

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)
CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 30 JUNE 2014

	Note	The Group		The Bank	
		As at	As at	As at	As at
		30.06.2014	30.06.2013	30.06.2014	30.06.2013
		RM'000	RM'000	RM'000	RM'000
ASSETS					
Cash and short-term funds		674,965	556,269	674,550	554,702
Reverse repurchase agreements		280,176	274,388	280,176	274,388
Deposits and placements with banks and other financial institutions		331,159	325,201	330,873	324,930
Financial assets at fair value through profit or loss	8	868,264	662,973	868,264	662,973
Financial investments available-for-sale	9	636,585	264,638	636,585	264,638
Financial investments held-to-maturity	10	358,413	253,911	358,413	253,911
Derivative financial assets	17	40,951	40,941	40,951	40,941
Loans and advances	11	431,414	174,184	431,414	174,184
Clients' and brokers' balances	12	284,378	147,539	284,378	147,539
Other assets	13	46,064	13,070	46,055	13,067
Statutory deposits with Bank Negara Malaysia		30,750	24,500	30,750	24,500
Investment in subsidiaries		-	-	383	1,455
Deferred tax assets		103,671	61,978	103,671	61,978
Property and equipment		5,487	6,667	5,487	6,667
Intangible assets - computer software		992	1,054	992	1,054
Goodwill		28,986	28,986	28,986	28,986
TOTAL ASSETS		4,122,255	2,836,299	4,121,928	2,835,913
LIABILITIES AND SHAREHOLDER'S FUNDS					
Deposits from customers	15	631,566	470,169	631,566	470,169
Deposits and placements of banks and other financial institutions	16	2,054,960	1,542,975	2,054,960	1,542,975
Repurchased agreements		179,087	177,033	179,087	177,033
Derivative financial liabilities	17	24,773	32,773	24,773	32,773
Clients' and brokers' balances		250,437	127,327	250,437	127,327
Provision for tax		4	-	-	-
Other liabilities	18	507,814	92,265	507,832	92,245
TOTAL LIABILITIES		3,648,641	2,442,542	3,648,655	2,442,522
EQUITY					
Share capital		165,000	165,000	165,000	165,000
Redeemable preference shares		1,631	1,631	1,631	1,631
Reserves		306,983	227,126	306,642	226,760
TOTAL EQUITY		473,614	393,757	473,273	393,391
TOTAL EQUITY AND LIABILITIES		4,122,255	2,836,299	4,121,928	2,835,913
COMMITMENTS AND CONTINGENCIES					
	25	6,116,545	6,181,545	6,116,545	6,181,545
Net assets per ordinary share (RM)		2.87	2.39	2.87	2.38

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	The Group			
		Individual Quarter		Cumulative Months Ended	
		Current	Last year's	Current	Last
		quarter ended	quarter ended	year ended	year's ended
		30.06.2014	30.06.2013	30.06.2014	30.06.2013
		RM'000	RM'000	RM'000	RM'000
Interest income	19	24,321	19,283	97,914	59,262
Interest expense	20	(17,000)	(13,346)	(69,052)	(35,299)
Net interest income		7,321	5,937	28,862	23,963
Non-interest income	21	60,299	44,835	164,425	124,981
Net income		67,620	50,772	193,287	148,944
Other operating expenses	22	(40,472)	(26,639)	(124,559)	(86,345)
Net operating profit		27,148	24,133	68,728	62,599
Allowance for impairment losses on loans and advances and other losses	23	(293)	(65)	(360)	(12)
Impairment losses on securities	24	-	(1,759)	-	(1,759)
Profit before taxation		26,855	22,309	68,368	60,828
Taxation		20,883	39,253	41,133	28,764
Net profit for the financial year		47,738	61,562	109,501	89,592
Earnings per share (sen)					
- Basic		28.9	37.3	66.4	62.6
- Diluted		28.9	37.3	66.4	62.6

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	The Group			
	Individual Quarter		Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial year	47,738	61,562	109,501	89,592
Other comprehensive expense:				
Items that will be reclassified subsequently to profit or loss				
Net fair value changes on financial investments available-for-sale	(733)	(2,801)	(2,192)	(13,457)
Income tax relating to net fair value changes on financial investments available-for-sale	183	700	548	3,364
Other comprehensive expense for the financial year, net of tax	(550)	(2,101)	(1,644)	(10,093)
Total comprehensive income for the financial year, net of tax	47,188	59,461	107,857	79,499

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED INCOME STATEMENTS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	The Bank			
		Individual Quarter		Cumulative Months Ended	
		Current	Last year's	Current	Last
		quarter ended	quarter ended	year ended	year's ended
		30.06.2014	30.06.2013	30.06.2014	30.06.2013
		RM'000	RM'000	RM'000	RM'000
Interest income	19	24,321	19,294	97,906	59,262
Interest expense	20	(17,000)	(13,346)	(69,052)	(35,299)
Net interest income		7,321	5,948	28,854	23,963
Non-interest income	21	60,259	44,783	164,227	124,734
Net income		67,580	50,731	193,081	148,697
Other operating expenses	22	(40,411)	(26,532)	(124,340)	(86,111)
Net operating profit		27,169	24,199	68,741	62,586
Allowance for impairment losses on loans and advances and other losses	23	(293)	(206)	(360)	(153)
Impairment losses on securities	24	-	(1,759)	-	(1,759)
Profit before taxation		26,876	22,234	68,381	60,674
Taxation		20,878	39,252	41,145	28,767
Net profit for the financial year		47,754	61,486	109,526	89,441
Earnings per share (sen)					
- Basic		28.9	37.3	66.4	62.5
- Diluted		28.9	37.3	66.4	62.5

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Individual Quarter		Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Net profit for the financial year	47,754	61,486	109,526	89,441
Other comprehensive expense:				
Items that will be reclassified subsequently to profit or loss				
Net fair value changes on financial investments available-for-sale	(733)	(2,801)	(2,192)	(13,457)
Income tax relating to net fair value changes on financial investments available-for-sale	183	700	548	3,364
Other comprehensive expense for the financial year, net of tax	(550)	(2,101)	(1,644)	(10,093)
Total comprehensive income for the financial year, net of tax	47,204	59,385	107,882	79,348

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD

(Company No: 10209-W)

**CONDENSED FINANCIAL STATEMENTS
UNAUDITED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014**

<u>The Group</u>	Note	Attributable to owner of the parent					(Accumulated	Total
		Share capital	Redeemable Preference share	Share premium	Statutory reserve	Fair value reserve	losses)/ retained profits	
		RM'000	RM'000	RM'000	RM'000	RM'000	RM'000	RM'000
At 1 July 2013		165,000	1,631	87,950	153,097	954	(14,875)	393,757
Net profit for the financial year		-	-	-	-	-	109,501	109,501
Other comprehensive expense, net of tax		-	-	-	-	(1,644)	-	(1,644)
Total comprehensive (expense)/income for the financial year		-	-	-	-	(1,644)	109,501	107,857
Transfer to statutory reserve		-	-	-	27,382	-	(27,382)	-
Dividend paid		-	-	-	-	-	(28,000)	(28,000)
At 30 June 2014		165,000	1,631	87,950	180,479	(690)	39,244	473,614
At 1 July 2012		75,000	-	87,950	83,385	-	(70,801)	175,534
Net profit for the financial year		-	-	-	-	-	89,592	89,592
Other comprehensive expense, net of tax		-	-	-	-	(10,093)	-	(10,093)
Total comprehensive (expense)/income for the financial year		-	-	-	-	(10,093)	89,592	79,499
Vesting of assets & liabilities from Promilia Berhad								
- issuance of ordinary shares		90,000	-	-	-	-	-	90,000
- issuance of Redeemable Preference Shares		-	1,631	-	-	-	-	1,631
- effect of predecessor accounting		-	-	-	47,352	11,047	(14,622)	43,777
- merger deficit adjusted to retained earnings		-	-	-	-	-	(1,848)	(1,848)
		90,000	1,631	-	47,352	11,047	(16,470)	133,560
Gain arising from purchase of shares held for ESOS		-	-	-	-	-	1,875	1,875
Gain arising from call option for purchase of shares for ESOS		-	-	-	-	-	3,289	3,289
Transfer to statutory reserve		-	-	-	22,360	-	(22,360)	-
At 30 June 2013		165,000	1,631	87,950	153,097	954	(14,875)	393,757

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD

(Company No: 10209-W)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Non-distributable				Distributable		Total RM'000
	Share capital RM'000	Redeemable Preference share RM'000	Share premium RM'000	Statutory reserve RM'000	Fair value reserve RM'000	(Accumulated losses)/ Retained profits RM'000	
The Bank							
At 1 July 2013	165,000	1,631	87,950	153,097	954	(15,241)	393,391
Net profit for the financial year	-	-	-	-	-	109,526	109,526
Other comprehensive expense, net of tax	-	-	-	-	(1,644)	-	(1,644)
Total comprehensive (expense)/income for the financial year	-	-	-	-	(1,644)	109,526	107,882
Transfer to statutory reserve	-	-	-	27,382	-	(27,382)	-
Dividend paid	-	-	-	-	-	(28,000)	(28,000)
At 30 June 2014	165,000	1,631	87,950	180,479	(690)	38,903	473,273
At 1 July 2012	75,000	-	87,950	83,385	-	(71,016)	175,319
Net profit for the financial year	-	-	-	-	-	89,441	89,441
Other comprehensive expense, net of tax	-	-	-	-	(10,093)	-	(10,093)
Total comprehensive (expense)/income for the financial year	-	-	-	-	(10,093)	89,441	79,348
Vesting of assets & liabilities from Promilia Berhad							
- issuance of ordinary shares	90,000	-	-	-	-	-	90,000
- issuance of Redeemable Preference Shares	-	1,631	-	-	-	-	1,631
- effect of predecessor accounting	-	-	-	47,352	11,047	(14,893)	43,506
- merger deficit adjusted to retained earnings	-	-	-	-	-	(1,577)	(1,577)
	90,000	1,631	-	47,352	11,047	(16,470)	133,560
Gain arising from purchase of shares held for ESOS	-	-	-	-	-	1,875	1,875
Gain arising from call option for purchase of shares for ESOS	-	-	-	-	-	3,289	3,289
Transfer to statutory reserve	-	-	-	22,360	-	(22,360)	-
At 30 June 2013	165,000	1,631	87,950	153,097	954	(15,241)	393,391

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

CONDENSED FINANCIAL STATEMENTS
UNAUDITED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	The Group		The Bank	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Cash flows from operating activities				
Profit before taxation	68,368	60,828	68,381	60,674
Adjustments for non-cash items	(47,286)	(30,703)	(47,286)	(30,603)
Operating profit before changes in working capital	21,082	30,125	21,095	30,071
Changes in working capital:				
Net changes in operating assets	(626,702)	136,605	(626,673)	142,141
Net changes in operating liabilities	1,183,560	238,812	1,183,598	238,966
Net income tax paid	(3)	(30)	-	-
Net cash generated from operating activities	577,937	405,512	578,020	411,178
Net cash (used in)/generated from investing activities	(431,241)	80,645	(430,172)	73,831
Net cash used in financing activities	(28,000)	-	(28,000)	-
Net changes in cash and cash equivalents	118,696	486,157	119,848	485,009
Cash and cash equivalents at beginning of the year	556,269	70,112	554,702	69,693
Cash and cash equivalents at end of the year	674,965	556,269	674,550	554,702
Cash and cash equivalents comprise:				
Cash and short term funds	674,965	556,269	674,550	554,702

The Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 30 June 2013.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

1. Basis of preparation

The interim financial statements of the Group and the Bank have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards ("IFRS") and the requirements of the Companies Act, 1965.

The interim financial statements have been prepared under the historical cost convention, as modified by the revaluation of financial investments available-for-sale, and financial assets and financial liabilities (including derivative financial instruments) at fair value through profit or loss.

(a) Standards, amendments and improvements to published standards that are applicable to the Group and the Bank and are effective

- MFRS 10 "Consolidated Financial Statements"
- MFRS 12 "Disclosures of Interests in Other Entities"
- MFRS 13 "Fair Value Measurement"
- The revised MFRS 127 "Separate Financial Statements"
- Amendment to MFRS 7 "Financial Instruments: Disclosures"
- Amendments to MFRS 10, 11 & 12 "Consolidated Financial Statements, Joint Arrangements and Disclosure of Interests in Other Entities: Transition Guidance"
- Annual improvements 2009-2011 Cycle

The adoption of the above accounting standards and amendments to published standards does not give rise to any material financial impact to the Group and the Bank.

(b) Standards early adopted by the Group and the Bank

The amendments to MFRS 136 "Impairment of assets" removed certain disclosures of the recoverable amount of CGUs which had been included in MFRS 136 by the issuance of MFRS 13. The amendment is not mandatory for the Group until 1 July 2014, however the Group has decided to early adopt the amendment as of 1 July 2013.

2. Audit report

The audit report of the latest audited annual financial statements was not subject to any qualification.

3. Seasonality or cyclicity of operations

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

4. Items affecting net income and cash flows

There were no unusual items affecting the assets, liabilities, equity, net income or cash flows of the Group and the Bank during the financial quarter ended 30 June 2014.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

5. Changes in estimates

There were no significant changes in estimates arising from prior financial quarter that have a material effect on the financial results and position of the Group and the Bank for the financial quarter ended 30 June 2014.

6. Issuance and repayments

There were no cancellation, repurchase, resale or repayment of debt and equity securities during the current financial quarter ended 30 June 2014.

7. Dividends

At the forthcoming Annual General Meeting, the Directors of the Bank recommend the payment of a single-tier final dividend of 38.20 sen per share on the Bank's issued and paid-up Redeemable Preference Shares comprising 163,076,524 of Redeemable Preference Shares amounting to RM62,295,232 for the financial year ended 30 June 2014.

8. Financial assets at fair value through profit or loss

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Financial assets held-for-trading		
Money market instruments		
Malaysian Government Securities	-	20,107
Negotiable instruments of deposits	403,428	150,372
Bankers' acceptances	316,639	219,476
	720,067	389,955
Quoted securities		
In Malaysia:		
Shares	8,360	9,570
Unquoted securities		
Foreign currency bonds	33,777	63,074
Private and Islamic debt securities	106,060	194,599
	139,837	257,673
	868,264	657,198
Financial assets designated at fair value through profit or loss		
Quoted securities		
In Malaysia:		
Shares	-	5,775
	868,264	662,973

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

9. Financial investments available-for-sale

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Money market instruments		
Malaysian Government Securities	30,512	20,205
Malaysian Government Investment Issues	139,398	59,669
Cagamas bonds	15,063	5,122
	184,973	84,996
Unquoted securities		
Shares	245	686
Foreign currency bonds	72,619	86,476
Private and Islamic debt securities	378,748	92,480
	451,612	179,642
	636,585	264,638

10. Financial investments held-to-maturity

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Money market instruments		
Malaysian Government Securities	51,316	-
Malaysian Government Investment Issues	25,517	5,107
Cagamas bonds	-	10,161
Negotiable instruments of deposits	51,499	-
	128,332	15,268
Unquoted securities		
Foreign currency bonds	194,666	192,912
Private and Islamic debt securities	35,415	45,731
	230,081	238,643
	358,413	253,911

11. Loans and advances

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Term loan financing	140,112	33,533
Share margin financing	291,384	139,049
Revolving credits	-	60
Staff loans	100	458
Other loans	1,319	2,074
Gross loans and advances	432,915	175,174
Less: Allowance for losses on loans and advances		
- individual assessment allowance	(194)	(252)
- collective assessment allowance	(1,307)	(738)
Total net loans and advances	431,414	174,184

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

11. Loans and advances (continued)

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
(i) Gross loans and advances disbursed by type of customers are as follows:		
Domestic business enterprises		
- Small and medium enterprises	72,653	26,600
- Others	115,866	52,708
Individuals	244,144	95,563
Foreign entities	252	303
	432,915	175,174
(ii) Gross loans and advances analysed by interest rate sensitivity are as follows:		
Variable rate	385,479	123,482
Fixed rate		
- Staff housing loans	83	388
- Other fixed rate loans	47,353	51,237
Non-interest bearing	-	67
	432,915	175,174
(iii) Gross loans and advances analysed by residual contractual maturity are as follows:		
Maturing within one year	365,350	172,658
One year to three years	3	149
Three years to five years	67,479	119
Over five years	83	2,248
	432,915	175,174
(iv) Loans and advances analysed by their economic purposes are as follows:		
Working capital	140,112	33,592
Purchase of securities	291,384	139,049
Purchase of transport vehicles	157	235
Purchase of landed properties	1,256	2,298
Others	6	-
	432,915	175,174
(v) Gross loans and advances analysed by geographical distribution are as follows:		
Malaysia	432,915	175,174

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

11. Loans and advances (continued)

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
(vi) Movements in impaired loans and advances ("impaired loans") are as follows:		
Balance at beginning of the year	1,123	-
Amount vested from Promilia Berhad	-	196
Impaired during the financial year	156	1,123
Amount written-back during the financial year	(426)	(196)
Balance at end of the year	<u>853</u>	<u>1,123</u>
(vii) Movements in allowance for loans and advances are as follows:		
Individual assessment allowance		
Balance at beginning of the year	252	-
Allowance made during the financial year	2	252
Allowance written back during the financial year	(60)	-
Balance at end of the year	<u>194</u>	<u>252</u>
Collective assessment allowance		
Balance at beginning of the year	738	160
Amount vested from Promilia	-	745
Allowance made/(written back) during the financial year	569	(167)
Balance at end of the year	<u>1,307</u>	<u>738</u>
(viii) Impaired loans and advances analysed by their economic purposed are as follows:		
Purchase of transport vehicles	115	156
Purchase of landed properties	738	967
	<u>853</u>	<u>1,123</u>

12. Clients' and brokers' balances

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Performing accounts	283,807	147,145
Impaired accounts	956	805
	<u>284,763</u>	<u>147,950</u>
Less: Allowance for bad and doubtful debts		
- individual assessment allowance	(370)	(378)
- collective assessment allowance	(15)	(33)
	<u>284,378</u>	<u>147,539</u>

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

13. Other assets

	The Group		The Bank	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Tax recoverable	7	5	-	-
Amount due from holding company	-	793	-	793
Amount due from subsidiary companies	-	-	-	3
Amount due from related companies	283	352	283	352
Other debtors, deposits and prepayments, net of allowances for bad and doubtful debts	45,774	11,920	45,772	11,919
	46,064	13,070	46,055	13,067

14. Valuation of property and equipment

Property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

15. Deposits from customers

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Fixed Deposit	631,566	470,169
(i) By Type of deposit		
Fixed Deposit	631,566	470,169
(ii) By Type of customer		
Government & statutory bodies	534,103	429,322
Business enterprises	96,453	40,847
Individuals	1,010	-
	631,566	470,169
(iii) The maturity structure of fixed deposits is as follows:		
Due within six months	631,566	470,169

16. Deposits and placements of banks and other financial institutions

	The Group and the Bank	
	30.06.2014	30.06.2013
	RM'000	RM'000
Bank Negara Malaysia	96,343	316,207
Licensed banks	553,736	128,060
Licensed investment banks	52,804	105,866
Other financial institutions	1,352,077	992,842
	2,054,960	1,542,975

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

17. Derivative financial assets/liabilities

	The Group and the Bank		
	Contract or underlying principal amount RM'000	Positive fair value RM'000	Negative fair value RM'000
30.06.2014			
Interest rate related contracts:			
- Interest rate swaps	2,411,000	9,769	(18,537)
- Futures	494,816	489	-
- Cross currency swaps	64,220	195	(36)
Foreign exchange related contracts:			
- Foreign currency swaps	1,432,090	9,204	(5,969)
- Foreign currency forwards	57,314	14	(207)
- Foreign currency spots	48,165	19	(24)
Equity related contracts:			
- Call options	12,929	21,261	-
	4,520,534	40,951	(24,773)

30.06.2013

Interest rate related contracts:			
- Interest rate swaps	1,888,500	6,615	(11,778)
- Futures	894,809	2,239	(942)
- Cross currency swaps	94,809	222	(278)
Foreign exchange related contracts:			
- Foreign currency swaps	2,064,470	14,835	(19,645)
- Foreign currency forwards	19,011	-	(128)
- Foreign currency spots	12,641	12	(2)
Equity related contracts:			
- Call options	12,858	17,018	-
	4,987,098	40,941	(32,773)

18. Other liabilities

	The Group		The Bank	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Amount due to holding company	266	-	266	-
Amount due to a subsidiary companies	-	-	153	-
Amount due to related companies	2	-	2	-
Remisiers' trust deposits	13,777	15,482	13,777	15,482
ESOS liabilities	14,624	8,428	14,624	8,428
Other payables and accrued liabilities	478,844	68,059	478,709	68,039
Provision for post employment benefits	301	296	301	296
	507,814	92,265	507,832	92,245

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

19. Interest income

	The Group			
	Individual Quarter		Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Loans and advances	4,459	3,357	16,627	12,343
Money at call and deposit placements with financial institutions	5,209	3,927	25,077	9,305
Financial assets at fair value through profit or loss	4,688	6,990	19,554	21,225
Financial investments available-for-sale	6,152	1,778	19,127	4,140
Financial investments held-to-maturity	2,994	2,020	13,758	8,782
Derivative financial instruments	596	783	2,729	2,417
Others	223	428	1,042	1,050
Total interest income	24,321	19,283	97,914	59,262

	The Bank			
	Individual Quarter		Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Loans and advances	4,459	3,357	16,627	12,343
Money at call and deposit placements with financial institutions	5,209	3,927	25,069	9,305
Financial assets at fair value through profit or loss	4,688	6,990	19,554	21,225
Financial investments available-for-sale	6,152	1,778	19,127	4,140
Financial investments held-to-maturity	2,994	2,020	13,758	8,782
Derivative financial instruments	596	783	2,729	2,417
Others	223	439	1,042	1,050
Total interest income	24,321	19,294	97,906	59,262

20. Interest expense

	The Group and the Bank			
	Individual Quarter		Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Deposits and placements of banks and other financial institutions	3,289	2,292	15,979	6,763
Deposits from customers	11,855	9,774	45,946	25,277
Derivative financial instruments	1,680	1,136	6,650	3,255
Others	176	144	477	4
Total interest expense	17,000	13,346	69,052	35,299

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

21. Non-interest income

	Individual Quarter		The Group	
	Current	Last year's	Cumulative	Months Ended
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
<u>Fee and commission income:</u>				
Corporate advisory fees	2,810	2,630	8,058	5,675
Arranger fees	3,736	314	15,295	9,277
Underwriting commissions	1,660	369	2,274	855
Brokerage income	17,888	15,046	60,576	33,724
Fees on loans and advances	773	474	2,598	1,755
Other fee income	28,401	16,876	44,804	41,025
	55,268	35,709	133,605	92,311
<u>Net income from securities</u>				
Net realised (loss)/gain arising from sale/redemption of:				
- financial assets at fair value through profit or loss	(152)	(1,338)	(4,648)	1,859
- financial investments available-for-sale	1,205	-	4,528	15,724
- financial investments held-to-maturity	-	-	12	-
- derivative financial instruments	5,573	(7,889)	9,624	(12,748)
Net unrealised gain/(loss) on revaluation of:				
- financial assets at fair value through profit or loss	586	(4,445)	7,540	(151)
- derivative financial instruments	42	9,879	23,916	9,185
Dividend income from:				
- financial assets at fair value through profit or loss	-	44	640	553
- financial investments available-for-sale	49	6	49	118
	7,303	(3,743)	41,661	14,540
<u>Other income:</u>				
Gain on disposal of property and equipment	-	13	-	-
Loss on liquidation of subsidiaries	(3)	-	(3)	-
Foreign exchange (loss)/gain	(2,359)	12,815	(11,571)	17,920
Other non-operating income	90	41	733	210
	(2,272)	12,869	(10,841)	18,130
	60,299	44,835	164,425	124,981

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

21. Non-interest income (continued)

	Individual Quarter		The Bank Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
<u>Fee and commission income:</u>				
Corporate advisory fees	2,810	2,630	8,058	5,675
Arranger fees	3,736	314	15,295	9,277
Underwriting commissions	1,660	369	2,274	855
Brokerage income	17,888	15,046	60,576	33,724
Fees on loans and advances	773	474	2,598	1,755
Other fee income	28,355	16,793	44,604	40,778
	55,222	35,626	133,405	92,064
<u>Net income from securities</u>				
Net realised (loss)/gain arising from sale/redemption of:				
- financial assets at fair value through profit or loss	(152)	(1,338)	(4,648)	1,859
- financial investments available-for-sale	1,205	-	4,528	15,724
- financial investments held-to-maturity	-	-	12	-
- derivative financial instruments	5,573	(7,889)	9,624	(12,748)
Net unrealised gain/(loss) on revaluation of:				
- financial assets at fair value through profit or loss	586	(4,445)	7,540	(151)
- derivative financial instruments	42	9,879	23,916	9,185
Dividend income from:				
- financial assets at fair value through profit or loss	-	44	640	553
- financial investments available-for-sale	49	6	49	118
	7,303	(3,743)	41,661	14,540
<u>Other income:</u>				
Gain on disposal of property and equipment	-	13	-	-
Loss on liquidation of subsidiaries	(3)	-	(3)	-
Foreign exchange (loss)/gain	(2,359)	12,815	(11,571)	17,920
Other non-operating income	96	72	735	210
	(2,266)	12,900	(10,839)	18,130
	60,259	44,783	164,227	124,734

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

22. Other operating expenses

	The Group			
	Individual Quarter		Cumulative Months Ended	
	Current quarter ended 30.06.2014 RM'000	Last year's quarter ended 30.06.2013 RM'000	Current year ended 30.06.2014 RM'000	Last year's ended 30.06.2013 RM'000
Personnel expenses	31,949	18,204	91,476	60,588
Promotion and marketing related expenses	592	441	2,450	1,160
Establishment related expenses	4,082	4,100	16,102	12,509
General administrative expenses	3,849	3,894	14,531	12,088
	40,472	26,639	124,559	86,345
(i) Personnel expenses comprise the following:				
Salaries, bonuses and allowances	27,717	11,786	54,177	46,601
Defined contribution plan	1,350	1,278	5,256	3,982
Option charge arising from ESOS	2,258	3,854	30,535	8,141
Other employee benefits	624	1,286	1,508	1,864
	31,949	18,204	91,476	60,588
(ii) Promotion and marketing related expenses comprise the following:				
Advertisement and publicity expenses	2	22	256	77
Entertainment and business improvement	538	249	1,922	839
Others	52	170	272	244
	592	441	2,450	1,160
(iii) Establishment related expenses comprise the following:				
Depreciation of property and equipment	451	442	1,899	1,673
Amortisation of intangible assets	157	132	523	427
Rental expenses	1,354	1,294	5,602	4,344
Others	2,120	2,232	8,078	6,065
	4,082	4,100	16,102	12,509
(iv) General administrative expenses comprise the following:				
Auditors' remuneration				
- Statutory audit	33	249	277	299
- Tax compliance fee	9	24	9	24
- Other fees	185	21	185	21
Legal and professional fees	1,011	1,175	3,661	3,414
Others	2,611	2,425	10,399	8,330
	3,849	3,894	14,531	12,088

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

22. Other operating expenses (continued)

	The Bank			
	Individual Quarter		Cumulative Months Ended	
	Current quarter ended 30.06.2014 RM'000	Last year's quarter ended 30.06.2013 RM'000	Current year ended 30.06.2014 RM'000	Last year's ended 30.06.2013 RM'000
Personnel expenses	31,920	18,173	91,359	60,500
Promotion and marketing related expenses	592	441	2,450	1,160
Establishment related expenses	4,072	4,087	16,061	12,459
General administrative expenses	3,827	3,831	14,470	11,992
	40,411	26,532	124,340	86,111
(i) Personnel expenses comprise the following:				
Salaries, bonuses and allowances	27,692	11,761	54,078	46,530
Defined contribution plan	1,363	1,287	5,256	3,982
Option charge arising from ESOS	2,258	3,854	30,535	8,141
Other employee benefits	607	1,271	1,490	1,847
	31,920	18,173	91,359	60,500
(ii) Promotion and marketing related expenses comprise the following:				
Advertisement and publicity expenses	2	22	256	77
Entertainment and business improvement	538	249	1,922	839
Others	52	170	272	244
	592	441	2,450	1,160
(iii) Establishment related expenses comprise the following:				
Depreciation of property and equipment	451	442	1,899	1,673
Amortisation of intangible assets	157	132	523	427
Rental expenses	1,346	1,283	5,570	4,320
Others	2,118	2,230	8,069	6,039
	4,072	4,087	16,061	12,459
(iv) General administrative expenses comprise the following:				
Auditors' remuneration				
- Statutory audit	31	238	267	282
- Tax compliance fee	9	24	9	24
- Other fees	185	21	185	21
Legal and professional fees	986	1,113	3,636	3,344
Others	2,616	2,435	10,373	8,321
	3,827	3,831	14,470	11,992

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

23. Allowance for impairment losses on loans and advances and other losses

	Individual Quarter		The Group	
	Current	Last year's	Current	Last
	quarter ended	quarter ended	year ended	year's ended
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Allowance for/(writeback of) losses on impaired loans and advances:				
(a) Individual assessment allowance				
- made during the financial year	-	252	2	252
- written back during the financial year	(1)	-	(60)	-
(b) Collective assessment allowance				
- made/(written back) during the financial year	230	84	569	(167)
Bad debts on loans & advances				
- written-off	-	-	-	2
Allowance for losses on clients' and brokers' balances:				
(a) Individual assessment allowance				
- made during the financial year	20	(74)	119	138
- written back during the financial year	4	(27)	(127)	(152)
(b) Collective assessment (written back)/made during the financial year	(14)	22	(18)	(117)
Bad debts on clients' and brokers' balances				
- recovered	(31)	(104)	(57)	(309)
Allowance for losses on other debtors:				
(a) Individual assessment allowance				
- made during the financial year	85	(38)	85	415
- written-back during the financial year	-	(70)	(153)	(70)
Bad debts on other assets				
- written off	-	20	-	20
	293	65	360	12

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

23. Allowance for impairment losses on loans and advances and other losses (continued)

	Individual Quarter		The Bank Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended 30.06.2014 RM'000	quarter ended 30.06.2013 RM'000	year ended 30.06.2014 RM'000	year's ended 30.06.2013 RM'000
Allowance for/(writeback of) losses on impaired loans and advances:				
(a) Individual assessment allowance				
- made during the financial year	-	252	2	252
- written back during the financial year	(1)		(60)	-
(b) Collective assessment allowance				
- made/(written back) during the financial year	230	84	569	(167)
Bad debts on loans & advances				
- written-off	-	-	-	2
Allowance for losses on clients' and brokers' balances:				
(a) Individual assessment allowance				
- made during the financial year	20	(74)	119	138
- written back during the financial year	4	(27)	(127)	(152)
(b) Collective assessment (written back)/made during the year	(14)	22	(18)	(117)
Bad debts on clients' and brokers' balances				
- recovered	(31)	(104)	(57)	(309)
Allowance for losses on other debtors:				
(a) Individual assessment allowance				
- made during the year	85	(38)	85	415
- written-back during the year	-	(70)	(153)	(70)
Bad debts on other assets				
- written off	-	61	-	61
Allowance for impairment on subsidiary	-	100	-	100
	293	206	360	153

24. Impairment losses on securities

	Individual Quarter		The Group and the Bank Cumulative Months Ended	
	Current	Last year's	Current	Last
	quarter ended 30.06.2014 RM'000	quarter ended 30.06.2013 RM'000	year ended 30.06.2014 RM'000	year's ended 30.06.2013 RM'000
Financial investments available-for-sale	-	1,759	-	1,759

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

25. Commitments and contingencies

In the normal course of business, the Bank makes various commitments and incur certain contingent liabilities with legal recourse to their customers. No material losses are anticipated as a result of these.

	The Group and the Bank	
	30.06.2014	30.06.2013
	Principal Amount RM'000	Principal Amount RM'000
Commitments and Contingent Liabilities		
Direct Credit Substitutes	20,625	50,750
Obligations under underwriting agreement	299,154	-
Other commitments, such as formal standby facilities and credit lines		
- maturity less than one year	23	-
- maturity over one year	-	69
Any commitments that are unconditionally cancelled at any time by the Bank without prior notice		
- maturity less than one year	627,233	507,022
Others	648,976	636,606
	1,596,011	1,194,447
Derivative Financial Instruments		
Interest rate related contracts:		
- One year or less	724,036	716,412
- Over one year to five years	2,246,000	2,161,706
Foreign exchange related contracts:		
- One year or less	1,537,569	2,096,122
Equity related contracts:		
- One year or less	1,429	1,429
- Over one year to five years	11,500	11,429
	4,520,534	4,987,098
	6,116,545	6,181,545

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

26. Fair value of financial instruments

Determination of fair value and fair value hierarchy

The Group and the Company measures fair values using the following fair value hierarchy that reflects the significance of the inputs used in making the measurements:

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.

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 market where the quoted prices is readily available, and the price represents actual and regularly occurring market transactions. An active market is one in which transactions occur with sufficient volume and frequency to provide pricing information on an on-going basis. These would include actively traded listed equities, unit trust investments and actively exchange-traded derivatives.

Where fair value is determined using unquoted market prices in less active markets or quoted prices for similar assets and liabilities, such instruments are generally classified as Level 2.

In cases where quoted prices are generally not available, the Group then determine fair value based upon valuation techniques that use as inputs, market parameters including but not limited to yield curves, volatilities and foreign exchange rates. The majority of valuation techniques employ only observable market data and so reliability of the fair value measurement is high.

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

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

26. Fair value of financial instruments (continued)

Determination of fair value and fair value hierarchy

The Group and the Bank	Level 1	Level 2	Level 3	Total
30.06.2014	RM'000	RM'000	RM'000	RM'000
Financial assets				
Financial assets held-for-trading	8,360	859,904	-	868,264
- Money market instruments	-	720,067	-	720,067
- Quoted securities	8,360	-	-	8,360
- Unquoted securities	-	139,837	-	139,837
Financial investments available-for-sale	-	636,340	245	636,585
- Money market instruments	-	184,973	-	184,973
- Unquoted securities	-	451,367	245	451,612
Derivative financial assets				
- Money market instruments	-	40,951	-	40,951
	8,360	1,537,195	245	1,545,800
Financial liability				
Derivative financial liabilities				
- Money market instruments	-	24,773	-	24,773
30.06.2013				
Financial assets				
Financial assets held-for-trading	15,345	647,628	-	662,973
- Money market instruments	-	389,955	-	389,955
- Quoted securities	15,345	-	-	15,345
- Unquoted securities	-	257,673	-	257,673
Financial investments available-for-sale	-	263,952	686	264,638
- Money market instruments	-	84,996	-	84,996
- Unquoted securities	-	178,956	686	179,642
Derivative financial assets				
- Money market instruments	-	40,941	-	40,941
	15,345	952,521	686	968,552
Financial liability				
Derivative financial liabilities				
- Money market instruments	-	32,773	-	32,773

There were no transfers between Level 1 and 2 during the financial year.

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

26. Fair value of financial instruments (continued)

Reconciliation of fair value measurement in Level 3 of the fair value hierarchy are as follows:

The Group and the Bank	Financial investments available-for-sale	
	30.06.2014	30.06.2013
	RM'000	RM'000
As at 1 July	686	-
Vested from Promilia Berhad	-	2,445
Redeemed during the year	(441)	-
Impaired during the year	-	(1,759)
As at 30 June	245	686

27. Capital adequacy

The risk-weighted assets ("RWA") of the Group and the Bank have adopted the Standardised Approach for Credit Risk and Market Risk, and the Basic Indicator Approach for Operational Risk computation.

(a) The capital adequacy ratios of the Group and the Bank are analysed as follows:

	The Group		The Bank	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Before deducting proposed dividends:				
Common equity tier 1 ("CET1") capital ratio	20.128%	33.084%	20.108%	33.077%
Tier 1 capital ratio	20.128%	33.084%	20.108%	33.077%
Total capital ratio	20.296%	33.339%	20.259%	33.172%
After deducting proposed dividends:				
CET1 capital ratio	16.422%	29.991%	16.401%	29.982%
Tier 1 capital ratio	16.422%	29.991%	16.401%	29.982%
Total capital ratio	16.590%	30.246%	16.552%	30.076%

HONG LEONG INVESTMENT BANK BERHAD
(Company No: 10209-W)

EXPLANATORY NOTES

27. Capital adequacy (continued)

(b) The components of CET1, Tier 1 and total capital of the Group and the Bank are as follows:

	The Group		The Bank	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
CET1 Capital				
Paid-up ordinary share capital	165,000	165,000	165,000	165,000
Share premium	87,950	87,950	87,950	87,950
Other reserves	219,033	139,176	218,692	138,810
	471,983	392,126	471,642	391,760
Regulatory adjustments:				
- Goodwill and intangibles	(29,978)	(30,040)	(29,978)	(30,040)
- Deferred tax assets	(103,671)	(61,978)	(103,671)	(61,978)
- Other regulatory adjustments	-	(525)	(77)	(525)
Total CET1 Capital	338,334	299,583	337,916	299,217
Tier 1 Capital	338,334	299,583	337,916	299,217
Tier 2 Capital				
Redeemable preference shares ("RPS")	1,631	1,631	1,631	1,631
Collective assessment allowance for losses on loans and advances ⁽¹⁾	1,204	678	1,204	678
Regulatory adjustments:				
- Investment in subsidiaries	-	-	(306)	(1,455)
Total Tier 2 Capital	2,835	2,309	2,529	854
Total Capital	341,169	301,892	340,445	300,071

Note:

⁽¹⁾ Excludes collective assessment allowance attributable to loans and advances classified as impaired.

(c) Breakdown of risk-weighted assets in the various risk weights:

	The Group		The Bank	
	30.06.2014	30.06.2013	30.06.2014	30.06.2013
	RM'000	RM'000	RM'000	RM'000
Credit risk	896,229	465,326	896,087	464,961
Market risk	571,557	321,448	571,557	321,448
Operational risk	213,166	118,761	212,853	118,189
	1,680,952	905,535	1,680,497	904,598

HONG LEONG INVESTMENT BANK BERHAD

(Company No: 10209-W)

EXPLANATORY NOTES

28. Significant events during the financial quarter ended 30 June 2014

There were no material significant events during the financial quarter.

29. Changes in the composition of the Group and Bank

There were no changes in composition of the Group since last financial quarter, except the following:

- (a) On 1 April 2014, HLCB announced that the liquidator of RC Nominees (Tempatan) Sdn Bhd (“RC Nominees”), a wholly-owned subsidiary of Hong Leong Investment Bank Berhad (“HLIB”), had convened the final meeting for RC Nominees to conclude the member’s voluntary winding-up of RC Nominees. The Return by Liquidator Relating to Final Meeting of RC Nominees was lodged on 1 April 2014 with the Companies Commission of Malaysia and the Official Receiver, and on the expiration of 3 months after the said lodgement date, RC Nominees will be dissolved.
- (b) HLIB placed the following wholly-owned subsidiaries under member’s voluntary winding-up pursuant to Section 254(1)(b) of the Companies Act, 1965 on the dates as set out below:
 - (i) HLG Nominee (Tempatan) Sdn Bhd and HLG Nominee (Asing) Sdn Bhd on 23 April 2014; and
 - (ii) ECS Jaya (1969) Sdn Bhd on 12 June 2014.
- (c) The following wholly-owned subsidiaries of HLIB were dissolved on the dates as set out below:
 - (i) MIMB Nominees (Tempatan) Sendirian Berhad and MIMB Nominees (Asing) Sendirian Berhad were dissolved on 19 May 2014; and
 - (ii) RC Nominees (Tempatan) Sdn Bhd was dissolved on 1 July 2014.

30. Significant events subsequent to the financial quarter

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

31. Review of performance for the financial quarter ended 30 June 2014 against the corresponding financial quarter

For the current financial quarter ended 30 June 2014, the Group recorded a profit before tax of RM26.8 million, as compared to a RM22.3 million recorded in the corresponding financial quarter. The increase in profit of RM4.5 million was primarily attributable to the higher income earned from its Investment Banking Division. However, the impact of higher income was partially offset by higher overheads incurred in this quarter.

32. Prospects for 2014

The key focus for the coming financial year is to strengthen and build on the existing stockbroking business and to offer innovative investment banking solutions while leveraging on Hong Leong Group relationship.

On top of this, the Bank seek to capitalize on its enlarged scale from the vesting of business from former HLIB to further improve our market presence.