaysian Government Securities | 3 | - | 3 | - |
| Malaysian Government Investment Issues | 5 | - | 5 | - |
| <u>Quoted securities:</u> | | | | |
| In Malaysia | | | | |
| Shares and exchange traded funds | 124,725 | 36,970 | 122,081 | 36,970 |
| Unit trusts | 13,806 | 26,947 | - | 8,558 |
| Outside Malaysia | | | | |
| Shares | 57,606 | 101,776 | 724 | 1,443 |
| Unit trusts | - | 24,849 | - | 24,849 |
| <u>Unquoted securities:</u> | | | | |
| In Malaysia | | | | |
| Prasarana bonds | 4 | - | 4 | - |
| Corporate bonds/Sukuk | 17,452 | 2 | 181 | 2 |
| Outside Malaysia | | | | |
| Private equity funds | 772,004 | 689,484 | - | - |
| | 985,605 | 880,028 | 122,998 | 71,822 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

9 Financial Assets at Fair Value Through Other Comprehensive Income ('FVOCI')

| | Note | Group | | Bank | |
|----------------------|------|-------------------|------------------|-------------------|------------------|
| | | As at | As at | As at | As at |
| | | 30 September 2023 | 31 December 2022 | 30 September 2023 | 31 December 2022 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| At fair value | | | | | |
| Debt instruments | (a) | 644,900 | 238,790 | 644,900 | 238,790 |
| Equity instruments | (b) | 45,754 | 41,246 | 40,524 | 38,517 |
| | | <u>690,654</u> | <u>280,036</u> | <u>685,424</u> | <u>277,307</u> |

(a) Debt instruments

Money market instruments:

| | | | | |
|--|--------|--------|--------|--------|
| Malaysian Government Securities | 60,582 | 59,356 | 60,582 | 59,356 |
| Malaysian Government Investment Issues | 40,269 | 39,598 | 40,269 | 39,598 |
| Sukuk Perumahan Kerajaan ('SPK') | - | 70,637 | - | 70,637 |

Unquoted securities:

In Malaysia

| | | | | |
|-----------------------|----------------|----------------|----------------|----------------|
| Corporate bonds/Sukuk | 489,836 | 15,242 | 489,836 | 15,242 |
| Prasarana bonds | 54,213 | 53,957 | 54,213 | 53,957 |
| | <u>644,900</u> | <u>238,790</u> | <u>644,900</u> | <u>238,790</u> |

(i) There are no allowance for ECL on FVOCI, debt instruments as all instruments are guaranteed by the Government of Malaysia.

(ii) Included in financial assets at FVOCI of the Group and the Bank are bonds/sukuk, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to RM NIL (31 December 2022: RM62,279,000).

(b) Equity instruments

Quoted securities:

Outside Malaysia

| | | | | |
|--------|-------|-------|---|---|
| Shares | 2,693 | 2,438 | - | - |
|--------|-------|-------|---|---|

Unquoted securities:

In Malaysia

| | | | | |
|--------|--------|--------|--------|--------|
| Shares | 40,524 | 38,517 | 40,524 | 38,517 |
|--------|--------|--------|--------|--------|

Outside Malaysia

| | | | | |
|--------|---------------|---------------|---------------|---------------|
| Shares | 2,537 | 291 | - | - |
| | <u>45,754</u> | <u>41,246</u> | <u>40,524</u> | <u>38,517</u> |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

10 Financial Investments at Amortised Costs

| | As at 30 September 2023 | Group and Bank As at 31 December 2022 |
|--|----------------------------|---|
| | RM'000 | RM'000 |
| At amortised cost | | |
| Money market instruments: | | |
| Malaysian Government Securities | 416,875 | 414,996 |
| Malaysian Government Investment Issues | 160,623 | 118,221 |
| Khazanah bonds | 14,478 | 14,061 |
| Unquoted securities: | | |
| In Malaysia | | |
| Corporate bonds/Sukuk | 248,809 | 426,729 |
| Loan stocks | 22,652 | 22,652 |
| Prasarana bonds | 5,103 | 30,544 |
| | 868,540 | 1,027,203 |
| Allowance for ECL | (69,783) | (69,795) |
| | 798,757 | 957,408 |

(a) Included in financial investments at amortised costs of the Group and the Bank are bonds/sukuk, which are pledged as collateral for obligations on securities sold under repurchase agreements amounting to RM NIL (31 December 2022: RM712,004,000).

(b) Movement in credit impaired financial investments at amortised costs

| | | |
|--|---------------|---------|
| Balance as at the beginning of the financial year | 69,795 | 71,782 |
| Amount recovered | (12) | (1,987) |
| Balance as at the end of the financial period/year | 69,783 | 69,795 |

(c) Movement in allowance for ECL for financial investments at amortised costs

| Group and Bank | Note | 12-month ECL (Stage 1) | Lifetime ECL not credit impaired (Stage 2) | Lifetime ECL credit impaired (Stage 3) | Total |
|---|------|---------------------------|--|--|---------------|
| 30 September 2023 | | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at the beginning of the financial year | | - | - | 69,795 | 69,795 |
| Net allowance written back | 23 | - | - | (12) | (12) |
| Balance as at the end of the financial period | | - | - | 69,783 | 69,783 |

**Group and Bank
31 December 2022**

| | | | | |
|---|---|---|---------|---------|
| Balance as at the beginning of the financial year | - | - | 71,782 | 71,782 |
| Net allowance written back | - | - | (1,987) | (1,987) |
| Balance as at the end of the financial year | - | - | 69,795 | 69,795 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

11 Loans and Advances

| | Group | | Bank | |
|---|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| (a) By type | | | | |
| At amortised cost | | | | |
| Term loans | 1 | 1 | 1 | 1 |
| Share margin financing | 1,862,101 | 1,883,237 | 1,412,700 | 1,365,572 |
| Staff loans | 224 | 254 | 224 | 254 |
| Other loans | 561 | 1,876 | - | - |
| Gross loans and advances | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |
| Less: Allowance for ECL | (1) | (11,714) | (1) | (1) |
| Net loans and advances | <u>1,862,886</u> | <u>1,873,654</u> | <u>1,412,924</u> | <u>1,365,826</u> |
| (b) By type of customer | | | | |
| Domestic business enterprises: | | | | |
| - Small and medium enterprises | 251,215 | 244,580 | 251,215 | 244,580 |
| - Others | 178,264 | 275,051 | 178,264 | 275,051 |
| Individuals | 945,833 | 806,780 | 945,833 | 806,780 |
| Foreign entities | 487,575 | 558,957 | 37,613 | 39,416 |
| | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |
| (c) By geographical distribution | | | | |
| In Malaysia | 1,412,925 | 1,365,827 | 1,412,925 | 1,365,827 |
| Outside Malaysia: | | | | |
| - Thailand operations | 293,860 | 384,931 | - | - |
| - Indonesia operations | 139,488 | 118,223 | - | - |
| - Vietnam operations | 16,614 | 16,387 | - | - |
| | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |
| (d) By interest rate sensitivity | | | | |
| Fixed rate: | | | | |
| - Other fixed rate loans | 1,569,026 | 1,500,436 | 1,412,924 | 1,365,826 |
| Variable rate: | | | | |
| - Base rate plus | 293,861 | 384,932 | 1 | 1 |
| | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

11 Loans and Advances (cont'd)

| | Group | | Bank | |
|---|----------------------------|--|--|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| (e) By purpose | | | | |
| Purchase of securities | 1,862,662 | 1,885,113 | 1,412,700 | 1,365,572 |
| Purchase of landed property: | | | | |
| - Residential | 225 | 255 | 225 | 255 |
| | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |
| (f) By economic sector | | | | |
| Agriculture, hunting, forestry and fishing | 4,020 | 452 | 1,066 | 452 |
| Mining and quarrying | 76 | 76 | 76 | 76 |
| Manufacturing | 18,592 | 4,418 | 18,592 | 4,418 |
| Electricity, gas and water | 276 | 295 | 276 | 295 |
| Construction | 10,674 | 2,189 | 10,674 | 2,189 |
| Wholesale, retail trade, restaurant and hotel | 6,737 | 2,076 | 6,737 | 2,076 |
| Transport, storage and communication | 4,671 | 4,696 | 4,671 | 4,696 |
| Finance, insurance, real estate and business services | 415,749 | 514,667 | 384,889 | 504,551 |
| Education, health and others | 2,498 | 2,499 | 2,498 | 2,499 |
| Household sector | 1,399,594 | 1,354,000 | 983,446 | 844,575 |
| | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |
| (g) By remaining contractual maturities | | | | |
| Maturity within one year | 1,862,662 | 1,885,113 | 1,412,700 | 1,365,572 |
| One year to three years | - | 12 | - | 12 |
| Three years to five years | 62 | - | 62 | - |
| Over five years | 163 | 243 | 163 | 243 |
| | <u>1,862,887</u> | <u>1,885,368</u> | <u>1,412,925</u> | <u>1,365,827</u> |
| (h) By stages | | | | |
| Group | 12-month ECL (Stage 1) | Lifetime ECL not credit impaired (Stage 2) | Lifetime ECL credit impaired (Stage 3) | Total |
| 30 September 2023 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at the beginning of the financial year | 1,873,634 | 21 | 11,713 | 1,885,368 |
| Transfer to 12-month ECL (Stage 1) | 16,888 | (8,775) | (8,113) | - |
| Transfer to Lifetime ECL not credit impaired (Stage 2) | (8,744) | 8,755 | (11) | - |
| Transfer to Lifetime ECL credit impaired (Stage 3) | (8,124) | - | 8,124 | - |
| Addition and origination | 2,452,361 | - | - | 2,452,361 |
| Derecognition | (2,479,660) | (1) | - | (2,479,661) |
| Amount written off | - | - | (12,465) | (12,465) |
| Exchange differences and other movements | 16,532 | - | 752 | 17,284 |
| Balance as at the end of the financial period | <u>1,862,887</u> | <u>-</u> | <u>-</u> | <u>1,862,887</u> |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

11 Loans and Advances (cont'd)

(h) By stages (cont'd)

| Group | 12-month ECL (Stage 1) | Lifetime ECL not credit impaired (Stage 2) | Lifetime ECL credit impaired (Stage 3) | Total |
|--|-----------------------------------|---|---|------------------|
| 31 December 2022 | RM'000 | RM'000 | RM'000 | RM'000 |
| Balance as at the beginning of the financial year | 1,681,439 | 16 | 11,008 | 1,692,463 |
| Transfer to 12-month ECL (Stage 1) | 13,499 | (13,465) | (34) | - |
| Transfer to Lifetime ECL not credit impaired (Stage 2) | (13,475) | 13,475 | - | - |
| Transfer to Lifetime ECL credit impaired (Stage 3) | (9) | - | 9 | - |
| Addition and origination | 3,766,473 | - | - | 3,766,473 |
| Derecognition | (3,571,466) | (5) | - | (3,571,471) |
| Exchange differences and other movements | (2,827) | - | 730 | (2,097) |
| Balance as at the end of the financial year | <u>1,873,634</u> | <u>21</u> | <u>11,713</u> | <u>1,885,368</u> |

Bank

30 September 2023

| | | | | |
|--|------------------|----------|----------|------------------|
| Balance as at the beginning of the financial year | 1,365,811 | 16 | - | 1,365,827 |
| Transfer to 12-month ECL (Stage 1) | 16,882 | (8,769) | (8,113) | - |
| Transfer to Lifetime ECL not credit impaired (Stage 2) | (8,743) | 8,754 | (11) | - |
| Transfer to Lifetime ECL credit impaired (Stage 3) | (8,124) | - | 8,124 | - |
| Addition and origination | 1,988,100 | - | - | 1,988,100 |
| Derecognition | (1,941,001) | (1) | - | (1,941,002) |
| Balance as at the end of the financial period | <u>1,412,925</u> | <u>-</u> | <u>-</u> | <u>1,412,925</u> |

Bank

31 December 2022

| | | | | |
|--|------------------|-----------|----------|------------------|
| Balance as at the beginning of the financial year | 1,348,138 | 15 | 25 | 1,348,178 |
| Transfer to 12-month ECL (Stage 1) | 13,499 | (13,465) | (34) | - |
| Transfer to Lifetime ECL not credit impaired (Stage 2) | (13,471) | 13,471 | - | - |
| Transfer to Lifetime ECL credit impaired (Stage 3) | (9) | - | 9 | - |
| Addition and origination | 2,164,006 | - | - | 2,164,006 |
| Derecognition | (2,146,352) | (5) | - | (2,146,357) |
| Balance as at the end of the financial year | <u>1,365,811</u> | <u>16</u> | <u>-</u> | <u>1,365,827</u> |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

11 Loans and Advances (cont'd)

| | Group | | Bank | |
|---|----------------------------|--|--|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| (i) Impaired loans and advances | | | | |
| (i) By purpose | | | | |
| Purchase of securities | - | 11,713 | - | - |
| (ii) By economic sector | | | | |
| Household sector | - | 11,713 | - | - |
| (iii) By geographical distribution | | | | |
| Outside Malaysia: | | | | |
| - Thailand | - | 11,713 | - | - |
| (iv) Movement in allowance for ECL | | | | |
| | 12-month ECL (Stage 1) | Lifetime ECL not credit impaired (Stage 2) | Lifetime ECL credit impaired (Stage 3) | Total |
| Group | RM'000 | RM'000 | RM'000 | RM'000 |
| 30 September 2023 | | | | |
| Balance as at the beginning of the financial year | 1 | - | 11,713 | 11,714 |
| Amount written off | - | - | (12,465) | (12,465) |
| Exchange differences and other movements | - | - | 752 | 752 |
| Balance as at the end of the financial period | 1 | - | - | 1 |
| Group | | | | |
| 31 December 2022 | | | | |
| Balance as at the beginning of the financial year | 1 | - | 10,983 | 10,984 |
| Exchange differences and other movements | - | - | 730 | 730 |
| Balance as at the end of the financial year | 1 | - | 11,713 | 11,714 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

11 Loans and Advances (cont'd)

(i) Impaired loans and advances (cont'd)

(iv) Movement in allowance for ECL (cont'd)

| | 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 |
|---|-------------------------------------|--|--|-----------------|
| Bank | | | | |
| 30 September 2023 | | | | |
| Balance as at the beginning/end of the financial year/period | 1 | - | - | 1 |
| Bank | | | | |
| 31 December 2022 | | | | |
| Balance as at the beginning/end of the financial year | 1 | - | - | 1 |

12 Clients' and Brokers' Balances

| | Group | | Bank | |
|---|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| Amounts owing by clients | 658,129 | 508,535 | 411,796 | 405,428 |
| Less: Allowance for ECL | (2,594) | (21,349) | (736) | (1,417) |
| | 655,535 | 487,186 | 411,060 | 404,011 |
| Amounts owing by brokers | 71,845 | 54,012 | 69,736 | 53,234 |
| Amounts owing by clearing houses and stock exchanges | 186,717 | 199,942 | 166,609 | 184,049 |
| | 914,097 | 741,140 | 647,405 | 641,294 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

12 Clients' and Brokers' Balances (cont'd)

Movement in allowance for ECL

| | Group | | Bank | |
|--|----------------------------|---------------------------|----------------------------|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| (a) Non-credit impaired | | | | |
| Balance as at the beginning of the financial year | 1 | 47 | 1 | 47 |
| Transferred to credit impaired | (5) | (49) | (5) | (49) |
| Allowance for ECL | 6 | 3 | 6 | 3 |
| Balance as at the end of the financial period/year | <u>2</u> | <u>1</u> | <u>2</u> | <u>1</u> |
| (b) Credit impaired | | | | |
| Balance as at the beginning of the financial year | 21,348 | 23,498 | 1,416 | 2,899 |
| Transferred from non-credit impaired | 5 | 49 | 5 | 49 |
| Allowance for ECL | 54 | 2,109 | 35 | 2,109 |
| Derecognition | (5,874) | (1,888) | (722) | (1,568) |
| Amount written off | (14,252) | (2,073) | - | (2,073) |
| Exchange differences | 1,311 | (347) | - | - |
| Balance as at the end of the financial period/year | <u>2,592</u> | <u>21,348</u> | <u>734</u> | <u>1,416</u> |

13 Other Assets

| | Group | | Bank | |
|---|----------------------------|---------------------------|----------------------------|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Other receivables | 46,213 | 44,589 | 21,725 | 15,607 |
| Unit trust fee receivables | 19,738 | 19,520 | - | - |
| Management fee receivables | 3,743 | 3,169 | - | - |
| Deposits | 5,572 | 6,334 | 2,343 | 2,641 |
| Prepayments | 14,350 | 12,309 | 6,878 | 7,701 |
| Amount receivable for release of units from funds | 92,441 | 56,073 | - | - |
| Transferable memberships | 262 | 262 | 262 | 262 |
| Amount due from subsidiaries | - | - | 1,095 | 36,937 |
| Amount due from related companies | 852 | 660 | 852 | 597 |
| | <u>183,171</u> | <u>142,916</u> | <u>33,155</u> | <u>63,745</u> |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

14 Deposits from Customers

| | Group and Bank | |
|--|--------------------------------------|-------------------------------------|
| | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| (a) By type of deposits | | |
| Short-term deposits | 1,093,530 | 1,289,098 |
| (b) By type of customers | | |
| Government and statutory bodies | 201,125 | 150,290 |
| Business enterprises | 892,405 | 1,138,808 |
| | <u>1,093,530</u> | <u>1,289,098</u> |
| (c) By maturity structure of the deposits | | |
| Due within six months | 1,093,530 | 1,289,098 |

15 Deposits and Placements of Banks and Other Financial Institutions

| | Group and Bank | |
|---------------|--------------------------------------|-------------------------------------|
| | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| Licensed bank | 3,250,434 | 1,918,878 |

16 Other Liabilities

| | Group | | Bank | |
|---|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| Other creditors and accruals | 121,360 | 146,970 | 63,518 | 89,169 |
| Contract liabilities | 5,596 | 5,957 | 1,474 | 1,637 |
| Remisiers' trust deposits | 90,484 | 94,266 | 90,484 | 94,266 |
| Amount payable for creation of units due to funds | 10,583 | 203,132 | - | - |
| Amount payable for redemption units | 195,363 | 82,211 | - | - |
| Short-term employee benefits | 41,421 | 49,690 | 25,202 | 33,271 |
| Puttable financial instruments | 9,240 | - | - | - |
| Amount due to holding company | 9,878 | 16,896 | 6,927 | 11,768 |
| Amount due to subsidiaries | - | - | - | 53 |
| Amount due to related companies | 230 | 572 | 66 | 71 |
| | <u>484,155</u> | <u>599,694</u> | <u>187,671</u> | <u>230,235</u> |

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 17 Interest Income | | | | |
| <u>Group</u> | | | | |
| Loans and advances | 27,805 | 22,832 | 81,726 | 68,164 |
| Money at call and deposit placements with banks and other financial institutions | 29,235 | 20,701 | 86,808 | 50,895 |
| Financial assets at FVTPL | 301 | - | 529 | 16 |
| Financial assets at FVOCI, debt instruments | 4,399 | 2,976 | 8,013 | 11,613 |
| Financial investments at amortised costs | 8,622 | 9,717 | 26,017 | 28,924 |
| Others | 2,658 | 1,724 | 7,641 | 3,905 |
| | 73,020 | 57,950 | 210,734 | 163,517 |
| Of which: | | | | |
| Interest income accrued on impaired financial assets | 412 | 900 | 2,193 | 2,570 |
| <u>Bank</u> | | | | |
| Loans and advances | 18,613 | 16,043 | 54,718 | 47,828 |
| Money at call and deposit placements with banks and other financial institutions | 25,286 | 17,655 | 74,946 | 42,162 |
| Financial assets at FVTPL | - | - | - | 16 |
| Financial assets at FVOCI, debt instruments | 4,397 | 2,976 | 8,013 | 11,611 |
| Financial investments at amortised costs | 8,622 | 9,717 | 26,017 | 28,924 |
| Others | 1,970 | 1,026 | 5,505 | 2,192 |
| | 58,888 | 47,417 | 169,199 | 132,733 |
| Of which: | | | | |
| Interest income accrued on impaired financial assets | - | - | - | 3 |

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 18 Interest Expense | | | | |
| <u>Group</u> | | | | |
| Deposits and placements of banks and other financial institutions | 23,605 | 11,910 | 66,635 | 33,441 |
| Deposits from customers | 10,923 | 8,803 | 35,000 | 26,426 |
| Obligations on securities sold under repurchase agreements | 2,914 | 4,610 | 10,263 | 6,375 |
| Subordinated obligations | 1,121 | 2,470 | 3,328 | 7,330 |
| Borrowings | 11,323 | 6,200 | 33,432 | 13,864 |
| Others | 320 | 392 | 1,011 | 1,338 |
| | 50,206 | 34,385 | 149,669 | 88,774 |
| <u>Bank</u> | | | | |
| Deposits and placements of banks and other financial institutions | 23,605 | 11,910 | 66,635 | 33,441 |
| Deposits from customers | 10,923 | 8,803 | 35,000 | 26,426 |
| Obligations on securities sold under repurchase agreements | 2,914 | 4,610 | 10,263 | 6,375 |
| Subordinated obligations | 1,121 | 2,470 | 3,328 | 7,330 |
| Others | 85 | 77 | 240 | 259 |
| | 38,648 | 27,870 | 115,466 | 73,831 |

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|-------------------------------------|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 19 Fee and Commission Income | | | | |
| (a) By type of fee income | | | | |
| <u>Group</u> | | | | |
| Brokerage income | 48,343 | 42,561 | 133,916 | 147,347 |
| Fund management fees | 57,000 | 58,952 | 169,913 | 182,259 |
| Unit trust fee income | 7,369 | 11,273 | 21,150 | 30,055 |
| Corporate advisory fees | 4,437 | 7,965 | 15,793 | 14,751 |
| Arrangement fees and underwriting | 1,583 | 3,145 | 3,499 | 4,381 |
| Placement fees | 3,925 | 392 | 6,399 | 1,679 |
| Rollover fees | 920 | 1,000 | 2,755 | 3,089 |
| Commission | 827 | 922 | 3,268 | 2,442 |
| Service charges and fees | 192 | 431 | 937 | 1,273 |
| Other fee income | 10,993 | 15,704 | 34,904 | 42,848 |
| | 135,589 | 142,345 | 392,534 | 430,124 |
| <u>Bank</u> | | | | |
| Brokerage income | 39,647 | 30,583 | 108,314 | 107,702 |
| Corporate advisory fees | 4,144 | 7,638 | 13,799 | 14,245 |
| Arrangement fees and underwriting | 1,490 | 2,750 | 2,275 | 3,058 |
| Placement fees | 3,925 | 392 | 6,399 | 1,679 |
| Rollover fees | 920 | 1,000 | 2,755 | 3,089 |
| Commission | 118 | 146 | 389 | 543 |
| Service charges and fees | 64 | 290 | 533 | 847 |
| Other fee income | 7,175 | 10,601 | 22,511 | 28,946 |
| | 57,483 | 53,400 | 156,975 | 160,109 |

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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 19 Fee and Commission Income (cont'd) | | | | |
| (b) By geographical market of fee income | | | | |
| <u>Group</u> | | | | |
| Malaysia | 122,265 | 127,650 | 354,389 | 382,533 |
| Thailand | 4,461 | 6,513 | 14,907 | 24,259 |
| Indonesia | 5,420 | 6,657 | 16,772 | 18,843 |
| Singapore | 3,353 | 992 | 5,425 | 3,294 |
| Cambodia | 40 | 497 | 925 | 1,076 |
| Vietnam | 50 | 36 | 116 | 98 |
| Hong Kong | - | - | - | 21 |
| | 135,589 | 142,345 | 392,534 | 430,124 |
| <u>Bank</u> | | | | |
| Malaysia | 57,483 | 53,400 | 156,975 | 160,109 |
| (c) By timing of fee income recognition | | | | |
| <u>Group</u> | | | | |
| At a point in time | 75,377 | 79,387 | 212,473 | 236,903 |
| Over time | 60,212 | 62,958 | 180,061 | 193,221 |
| | 135,589 | 142,345 | 392,534 | 430,124 |
| <u>Bank</u> | | | | |
| At a point in time | 56,642 | 52,131 | 154,305 | 156,539 |
| Over time | 841 | 1,269 | 2,670 | 3,570 |
| | 57,483 | 53,400 | 156,975 | 160,109 |
| 20 Fee and Commission Expense | | | | |
| <u>Group</u> | | | | |
| Fund management fees | 22,111 | 24,053 | 67,159 | 74,888 |
| Unit trust fees | 7,108 | 9,539 | 20,243 | 28,366 |
| Commission and incentives | 6,165 | 5,345 | 13,483 | 13,458 |
| | 35,384 | 38,937 | 100,885 | 116,712 |
| <u>Bank</u> | | | | |
| Commission and incentives | 4,322 | 2,748 | 7,813 | 6,041 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 21 Other Operating Income | | | | |
| <u>Group</u> | | | | |
| (a) Net gain/(loss) arising from financial assets at FVTPL | | | | |
| - net gain/(loss) on disposal | 8,724 | (11,304) | (713) | (32,042) |
| - unrealised net gain/(loss) on revaluation | 14,778 | 3,667 | 45,421 | (1,104) |
| - gross dividend income | 762 | 4,729 | 28,339 | 8,483 |
| | <u>24,264</u> | <u>(2,908)</u> | <u>73,047</u> | <u>(24,663)</u> |
| (b) Net gain arising from derivatives | <u>36</u> | <u>14,993</u> | <u>25,242</u> | <u>51,332</u> |
| (c) Net (loss)/gain arising from fair value hedge | <u>(62)</u> | <u>256</u> | <u>52</u> | <u>(22)</u> |
| (d) Net gain arising from financial assets at FVOCI, debt instruments | | | | |
| - net gain on disposal | <u>101</u> | <u>32</u> | <u>651</u> | <u>309</u> |
| (e) Gross dividend income from financial assets at FVOCI, equity instruments | <u>2,485</u> | <u>212</u> | <u>2,747</u> | <u>446</u> |
| (f) Other income | | | | |
| - net foreign exchange (loss)/gain | (961) | 8,739 | 15,247 | 20,093 |
| - net gain on disposal of property, plant and equipment | 66 | - | 135 | - |
| - (loss)/gain on modification of right-of-use assets | (29) | 3 | 5 | 7 |
| - fair value changes to sales consideration | (138) | (136) | (138) | (136) |
| - other operating income | 16,016 | 16,247 | 27,179 | 23,033 |
| | <u>14,954</u> | <u>24,853</u> | <u>42,428</u> | <u>42,997</u> |
| | <u>41,778</u> | <u>37,438</u> | <u>144,167</u> | <u>70,399</u> |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 21 Other Operating Income (cont'd) | | | | |
| Bank | | | | |
| (a) Net gain/(loss) arising from financial assets at FVTPL | | | | |
| - net gain/(loss) on disposal | 9,078 | (10,805) | 11,852 | (27,309) |
| - unrealised net gain/(loss) on revaluation | 8,946 | 2,847 | 7,767 | (6,055) |
| - gross dividend income | 364 | 540 | 506 | 1,107 |
| | <u>18,388</u> | <u>(7,418)</u> | <u>20,125</u> | <u>(32,257)</u> |
| (b) Net (loss)/gain arising from derivatives | <u>(1,338)</u> | 11,670 | <u>5,865</u> | 39,500 |
| (c) Net (loss)/gain arising from fair value hedge | <u>(62)</u> | 256 | <u>52</u> | <u>(22)</u> |
| (d) Net gain arising from financial assets at FVOCI, debt instruments | | | | |
| - net gain on disposal | <u>101</u> | 32 | <u>651</u> | 309 |
| (e) Gross dividend income from financial assets at FVOCI, equity instruments | <u>158</u> | 158 | <u>338</u> | 338 |
| (f) Gross dividend income from subsidiaries in Malaysia | <u>-</u> | - | <u>3,600</u> | 3,700 |
| (g) Other income | | | | |
| - net foreign exchange (loss)/gain | (1,703) | 8,144 | 13,141 | 19,044 |
| - net gain on disposal of property, plant and equipment | 66 | - | 66 | - |
| - gain on modification of right-of-use assets | - | 3 | 5 | 3 |
| - fair value changes to sales consideration | (138) | (136) | (138) | (136) |
| - gain on liquidation of subsidiary | 5 | - | 53 | - |
| - other operating income | 15,524 | 15,748 | 23,594 | 21,846 |
| | <u>13,754</u> | <u>23,759</u> | <u>36,721</u> | <u>40,757</u> |
| | <u>31,001</u> | <u>28,457</u> | <u>67,352</u> | <u>52,325</u> |

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| | 3rd Quarter Ended | | Nine Months Ended | |
|--|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 22 Other Operating Expenses | | | | |
| <u>Group</u> | | | | |
| <u>Personnel costs</u> | | | | |
| - Salaries, bonus, wages and allowances | 61,656 | 61,655 | 189,587 | 187,064 |
| - Defined contribution plan | 7,339 | 7,185 | 22,860 | 21,357 |
| - Share-based payment expenses | 895 | 454 | 1,724 | 454 |
| - Other staff related costs | 8,472 | 6,866 | 21,608 | 21,592 |
| | 78,362 | 76,160 | 235,779 | 230,467 |
| <u>Establishment costs</u> | | | | |
| - Property, plant and equipment | | | | |
| - Depreciation | 3,143 | 3,190 | 9,784 | 9,462 |
| - Written off | 29 | 7 | 35 | 90 |
| - Other intangible assets | | | | |
| - Amortisation | 3,174 | 2,751 | 9,056 | 8,731 |
| - Written off | 237 | - | 237 | - |
| - Depreciation of right-of-use assets | 2,656 | 2,678 | 8,004 | 8,083 |
| - Information technology expenses | 14,950 | 12,858 | 42,057 | 37,651 |
| - Security and escorting charges | 159 | 123 | 456 | 368 |
| - Repair and maintenance | 786 | 824 | 2,401 | 2,142 |
| - Rental of premises | 2,944 | 2,984 | 8,654 | 8,957 |
| - Water and electricity | 787 | 831 | 2,373 | 2,328 |
| - Rental of equipment | 23 | 12 | 43 | 37 |
| - Insurance | 1,495 | 1,093 | 4,529 | 3,059 |
| - Others | 1,566 | 1,209 | 4,147 | 4,297 |
| | 31,949 | 28,560 | 91,776 | 85,205 |
| <u>Marketing expenses</u> | | | | |
| - Advertisements and publicity | 1,422 | 1,459 | 4,467 | 3,960 |
| - Sales commission | 256 | 288 | 574 | 1,319 |
| - Others | 1,043 | 1,512 | 4,314 | 4,030 |
| | 2,721 | 3,259 | 9,355 | 9,309 |
| <u>Administration and general expenses</u> | | | | |
| - Communication expenses | 6,254 | 6,773 | 18,372 | 18,534 |
| - Legal and professional fees | 2,301 | 2,689 | 8,254 | 5,464 |
| - Management fee | 4,795 | 4,796 | 12,660 | 13,076 |
| - Others | 6,135 | 6,208 | 17,499 | 17,162 |
| | 19,485 | 20,466 | 56,785 | 54,236 |
| | 132,517 | 128,445 | 393,695 | 379,217 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

| | 3rd Quarter Ended | | Nine Months Ended | |
|---|-------------------|-------------------|-------------------|-------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| 22 Other Operating Expenses (cont'd) | | | | |
| <u>Bank</u> | | | | |
| <u>Personnel costs</u> | | | | |
| - Salaries, bonus, wages and allowances | 36,339 | 36,254 | 111,681 | 109,468 |
| - Defined contribution plan | 5,527 | 5,393 | 17,137 | 15,833 |
| - Share-based payment expenses | 733 | 362 | 1,418 | 362 |
| - Other staff related costs | 4,083 | 3,338 | 11,718 | 10,130 |
| | 46,682 | 45,347 | 141,954 | 135,793 |
| <u>Establishment costs</u> | | | | |
| - Property, plant and equipment | | | | |
| - Depreciation | 1,489 | 1,634 | 4,887 | 4,986 |
| - Written off | 29 | 7 | 34 | 33 |
| - Other intangible assets | | | | |
| - Amortisation | 2,051 | 1,892 | 5,865 | 5,909 |
| - Written off | 237 | - | 237 | - |
| - Depreciation of right-of-use assets | 1,101 | 1,215 | 3,420 | 3,724 |
| - Information technology expenses | 10,375 | 8,065 | 27,933 | 24,363 |
| - Security and escorting charges | 125 | 100 | 349 | 298 |
| - Repair and maintenance | 540 | 527 | 1,565 | 1,451 |
| - Rental of premises | 1,822 | 1,760 | 5,344 | 5,197 |
| - Water and electricity | 555 | 631 | 1,708 | 1,768 |
| - Rental of equipment | 17 | 9 | 26 | 22 |
| - Insurance | 955 | 606 | 2,890 | 1,823 |
| - Others | 1,566 | 1,209 | 4,147 | 4,297 |
| | 20,862 | 17,655 | 58,405 | 53,871 |
| <u>Marketing expenses</u> | | | | |
| - Advertisements and publicity | 397 | 155 | 885 | 730 |
| - Sales commission | 54 | 21 | 148 | 157 |
| - Others | (124) | 641 | 1,094 | 1,728 |
| | 327 | 817 | 2,127 | 2,615 |
| <u>Administration and general expenses</u> | | | | |
| - Communication expenses | 3,138 | 3,687 | 9,313 | 9,911 |
| - Legal and professional fees | 452 | 257 | 699 | 466 |
| - Management fee | 3,697 | 3,876 | 10,069 | 10,790 |
| - Others | 2,583 | 2,743 | 8,540 | 7,704 |
| | 9,870 | 10,563 | 28,621 | 28,871 |
| | 77,741 | 74,382 | 231,107 | 221,150 |

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| | Note | 3rd Quarter Ended | | Nine Months Ended | |
|--|-------|-------------------|-------------------|-------------------|-------------------|
| | | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| | | RM'000 | RM'000 | RM'000 | RM'000 |
| 23 Allowance (Written Back)/Made for Expected Credit Losses | | | | | |
| Group | | | | | |
| Allowance written back for expected credit losses on other receivables and clients' and brokers' balances | | (45) | (2,268) | (5,256) | (1,527) |
| Bad debts recovered | | (3) | (44) | (8) | (135) |
| Bad debts written off | | 3 | 1,771 | 3 | 2,224 |
| Financial investments at amortised costs | 10(c) | - | - | (12) | - |
| Other financial assets | | (64) | (2) | (75) | 72 |
| | | (109) | (543) | (5,348) | 634 |
| Bank | | | | | |
| Allowance made/(written back) for expected credit losses on other receivables and clients' and brokers' balances | | 237 | (2,026) | 410 | (783) |
| Bad debts recovered | | (3) | (44) | (8) | (135) |
| Bad debts written off | | 3 | 1,692 | 3 | 2,145 |
| Financial investments at amortised costs | 10(c) | - | - | (12) | - |
| Other financial assets | | (14) | (9) | (3) | 4 |
| | | 223 | (387) | 390 | 1,231 |
| 24 Impairment Loss on Other Non-financial Assets | | | | | |
| Group | | | | | |
| Investment in a joint venture | | - | 13 | - | 13 |
| Bank | | | | | |
| Investments in subsidiaries | | 3,970 | 494 | 3,970 | 1,822 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

25 Basic Earnings Per Share

Basic earnings per share ('EPS') is calculated by dividing the net profit attributable to equity holder of the Group for the third quarter and nine months ended 30 September by the weighted average number of outstanding ordinary shares during the financial period.

| Group | 3rd Quarter Ended | | Nine Months Ended | |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
| | 30 September 2023 | 30 September 2022 | 30 September 2023 | 30 September 2022 |
| Net profit attributable to equity holder (RM'000) | | | | |
| - Continuing operations | 22,942 | 23,507 | 88,369 | 50,817 |
| - Discontinued operation | - | - | - | 20,848 |
| | 22,942 | 23,507 | 88,369 | 71,665 |
| Weighted average number of ordinary shares in issue ('000) | 80,000 | 80,000 | 80,000 | 80,000 |
| Basic earnings per share (sen) | | | | |
| - Continuing operations | 28.7 | 29.4 | 110.5 | 63.5 |
| - Discontinued operation | - | - | - | 26.1 |
| | 28.7 | 29.4 | 110.5 | 89.6 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

26 Capital Adequacy Ratio

Bank Negara Malaysia ('BNM') guidelines on capital adequacy requires the Group and the Bank to maintain an adequate level of capital to withstand any losses which may result from credit and other risks associated with financing operations. The capital adequacy ratio is computed based on the eligible capital in relation to the total risk-weighted assets as determined by BNM.

The capital adequacy ratios of the Group and the Bank are as follows:

| | Group | | Bank | |
|---|-------------------|------------------|-------------------|------------------|
| | As at | As at | As at | As at |
| | 30 September 2023 | 31 December 2022 | 30 September 2023 | 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Common Equity Tier I ('CET I')/</u> | | | | |
| <u>Tier I Capital</u> | | | | |
| Share capital | 1,220,000 | 1,220,000 | 1,220,000 | 1,220,000 |
| Retained profits | 720,285 | 761,563 | 382,382 | 426,746 |
| Other reserves | 119,499 | 74,947 | 2,103 | 685 |
| FVOCI reserves | 38,746 | 35,601 | 38,001 | 35,060 |
| | 2,098,530 | 2,092,111 | 1,642,486 | 1,682,491 |
| Less: | | | | |
| - Goodwill | (449,978) | (449,978) | (372,395) | (372,395) |
| - Investments in subsidiaries | - | - | (695,344) | (699,324) |
| - Investments in associates and joint venture | (4,827) | (4,721) | (5,028) | (5,028) |
| - Other intangible assets | (43,066) | (41,954) | (25,547) | (25,592) |
| - 55% of cumulative gains arising from change in value of FVOCI financial instruments | (21,310) | (19,581) | (20,901) | (19,283) |
| - Deferred tax assets | (22,934) | (21,793) | (14,781) | (13,300) |
| Total CET I Capital | 1,556,415 | 1,554,084 | 508,490 | 547,569 |
| Qualifying non-controlling interests recognised as Tier I Capital | 1,118 | 1,104 | - | - |
| Total Tier I Capital | 1,557,533 | 1,555,188 | 508,490 | 547,569 |
| <u>Tier II Capital</u> | | | | |
| Subordinated obligations meeting all relevant criteria | 100,000 | 100,000 | 100,000 | 100,000 |
| Qualifying non-controlling interests recognised as Tier II Capital | 78 | 83 | - | - |
| General provision ^ | 26,129 | 25,412 | 6,758 | 7,933 |
| Total Tier II Capital | 126,207 | 125,495 | 106,758 | 107,933 |
| Total Capital | 1,683,740 | 1,680,683 | 615,248 | 655,502 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

26 Capital Adequacy Ratio (cont'd)

The capital adequacy ratios of the Group and the Bank are as follows: (cont'd)

| | Group | | Bank | |
|----------------------------|----------------------------|---------------------------|----------------------------|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| <u>Capital ratios</u> | | | | |
| Before proposed dividends: | | | | |
| CET I Capital Ratio | 41.070% | 38.815% | 33.333% | 31.348% |
| Tier I Capital Ratio | 41.100% | 38.842% | 33.333% | 31.348% |
| Total Capital Ratio | <u>44.430%</u> | <u>41.976%</u> | <u>40.332%</u> | <u>37.528%</u> |
| After proposed dividends: | | | | |
| CET I Capital Ratio | 41.070% | 37.815% | 33.333% | 29.058% |
| Tier I Capital Ratio | 41.100% | 37.843% | 33.333% | 29.058% |
| Total Capital Ratio | <u>44.430%</u> | <u>40.977%</u> | <u>40.332%</u> | <u>35.238%</u> |

^ Pursuant to BNM's policy document on Financial Reporting, general provision refers to loss allowance measured at an amount equal to 12-month and lifetime expected credit losses as defined under MFRS 9 'Financial Instruments' and regulatory reserves, to the extent they are ascribed to non-credit-impaired exposures, determined under standardised approach for credit risk.

Includes the qualifying regulatory reserves of the Group and the Bank of RM25,492,000 (31 December 2022: RM24,741,000) and RM6,679,000 (31 December 2022: RM7,850,000) respectively.

The breakdown of risk-weighted assets in the various categories of risk-weights are as follows:

| | Group | | Bank | |
|-----------------------------------|--------------------------------------|-------------------------------------|--------------------------------------|-------------------------------------|
| | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 | As at 30 September 2023 RM'000 | As at 31 December 2022 RM'000 |
| Credit risk | 2,090,311 | 2,032,947 | 540,628 | 634,603 |
| Market risk | 237,168 | 368,264 | 137,506 | 188,204 |
| Operational risk | 1,462,161 | 1,602,662 | 847,336 | 923,914 |
| Total risk-weighted assets | <u>3,789,640</u> | <u>4,003,873</u> | <u>1,525,470</u> | <u>1,746,721</u> |

The total risk-weighted assets of the Group and the Bank are computed based on BNM's Guidelines on Risk Weighted Capital Adequacy Framework: Standardised Approach for Credit and Market Risk and Basic Indicator Approach for Operational Risk (Basel II).

RHB INVESTMENT BANK BERHAD
Incorporated in Malaysia
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NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

27 Commitments and Contingencies

In the normal course of business, the Group and the Bank make various commitments and incur certain contingent liabilities with legal recourse to its customers. Apart from the allowance for commitments and contingencies already made in the financial statements, no material losses are anticipated as a result of these transactions.

The commitments and contingencies comprise the following:

| | Group | | Bank | |
|--|----------------------------|---------------------------|----------------------------|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Principal amount | | | | |
| Direct credit substitutes [#] | - | - | 32,559 | 30,660 |
| Forward assets purchases | 381,131 | - | 381,131 | - |
| Lending of banks' securities or the posting of securities as collateral by banks, including instances where these arise out of repo-style transactions | - | 904,157 | - | 904,157 |
| Irrevocable commitments to extend credit: | | | | |
| - maturity not exceeding one year | 1,187,184 | 1,007,743 | 888,903 | 732,487 |
| - maturity exceeding one year | 22 | 22 | 22 | 22 |
| Equity related contracts: [^] | | | | |
| - less than one year | 102 | 110 | 102 | 110 |
| Foreign exchange related contracts: [^] | | | | |
| - less than one year | 83,378 | 106,289 | 36,219 | 39,807 |
| Interest rate related contracts: [^] | | | | |
| - less than one year | - | 160,000 | - | 160,000 |
| | <u>1,651,817</u> | <u>2,178,321</u> | <u>1,338,936</u> | <u>1,867,243</u> |

[#] Included in direct credit substitutes is financial guarantee contract of RM32,559,000 (2022: RM30,660,000) to external party for our subsidiary.

[^] These derivatives are revalued on gross position basis and the unrealised gains or losses have been reflected in the financial statements as derivatives assets or derivatives liabilities.

28 Capital and Other Commitments

| | Group | | Bank | |
|--------------------------------|----------------------------|---------------------------|----------------------------|---------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| Authorised and contracted for: | | | | |
| Property, plant and equipment | 24,609 | 28,242 | 16,732 | 19,679 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

29 Valuation of Property, Plant and Equipment

The property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

30 Events Subsequent to the Date of Statements of Financial Position

There were no significant events subsequent to the date of statements of financial position that have not been reflected in the financial statements.

31 Changes in the Composition of the Group

There were no significant changes in the composition of the Group for the nine months ended 30 September 2023, other than as disclosed below.

(a) Consolidation of RHB Dana Hazeem Fund and RHB Smart Income Fund

During the financial period, RHB Asset Management Sdn Bhd ("RHBAM"), a wholly-owned subsidiary of the Bank, has acquired effective control in RHB Dana Hazeem Fund and RHB Smart Income Fund (collectively known as "Funds"), by virtue of its holdings in the units issued by the Funds.

The Group has consolidated the Funds in accordance with MFRS 10 "Consolidated Financial Statements" as a subsidiary of the Bank with effective equity interest of 53.50% and 56.38% respectively as at the end of the financial quarter.

(b) Dissolution of KE-ZAN Nominees (Asing) Sdn Bhd ("KE-ZAN")

KE-ZAN, a direct wholly-owned subsidiary of the Bank has been dissolved on 11 August 2023 pursuant to Section 459(5) of the Companies Act 2016. Arising therefrom, KE-ZAN is no longer a direct wholly-owned subsidiary of the Bank.

(c) Dissolution of RHB GC-Millennium Capital Pte. Ltd. ("RHB-GC")

RHB-GC, an indirect joint venture of the Bank, which held a 40% equity interest has been dissolved on 2 August 2023 pursuant to Section 180(6) of the Insolvency, Restructuring and Dissolution Act 2018 (No. 40 of 2018). Arising therefrom, RHB-GC is no longer an indirect joint venture of the Bank.

(d) Dissolution of RHB Futures Hong Kong Limited ("RHBFBHK")

RHBFBHK, an indirect wholly-owned subsidiary of the Bank, has been dissolved on 15 September 2023 pursuant to The Companies (Winding Up and Miscellaneous Provisions) Ordinance of Hong Kong. Arising therefrom, RHBFBHK is no longer an indirect wholly-owned subsidiary of the Bank.

The dissolutions of the direct and indirect wholly-owned subsidiaries do not have any material effect on the earnings and net assets of the Group for the financial period ended 30 September 2023.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

32 Changes in Profit for the Quarter

For the current financial quarter ended 30 September 2023, the Group recorded a pre-tax profit of RM32.4 million, 4.7% lower as compared to the immediate preceding quarter pre-tax profit of RM34.0 million. The decrease in profit is contributed by lower other operating income of RM4.9 million, lower allowance written back for expected credit losses of RM4.7 million and higher other operating expenses of RM2.3 million; partially offset by higher net fee and commission income of RM5.9 million and higher net interest income of RM4.4 million.

33 Performance Review

For the nine months ended 30 September 2023, the Group recorded a pre-tax profit of RM108.6 million, 38.0% higher as compared to the previous corresponding financial period of RM78.7 million, excluding pre-tax profit from discontinued operation of RM24.6mil. The increase in profit is contributed by higher other operating income of RM73.9 million, higher allowance written back for expected credit losses of RM5.9 million and higher share of results of associates of RM0.1 million; partially offset with lower net fee and commission income of RM21.8 million, higher other operating expenses of RM14.5 million and lower net interest income of RM13.7 million.

34 Prospects for Financial Year 2023

Domestic demand is expected to sustain for the rest of the year, supported by continued resilience in both private and public investments. Private investment activities are expected to be buoyed by further progress in construction projects and continued capacity expansion, whilst public investment is projected to expand further with the continuation of large-scale transport-related projects. The initiatives under 2024 Budget and the Economy MADANI framework, which include key plans such as the National Energy Transition Roadmap, the New Industrial Master Plan 2030, and the Mid-Term Review of the 12th Malaysia Plan, are expected to spur economic growth. However, the Group remains vigilant as risk from external factors heightens, such as recent development in geopolitical tensions, which may dampen global growth.

The banking sector is expected to remain strong with robust capital and liquidity positions, as well as sufficient level of provisioning to withstand any potential shock and support credit intermediation growth in the economy. At the current OPR level, the monetary policy stance remains conducive and supportive of economic growth.

The Group will remain vigilant and prudent in light of the continued challenging operating environment, resolving to stay the course as per our TWP24 strategy, prioritising on initiatives centred around achieving quality growth, driving service excellence and improving efficiency.

35 Client Trust Accounts

In accordance with Financial Reporting Standards Implementation Committee Consensus 18 'Monies Held in Trust by Participating Organisations of Bursa Malaysia Securities Berhad' ('FRSIC 18'), the cash held in trust for clients by the Group and the Bank amounted to RM2,798,314,000 (31 December 2022: RM2,920,798,000) and RM2,450,363,000 (31 December 2022: RM2,505,651,000) respectively, are not recognised in the financial statements as the Group and the Bank held them in a fiduciary capacity.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

36 Fair Value of Financial Instruments

Determination of fair value and fair value hierarchy

The Group and the Bank analyse their financial instruments measured at fair value into three categories as described below:

Level 1: Quoted prices (unadjusted) in active markets for identical assets or liabilities.

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.

Level 3: Valuations derived from valuation techniques in which one or more significant inputs are not based on observable market data.

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy:

| Group | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|----------------|----------------|----------------|------------------|
| 30 September 2023 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Financial assets</u> | | | | |
| Financial assets at FVTPL | 196,137 | 17,464 | 772,004 | 985,605 |
| - money market instruments | - | 8 | - | 8 |
| - quoted securities | 196,137 | - | - | 196,137 |
| - unquoted securities | - | 17,456 | 772,004 | 789,460 |
| Financial assets at FVOCI | 2,693 | 644,900 | 43,061 | 690,654 |
| - money market instruments | - | 100,851 | - | 100,851 |
| - quoted securities | 2,693 | - | - | 2,693 |
| - unquoted securities | - | 544,049 | 43,061 | 587,110 |
| Derivative assets | - | 7,630 | - | 7,630 |
| | <u>198,830</u> | <u>669,994</u> | <u>815,065</u> | <u>1,683,889</u> |
| <u>Financial liabilities</u> | | | | |
| Derivative liabilities | 30,144 | 32,845 | - | 62,989 |
| Puttable financial instruments | 9,240 | - | - | 9,240 |
| | <u>39,384</u> | <u>32,845</u> | <u>-</u> | <u>72,229</u> |
| | | | | |
| Group | Level 1 | Level 2 | Level 3 | Total |
| 31 December 2022 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Financial assets</u> | | | | |
| Financial assets at FVTPL | 190,542 | 2 | 689,484 | 880,028 |
| - quoted securities | 190,542 | - | - | 190,542 |
| - unquoted securities | - | 2 | 689,484 | 689,486 |
| Financial assets at FVOCI | 2,438 | 238,790 | 38,808 | 280,036 |
| - money market instruments | - | 169,591 | - | 169,591 |
| - quoted securities | 2,438 | - | - | 2,438 |
| - unquoted securities | - | 69,199 | 38,808 | 108,007 |
| Derivative assets | - | 1,275 | - | 1,275 |
| | <u>192,980</u> | <u>240,067</u> | <u>728,292</u> | <u>1,161,339</u> |
| <u>Financial liabilities</u> | | | | |
| Derivative liabilities | 16,917 | 2,829 | - | 19,746 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

36 Fair Value of Financial Instruments (cont'd)

Determination of fair value and fair value hierarchy (cont'd)

The table below analyses financial instruments carried at fair value analysed by level within the fair value hierarchy: (cont'd)

| Bank | Level 1 | Level 2 | Level 3 | Total |
|-------------------------------------|----------------|----------------|----------------|----------------|
| 30 September 2023 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Financial assets</u> | | | | |
| Financial assets at FVTPL | 122,805 | 193 | - | 122,998 |
| - money market instruments | - | 8 | - | 8 |
| - quoted securities | 122,805 | - | - | 122,805 |
| - unquoted securities | - | 185 | - | 185 |
| Financial assets at FVOCI | - | 644,900 | 40,524 | 685,424 |
| - money market instruments | - | 100,851 | - | 100,851 |
| - unquoted securities | - | 544,049 | 40,524 | 584,573 |
| Derivative assets | - | 5,822 | - | 5,822 |
| | 122,805 | 650,915 | 40,524 | 814,244 |
| <u>Financial liabilities</u> | | | | |
| Derivative liabilities | 28,808 | 31,922 | - | 60,730 |
| | | | | |
| Bank | Level 1 | Level 2 | Level 3 | Total |
| 31 December 2022 | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Financial assets</u> | | | | |
| Financial assets at FVTPL | 71,820 | 2 | - | 71,822 |
| - quoted securities | 71,820 | - | - | 71,820 |
| - unquoted securities | - | 2 | - | 2 |
| Financial assets at FVOCI | - | 238,790 | 38,517 | 277,307 |
| - money market instruments | - | 169,591 | - | 169,591 |
| - unquoted securities | - | 69,199 | 38,517 | 107,716 |
| Derivative assets | - | 716 | - | 716 |
| | 71,820 | 239,508 | 38,517 | 349,845 |
| <u>Financial liabilities</u> | | | | |
| Derivative liabilities | 10,231 | 46 | - | 10,277 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

36 Fair Value of Financial Instruments (cont'd)

Valuation techniques

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 are 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 quoted securities and unit trusts.

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 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. These would include certain bonds, government bonds, corporate debt securities and derivatives.

Financial instruments are classified as Level 3 if their valuation incorporates significant inputs that are not based on observable market data (unobservable inputs). This category includes unquoted shares held for socio-economic reasons and unquoted private equity funds. Fair values for shares held for socio-economic reasons are based on the net tangible assets of the affected companies. Fair value for private equity funds are based on enterprise valuation method where the main input include earnings before interest, taxes, depreciation and amortisation ('EBITDA') and adjusted for contingent receivable.

Reconciliation of fair value measurements in Level 3

The following represents the changes in Level 3 instruments for the financial period/year ended 30 September 2023 and 31 December 2022 for the Group and the Bank:

| | Group | | Bank | |
|--|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Financial assets at FVTPL</u> | | | | |
| Balance as at the beginning of the financial year | 689,484 | 626,663 | - | - |
| Total gain recognised in income statements | 37,703 | 22,504 | - | - |
| Additions | 19,713 | 8,095 | - | - |
| Distributions | (21,458) | (3,915) | - | - |
| Exchange differences | 46,562 | 36,137 | - | - |
| Balance as at the end of the financial period/year | 772,004 | 689,484 | - | - |

| | Group | | Bank | |
|---|------------------------------------|-----------------------------------|------------------------------------|-----------------------------------|
| | As at 30 September 2023 | As at 31 December 2022 | As at 30 September 2023 | As at 31 December 2022 |
| | RM'000 | RM'000 | RM'000 | RM'000 |
| <u>Financial assets at FVOCI</u> | | | | |
| Balance as at the beginning of the financial year | 38,808 | 36,961 | 38,517 | 36,670 |
| Total gain recognised in other comprehensive income | 2,007 | 1,847 | 2,007 | 1,847 |
| Additions | 2,238 | - | - | - |
| Exchange differences | 8 | - | - | - |
| Balance as at the end of the financial period/year | 43,061 | 38,808 | 40,524 | 38,517 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

37 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker, who is the person or group that allocates resources to and assesses the performance of the operating segments of an entity. The Group has determined RHB Banking Group's Management Committee as its chief operating decision-maker.

The business segment results are prepared based on the Group's internal management reporting, which reflects the organisation's management reporting structure. Internal allocation of costs for example back office support, centralised cost, funding centre and the application of transfer pricing, where appropriate, has been used in preparing the segmental reporting.

The Group's business segments are organised into the following main segments reflecting the Group's internal reporting structure:

(a) Investment Banking

Investment banking provides services for advisory, fund raising in the structuring and issuance of debt securities and capital market instruments, mergers and acquisitions, private placements, underwriting and initial public offerings of equity related instruments. This segment also covers facilities for equity share trading in local and foreign markets, share margin financing, futures broking products and services and custodian and nominees services.

Included in Investment Banking are Stockbroking and Investment Banking products and services to RHB regional customers in Indonesia, Thailand, Cambodia and Vietnam.

(b) Treasury

Treasury and money market operations are involved in non-proprietary trading of various financial products that include short-term money market instruments, long-term securities and foreign exchange and derivatives products, as well as funding centre.

Treasury includes treasury operations in Malaysia, Indonesia and Thailand.

(c) Asset Management

Asset Management business focuses on providing investment management services, unit trust fund management services, Islamic funds management services, wills and trustee services.

Asset Management consists of the Group's Asset Management and Trustee businesses, which includes overseas business operations in Singapore.

Asset Management business in Indonesia was disposed on 31 January 2022.

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

37 Segment Reporting (cont'd)

Segment Profit and Loss for the Nine Months Ended 30 September 2023

| Group | Continuing Operations | | | | Total |
|---|------------------------------|-----------------|-------------------|--------------------|----------------|
| | Investment | Treasury | Asset | Others and | |
| | Banking | | Management | Elimination | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| External revenue | 338,258 | 32,774 | 125,849 | - | 496,881 |
| Inter-segment revenue | 3,034 | - | (518) | (2,516) | - |
| Segment revenue | 341,292 | 32,774 | 125,331 | (2,516) | 496,881 |
| Other operating expenses | (300,075) | (11,156) | (84,980) | 2,516 | (393,695) |
| Including: | | | | | |
| Depreciation of property, plant and equipment | (8,759) | (54) | (971) | - | (9,784) |
| Depreciation of right-of-use assets | (7,020) | (69) | (915) | - | (8,004) |
| Amortisation of other intangible assets | (7,498) | - | (1,558) | - | (9,056) |
| Allowance written back for expected credit losses | 5,296 | 11 | 41 | - | 5,348 |
| | 46,513 | 21,629 | 40,392 | - | 108,534 |
| Share of results of associates | | | | | 106 |
| Profit before taxation | | | | | 108,640 |
| Taxation | | | | | (19,204) |
| Net profit for the financial period | | | | | 89,436 |

Segment Assets and Liabilities as at 30 September 2023

| Group | Continuing Operations | | | | Total |
|---|------------------------------|-----------------|-------------------|--------------------|------------------|
| | Investment | Treasury | Asset | Others and | |
| | Banking | | Management | Elimination | |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Segment assets | 4,774,099 | 3,697,062 | 591,961 | (737,542) | 8,325,580 |
| Goodwill | 306,611 | - | 143,367 | - | 449,978 |
| Investments in associates and joint venture | | | | | 4,827 |
| Tax recoverable | | | | | 34,036 |
| Deferred tax assets | | | | | 18,520 |
| Total assets | | | | | 8,832,941 |
| Segment liabilities | 1,272,556 | 4,331,934 | 268,440 | (8,685) | 5,864,245 |
| Tax liabilities | | | | | 3,726 |
| Borrowings | | | | | 634,185 |
| Subordinated obligations | | | | | 102,207 |
| Total liabilities | | | | | 6,604,363 |

NOTES TO UNAUDITED INTERIM FINANCIAL STATEMENTS FOR THE NINE MONTHS ENDED 30 SEPTEMBER 2023 (cont'd)

37 Segment Reporting (cont'd)

Segment Profit and Loss for the Nine Months Ended 30 September 2022

| Group | Continuing Operations | | | | Discontinued Operation | | |
|---|------------------------------|-----------------|-------------------------|-------------------------------|-------------------------------|-------------------------|---------------|
| | Investment Banking | Treasury | Asset Management | Others and Elimination | Total | Asset Management | Total |
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| External revenue | 271,851 | 58,117 | 128,586 | - | 458,554 | 25,363 | 483,917 |
| Inter-segment revenue | 3,696 | - | (641) | (3,055) | - | - | - |
| Segment revenue | 275,547 | 58,117 | 127,945 | (3,055) | 458,554 | 25,363 | 483,917 |
| Other operating expenses Including: | (290,087) | (10,847) | (81,338) | 3,055 | (379,217) | (721) | (379,938) |
| Depreciation of property, plant and equipment | (8,553) | (63) | (846) | - | (9,462) | (25) | (9,487) |
| Depreciation of right-of-use assets | (7,075) | (66) | (942) | - | (8,083) | (31) | (8,114) |
| Amortisation of other intangible assets | (7,345) | (48) | (1,338) | - | (8,731) | (3) | (8,734) |
| Allowance (made)/written back for expected credit losses | (417) | (34) | (183) | - | (634) | 4 | (630) |
| Impairment loss on other non-financial assets | - | - | (13) | - | (13) | - | (13) |
| | (14,957) | 47,236 | 46,411 | - | 78,690 | 24,646 | 103,336 |
| Share of results of associates | | | | | 46 | - | 46 |
| Profit before taxation | | | | | 78,736 | 24,646 | 103,382 |
| Taxation | | | | | (26,875) | (3,798) | (30,673) |
| Net profit for the financial period | | | | | 51,861 | 20,848 | 72,709 |

Segment Assets and Liabilities as at 31 December 2022

| Group | Investment Banking | Treasury | Asset Management | Others and Elimination | Total |
|---|---------------------------|-----------------|-------------------------|-------------------------------|---------------|
| | RM'000 | RM'000 | RM'000 | RM'000 | RM'000 |
| Segment assets | 4,519,806 | 3,457,478 | 701,306 | (780,573) | 7,898,017 |
| Goodwill | 306,611 | - | 143,367 | - | 449,978 |
| Investments in associates and joint venture | | | | | 4,721 |
| Tax recoverable | | | | | 36,172 |
| Deferred tax assets | | | | | 16,875 |
| Total assets | | | | | 8,405,763 |
| Segment liabilities | 1,087,726 | 3,985,697 | 383,623 | (46,815) | 5,410,231 |
| Tax liabilities | | | | | 6,061 |
| Borrowings | | | | | 755,916 |
| Subordinated obligations | | | | | 101,097 |
| Total liabilities | | | | | 6,273,305 |