

Registration No. 196901000166 (8515-D)

**AmBank (M) Berhad**  
(Incorporated in Malaysia)  
**And Its Subsidiaries**

**Condensed Interim Financial Statements**  
**For the Financial Period**  
**1 April 2021 to**  
**31 December 2021**  
(In Ringgit Malaysia)

**AmBank (M) Berhad**  
(Incorporated in Malaysia)  
And Its Subsidiaries

**UNAUDITED STATEMENTS OF FINANCIAL POSITION  
AS AT 31 DECEMBER 2021**

	Note	Group		Bank	
		31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>ASSETS</b>					
Cash and short-term funds	A8	12,876,862	9,621,295	12,862,101	9,613,134
Deposits and placements with banks and other financial institutions	A9	1,283,953	457,124	1,283,953	457,124
Investment account placement	A10	1,713,520	716,091	1,713,520	716,091
Derivative financial assets		920,865	1,313,003	920,865	1,313,003
Financial assets at fair value through profit or loss	A11	5,234,382	3,789,592	5,234,344	3,789,554
Financial investments at fair value through other comprehensive income	A12	14,816,296	13,763,607	14,816,296	13,763,607
Financial investments at amortised cost	A13	4,432,286	2,695,263	4,432,286	2,695,263
Loans and advances	A14	78,065,878	76,578,394	78,030,859	76,537,912
Statutory deposit with Bank Negara Malaysia		289,938	305,773	289,938	305,773
Deferred tax assets		112,074	74,858	112,074	74,858
Investment in subsidiaries		-	-	31,492	31,492
Investment in associates		15,519	31,305	19,617	32,300
Other assets	A15	1,656,600	1,559,988	1,653,650	1,557,083
Property and equipment		156,752	184,473	138,519	165,843
Right-of-use assets		180,168	223,268	181,652	224,856
Intangible assets		223,400	254,134	223,400	254,134
<b>TOTAL ASSETS</b>		<b>121,978,493</b>	<b>111,568,168</b>	<b>121,944,566</b>	<b>111,532,027</b>
<b>LIABILITIES AND EQUITY</b>					
Deposits from customers	A16	82,448,415	79,629,964	82,465,845	79,645,732
Deposits and placements of banks and other financial institutions	A17	7,642,372	7,104,827	7,652,772	7,115,032
Securities sold under repurchase agreements		6,195,236	810,171	6,195,236	810,171
Recourse obligation on loans sold to Cagamas Berhad		8,075,031	6,475,018	8,075,031	6,475,018
Derivative financial liabilities		863,211	1,273,529	863,211	1,273,529
Term funding		1,062,552	715,103	1,062,552	715,103
Debt capital		2,995,000	2,995,000	2,995,000	2,995,000
Other liabilities	A18	2,776,335	3,802,608	2,764,599	3,790,933
<b>TOTAL LIABILITIES</b>		<b>112,058,152</b>	<b>102,806,220</b>	<b>112,074,246</b>	<b>102,820,518</b>
Share capital		3,040,465	2,590,465	3,040,465	2,590,465
Reserves		6,879,730	6,171,337	6,829,855	6,121,044
<b>Equity attributable to equity holder of the Bank</b>		<b>9,920,195</b>	<b>8,761,802</b>	<b>9,870,320</b>	<b>8,711,509</b>
Non-controlling interests		146	146	-	-
<b>TOTAL EQUITY</b>		<b>9,920,341</b>	<b>8,761,948</b>	<b>9,870,320</b>	<b>8,711,509</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>121,978,493</b>	<b>111,568,168</b>	<b>121,944,566</b>	<b>111,532,027</b>
<b>COMMITMENTS AND CONTINGENCIES</b>	A33	<b>106,608,469</b>	<b>128,117,074</b>	<b>106,682,069</b>	<b>128,182,124</b>
<b>NET ASSETS PER SHARE (RM)</b>		<b>10.44</b>	<b>9.70</b>	<b>10.39</b>	<b>9.64</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
(Incorporated in Malaysia)  
**And Its Subsidiaries**

**UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS**  
**FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

Group	Note	Individual Quarter		Cumulative Quarter	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Interest income	A19	1,002,311	974,203	2,942,591	3,035,093
Interest expense	A20	(449,169)	(462,729)	(1,322,586)	(1,625,500)
Net interest income		553,142	511,474	1,620,005	1,409,593
Other operating income	A21	144,990	190,054	426,176	571,124
Share in results of an associate		(109)	417	(786)	(1,191)
Net income		698,023	701,945	2,045,395	1,979,526
Other operating expenses	A22	(323,602)	(336,320)	(949,462)	(950,205)
Operating profit		374,421	365,625	1,095,933	1,029,321
Allowance for impairment on loans and advances	A23	(63,778)	(139,961)	(237,834)	(379,248)
(Provision)/writeback of provision for commitments and contingencies		(38,418)	(3,599)	(47,871)	2,544
(Allowance)/writeback of allowance for impairment on:					
Financial investments	A24	(4,024)	(2,278)	(9,417)	4,447
Other financial assets	A25	2,900	(681)	(1,580)	467
Other recoveries		11	8	28	95
<b>Profit before taxation</b>		<b>271,112</b>	<b>219,114</b>	<b>799,259</b>	<b>657,626</b>
Taxation		96,892	(49,576)	(28,258)	(134,882)
<b>Profit for the financial period</b>		<b>368,004</b>	<b>169,538</b>	<b>771,001</b>	<b>522,744</b>
Attributable to:					
Equity holder of the Bank		368,004	169,538	771,001	522,752
Non-controlling interests		-	-	-	(8)
Profit for the financial period		<b>368,004</b>	<b>169,538</b>	<b>771,001</b>	<b>522,744</b>
<b>Earnings per share (sen)</b>					
Basic/Diluted	A26	38.74	20.26	82.04	62.47

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**AmBank (M) Berhad**  
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**UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Group</b>				
Profit for the financial period	368,004	169,538	771,001	522,744
<b>Other comprehensive income/(loss)</b>				
<b>Items that will not be reclassified subsequently to statement of profit or loss</b>				
Financial investments at fair value through other comprehensive income				
- net unrealised (loss)/gain on changes in fair value	(1,254)	1,835	(3,756)	94,672
Tax effect	220	(440)	1,541	(448)
<b>Items that may be reclassified subsequently to statement of profit or loss</b>				
Currency translation on offshore operations	(1,285)	(8,962)	1,377	(19,153)
Cash flow hedge				
- gain arising during the financial period	435	585	1,595	4,985
- amortisation of fair value changes of terminated hedge	1,858	2,772	7,177	6,390
Tax effect	(550)	(806)	(2,105)	(2,730)
Financial investments at fair value through other comprehensive income				
- net (loss)/gain on changes in fair value	(62,231)	(31,874)	(104,631)	244,337
- net gain reclassified to profit or loss	(1,055)	(398)	(4,061)	(17,014)
- allowance/(writeback) of expected credit losses ("ECL")	3,211	2,258	14,087	(3,099)
- foreign exchange differences	(1)	4	(1)	9
Tax effect	15,271	7,740	26,169	(54,565)
Other comprehensive (loss)/income, net of tax	(45,381)	(27,286)	(62,608)	253,384
<b>Total comprehensive income for the financial period, net of tax</b>	<b>322,623</b>	<b>142,252</b>	<b>708,393</b>	<b>776,128</b>
Attributable to:				
Equity holder of the Bank	322,623	142,252	708,393	776,136
Non-controlling interests	-	-	-	(8)
	<b>322,623</b>	<b>142,252</b>	<b>708,393</b>	<b>776,128</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
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**UNAUDITED STATEMENT OF PROFIT OR LOSS**  
**FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

	Note	Individual Quarter		Cumulative Quarter	
		31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Bank</b>					
Interest income	A19	1,001,168	972,889	2,939,049	3,031,299
Interest expense	A20	(449,221)	(462,778)	(1,322,733)	(1,625,653)
Net interest income		551,947	510,111	1,616,316	1,405,646
Other operating income	A21	144,812	189,251	440,675	571,049
Net income		696,759	699,362	2,056,991	1,976,695
Other operating expenses	A22	(323,339)	(336,453)	(948,966)	(950,529)
Operating profit		373,420	362,909	1,108,025	1,026,166
Allowance for impairment on loans and advances	A23	(63,868)	(139,955)	(237,906)	(382,122)
(Provision)/writeback of provision for commitments and contingencies		(38,433)	(3,601)	(47,912)	2,546
(Allowance)/writeback of allowance for impairment on:					
Financial investments	A24	(4,024)	(2,275)	(9,417)	4,454
Other financial assets	A25	2,900	(681)	(1,580)	467
Associate		-	-	(12,683)	-
Other recoveries		11	7	28	95
<b>Profit before taxation</b>		<b>270,006</b>	<b>216,404</b>	<b>798,555</b>	<b>651,606</b>
Taxation		97,252	(48,445)	(27,121)	(133,021)
<b>Profit for the financial period</b>		<b>367,258</b>	<b>167,959</b>	<b>771,434</b>	<b>518,585</b>
<b>Earnings per share (sen)</b>					
Basic/Diluted	A26	38.66	20.07	82.09	61.97

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**AmBank (M) Berhad**  
(Incorporated in Malaysia)  
**And Its Subsidiaries**

**UNAUDITED STATEMENT OF COMPREHENSIVE INCOME  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Bank</b>				
Profit for the financial period	367,258	167,959	771,434	518,585
<b>Other comprehensive income/(loss)</b>				
<b>Items that will not be reclassified subsequently to statement of profit or loss</b>				
Financial investments at fair value through other comprehensive income				
- net unrealised (loss)/gain on changes in fair value	(1,254)	1,835	(3,756)	94,672
Tax effect	220	(440)	1,541	(448)
<b>Items that may be reclassified subsequently to statement of profit or loss</b>				
Currency translation on offshore operations	(1,269)	(8,859)	1,362	(19,025)
Cash flow hedge				
- gain arising during the financial period	435	585	1,595	4,985
- amortisation of fair value changes of terminated hedge	1,858	2,772	7,177	6,390
Tax effect	(550)	(806)	(2,105)	(2,730)
Financial investments at fair value through other comprehensive income				
- net (loss)/gain on changes in fair value	(62,231)	(31,944)	(104,631)	244,191
- net gain reclassified to profit or loss	(1,055)	(398)	(4,061)	(17,014)
- allowance/(writeback) of ECL	3,211	2,255	14,087	(3,106)
- foreign exchange differences	(1)	4	(1)	9
Tax effect	15,271	7,757	26,169	(54,530)
Other comprehensive (loss)/income, net of tax	(45,365)	(27,239)	(62,623)	253,394
<b>Total comprehensive income for the financial period, net of tax</b>	<b>321,893</b>	<b>140,720</b>	<b>708,811</b>	<b>771,979</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
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**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

Group	Attributable to equity holder of the Bank									
	Non-distributable					Distributable				
	Share capital RM'000	Regulatory reserve RM'000	Merger reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total attributable to equity holder RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>At 1 April 2020</b>	1,940,465	311,003	104,149	368,731	(28,155)	95,766	7,326,502	10,118,461	154	10,118,615
Profit for the financial period	-	-	-	-	-	-	522,752	522,752	(8)	522,744
Other comprehensive income/(loss), net	-	-	-	263,892	8,645	(19,153)	-	253,384	-	253,384
Total comprehensive income/(loss) for the financial period	-	-	-	263,892	8,645	(19,153)	522,752	776,136	(8)	776,128
Transfer to regulatory reserve	-	(264,071)	-	-	-	-	264,071	-	-	-
Dividend on ordinary shares: - final, financial year ended 31 March 2020	-	-	-	-	-	-	(132,223)	(132,223)	-	(132,223)
Transaction with owner and other equity movements	-	(264,071)	-	-	-	-	131,848	(132,223)	-	(132,223)
<b>At 31 December 2020</b>	<b>1,940,465</b>	<b>46,932</b>	<b>104,149</b>	<b>632,623</b>	<b>(19,510)</b>	<b>76,613</b>	<b>7,981,102</b>	<b>10,762,374</b>	<b>146</b>	<b>10,762,520</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
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**UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D.)**  
**FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

Group	Attributable to equity holder of the Bank								
	Non-distributable					Distributable			
	Share capital RM'000	Merger reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	Total attributable to equity holder RM'000	Non-controlling interests RM'000	Total equity RM'000
<b>At 1 April 2021</b>	2,590,465	104,149	457,552	(16,949)	84,588	5,541,997	8,761,802	146	8,761,948
Profit for the financial period	-	-	-	-	-	771,001	771,001	-	771,001
Other comprehensive income/(loss), net	-	-	(70,652)	6,667	1,377	-	(62,608)	-	(62,608)
Total comprehensive income/(loss) for the financial period	-	-	(70,652)	6,667	1,377	771,001	708,393	-	708,393
Transfer of net gain on disposal of financial investments at fair value through other comprehensive income to retained earnings	-	-	(8,871)	-	-	8,871	-	-	-
Issuance of ordinary shares	450,000	-	-	-	-	-	450,000	-	450,000
Transaction with owner and other equity movements	450,000	-	(8,871)	-	-	8,871	450,000	-	450,000
<b>At 31 December 2021</b>	<b>3,040,465</b>	<b>104,149</b>	<b>378,029</b>	<b>(10,282)</b>	<b>85,965</b>	<b>6,321,869</b>	<b>9,920,195</b>	<b>146</b>	<b>9,920,341</b>

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**AmBank (M) Berhad**  
(Incorporated in Malaysia)  
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**UNAUDITED STATEMENT OF CHANGES IN EQUITY  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

	Attributable to equity holder of the Bank						Total equity RM'000
	Non-distributable				Distributable		
Bank	Share capital RM'000	Regulatory reserve RM'000	Fair value reserve RM'000	Cash flow hedging deficit	Foreign currency translation reserve RM'000	Retained earnings RM'000	
<b>At 1 April 2020</b>	1,940,465	311,003	368,847	(28,155)	99,587	7,380,683	10,072,430
Profit for the financial period	-	-	-	-	-	518,585	518,585
Other comprehensive income/(loss), net	-	-	263,774	8,645	(19,025)	-	253,394
Total comprehensive income/(loss) for the financial period	-	-	263,774	8,645	(19,025)	518,585	771,979
Transfer to regulatory reserve	-	(264,071)	-	-	-	264,071	-
Dividend on ordinary shares: - final, financial year ended 31 March 2020	-	-	-	-	-	(132,223)	(132,223)
Transaction with owner and other equity movements	-	(264,071)	-	-	-	131,848	(132,223)
<b>At 31 December 2020</b>	<b>1,940,465</b>	<b>46,932</b>	<b>632,621</b>	<b>(19,510)</b>	<b>80,562</b>	<b>8,031,116</b>	<b>10,712,186</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
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**UNAUDITED STATEMENT OF CHANGES IN EQUITY (CONT'D.)  
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

	Attributable to equity holder of the Bank					Total equity RM'000
	Non-distributable			Distributable		
Bank	Share capital RM'000	Fair value reserve RM'000	Cash flow hedging deficit RM'000	Foreign currency translation reserve RM'000	Retained earnings RM'000	
<b>At 1 April 2021</b>	2,590,465	457,552	(16,949)	88,443	5,591,998	8,711,509
Profit for the financial period	-	-	-	-	771,434	771,434
Other comprehensive income/(loss), net	-	(70,652)	6,667	1,362	-	(62,623)
Total comprehensive income/(loss) for the financial period	-	(70,652)	6,667	1,362	771,434	708,811
Transfer of net gain on disposal of financial investments at fair value through other comprehensive income to retained earnings	-	(8,871)	-	-	8,871	-
Issuance of ordinary shares	450,000	-	-	-	-	450,000
Transaction with owner and other equity movements	450,000	(8,871)	-	-	8,871	450,000
<b>At 31 December 2021</b>	<b>3,040,465</b>	<b>378,029</b>	<b>(10,282)</b>	<b>89,805</b>	<b>6,372,303</b>	<b>9,870,320</b>

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
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**UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS**  
**FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2021**

	Group		Bank	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Profit before taxation	799,259	657,626	798,555	651,606
Adjustments for non-operating and non-cash items	452,842	800,995	449,579	783,138
Operating profit before working capital changes	1,252,101	1,458,621	1,248,134	1,434,744
Changes in working capital:				
Net change in operating assets	(5,312,539)	1,771,582	(5,317,816)	1,782,915
Net change in operating liabilities	9,698,796	252,849	9,700,679	256,949
Tax paid	(33,464)	(82,964)	(32,583)	(82,016)
Net cash generated from operating activities	5,604,894	3,400,088	5,598,414	3,392,592
Net cash used in investing activities	(2,948,573)	(289,462)	(2,948,573)	(282,127)
Net cash generated from/(used in) financing activities	394,176	(190,867)	394,056	(191,135)
Net increase in cash and cash equivalents	3,050,497	2,919,759	3,043,897	2,919,330
Cash and cash equivalents at beginning of the financial period	10,021,441	10,008,917	10,013,280	10,004,133
Effect of exchange rate changes	(1,672)	247	(1,672)	247
Cash and cash equivalents at end of financial period	13,070,266	12,928,923	13,055,505	12,923,710
Cash and cash equivalents comprise:				
Cash and short-term funds	12,876,862	12,565,312	12,862,101	12,560,099
Deposits and placements with banks and other financial institutions	1,283,953	398,184	1,283,953	398,184
	14,160,815	12,963,496	14,146,054	12,958,283
Less: Deposits and placements with original maturity of more than 3 months	(1,092,358)	(37,319)	(1,092,358)	(37,319)
	13,068,457	12,926,177	13,053,696	12,920,964
Allowances for expected credit loss ("ECL") for cash and cash equivalents at end of the financial period	1,809	2,746	1,809	2,746
	13,070,266	12,928,923	13,055,505	12,923,710

The Unaudited Condensed Interim Financial Statements should be read in conjunction with the audited financial statements of the Group and the Bank for the year ended 31 March 2021.

**AmBank (M) Berhad**  
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**A1. BASIS OF PREPARATION**

These condensed interim financial statements have been prepared in accordance with MFRS 134 *Interim Financial Reporting* issued by the Malaysian Accounting Standards Board ("MASB") and complies with the International Accounting Standard ("IAS") 34 *Interim Financial Reporting* issued by the International Accounting Standards Board.

These condensed interim financial statements do not include all of the information required for full annual financial statements, and should be read in conjunction with the annual financial statements of the Group and the Bank for the financial year ended 31 March 2021.

**A1.1 Significant Accounting Policies**

The accounting policies adopted are consistent with those of the previous financial year except for the adoption of the following amendments to published standards.

- Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)

The adoption of these amendments to published standards did not have any material impact on the financial statements of the Group and the Bank. The Group and the Bank did not have to change its accounting policies or make retrospective adjustments as a result of adopting the amendments to published standards.

The nature of the amendments to published standards relevant to the Group and the Bank are described below:

**(a) Interest Rate Benchmark Reform - Phase 2 (Amendments to MFRS 9, MFRS 139, MFRS 7, MFRS 4 and MFRS 16)**

The amendments address issues that arise from the implementation of interest rate benchmark reforms, focusing on issues that affect financial reporting when an existing interest rate benchmark is replaced with an alternative risk-free rate ("RFR").

The amendments, among others, include a practical expedient to require contractual changes, or changes to cash flows that are directly required by the reform, to be treated as changes to a floating interest rate, equivalent to a movement in a market rate of interest. In applying the practical expedient, an entity is required to first identify and account for modifications to the instrument by updating the effective interest rate without adjusting the carrying amount. As a result, no immediate gain or loss is recognised.

In addition, formal designation of a hedging relationship shall be amended to reflect the modifications and/or changes made to the hedged item and/or hedging instruments as a result of the reform without discontinuing the existing hedging relationship or designation of a new hedging relationship.

In view of the practical expedient and temporary exceptions provided in these amendments, the discontinuation of London Interbank Offer Rate ("LIBOR") and the transition to alternative RFRs has not resulted in any significant financial impact to the Group and the Bank.

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**A1. BASIS OF PREPARATION (CONT'D.)**

**A1.1 Significant Accounting Policies (Cont'd.)**

**Standards issued but not yet effective**

Description	Effective for annual periods beginning on or after
- Property, Plant and Equipment: Proceeds before Intended Use (Amendments to MFRS 116)	1 January 2022
- Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137)	1 January 2022
- Reference to the Conceptual Framework (Amendments to MFRS 3)	1 January 2022
- Annual Improvements to MFRS Standards 2018-2020	1 January 2022
- MFRS 17 <i>Insurance Contracts</i>	1 January 2023
- Amendments to MFRS 17	1 January 2023
- Initial Application of MFRS 17 and MFRS 9 - Comparative Information (Amendment to MFRS 17)	1 January 2023
- Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101)	1 January 2023
- Disclosure of Accounting Policies (Amendments to MFRS 101)	1 January 2023
- Definition of Accounting Estimates (Amendments to MFRS 108)	1 January 2023
- Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112)	1 January 2023
- Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)	To be determined by MASB

The nature of the new standard and amendments to published standards that are issued and relevant to the Group and the Bank but not yet effective are described below. The Group and the Bank are assessing the financial effects of their adoption except for MFRS 17 which is not relevant as the Group and the Bank do not issue any insurance contract or investment contract with discretionary participation features.

**(a) Amendments to published standards effective for financial year ending 31 March 2023**

**Property, Plant and Equipment: Proceeds before Intended Use (Amendments to MFRS 116)**

The amendments clarify that an entity is 'testing whether the asset is functioning properly' when it assesses the technical and physical performance of the asset, and prohibit an entity from deducting from the cost of an item of property, plant and equipment any proceeds received from selling items produced while the entity is preparing the asset for its intended use (for example, the proceeds from selling samples produced when testing a machine to see if it is functioning properly). The proceeds from selling such samples, together with the costs of producing them, shall be recognised in profit or loss.

The amendments are applied retrospectively from annual reporting period beginning on or after 1 January 2022 but only to items of property, plant and equipment that are brought to the location and condition necessary for them to be capable of operating in the manner intended by management on or after the beginning of the earliest period presented in the financial statements in which the entity first applies the amendments. Early adoption is permitted.

**A1. BASIS OF PREPARATION (CONT'D.)**

**A1.1 Significant Accounting Policies (Cont'd.)**

**Standards issued but not yet effective (Cont'd.)**

**(a) Amendments to published standards effective for financial year ending 31 March 2023 (Cont'd.)**

**Onerous Contracts - Cost of Fulfilling a Contract (Amendments to MFRS 137)**

The amendments explain that, for the purpose of determining the unavoidable costs of meeting the entity's contractual obligations, the direct cost of fulfilling a contract comprises the incremental costs of fulfilling that contract (e.g. direct labour and materials) and an allocation of other costs that relate directly to fulfilling contracts (e.g. an allocation of the depreciation charge for an asset used to fulfil the contract). The amendments also clarify that, before a separate provision for an onerous contract is established, an entity recognises any impairment loss that has occurred on assets used in fulfilling the contract, rather than on assets dedicated to that contract.

The amendments are applied from annual reporting period beginning on or after 1 January 2022 to contracts for which an entity has not yet fulfilled all its obligations at the beginning of the annual reporting period in which it first applies the amendments without restatement of comparative information. The cumulative effect of initially applying the amendments shall be recognised as an adjustment to the opening balance of retained earnings or other component of equity, as appropriate, at the date of initial application. Early adoption is permitted.

**Reference to the Conceptual Framework (Amendments to MFRS 3)**

The amendments updated MFRS 3 *Business Combinations* to refer to the revised *Conceptual Framework for Financial Reporting* ("Conceptual Framework") in order to determine what constitutes an asset or a liability in a business combination. In addition, a new exception is added in MFRS 3 in connection with liabilities and contingent liabilities. The exception specifies that, for some types of liabilities and contingent liabilities, an entity applying MFRS 3 should instead refer to MFRS 137 *Provisions, Contingent Liabilities and Contingent Assets* or IC Interpretation 21 *Levies*, rather than the Conceptual Framework.

The amendments are applied to business combinations for which the acquisition date is on or after the beginning of the first annual reporting period beginning on or after 1 January 2022. Earlier application is permitted.

**Annual Improvements to MFRS Standards 2018-2020**

The Annual Improvements to MFRS Standards 2018-2020 include minor amendments, as summarised below:

**(i) MFRS 1 *First-time Adoption of Malaysian Financial Reporting Standards***

When a subsidiary adopts MFRS at a later date than its parent, MFRS 1 permits the subsidiary to measure its assets and liabilities at the carrying amounts that would be included in its parent's consolidated financial statements, based on the parent's date of transition to MFRS, if no adjustments were made for consolidation procedures and for the effects of the business combination in which the parent acquired the subsidiary. The amendment expanded the above by allowing the subsidiary to also measure cumulative translation differences using the amounts reported by the parent, based on the parent's date of transition to MFRS.

The amendment to MFRS 1 extends the above exemption to cumulative translation differences, in order to reduce costs for first-time adopters. This amendment will also apply to associates and joint ventures that have taken the same MFRS 1 exemption.

**A1. BASIS OF PREPARATION (CONT'D.)**

**A1.1 Significant Accounting Policies (Cont'd.)**

**Standards issued but not yet effective (Cont'd.)**

**(a) Amendments to published standards effective for financial year ending 31 March 2023 (Cont'd.)**

**Annual Improvements to MFRS Standards 2018-2020 (Cont'd.)**

**(ii) MFRS 9 *Financial Instruments***

The amendment clarified that costs or fees paid to third parties shall not be included in the 10% test for derecognition of financial liabilities.

**(iii) MFRS 141 *Agriculture***

The amendment removed the requirement for entities to exclude cash flows for taxation when measuring fair value to align with the requirement in the standard to discount cash flows on a post-tax basis.

**(b) Amendments to published standards effective for financial year ending 31 March 2024**

**Classification of Liabilities as Current or Non-Current (Amendments to MFRS 101)**

The amendments clarified that liabilities are classified as either current or non-current, depending on the rights that exist at the end of the reporting period. Liabilities are classified as non-current if the entity has a substantive right to defer settlement for at least 12 months at the end of the reporting period. Classification is unaffected by the expectations or intentions of the entity, as well as events after the reporting date. The amendments are applied retrospectively from annual reporting period beginning on or after 1 January 2023. Early adoption is permitted. The amendments are not expected to result in any impact as the Group and the Bank present all assets and liabilities in the statements of financial position in order of liquidity.

**Disclosure of Accounting Policies (Amendments to MFRS 101)**

The amendments require entities to disclose material accounting policies rather than significant accounting policies in the financial statements. Entities are expected to make disclosure of accounting policies specific to the entity and not generic disclosures on MFRS applications.

An accounting policy is material if, when considered together with other information included in an entity's financial statements, it can reasonably be expected to influence decisions that the users make based on those financial statements. Also, accounting policy information is expected to be material if, without it, the users of the financial statements would be unable to understand other material information in the financial statements. Immaterial accounting policy information need not be disclosed.

The amendments are applied from annual reporting period beginning on or after 1 January 2023. Early adoption is permitted.

**A1. BASIS OF PREPARATION (CONT'D.)**

**A1.1 Significant Accounting Policies (Cont'd.)**

**Standards issued but not yet effective (Cont'd.)**

**(b) Amendments to published standards effective for financial year ending 31 March 2024 (Cont'd.)**

**Definition of Accounting Estimates (Amendments to MFRS 108)**

The amendments redefined accounting estimates as “monetary amounts in financial statements that are subject to measurement uncertainty” and provide clarity on how to distinguish changes in accounting policies from changes in accounting estimates.

The amendments further clarify that effects of a change in an input or measurement technique used to develop an accounting estimate (for example, expected credit losses, fair value of an asset or liability, and depreciation for property and equipment) is a change in accounting estimate, if they do not arise from prior period errors.

The amendments are applied from annual reporting period beginning on or after 1 January 2023. Early adoption is permitted.

**Deferred Tax related to Assets and Liabilities arising from a Single Transaction (Amendments to MFRS 112)**

The amendments clarified that the initial exemption rule from recognising deferred taxes does not apply to transactions where both an asset and a liability are recognised at the same time resulting in equal amounts of taxable and deductible temporary differences. This essentially means that lessees would not be able to apply the initial exemption rule in MFRS 112 for the assets and liabilities arising from leases.

The amendments are applied from annual reporting period beginning on or after 1 January 2023. Early adoption is permitted. As the Group currently adopted the policy not to recognise deferred taxes on leases, additional deferred taxes on temporary differences associated with right-of-use assets, lease liabilities and decommissioning obligations would need to be recognised when the amendments become effective.

**(c) Standard effective on a date to be determined by MASB**

**Sale or Contribution of Assets between an Investor and its Associate or Joint Venture (Amendments to MFRS 10 and MFRS 128)**

The amendments clarify that:

- gains and losses resulting from transactions involving assets that do not constitute a business, between investor and its associate or joint venture are recognised in the entity's financial statements only to the extent of unrelated investors' interests in the associate or joint venture; and
- gains and losses resulting from transactions involving the sale or contribution to an associate of a joint venture of assets that constitute a business is recognised in full.

**A1.2 Significant Accounting Judgements, Estimates and Assumptions**

The preparation of the condensed interim financial statements in accordance with MFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and reported amounts of revenue, expenses, assets and liabilities, the accompanying disclosures and the disclosure of contingent liabilities. Judgements, estimates and assumptions are continually evaluated and are based on past experience, reasonable expectations of future events and other factors. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

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**A1. BASIS OF PREPARATION (CONT'D.)**

**A1.2 Significant Accounting Judgements, Estimates and Assumptions (Cont'd.)**

In the process of applying the Group's and the Bank's accounting policies, the significant judgements, estimates and assumptions made by management were the same as those applied to the annual financial statements for the financial year ended 31 March 2021 except for provision for income tax and deferred tax.

- (i) On 13 December 2021, the Dewan Rakyat has passed the Supply Bill ("Budget for 2022") which includes one-off tax of Cukai Makmur for Year Assessment ("YA") 2022 of which corporate income tax rate of 33% will be imposed to entities with taxable income more than RM100 million in YA2022. The additional tax charged for Group and the Bank for the financial period ended 31 December 2021 is RM63.3 million.
- (ii) In the current quarter, based on legal opinion received, the Bank claimed tax deduction on allocated settlement of RM2.535 billion with Ministry of Finance Malaysia and its related expenses of RM19 million in its tax returns for the Year Assessment ("YA") 2021. Accordingly, the Bank recognised a portion of tax deduction as tax recoverable while the unutilised tax loss arose from the remaining tax deduction will be reassessed throughout the discussion between AMMB Holdings Berhad Group and Inland Revenue Board.

**A2. AUDIT QUALIFICATION**

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2021 was not qualified.

**A3. SEASONALITY OR CYCLICALITY OF OPERATIONS**

The operations of the Group and the Bank are not materially affected by any seasonal or cyclical fluctuation in the current financial quarter and period.

**A4. UNUSUAL ITEMS DUE TO THEIR NATURE, SIZE OR INCIDENCE**

Other than as disclosed in Note A1, there were no unusual items during the current financial quarter and period affecting the financial results of the Group and the Bank.

**A5. CHANGES IN ESTIMATES**

There was no material change in estimates of amounts reported in the prior financial years that have a material effect on the current financial quarter and period.

**A6. ISSUANCE, REPURCHASE AND REPAYMENT OF DEBT AND EQUITY SECURITIES**

**Issuance of shares**

On 31 May 2021, the Bank increased its issued and paid-up ordinary share capital by RM450,000,001 by way of issuance of 46,680,498 new ordinary shares at an issue price of RM9.64 per ordinary share. The new ordinary shares issued during the current financial quarter rank pari passu in all respects with the existing ordinary shares of the Bank.

**Issuance of debt securities**

On 30 December 2021, the Bank issued Tranche 8 - Series 1 and Series 2 of Senior Notes with total nominal amount of RM150.0 million and RM250.0 million respectively under its Senior Notes programme of RM7.0 billion. Tranche 8 - Series 1 bears interest rate at 2.94% per annum payable half-yearly with a tenor of 18 months and Tranche 8 - Series 2 bears interest at 3.14% per annum payable half-yearly with a tenor of 2 years.

Other than above, there were no new issuance for debt and equity securities, share buy-backs, share cancellations, shares held as treasury shares, resale of treasury shares and repayment of debt securities by the Group and the Bank during the financial quarter and period.

**A7. DIVIDENDS**

The Directors did not declare any interim dividend during the financial period for the current financial year ending 31 March 2022 and no dividends were paid in the current financial quarter and period.

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**A8. CASH AND SHORT-TERM FUNDS**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Cash and bank balances	2,172,801	1,737,878	2,172,440	1,736,057
Deposit placements maturing within one month:				
Licensed banks	1,313,115	3,385,673	1,298,715	3,379,333
Bank Negara Malaysia	9,392,700	4,500,000	9,392,700	4,500,000
	<u>10,705,815</u>	<u>7,885,673</u>	<u>10,691,415</u>	<u>7,879,333</u>
Total cash and bank balances and deposit placements	12,878,616	9,623,551	12,863,855	9,615,390
Less: Allowances for ECL	(1,754)	(2,256)	(1,754)	(2,256)
	<u>12,876,862</u>	<u>9,621,295</u>	<u>12,862,101</u>	<u>9,613,134</u>

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1	Stage 2	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	
<b>31 December 2021</b>			
Balance at beginning of the financial period	2,234	22	2,256
Net writeback of ECL:	(468)	-	(468)
New financial assets originated	16,657	3	16,660
Financial assets derecognised	(20,467)	(2)	(20,469)
Transfer from deposits and placements with banks and other financial institution (Note A9)	2,859	-	2,859
Net remeasurement of allowances	483	(1)	482
Foreign exchange differences	(38)	4	(34)
Balance at end of the financial period	<u>1,728</u>	<u>26</u>	<u>1,754</u>

Group and Bank	Stage 1	Stage 2	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	
<b>31 March 2021</b>			
Balance at beginning of the financial year	804	29	833
Net allowances for/(writeback of) ECL:	1,452	(7)	1,445
New financial assets originated	702	-	702
Financial assets derecognised	(3,236)	-	(3,236)
Transfer from deposits and placements with banks and other financial institutions (Note A9)	4,598	-	4,598
Net remeasurement of allowances	(550)	(7)	(557)
Changes in model assumptions and methodologies	(62)	-	(62)
Foreign exchange differences	(22)	-	(22)
Balance at end of the financial year	<u>2,234</u>	<u>22</u>	<u>2,256</u>

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**A9. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS**

	<b>Group and Bank</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
Licensed banks	41,650	82,890
Licensed islamic bank (a related company)	102,358	59,276
Licensed investment bank (a related company)	1,140,000	315,000
	<u>1,284,008</u>	<u>457,166</u>
Less: Allowances for ECL	(55)	(42)
	<u>1,283,953</u>	<u>457,124</u>

Movements in allowances for ECL are as follows:

<b>Group and Bank</b>	<b>Stage 1 12-Month ECL RM'000</b>	<b>Total RM'000</b>
<b>31 December 2021</b>		
Balance at beginning of the financial period	42	42
Net allowance of ECL:	13	13
New financial assets originated	2,836	2,836
Net remeasurement of allowances	36	36
Transfer to cash and short term funds (Note A8)	(2,859)	(2,859)
Balance at end of the financial period	<u>55</u>	<u>55</u>

<b>Group and Bank</b>	<b>Stage 1 12-Month ECL RM'000</b>	<b>Total RM'000</b>
<b>31 March 2021</b>		
Balance at beginning of the financial year	485	485
Net writeback of ECL:	(443)	(443)
New financial assets originated	4,526	4,526
Transfer to cash and short-term funds (Note A8)	(4,598)	(4,598)
Net remeasurement of allowances	4	4
Changes in model assumptions and methodologies	(375)	(375)
Balance at end of the financial year	<u>42</u>	<u>42</u>

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**A10. INVESTMENT ACCOUNT PLACEMENT**

	<b>Group and Bank</b>	
	<b>31 December</b>	<b>31 March</b>
	<b>2021</b>	<b>2021</b>
	<b>RM'000</b>	<b>RM'000</b>
Licensed Islamic bank	1,717,449	718,034
Less: Allowances for ECL	(3,929)	(1,943)
	1,713,520	716,091

This represent investment placed under Restricted Investment Account ("RA") arrangement with AmBank Islamic Berhad ("AmBank Islamic"). The contract is based on the Shariah concept of Mudarabah Muqayyadah between two parties, that is, the investor ("the Bank") and the entrepreneur ("AmBank Islamic") to finance a business venture whereby the investor provides capital and the business venture is managed solely by the entrepreneur. The profit of the business venture is shared between both parties based on pre-agreed ratio. Losses shall be borne solely by the investor. The investment assets financed under this arrangement are financing and advances extended by AmBank Islamic to external customers. As the losses are borne solely by the investor, the related ECL allowance for financing and advances extended by AmBank Islamic is recorded by the Bank.

On 11 May 2021, the Bank entered into a new RA contract for the total sum of RM1.0 billion with AmBank Islamic.

As at 31 December 2021, the gross exposure relating to the RA financing for the Group and the Bank amounted to RM1,724.9 million (31 March 2021: RM719.5 million). No stage 3 ECL is provided for the RA financing as at 31 December 2021 and 31 March 2021.

Movements in allowances for ECL are as follows:

<b>Group and Bank</b>	<b>Stage 1 12-Month ECL RM'000</b>	<b>Total RM'000</b>
<b>31 December 2021</b>		
Balance at beginning of the financial period	1,943	1,943
Net allowances for ECL:	1,986	1,986
New financial assets originated	1,352	1,352
Net remeasurement of allowances	634	634
Balance at end of the financial period	3,929	3,929
<b>31 March 2021</b>		
Balance at beginning of the financial year	2,284	2,284
Net writeback of ECL:	(341)	(341)
Net remeasurement of allowances	433	433
Changes in model assumptions and methodologies	(774)	(774)
Balance at end of the financial year	1,943	1,943

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**A11. FINANCIAL ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS ("FVTPL")**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>At fair value</b>				
Money market instruments:				
Islamic Treasury Bills	713,465	1,017,221	713,465	1,017,221
Malaysian Government Investment Issues	336,750	340,242	336,750	340,242
Malaysian Government Securities	825,908	223,502	825,908	223,502
Malaysian Treasury Bills	1,576,692	555,998	1,576,692	555,998
	<u>3,452,815</u>	<u>2,136,963</u>	<u>3,452,815</u>	<u>2,136,963</u>
Quoted securities:				
<i>In Malaysia:</i>				
Shares	579,213	502,789	579,213	502,789
Unit trusts	12,756	20,078	12,756	20,078
Sukuk	13,430	37,538	13,430	37,538
	<u>605,399</u>	<u>560,405</u>	<u>605,399</u>	<u>560,405</u>
<i>Outside Malaysia:</i>				
Shares	<u>484,539</u>	<u>542,202</u>	<u>484,535</u>	<u>542,198</u>
Unquoted securities:				
<i>In Malaysia:</i>				
Shares	34	34	-	-
Corporate bonds and sukuk	691,595	549,988	691,595	549,988
	<u>691,629</u>	<u>550,022</u>	<u>691,595</u>	<u>549,988</u>
	<u>5,234,382</u>	<u>3,789,592</u>	<u>5,234,344</u>	<u>3,789,554</u>

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**A12. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>At fair value</b>				
Money market instruments:				
Malaysian Government Investment Issues	2,449,404	2,451,416	2,449,404	2,451,416
Malaysian Government Securities	3,227,233	3,360,666	3,227,233	3,360,666
Foreign Government Securities	14,153	74,045	14,153	74,045
Negotiable Instruments of Deposit	500,005	50,031	500,005	50,031
	<u>6,190,795</u>	<u>5,936,158</u>	<u>6,190,795</u>	<u>5,936,158</u>
Quoted securities:				
<i>In Malaysia:</i>				
Unit trusts	71,561	77,983	71,561	77,983
	<u>71,561</u>	<u>77,983</u>	<u>71,561</u>	<u>77,983</u>
Unquoted securities:				
<i>In Malaysia:</i>				
Corporate bonds and sukuk	7,849,136	7,021,969	7,849,136	7,021,969
Shares	668,557	680,841	668,557	680,841
	<u>8,517,693</u>	<u>7,702,810</u>	<u>8,517,693</u>	<u>7,702,810</u>
<i>Outside Malaysia:</i>				
Sukuk	35,636	46,144	35,636	46,144
Shares	611	512	611	512
	<u>36,247</u>	<u>46,656</u>	<u>36,247</u>	<u>46,656</u>
	<u>14,816,296</u>	<u>13,763,607</u>	<u>14,816,296</u>	<u>13,763,607</u>

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**A12. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")(CONT'D.)**

Movements in allowances for ECL are as follows:

Group	Stage 1	Stage 2	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	
<b>31 December 2021</b>			
Balance at beginning of the financial period	9,297	19	9,316
Net allowance of ECL:	8,093	5,994	14,087
- Transfer to Stage 2	(893)	6,013	5,120
New financial assets originated	5,670	-	5,670
Financial assets derecognised	(1,427)	(19)	(1,446)
Net remeasurement of allowances	4,743	-	4,743
Foreign exchange differences	(1)	-	(1)
Balance at end of the financial period	17,389	6,013	23,402

Group	Stage 1	Stage 2	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	
<b>31 March 2021</b>			
Balance at beginning of the financial year	12,101	774	12,875
Net writeback of ECL:	(2,798)	(755)	(3,553)
- Transfer to Stage 1	150	(557)	(407)
- Transfer to Stage 2	(11)	19	8
New financial assets originated	4,232	-	4,232
Financial assets derecognised	(3,981)	-	(3,981)
Net remeasurement of allowances	(91)	-	(91)
Changes in model assumptions and methodologies	(3,097)	(217)	(3,314)
Foreign exchange differences	(6)	-	(6)
Balance at end of the financial year	9,297	19	9,316

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**A12. FINANCIAL INVESTMENTS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME ("FVOCI")(CONT'D.)**

Movements in allowances for ECL are as follows (Cont'd.):

<b>Bank</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Total</b>
	<b>12-Month ECL</b>	<b>Lifetime ECL not credit impaired</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>31 December 2021</b>			
Balance at beginning of the financial period	9,297	19	9,316
Net allowance of ECL:	8,093	5,994	14,087
- Transfer to Stage 2	(893)	6,013	5,120
New financial assets originated	5,670	-	5,670
Financial assets derecognised	(1,427)	(19)	(1,446)
Net remeasurement of allowances	4,743	-	4,743
Foreign exchange differences	(1)	-	(1)
Balance at end of the financial period	17,389	6,013	23,402

<b>Bank</b>	<b>Stage 1</b>	<b>Stage 2</b>	<b>Total</b>
	<b>12-Month ECL</b>	<b>Lifetime ECL not credit impaired</b>	
	<b>RM'000</b>	<b>RM'000</b>	<b>RM'000</b>
<b>31 March 2021</b>			
Balance at beginning of the financial year	12,105	774	12,879
Net writeback of ECL:	(2,802)	(755)	(3,557)
- Transfer to Stage 1	150	(557)	(407)
- Transfer to Stage 2	(11)	19	8
New financial assets originated	4,232	-	4,232
Financial assets derecognised	(3,981)	-	(3,981)
Net remeasurement of allowances	(95)	-	(95)
Changes in model assumptions and methodologies	(3,097)	(217)	(3,314)
Foreign exchange differences	(6)	-	(6)
Balance at end of the financial year	9,297	19	9,316

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**A13. FINANCIAL INVESTMENTS AT AMORTISED COST**

	<b>Group and Bank</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
<b>At amortised cost</b>		
Money market instruments:		
Malaysian Government Investment Issues	961,325	111,718
Malaysian Government Securities	721,371	-
	1,682,696	111,718
Unquoted securities:		
<i>In Malaysia:</i>		
Corporate bonds and sukuk	2,755,227	2,593,852
	4,437,923	2,705,570
Less: Allowances for ECL	(5,637)	(10,307)
	4,432,286	2,695,263

Movements in allowances for ECL are as follows:

<b>Group and Bank</b>	<b>Stage 1 12-Month ECL RM'000</b>	<b>Stage 2 12-Month ECL RM'000</b>	<b>Total RM'000</b>
<b>31 December 2021</b>			
Balance at beginning of the financial period	2,183	8,124	10,307
Net allowance/(writeback) of ECL:	3,454	(8,124)	(4,670)
- Transfer to Stage 1	930	(8,124)	(7,194)
New financial assets originated	148	-	148
Net remeasurement of allowances	2,379	-	2,379
Financial assets derecognised	(3)	-	(3)
Balance at end of the financial period	5,637	-	5,637

<b>Group and Bank</b>	<b>Stage 1 12-Month ECL RM'000</b>	<b>Stage 2 12-Month ECL RM'000</b>	<b>Total RM'000</b>
<b>31 March 2021</b>			
Balance at beginning of the financial year	4,631	-	4,631
Net (writeback of)/allowances for ECL:	(2,448)	8,124	5,676
- Transfer to Stage 2	(1,605)	8,124	6,519
Net remeasurement of allowances	497	-	497
Financial assets derecognised	(180)	-	(180)
Changes in model assumptions and methodologies	(1,160)	-	(1,160)
Balance at end of the financial year	2,183	8,124	10,307

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**A14. LOANS AND ADVANCES**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>At amortised cost:</b>				
Overdraft	1,915,338	2,144,241	1,915,338	2,144,241
Term loans	23,665,899	21,884,723	23,665,899	21,884,723
Housing loan receivables	27,637,232	27,000,657	27,525,280	26,874,589
Hire purchase receivables	9,826,514	10,386,105	9,826,514	10,386,105
Bills receivables	1,574,381	1,614,623	1,574,381	1,614,623
Trust receipts	2,481,476	1,833,375	2,481,476	1,833,375
Claims on customers under acceptance credits	3,653,673	3,654,294	3,653,673	3,654,294
Card receivables	1,454,533	1,470,197	1,454,533	1,470,197
Revolving credits	5,933,418	6,597,314	6,010,165	6,682,642
Staff loans	90,076	94,307	90,076	94,307
Others	1,250,902	1,341,067	1,250,902	1,341,067
<b>Gross loans and advances</b>	<b>79,483,442</b>	<b>78,020,903</b>	<b>79,448,237</b>	<b>77,980,163</b>
Allowances for ECL:				
- Stage 1 - 12 months ECL	(273,826)	(287,064)	(273,930)	(287,094)
- Stage 2 - Lifetime ECL not credit impaired	(821,038)	(722,447)	(821,024)	(722,421)
- Stage 3 - Lifetime ECL credit impaired	(322,700)	(432,998)	(322,424)	(432,736)
<b>Net loans and advances</b>	<b>78,065,878</b>	<b>76,578,394</b>	<b>78,030,859</b>	<b>76,537,912</b>

(a) Gross loans and advances analysed by type of customer are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Domestic non-bank financial institutions	1,050,043	916,542	1,126,790	1,001,870
Domestic business enterprises				
- Small medium enterprises	17,729,712	16,146,551	17,729,712	16,146,551
- Others	17,343,260	17,868,844	17,343,260	17,868,844
Government and statutory bodies	61,715	43,610	61,715	43,610
Individuals	41,740,927	41,760,312	41,628,975	41,634,244
Other domestic entities	8,250	8,696	8,250	8,696
Foreign individuals and entities	1,549,535	1,276,348	1,549,535	1,276,348
<b>Total</b>	<b>79,483,442</b>	<b>78,020,903</b>	<b>79,448,237</b>	<b>77,980,163</b>

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(b) Gross loans and advances analysed by geographical distribution are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
In Malaysia	78,637,422	77,362,244	78,602,217	77,321,504
Outside Malaysia	846,020	658,659	846,020	658,659
	<u>79,483,442</u>	<u>78,020,903</u>	<u>79,448,237</u>	<u>77,980,163</u>

(c) Gross loans and advances analysed by interest rate sensitivity are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Fixed rate				
- Housing loans	155,742	147,019	43,790	20,951
- Hire purchase receivables	9,365,363	9,860,878	9,365,363	9,860,878
- Other fixed rate loans	7,186,963	7,115,339	7,186,963	7,115,339
Variable rate				
- Base rate and base lending rate plus	43,468,103	43,000,326	43,468,103	43,000,326
- Cost plus	18,333,925	17,126,072	18,410,672	17,211,400
- Other variable rates	973,346	771,269	973,346	771,269
	<u>79,483,442</u>	<u>78,020,903</u>	<u>79,448,237</u>	<u>77,980,163</u>

(d) Gross loans and advances analysed by sector are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Agriculture	1,501,128	1,427,044	1,501,128	1,427,044
Mining and quarrying	1,767,397	1,654,708	1,767,397	1,654,708
Manufacturing	10,415,605	10,179,039	10,415,605	10,179,039
Electricity, gas and water	910,748	943,705	910,748	943,705
Construction	3,222,239	3,497,800	3,222,239	3,497,800
Wholesale and retail trade and hotel and restaurants	7,205,384	6,347,026	7,205,384	6,347,026
Transport, storage and communication	3,647,734	2,559,955	3,647,734	2,559,955
Finance and insurance	1,247,117	1,148,567	1,323,864	1,233,895
Real estate	4,655,800	5,281,740	4,655,800	5,281,740
Business activities	1,622,264	1,879,597	1,622,264	1,879,597
Education and health	1,002,776	773,523	1,002,776	773,523
Household of which:	42,263,259	42,302,424	42,151,307	42,176,356
- purchase of residential properties	27,938,397	27,247,834	27,826,445	27,121,766
- purchase of transport vehicles	8,872,198	9,434,502	8,872,198	9,434,502
- others	5,452,664	5,620,088	5,452,664	5,620,088
Others	21,991	25,775	21,991	25,775
	<u>79,483,442</u>	<u>78,020,903</u>	<u>79,448,237</u>	<u>77,980,163</u>

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(e) Gross loans and advances analysed by residual contractual maturity are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Maturing within one year	18,163,202	18,746,808	18,236,358	18,827,932
Over one year to three years	4,619,587	4,425,177	4,612,901	4,418,435
Over three years to five years	9,889,466	8,289,647	9,880,419	8,278,889
Over five years	46,811,187	46,559,271	46,718,559	46,454,907
	<u>79,483,442</u>	<u>78,020,903</u>	<u>79,448,237</u>	<u>77,980,163</u>

(f) Movements in impaired loans and advances are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Balance at beginning of the financial year	1,157,246	1,235,479	1,156,027	1,234,994
Additions during the financial period/year	411,870	605,053	411,665	604,125
Reclassified as non-impaired	(92,053)	(126,931)	(91,968)	(126,740)
Recoveries	(166,743)	(246,422)	(166,633)	(246,419)
Amount written off	(369,384)	(306,470)	(369,384)	(306,470)
Foreign exchange differences	(476)	(3,463)	(476)	(3,463)
Balance at end of the financial period/year	<u>940,460</u>	<u>1,157,246</u>	<u>939,231</u>	<u>1,156,027</u>
Gross impaired loans and advances as % of gross loans and advances	<u>1.18%</u>	<u>1.48%</u>	<u>1.18%</u>	<u>1.48%</u>
Loan loss coverage (Including regulatory reserve)	<u>167.0%</u>	<u>133.7%</u>	<u>167.2%</u>	<u>133.8%</u>

(g) Impaired loans and advances analysed by geographical distribution are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
In Malaysia	917,679	1,126,285	916,450	1,125,066
Outside Malaysia	22,781	30,961	22,781	30,961
	<u>940,460</u>	<u>1,157,246</u>	<u>939,231</u>	<u>1,156,027</u>

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(h) Impaired loans and advances analysed by sector are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Agriculture	9,940	34,709	9,940	34,709
Mining and quarrying	26,709	35,670	26,709	35,670
Manufacturing	152,670	163,101	152,670	163,101
Electricity, gas and water	6,077	3,421	6,077	3,421
Construction	80,119	88,021	80,119	88,021
Wholesale and retail trade and hotel and restaurants	86,040	131,170	86,040	131,170
Transport, storage and communication	14,842	18,988	14,842	18,988
Finance and insurance	1,439	1,324	1,439	1,324
Real estate	47,392	69,651	47,392	69,651
Business activities	38,516	36,569	38,516	36,569
Education and health	5,634	5,526	5,634	5,526
Household of which:	471,082	569,096	469,853	567,877
- purchase of residential properties	359,062	412,206	357,833	410,987
- purchase of transport vehicles	37,831	51,100	37,831	51,100
- others	74,189	105,790	74,189	105,790
	<u>940,460</u>	<u>1,157,246</u>	<u>939,231</u>	<u>1,156,027</u>

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**A14. LOANS AND ADVANCES (CONT'D.)**

(i) Movements in allowances for ECL are as follows:

Group	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>31 December 2021</b>				
Balance at beginning of the financial period	287,064	722,447	432,998	1,442,509
Net (writeback)/allowances for ECL:	(13,192)	98,584	259,356	344,748
- Transfer to Stage 1	7,360	(77,662)	(1,722)	(72,024)
- Transfer to Stage 2	(13,081)	118,939	(16,698)	89,160
- Transfer to Stage 3	(460)	(13,074)	93,847	80,313
New financial assets originated	49,670	49,642	2,590	101,902
Net remeasurement of allowances	(7,525)	(25,467)	246,072	213,080
Modification of contractual cash flows of financial assets	49	2,617	262	2,928
Financial assets derecognised	(23,152)	(42,077)	(64,995)	(130,224)
Changes to model assumptions and methodologies	(26,053)	85,666	-	59,613
Foreign exchange differences	(46)	7	(270)	(309)
Amount written-off	-	-	(369,384)	(369,384)
Balance at end of the financial period	273,826	821,038	322,700	1,417,564

Group	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>31 March 2021</b>				
Balance at beginning of the financial year	179,447	371,842	345,759	897,048
Net allowances for ECL:	107,826	350,702	394,996	853,524
- Transfer to Stage 1	9,298	(55,101)	(2,078)	(47,881)
- Transfer to Stage 2	(21,940)	151,117	(14,072)	115,105
- Transfer to Stage 3	(946)	(17,132)	170,867	152,789
New financial assets originated	39,647	95,126	9,532	144,305
Net remeasurement of allowances	1,676	32,125	309,492	343,293
Modification of contractual cash flows of financial assets	376	1,339	(4,396)	(2,681)
Financial assets derecognised	(27,577)	(39,329)	(74,013)	(140,919)
Changes to model assumptions and methodologies	107,292	182,557	(336)	289,513
Foreign exchange differences	(209)	(97)	(1,287)	(1,593)
Amount written-off	-	-	(306,470)	(306,470)
Balance at end of the financial year	287,064	722,447	432,998	1,442,509

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**A14. LOANS AND ADVANCES (CONT'D.)**

(i) Movements in allowances for ECL are as follows (Cont'd.):

<b>Bank</b>	<b>Stage 1 12-Month ECL RM'000</b>	<b>Stage 2 Lifetime ECL not credit impaired RM'000</b>	<b>Stage 3 Lifetime ECL credit impaired RM'000</b>	<b>Total RM'000</b>
<b>31 December 2021</b>				
Balance at beginning of the financial period	287,094	722,421	432,736	1,442,251
Net (writeback)/allowances for ECL:	(13,118)	98,596	259,342	344,820
- Transfer to Stage 1	7,359	(77,644)	(1,722)	(72,007)
- Transfer to Stage 2	(13,081)	118,932	(16,690)	89,161
- Transfer to Stage 3	(460)	(13,074)	93,812	80,278
New financial assets originated	49,670	49,642	2,590	101,902
Net remeasurement of allowances	(7,453)	(25,467)	246,073	213,153
Modification of contractual cash flows of financial assets	49	2,617	262	2,928
Financial assets derecognised	(23,149)	(42,076)	(64,983)	(130,208)
Changes to model assumptions and methodologies	(26,053)	85,666	-	59,613
Foreign exchange differences	(46)	7	(270)	(309)
Amount written-off	-	-	(369,384)	(369,384)
Balance at end of the financial period	<u>273,930</u>	<u>821,024</u>	<u>322,424</u>	<u>1,417,378</u>
<b>31 March 2021</b>				
Balance at beginning of the financial year	179,464	371,822	345,677	896,963
Net allowances for ECL:	107,839	350,696	394,815	853,350
- Transfer to Stage 1	9,298	(55,100)	(2,078)	(47,880)
- Transfer to Stage 2	(21,940)	151,099	(14,043)	115,116
- Transfer to Stage 3	(945)	(17,122)	170,663	152,596
New financial assets originated	39,647	95,126	9,532	144,305
Net remeasurement of allowances	1,685	32,125	309,484	343,294
Modification of contractual cash flows of financial assets	376	1,339	(4,396)	(2,681)
Financial assets derecognised	(27,574)	(39,328)	(74,011)	(140,913)
Changes to model assumptions and methodologies	107,292	182,557	(336)	289,513
Foreign exchange differences	(209)	(97)	(1,286)	(1,592)
Amount written-off	-	-	(306,470)	(306,470)
Balance at end of the financial year	<u>287,094</u>	<u>722,421</u>	<u>432,736</u>	<u>1,442,251</u>

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**A15. OTHER ASSETS**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Other receivables, deposits and prepayments	792,357	400,167	790,741	398,573
Interest receivable	271,139	299,288	271,135	299,285
Amount due from related companies	18,026	79,405	19,134	80,750
Collateral pledged for derivative and securities transactions	359,307	552,339	359,307	552,339
Foreclosed properties	2,633	2,615	2,325	2,308
Deferred charges	110,149	117,584	110,149	117,584
Tax recoverable	105,261	110,658	102,660	107,841
	<u>1,658,872</u>	<u>1,562,056</u>	<u>1,655,451</u>	<u>1,558,680</u>
Less: Accumulated impairment losses	(2,272)	(2,068)	(1,801)	(1,597)
	<u>1,656,600</u>	<u>1,559,988</u>	<u>1,653,650</u>	<u>1,557,083</u>

**A16. DEPOSITS FROM CUSTOMERS**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Demand deposits	20,612,880	19,457,287	20,625,235	19,467,738
Savings deposits	4,608,299	4,409,651	4,608,299	4,409,651
Term/Investment deposits	57,227,236	55,763,026	57,232,311	55,768,343
	<u>82,448,415</u>	<u>79,629,964</u>	<u>82,465,845</u>	<u>79,645,732</u>

(i) The deposits are sourced from the following type of customers:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Government and other statutory bodies	1,160,330	1,144,965	1,160,330	1,144,965
Business enterprises	37,323,317	39,345,366	37,340,747	39,361,134
Individuals	35,016,409	31,690,212	35,016,409	31,690,212
Others	8,948,359	7,449,421	8,948,359	7,449,421
	<u>82,448,415</u>	<u>79,629,964</u>	<u>82,465,845</u>	<u>79,645,732</u>

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**A16. DEPOSITS FROM CUSTOMERS (CONT'D.)**

(ii) The maturity structure of term/investment deposits and negotiable instruments of deposits is as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Due within six months	45,784,764	46,205,925	45,789,839	46,211,242
Over six months to one year	10,092,153	8,717,762	10,092,153	8,717,762
Over one year to three years	1,243,078	746,431	1,243,078	746,431
Over three years to five years	107,241	92,908	107,241	92,908
	<u>57,227,236</u>	<u>55,763,026</u>	<u>57,232,311</u>	<u>55,768,343</u>

**A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Licensed banks	3,944,423	4,629,469	3,944,423	4,629,469
Licensed investment banks	1,362,299	484,076	1,362,299	484,076
Other financial institutions	1,144,521	973,852	1,154,921	984,057
Bank Negara Malaysia	1,191,129	1,017,430	1,191,129	1,017,430
	<u>7,642,372</u>	<u>7,104,827</u>	<u>7,652,772</u>	<u>7,115,032</u>

**A18. OTHER LIABILITIES**

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Other payables and accruals	1,149,175	920,586	1,136,609	907,977
Lease liabilities	183,968	225,269	185,507	226,907
Provision for reinstatement for leased properties	6,107	6,028	6,107	6,028
Interest payable	365,293	478,996	365,294	478,998
Amount due to holding company and other related companies	667,099	1,832,629	667,099	1,832,629
Collateral received for derivative and securities transactions	161,077	145,035	161,077	145,035
Lease deposits and advance rentals	36,870	35,015	36,870	35,015
Provision for commitments and contingencies	2,256	3,575	2,256	3,575
Allowances for ECL on loan commitments and financial guarantees (Note (a))	153,146	104,678	153,223	104,715
Provision for taxation	1,760	743	973	-
Deferred income	49,584	50,054	49,584	50,054
	<u>2,776,335</u>	<u>3,802,608</u>	<u>2,764,599</u>	<u>3,790,933</u>

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**A18. OTHER LIABILITIES (CONT'D.)**

(a) Movements in allowance for ECL on commitments and financial guarantees are as follows:

Group	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>31 December 2021</b>				
Balance at beginning of the financial period	21,416	30,544	52,718	104,678
Net allowance/(writeback) for ECL:	5,003	44,329	(842)	48,490
- Transfer to Stage 1	794	(5,906)	-	(5,112)
- Transfer to Stage 2	(870)	4,966	-	4,096
- Transfer to Stage 3	(38)	(337)	375	-
New exposure originated	11,444	9,479	-	20,923
Net remeasurement of allowances	(314)	(5,630)	(842)	(6,786)
Exposure derecognised/withdrawn	(6,013)	(12,243)	(375)	(18,631)
Changes in model assumptions and methodologies	-	54,000	-	54,000
Foreign exchange differences	(11)	(11)	-	(22)
Balance at end of the financial period	26,408	74,862	51,876	153,146

Group	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>31 March 2021</b>				
Balance at beginning of the financial year	30,823	25,938	174	56,935
Net (writeback of)/allowances for ECL:	(9,367)	4,662	52,544	47,839
- Transfer to Stage 1	1,076	(6,759)	-	(5,683)
- Transfer to Stage 2	(1,237)	4,891	-	3,654
- Transfer to Stage 3	(67)	(407)	52,352	51,878
New exposure originated	9,179	13,565	-	22,744
Net remeasurement of allowances	(1,979)	4,395	192	2,608
Exposure derecognised/withdrawn	(7,865)	(6,351)	-	(14,216)
Changes to model assumptions and methodologies	(8,474)	(4,672)	-	(13,146)
Foreign exchange differences	(40)	(56)	-	(96)
Balance at end of the financial year	21,416	30,544	52,718	104,678

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**A18. OTHER LIABILITIES (CONT'D.)**

(a) Movements in allowance for ECL on commitments and financial guarantees are as follows (Cont'd.):

Bank	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>31 December 2021</b>				
Balance at beginning of the financial period	21,453	30,544	52,718	104,715
Net allowance/(writeback) for ECL:	5,043	44,329	(842)	48,530
- Transfer to Stage 1	794	(5,906)	-	(5,112)
- Transfer to Stage 2	(870)	4,966	-	4,096
- Transfer to Stage 3	(38)	(337)	375	-
New financial instruments originated	11,444	9,479	-	20,923
Net remeasurement of allowances	(274)	(5,630)	(842)	(6,746)
Exposure derecognised/withdrawn	(6,013)	(12,243)	(375)	(18,631)
Changes in model assumptions and methodologies	-	54,000	-	54,000
Foreign exchange differences	(11)	(11)	-	(22)
Balance at end of the financial period	26,485	74,862	51,876	153,223

Bank	Stage 1	Stage 2	Stage 3	Total
	12-Month ECL RM'000	Lifetime ECL not credit impaired RM'000	Lifetime ECL credit impaired RM'000	
<b>31 March 2021</b>				
Balance at beginning of the financial year	30,848	25,938	173	56,959
Net (writeback of)/allowance for ECL:	(9,355)	4,662	52,545	47,852
- Transfer to Stage 1	1,076	(6,759)	-	(5,683)
- Transfer to Stage 2	(1,237)	4,891	-	3,654
- Transfer to Stage 3	(67)	(407)	52,352	51,878
New financial instruments originated	9,179	13,565	-	22,744
Net remeasurement of allowances	(1,967)	4,395	193	2,621
Exposure derecognised/withdrawn	(7,865)	(6,351)	-	(14,216)
Changes in model assumptions and methodologies	(8,474)	(4,672)	-	(13,146)
Foreign exchange differences	(40)	(56)	-	(96)
Balance at end of the financial year	21,453	30,544	52,718	104,715

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**A19. INTEREST INCOME**

	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Group</b>				
Short-term funds and deposits and placements with financial institutions*	12,522	12,889	35,822	39,992
Financial assets at fair value through profit or loss	20,855	22,300	63,844	113,968
Financial investments at fair value through other comprehensive income	113,257	112,933	340,812	362,088
Financial investments at amortised cost	36,293	32,475	94,605	97,123
Loans and advances*	803,263	785,082	2,364,403	2,390,823
Investment account placement	11,850	5,414	32,584	17,844
Impaired loans and advances	643	770	2,044	3,699
Others	3,628	2,340	8,477	9,556
	<u>1,002,311</u>	<u>974,203</u>	<u>2,942,591</u>	<u>3,035,093</u>
<b>Bank</b>				
Short-term funds and deposits and placements with financial institutions*	12,466	12,874	35,701	39,940
Financial assets at fair value through profit or loss	20,855	22,300	63,844	113,968
Financial investments at fair value through other comprehensive income	113,257	112,949	340,812	362,241
Financial investments at amortised cost	36,293	32,475	94,605	97,123
Loans and advances*	802,176	783,767	2,360,982	2,386,928
Investment account placement	11,850	5,414	32,584	17,844
Impaired loans and advances	643	770	2,044	3,699
Others	3,628	2,340	8,477	9,556
	<u>1,001,168</u>	<u>972,889</u>	<u>2,939,049</u>	<u>3,031,299</u>

\* Interest income on short-term funds and deposits and placements with financial institutions and loans and advances of the Group and the Bank had included the fair value loss of RM18,872,000 (December 2020: net loss of RM9,076,000) and net modification and fair value gain of RM30,856,000 (December 2020: net loss of RM74,865,000) respectively from measures implemented in response to COVID-19 pandemic.

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**A20. INTEREST EXPENSE**

	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Group</b>				
Deposits from customers	328,457	366,627	969,917	1,274,372
Deposits and placements of banks and other financial institutions	20,194	17,387	64,525	72,485
Securities sold under repurchase agreements	8,404	7,323	15,191	35,182
Recourse obligation on loans sold to Cagamas Berhad	52,685	27,164	150,269	107,188
Term funding	1,955	6,777	10,514	29,211
Debt capital	37,281	32,976	111,437	98,568
Others	193	4,475	733	8,494
	<u>449,169</u>	<u>462,729</u>	<u>1,322,586</u>	<u>1,625,500</u>
<b>Bank</b>				
Deposits from customers	328,509	366,675	970,064	1,274,523
Deposits and placements of banks and other financial institutions	20,194	17,388	64,525	72,487
Securities sold under repurchase agreements	8,404	7,323	15,191	35,182
Recourse obligation on loans sold to Cagamas Berhad	52,685	27,164	150,269	107,188
Term funding	1,955	6,777	10,514	29,211
Debt capital	37,281	32,976	111,437	98,568
Others	193	4,475	733	8,494
	<u>449,221</u>	<u>462,778</u>	<u>1,322,733</u>	<u>1,625,653</u>

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**A21. OTHER OPERATING INCOME**

Group	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Fee and commission income:				
Bancassurance commission	7,529	7,092	20,155	19,828
Brokerage fees, commission and rebates	356	1,239	2,510	3,331
Fees on loans, advances and securities	31,135	30,380	83,931	84,952
Fees, service and commission charges	6,925	5,939	18,494	16,480
Unit trust fees, commission and charges	17,020	24,016	51,192	56,891
Guarantee fees	11,486	12,270	34,436	36,707
Remittances	5,769	5,432	16,722	13,606
Other fee and commission	3,373	3,748	9,372	10,007
	<u>83,593</u>	<u>90,116</u>	<u>236,812</u>	<u>241,802</u>
Investment and trading income:				
Foreign exchange gain/(loss)	7,723	(24,445)	68,923	(6,930)
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	12,122	13,533	15,507	17,530
Financial investments at fair value through other comprehensive income	-	-	3,253	3,375
Net (loss)/gain on sale of:				
Financial assets at fair value through profit or loss	(1,173)	64,731	(5,699)	249,370
Financial investments at fair value through other comprehensive income	1,055	398	4,061	17,014
Net gain on revaluation of financial assets at fair value through profit or loss	15,361	8,580	25,924	49,572
Net gain/(loss) on derivatives	16,904	25,356	46,595	(31,699)
Others	2,289	2,750	10,158	6,142
	<u>54,281</u>	<u>90,903</u>	<u>168,722</u>	<u>304,374</u>
Other income:				
Gain on disposal of foreclosed property	-	-	-	540
Net (loss)/gain on disposal of property and equipment	(10)	584	(2)	561
Net gain on non trading foreign exchange	404	482	739	1,043
Profit from sale of goods and services	4,283	4,672	13,113	13,397
Rental income	2,177	3,134	6,229	8,902
Others	262	163	563	505
	<u>7,116</u>	<u>9,035</u>	<u>20,642</u>	<u>24,948</u>
	<u>144,990</u>	<u>190,054</u>	<u>426,176</u>	<u>571,124</u>

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**A21. OTHER OPERATING INCOME (CONT'D.)**

	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Bank</b>				
Fee and commission income:				
Bancassurance commission	7,529	7,092	20,155	19,828
Brokerage fees, commission and rebates	356	1,239	2,510	3,331
Fees on loans, advances and securities	31,135	30,380	83,931	84,952
Fees, service and commission charges	6,782	5,823	18,082	16,161
Unit trust fees, commission and charges	17,020	24,016	51,192	56,891
Guarantee fees	11,486	12,269	34,436	36,707
Remittances	5,769	5,432	16,722	13,606
Other fee and commission	3,373	3,748	9,372	10,007
	<u>83,450</u>	<u>89,999</u>	<u>236,400</u>	<u>241,483</u>
Investment and trading income:				
Foreign exchange gain/(loss)	7,723	(24,445)	68,923	(6,930)
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	12,122	13,533	15,507	17,530
Financial investments at fair value through other comprehensive income	-	-	3,253	3,375
Subsidiary	-	-	-	400
Associate	-	-	15,000	-
Net (loss)/gain on sale of:				
Financial assets at fair value through profit or loss	(1,173)	64,731	(5,699)	249,370
Financial investments at fair value through other comprehensive income	1,055	398	4,061	17,014
Net gain on revaluation of financial assets at fair value through profit or loss	15,361	8,580	25,924	49,558
Net gain/(loss) on derivatives	16,904	25,356	46,595	(31,699)
Others	2,289	2,750	10,158	6,142
	<u>54,281</u>	<u>90,903</u>	<u>183,722</u>	<u>304,760</u>
Other income:				
Gain on disposal of foreclosed property	-	-	-	540
Net loss on disposal of property and equipment	(10)	-	(2)	(23)
Net gain on non trading foreign exchange	403	374	742	908
Profit from sale of goods and services	4,283	4,672	13,113	13,397
Rental income	2,159	3,145	6,150	9,438
Others	246	158	550	546
	<u>7,081</u>	<u>8,349</u>	<u>20,553</u>	<u>24,806</u>
	<u>144,812</u>	<u>189,251</u>	<u>440,675</u>	<u>571,049</u>

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**A22. OTHER OPERATING EXPENSES**

Group	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
Personnel costs:				
Medical	5,287	5,368	15,013	15,921
Insurance	4,508	7,553	17,900	19,604
Contributions to Employees' Provident Fund/ Private Retirement Schemes ("PRS")	30,938	30,272	92,364	88,691
Salaries, bonuses, allowances and incentives	197,942	191,149	586,813	561,974
Share granted under AMMB Executives' Share Scheme ("ESS") - charge/(writeback)	1,733	6,946	(6,550)	27,407
Social security costs	1,618	1,636	4,882	4,906
Recruitment costs	3,206	1,592	7,071	4,855
Training	2,180	2,719	5,118	5,846
Others	4,181	12,084	2,844	19,491
	<u>251,593</u>	<u>259,319</u>	<u>725,455</u>	<u>748,695</u>
Establishment costs:				
Amortisation of intangible assets	18,559	18,901	68,927	56,149
Cleaning, maintenance and security	7,358	4,987	19,127	17,651
Computerisation cost	45,475	40,790	105,938	104,513
Depreciation of property and equipment	14,006	15,636	44,109	46,761
Depreciation of right-of-use assets	17,214	18,251	52,455	52,979
Rental of premises	427	1,149	1,479	2,843
Finance cost:				
- Lease liabilities	1,530	2,136	5,168	6,368
- Provision for reinstatement for leased properties	25	32	79	103
Others	7,431	7,469	21,219	23,749
	<u>112,025</u>	<u>109,351</u>	<u>318,501</u>	<u>311,116</u>
Marketing and communication expenses:				
Advertising, marketing and communication	14,456	14,917	33,929	40,810
Commission	1,062	1,599	3,496	5,051
Others	501	984	1,465	2,598
	<u>16,019</u>	<u>17,500</u>	<u>38,890</u>	<u>48,459</u>
Administration and general expenses:				
Bank charges	2,368	2,030	7,019	6,430
Insurance	1,242	1,021	4,595	3,518
Professional services	9,529	9,069	32,197	34,752
Travelling	290	413	647	1,332
Subscriptions and periodicals	196	17	1,012	687
Others	3,280	14,021	39,758	22,390
	<u>16,905</u>	<u>26,571</u>	<u>85,228</u>	<u>69,109</u>
Service transfer pricing recovery - net	(72,940)	(76,421)	(218,612)	(227,174)
	<u>323,602</u>	<u>336,320</u>	<u>949,462</u>	<u>950,205</u>

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**A22. OTHER OPERATING EXPENSES (CONT'D.)**

	Individual Quarter		Cumulative Quarter	
	31 December 2021 RM'000	31 December 2020 RM'000	31 December 2021 RM'000	31 December 2020 RM'000
<b>Bank</b>				
Personnel costs:				
Medical	5,287	5,368	15,013	15,921
Insurance	4,508	7,553	17,900	19,604
Contributions to Employees' Provident Fund/ PRS	30,938	30,272	92,364	88,691
Salaries, bonuses, allowances and incentives	197,942	191,149	586,813	561,974
Share granted under AMMB ESS - charge/(writeback)	1,733	6,946	(6,550)	27,407
Social security costs	1,618	1,636	4,882	4,906
Recruitment costs	3,206	1,592	7,071	4,855
Training	2,180	2,719	5,118	5,846
Others	4,161	12,084	2,824	19,491
	<u>251,573</u>	<u>259,319</u>	<u>725,435</u>	<u>748,695</u>
Establishment costs:				
Amortisation of intangible assets	18,559	18,901	68,927	56,149
Cleaning, maintenance and security	7,215	5,078	18,755	17,481
Computerisation cost	45,475	40,790	105,938	104,513
Depreciation of property and equipment	13,873	15,502	43,712	46,362
Depreciation of right-of-use assets	17,248	18,315	52,559	53,630
Rental of premises	550	1,270	1,848	3,206
Finance cost:				
- Lease liabilities	1,538	2,151	5,190	6,479
- Provision for reinstatement for leased properties	25	32	79	103
Others	7,396	7,455	21,152	23,708
	<u>111,879</u>	<u>109,494</u>	<u>318,160</u>	<u>311,631</u>
Marketing and communication expenses:				
Advertising, marketing and communication	14,454	14,916	33,926	40,807
Commission	1,062	1,599	3,496	5,051
Others	501	984	1,465	2,598
	<u>16,017</u>	<u>17,499</u>	<u>38,887</u>	<u>48,456</u>
Administration and general expenses:				
Bank charges	2,368	2,029	7,019	6,429
Insurance	1,158	1,022	4,511	3,499
Professional services	9,518	9,067	32,151	34,603
Travelling	290	413	647	1,332
Subscriptions and periodicals	196	17	1,012	687
Others	3,280	14,014	39,756	22,371
	<u>16,810</u>	<u>26,562</u>	<u>85,096</u>	<u>68,921</u>
Service transfer pricing recovery - net	(72,940)	(76,421)	(218,612)	(227,174)
	<u>323,339</u>	<u>336,453</u>	<u>948,966</u>	<u>950,529</u>

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**A23. ALLOWANCE FOR IMPAIRMENT ON LOANS AND ADVANCES**

	Individual Quarter		Cumulative Quarter	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<b>Group</b>				
Allowance for impairment on loans and advances	91,739	205,321	344,748	580,526
Impaired loans and advances recovered, net	(27,961)	(65,360)	(106,914)	(201,278)
	<u>63,778</u>	<u>139,961</u>	<u>237,834</u>	<u>379,248</u>
<b>Bank</b>				
Allowance for impairment on loans and advances	91,829	205,315	344,820	580,316
Impaired loans and advances recovered, net	(27,961)	(65,360)	(106,914)	(198,194)
	<u>63,868</u>	<u>139,955</u>	<u>237,906</u>	<u>382,122</u>

**A24. ALLOWANCE/(WRITEBACK OF ALLOWANCE) FOR IMPAIRMENT ON FINANCIAL INVESTMENTS**

	Individual Quarter		Cumulative Quarter	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<b>Group</b>				
Financial investments at fair value through other comprehensive income	3,211	2,258	14,087	(3,099)
Financial investments at amortised cost	813	20	(4,670)	(1,348)
	<u>4,024</u>	<u>2,278</u>	<u>9,417</u>	<u>(4,447)</u>
<b>Bank</b>				
Financial investments at fair value through other comprehensive income	3,211	2,255	14,087	(3,106)
Financial investments at amortised cost	813	20	(4,670)	(1,348)
	<u>4,024</u>	<u>2,275</u>	<u>9,417</u>	<u>(4,454)</u>

**A25. (WRITEBACK OF ALLOWANCE)/ALLOWANCE FOR IMPAIRMENT ON OTHER FINANCIAL ASSETS**

	Individual Quarter		Cumulative Quarter	
	31 December	31 December	31 December	31 December
	2021	2020	2021	2020
	RM'000	RM'000	RM'000	RM'000
<b>Group and Bank</b>				
Cash and short-term funds	(1,681)	1,107	(468)	1,585
Deposits and placements with banks and other financial institutions	(1,001)	(664)	13	(105)
Investment account placement	(306)	458	1,986	(606)
Other assets	88	(220)	49	(1,341)
	<u>(2,900)</u>	<u>681</u>	<u>1,580</u>	<u>(467)</u>

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**A26. EARNINGS PER SHARE ("EPS")**

**Basic/Diluted**

The basic/diluted earning per share is calculated by dividing the net profit attributable to equity holder of the Bank by the weighted average number of ordinary shares in issue during the financial period.

	Individual Quarter		Cumulative Quarter	
	31 December 2021	31 December 2020	31 December 2021	31 December 2020
<b>Group</b>				
Net profit attributable to equity holder of the Bank (RM'000)	368,004	169,538	771,001	522,752
Number of ordinary shares at beginning of the financial period	903,247	836,853	903,247	836,853
Effect of issuance of new ordinary shares ('000)	46,680	-	36,496	-
Weighted average number of ordinary shares in issue at the end of the financial period ('000)	949,927	836,853	939,743	836,853
Basic/diluted earnings per share (sen)	38.74	20.26	82.04	62.47
<b>Bank</b>				
Net profit attributable to equity holder of the Bank (RM'000)	367,258	167,959	771,434	518,585
Number of ordinary shares at beginning of the financial period	903,247	836,853	903,247	836,853
Effect of issuance of new ordinary shares ('000)	46,680	-	36,496	-
Weighted average number of ordinary shares in issue at the end of the financial period ('000)	949,927	836,853	939,743	836,853
Basic/diluted earnings per share (sen)	38.66	20.07	82.09	61.97

**A27. BUSINESS SEGMENT ANALYSIS**

Segment information is presented in respect of the Group's business segments. The business segment information is prepared based on internal management reports, which are regularly reviewed by the Chief Operating Decision Maker in order to allocate resources to a segment and to assess its performance.

The Group comprises the following main business segments:

(a) Retail Banking

Retail Banking continues to focus on building mass affluent, affluent and small business customers. Retail Banking offers products and financial solutions which includes auto finance, mortgages, personal loans, credit cards, small business loans, priority banking services, wealth management, remittance services and deposits.

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**A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)**

The Group comprises the following main business segments (Cont'd.):

(b) Business Banking

Business Banking ("BB") focuses on the small and medium sized enterprises segment, which comprises Enterprise Banking and Commercial Banking. Solutions offered to Enterprise Banking customers encompass Capital Expenditure ("CAPEX") financing, Working Capital financing and Cash Management and while Commercial Banking offers the same suite of products, it also provides more sophisticated structures such as Contract Financing, Development Loans and Project Financing.

(c) Wholesale Banking

Wholesale Banking comprises Corporate Banking and Group Treasury and Markets.

(i) Corporate Banking

Corporate Banking offers a full range of products and services of corporate lending, trade finance, offshore banking, and cash management solutions to wholesale banking clients.

(ii) Group Treasury and Markets

Group Treasury and Markets includes proprietary trading as well as providing full range of products and services relating to treasury activities, including foreign exchange, derivatives, fixed income and structured warrants. It also offers customised investment solutions for customers.

(d) Investment Banking

Under the Investment Banking division of AmBank, the core products are capital markets group, private banking and equity markets.

Capital Markets focuses on providing integrated financing solutions to our corporate and institutional clients. It offers a full suite of customised debt and capital financing solutions which include corporate bond issuances, loan syndication, structured finance, capital and project advisory services and primary syndication and underwriting services. Private Banking primarily services high net worth clients and offers financing and deposit products. Equity markets offers margin financing to retail and corporate clients.

(e) Group Funding and Others

Group Funding and Others comprise activities to maintain the liquidity of the Group as well as support operations of its main business units and non-core operations of the Group.

Measurement of Segment Performance

The segment performance is measured on income, expenses and profit basis. These are shown after allocation of certain centralised costs, funding income and expenses directly associated with each segment. Transactions between segments are recorded within the segment as if they are third party transactions and are eliminated on aggregation.

Note:

- (i) The Chief Operating Decision Maker relies primarily on the net interest income information to assess the performance of, and to make decisions about resources to be allocated to these operating segments.
- (ii) The financial information by geographical segment is not presented as the Group's activities are principally conducted in Malaysia.
- (iii) The comparatives have been restated with current business realignment.

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**A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)**

Group For the financial period ended 31 December 2021	Wholesale Banking						Total RM'000
	Retail Banking RM'000	Business Banking RM'000	Corporate Banking RM'000	Group Treasury and Markets RM'000	Investment Banking RM'000	Group Funding and Others RM'000	
Net interest income	757,869	233,441	261,220	257,364	15,830	94,281	1,620,005
Other operating income	168,041	71,385	65,278	103,036	4,534	13,902	426,176
Share in results of an associate	(786)	-	-	-	-	-	(786)
Net income	925,124	304,826	326,498	360,400	20,364	108,183	2,045,395
Other operating expenses	(494,894)	(97,607)	(96,925)	(52,493)	(5,526)	(202,017)	(949,462)
<i>of which:</i>							
Depreciation of property and equipment	(13,285)	(1,387)	(1,020)	(148)	(4)	(28,265)	(44,109)
Depreciation of right-of-use assets	-	-	-	-	-	(52,455)	(52,455)
Amortisation of intangible assets	(16,403)	(630)	(4,084)	(1,607)	-	(46,203)	(68,927)
Profit/(Loss) before impairment losses	430,230	207,219	229,573	307,907	14,838	(93,834)	1,095,933
(Allowance)/writeback of allowance for impairment on loans and advances	(111,062)	(55,266)	(76,843)	-	10,108	(4,771)	(237,834)
Writeback of provision/(provision) for commitments and contingencies	1,613	(5,090)	8,946	-	-	(53,340)	(47,871)
Allowance for impairment on financial investment and other financial assets	(61)	-	(1,938)	(8,998)	-	-	(10,997)
Other recoveries	-	-	-	-	-	28	28
Profit/(loss) before taxation	320,720	146,863	159,738	298,909	24,946	(151,917)	799,259
Taxation	(77,162)	(32,074)	(36,615)	(66,973)	(4,740)	189,306	(28,258)
Profit for the financial period	243,558	114,789	123,123	231,936	20,206	37,389	771,001
<b>Other information</b>							
Total segment assets	46,259,198	12,043,335	20,106,995	39,077,126	1,350,589	3,141,250	121,978,493
Total segment liabilities	40,545,583	10,270,927	11,021,931	35,133,026	764,905	14,321,780	112,058,152
Cost to income ratio	53.5%	32.0%	29.7%	14.6%	27.1%	>100.0%	46.4%
Gross loans and advances	45,842,047	12,191,780	20,336,437	-	1,197,237	(84,059)	79,483,442
Net loans and advances	45,067,227	12,034,454	20,045,952	-	1,197,100	(278,855)	78,065,878
Impaired loans and advances	604,517	172,533	163,272	-	138	-	940,460
Total deposits	39,976,857	10,140,121	10,859,331	27,497,340	759,564	857,574	90,090,787
Additions to:							
Property and equipment	5,438	252	400	348	-	8,876	15,314
Intangible assets	11,570	135	5,136	10,736	-	17,104	44,681

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**A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)**

Group For the financial period ended 31 December 2020 (Restated)	Wholesale Banking						Total RM'000
	Retail Banking RM'000	Business Banking RM'000	Corporate Banking RM'000	Group Treasury and Markets RM'000	Investment Banking RM'000	Group Funding and Others RM'000	
Net interest income/(loss)	718,359	200,653	253,046	253,158	14,857	(30,480)	1,409,593
Other operating income	174,960	75,917	62,971	238,456	8,420	10,400	571,124
Share in results of an associate	(1,191)	-	-	-	-	-	(1,191)
Net income/(expense)	892,128	276,570	316,017	491,614	23,277	(20,080)	1,979,526
Other operating expenses	(496,711)	(102,853)	(103,117)	(58,041)	(5,913)	(183,570)	(950,205)
<i>of which:</i>							
<i>Depreciation of property and equipment</i>	(15,957)	(1,414)	(1,270)	(100)	(2)	(28,018)	(46,761)
<i>Depreciation of right-of-use</i>	-	-	-	-	-	(52,979)	(52,979)
<i>Amortisation of intangible assets</i>	(14,220)	(641)	(5,470)	(1,032)	(1)	(34,785)	(56,149)
Profit/(loss) before impairment losses (Allowance)/writeback of allowance for impairment on loans and advances	395,417	173,717	212,900	433,573	17,364	(203,650)	1,029,321
Writeback of provision/(provision) for commitments and contingencies	(157,284)	(14,020)	(45,493)	-	3,091	(165,542)	(379,248)
Writeback of allowance/(allowance) for impairment on financial investment and other financial assets	5,249	(3,800)	(11,360)	-	-	12,455	2,544
Other recoveries	414	-	742	(1,920)	-	5,678	4,914
Profit/(loss) before taxation	1	-	-	-	-	94	95
Taxation	243,797	155,897	156,789	431,653	20,455	(350,965)	657,626
Profit/(loss) for the financial period	(58,797)	(35,186)	(36,236)	(101,959)	(3,440)	100,736	(134,882)
	185,000	120,711	120,553	329,694	17,015	(250,229)	522,744
<b>Other information</b>							
Total segment assets	45,694,552	10,981,845	19,033,443	36,577,292	1,277,752	1,856,612	115,421,496
Total segment liabilities	36,507,152	8,217,536	8,878,461	40,507,198	710,095	9,838,534	104,658,976
Cost to income ratio	55.7%	37.2%	32.6%	11.8%	25.4%	>100.0%	48.0%
Gross loans and advances	45,357,100	11,075,385	19,198,236	-	1,274,419	(97,491)	76,807,649
Net loans and advances	44,706,148	10,969,133	18,960,073	-	1,273,964	(356,115)	75,553,203
Impaired loans and advances	866,596	164,682	285,332	-	455	-	1,317,065
Total deposits	35,948,356	8,133,507	8,722,403	33,977,129	699,580	650,796	88,131,771
Additions to:							
Property and equipment	14,651	112	96	1,388	5	8,472	24,724
Intangible assets	18,864	151	3,534	8,145	-	29,274	59,968

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**A28. PERFORMANCE REVIEW FOR THE PERIOD ENDED 31 DECEMBER 2021**

The Group registered a profit before taxation ("pre-tax profit") of RM799.2 million for the financial period ended 31 December 2021, representing an increase of RM141.6 million or 21.5% compared to the pre-tax profit for the corresponding period last year.

The increase in Group's profit before taxation for the period is attributable to higher net interest income of RM210.4 million mainly driven by lower funding cost. The Group recorded a lower impairment allowance for loans and advances, financial investments, undrawn commitment and financial guarantees of RM77.1 million compare to the corresponding period last year. The other operating expenses dropped marginally due to continued cost discipline.

The increase was partly offset by lower other operating income of RM144.9 million mainly from trading, investment income and fund management fees.

The Group's ratio of impaired loans and advances slightly lower at 1.18% compared to 1.48% as at 31 March 2021. Loan loss coverage remained consistently above 100.00%.

The Group and the Bank remained well capitalised with risk weighted capital adequacy ratios of 16.79% and 16.66% respectively.

In the opinion of the Directors, the results of operations of the Group and the Bank for the financial period have not been substantially affected by any items, transaction or event of a material and unusual nature.

**A29. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2022**

The local economy rebounded during the last quarter of 2021 as it rose by 3.6% year-on-year following the 4.5% contraction in the previous quarter due to severely strict pandemic measures imposed. That brings the full year growth to 3.1%, lower than our forecast of 3.4% but marginally higher than our worst case of 3.0%. Performance improved in quarter 4 2021 was due to the gradual relaxation of the pandemic restrictions and reopening of the economy, which provides some impetus for domestic spending besides strong support from external trade, firm commodities prices and private investment.

Moving forward into the year 2022, the country's economic performance is expected to improve. At its core, the economy will be underpinned by the reopening of the economy, driven by better pandemic management and high vaccination rate. Furthermore, with Vaccinated Travel Lane (VTL) and full opening plan on 1 March 2022, it should provide some momentum for domestic economic activities. Also, the stimulus measures, 12<sup>th</sup> Malaysia Plan ("12MP"), Budget 2022, firm commodity prices, strong exports and manufacturing upswing especially in the electrical and electronics subsector will provide much needed support.

On that note, we foresee 2022's full year gross domestic product growth to reach 5.6% year-on-year and also supported by the low-base effects.

However, downside risk to our growth target remains. Besides domestic challenges, the Malaysian economy which is a trading economy is vulnerable to external shocks such as slower-than-expected economic growth, new variants from the COVID that leads to lockdown or strategic movement control orders, rising global inflation which results to erosion of disposable income, geopolitical tensions and others. On that score, risk of domestic economic growth to be downgraded remains.

Following the headline inflation peaked in April 2021 at 4.7% which marked a four-year high, the reading has been moderating to reach around 3.2% in December 2021, lower than 3.3% in the month before. This resulted for the full year inflation to rise by 2.5% year-on-year which turned out to be a tad lower than our projection of 2.6% following a contraction of 1.1% in 2020.

Looking at 2022, dissipating of low base, tepid domestic activities, the extension of ceiling price on RON95 and diesel pump price, and government's financial assistance in agriculture should help contain strong surge in inflation.

But the upwards pressure still remains from rising input costs induced by higher commodity that would inevitably result to transfer pricing to consumers. For the year 2022, we expect the annual inflation rate to hover around 2.4%.

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**A29. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2022 (CONT'D.)**

Meanwhile, the overall banking system loans grew to 4.5% year-on-year in December 2021. Household loan grew by 4.3% year-on-year, while the non-household loan growth surged 4.9% year-on-year. We envisaged that the industry's loan growth to reach 4.5% to 5.5% for the full year 2022.

The overall banking system remains healthy in 2021 underpinned by strong liquidity. Liquidity coverage ratio stayed above the 100% regulatory requirement in December at 153.7% (end 2020 was at 148.2%). Funding profiles was well-diversified with December's loan-to-fund ratio and loan-to-fund-and-equity ratio was at 81.2% and 70.9% (End-2020 was at 82.5% and 71.9% respectively).

In a move to support the economy, a total of RM530 billion stimulus measures were rolled-out which includes fiscal, monetary, and non-monetary policies. For 2022, as the global economic recovery progresses steadily barring no unforeseen circumstances on the recovery path, we expect central banks to rollback their stimulus measures to address the high inflation notion.

To address the rate differentials from a potential aggressive rate hikes expected from the US Fed, BNM is likely to normalise its policy rate and raise the Overnight Policy Rate in 2022. We expect BNM to revise upwards the policy rate by 25 basis points ("bps") in 2022 with the possibility of two hikes if the future incoming data allows for it. Statutory Reserve Requirement hike by 50bps is also on our plate should ample liquidity pose some concern.

While we see a reduction in repayment assistance extended to our borrowers, we continue to support our government's initiatives to help the rakyat financially by easing the debt obligations of our customers who were/are affected by the pandemic and/or the recent flash floods through 3 repayment assistance programmes: the government's Financial Management and Resilience Program ("URUS"), flood relief programme and AmBank's own repayment assistance programme.

Operationally, we remain steadfast in the execution of our FY2021 - FY2024 Focus 8 strategy, which is underpinned by strategic initiatives to drive operational efficiencies and sustainable business growth. We are accelerating environmental, social and governance ("ESG") integration into the Group's business practices via capacity building to enhance ways of capturing our customers' ESG compliance while navigating the reporting challenge of complying with BNM's Climate Change Principle-based Taxonomy Guideline.

Driving current account and savings account ("CASA") growth and capital-light revenues across its channels, focusing on targeted segments such as SME and Mid-Corporate, remain on the Group's list of key agendas. The Group also continues to prioritize digitalisation initiatives, data analytics and automation by reinvesting cost savings into these areas. The Group understands the importance of striking a good balance between necessary capital expenditure and prudent cost management to continue bringing value to all stakeholders.

**A30. VALUATION OF PROPERTY AND EQUIPMENT**

The Group's and the Bank's property and equipment are stated at cost less accumulated depreciation and accumulated impairment losses.

**A31. EVENTS DURING THE FINANCIAL PERIOD**

**Continuous financial assistance for customers affected by the pandemic and floods**

During the financial period, the Group and the Bank continue to support the government's initiative in easing the financial burden of those affected by the COVID-19 pandemic and the recent floods.

In line with the announcement of Pakej Perlindungan Rakyat dan Ekonomi ("PEMULIH") by the Government on 28 June 2021, the Group and the Bank offer repayment assistance of payment deferment for a period of six-months or 50% reduction in the monthly instalment payment for a period of six-month to all individuals, microenterprises and any SME whose financial condition has been adversely affected by the pandemic.

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**A31. EVENTS DURING THE FINANCIAL PERIOD (CONT'D.)**

**Continuous financial assistance for customers affected by the pandemic and floods (Cont'd.)**

Further to announcement made by BNM and banking industry (represented collectively by The Association of Banks in Malaysia ("ABM"), Association of Islamic Banking and Financial Institutions Malaysia ("AIBIM") and Association of Development Finance Institutions of Malaysia ("ADFIM")) on 14 October 2021, the Group and the Bank had offered the Financial Management and Resilience Programme (Program Pengurusan dan Ketahanan Kewangan "URUS") for eligible B50 individual customers who continue to be affected by the COVID-19 pandemic. Under URUS, Agensi Kaunseling dan Pengurusan Kredit ('AKPK') will provide the customer with a personalised financial plan that is developed holistically, taking into account the customer's financial circumstances and ability to afford repayment of all financing obligations.

In December 2021, the Group and the Bank announced the Flood Relief Programme, a targeted assistance to eligible customers who are struggling with the after effects of the floods. Customers are offered a moratorium of up to six-months for all loans and financing facilities including credit card facilities, with no late or penalty charges imposed during the moratorium period and waiver of all replacement charges of passbooks, cheque books, fixed deposit certificates, ATM, Credit and Debit cards.

**A32. CHANGES IN THE COMPOSITION OF THE GROUP AND THE BANK**

There were no material changes in the composition of the Group and the Bank for the current financial quarter and period.

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**A33. 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. No material losses are anticipated as a result of these transactions. The commitments and contingencies are not secured against the Group's and the Bank's assets.

The principal amounts of the commitments and contingencies and notional contracted amounts of derivatives of the Group and the Bank are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>Commitments</b>				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	12,485,309	11,941,696	12,558,859	12,006,696
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,584,992	1,423,498	1,584,992	1,423,498
Unutilised credit card lines	3,660,366	3,761,826	3,660,366	3,761,826
Forward asset purchase	9,966	657,169	9,966	657,169
Others	-	-	50	50
	<u>17,740,633</u>	<u>17,784,189</u>	<u>17,814,233</u>	<u>17,849,239</u>
<b>Contingencies</b>				
Direct credit substitutes	1,930,866	1,557,233	1,930,866	1,557,233
Transaction related contingent items	3,377,470	3,442,831	3,377,470	3,442,831
Short term self liquidating trade related contingencies	639,921	654,391	639,921	654,391
	<u>5,948,257</u>	<u>5,654,455</u>	<u>5,948,257</u>	<u>5,654,455</u>
<b>Derivative Financial Instruments</b>				
<b>Foreign exchange related contracts</b>				
- One year or less	33,332,067	49,723,177	33,332,067	49,723,177
- Over one year to five years	4,577,179	5,594,806	4,577,179	5,594,806
- Over five years	1,953,346	1,388,564	1,953,346	1,388,564
<b>Interest rate related contracts</b>				
- One year or less	12,713,479	13,551,363	12,713,479	13,551,363
- Over one year to five years	22,391,432	27,515,321	22,391,432	27,515,321
- Over five years	6,274,522	5,038,177	6,274,522	5,038,177
<b>Credit related contracts</b>				
- One year or less	-	347,950	-	347,950
<b>Equity and commodity related contracts</b>				
- One year or less	1,604,874	1,434,390	1,604,874	1,434,390
- Over one year to five years	72,680	84,682	72,680	84,682
	<u>82,919,579</u>	<u>104,678,430</u>	<u>82,919,579</u>	<u>104,678,430</u>
<b>Total</b>	<u>106,608,469</u>	<u>128,117,074</u>	<u>106,682,069</u>	<u>128,182,124</u>

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**A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS**

**Determination of fair value and fair value hierarchy**

The Group and the Bank use the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities;
- Level 2: other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly;
- Level 3: techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

For assets and liabilities measured at fair value that are recognised on a recurring basis, the Group and the Bank determine whether transfers have occurred between Levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

Financial assets and liabilities measured using valuation techniques based on assumptions that are supported by prices from observable current market transactions are assets and liabilities for which pricing is obtained via pricing services, but where prices have not been determined in an active market, financial assets with fair values based on broker quotes, investments in private equity funds with fair values obtained via fund managers and assets that are valued using the Group's own models whereby the majority of assumptions are market observable.

Non market observable inputs means that fair values are determined, in whole or in part, using a valuation technique (model) based on assumptions that are neither supported by prices from observable current market transactions in the same instrument, nor are they based on available market data. The main asset classes in this category are unlisted equity investments and debt instruments. Valuation techniques are used to the extent that observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date. However, the fair value measurement objective remains the same, that is, an exit price from the perspective of the Group and the Bank. Therefore, unobservable inputs reflect the Group's and the Bank's own assumptions about the assumptions that market participants would use in pricing the asset or liability (including assumptions about risk). These inputs are developed based on the best information available, which might include the Group's and the Bank's own data, as well as financial information of the counterparties. Equity instruments at FVOCI was revalued using net assets method.

About 3.2% of the Group's and the Bank's (31 March 2021: 3.6% of the Group's and the Bank's) total financial assets recorded at fair value, are based on estimates and recorded as Level 3 investments. Where estimates are used, these are based on a combination of independent third-party evidence and internally developed models, calibrated to market observable data where possible. While such valuations are sensitive to estimates, it is believed that changing one or more of the assumptions to reasonably possible alternative assumptions would not change the fair value significantly.

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**A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)**

(a) The following tables show the Group's and the Bank's financial instruments that are measured at fair value at the reporting date analysed by levels within the fair value hierarchy.

	Group				Bank			
	Valuation technique			Total RM'000	Valuation technique			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b>31 December 2021</b>								
<b>Financial assets measured at fair value</b>								
Derivative financial assets	182	920,683	-	920,865	182	920,683	-	920,865
Financial assets at fair value through profit or loss								
- Money market securities	-	3,452,815	-	3,452,815	-	3,452,815	-	3,452,815
- Quoted shares	1,063,752	-	-	1,063,752	1,063,748	-	-	1,063,748
- Unquoted shares	-	-	34	34	-	-	-	-
- Quoted unit trust	12,756	-	-	12,756	12,756	-	-	12,756
- Quoted sukuk	-	13,430	-	13,430	-	13,430	-	13,430
- Unquoted corporate bonds and sukuk	-	691,595	-	691,595	-	691,595	-	691,595
Financial investments at fair value through other comprehensive income								
- Money market securities	-	6,190,795	-	6,190,795	-	6,190,795	-	6,190,795
- Unquoted shares	-	-	669,168	669,168	-	-	669,168	669,168
- Quoted unit trust	71,561	-	-	71,561	71,561	-	-	71,561
- Unquoted corporate bonds and sukuk	-	7,884,772	-	7,884,772	-	7,884,772	-	7,884,772
	<u>1,148,251</u>	<u>19,154,090</u>	<u>669,202</u>	<u>20,971,543</u>	<u>1,148,247</u>	<u>19,154,090</u>	<u>669,168</u>	<u>20,971,505</u>
<b>Financial liabilities measured at fair value</b>								
Derivative financial liabilities	<u>17,775</u>	<u>845,436</u>	<u>-</u>	<u>863,211</u>	<u>17,775</u>	<u>845,436</u>	<u>-</u>	<u>863,211</u>

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**A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)**

(a) The following tables show the Group's and the Bank's financial instruments that are measured at fair value at the reporting date analysed by levels within the fair value hierarchy (Cont'd.).

	Group				Bank			
	Valuation technique			Total RM'000	Valuation technique			Total RM'000
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000		Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	
<b>31 March 2021</b>								
<b>Financial assets measured at fair value</b>								
Derivative financial assets	237	1,312,766	-	1,313,003	237	1,312,766	-	1,313,003
Financial assets at fair value through profit or loss								
- Money market securities	-	2,136,963	-	2,136,963	-	2,136,963	-	2,136,963
- Quoted shares	1,044,991	-	-	1,044,991	1,044,987	-	-	1,044,987
- Unquoted shares	-	-	34	34	-	-	-	-
- Quoted unit trust	20,078	-	-	20,078	20,078	-	-	20,078
- Quoted sukuk	-	37,538	-	37,538	-	37,538	-	37,538
- Unquoted corporate bond and sukuk	-	549,988	-	549,988	-	549,988	-	549,988
Financial investments at fair value through other comprehensive income								
- Money market securities	-	5,936,158	-	5,936,158	-	5,936,158	-	5,936,158
- Unquoted shares	-	-	681,353	681,353	-	-	681,353	681,353
- Quoted unit trust	77,983	-	-	77,983	77,983	-	-	77,983
- Unquoted corporate bond and sukuk	-	7,068,113	-	7,068,113	-	7,068,113	-	7,068,113
	<u>1,143,289</u>	<u>17,041,526</u>	<u>681,387</u>	<u>18,866,202</u>	<u>1,143,285</u>	<u>17,041,526</u>	<u>681,353</u>	<u>18,866,164</u>
<b>Financial liabilities measured at fair value</b>								
Derivative financial liabilities	<u>21,234</u>	<u>1,252,295</u>	<u>-</u>	<u>1,273,529</u>	<u>21,234</u>	<u>1,252,295</u>	<u>-</u>	<u>1,273,529</u>

There were no transfers between Level 1 and Level 2 during the current financial period and previous financial year for the Group and the Bank.

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**A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)**

**Movements In Level 3 financial instruments measured at fair value**

The level of the fair value hierarchy of financial instruments is determined at the beginning of each reporting period. The following tables show the reconciliation of the opening and closing amounts of Level 3 financial assets which are recorded at fair value:

<b>Group</b>	<b>Equity instruments at FVTPL RM'000</b>	<b>Equity instruments at FVOCI RM'000</b>	<b>Total RM'000</b>
At 1 April 2021	34	681,353	681,387
Total gain recognised in other comprehensive income under fair value reserve	-	2,666	2,666
Disposal	-	(14,857)	(14,857)
Addition	-	6	6
At 31 December 2021	<u>34</u>	<u>669,168</u>	<u>669,202</u>
	<b>Equity instruments at FVTPL RM'000</b>	<b>Equity instruments at FVOCI RM'000</b>	<b>Total RM'000</b>
At 1 April 2020	31	588,549	588,580
Gain on revaluation of financial assets at FVTPL taken up in statement of profit or loss	3	-	3
Total gains recognised in other comprehensive income	-	92,804	92,804
At 31 March 2021	<u>34</u>	<u>681,353</u>	<u>681,387</u>
		<b>Equity instruments at FVOCI RM'000</b>	<b>Total RM'000</b>
<b>Bank</b>			
At 1 April 2021		681,353	681,353
Total gain recognised in other comprehensive income under fair value reserve		2,666	2,666
Disposal		(14,857)	(14,857)
Addition		6	6
At 31 December 2021		<u>669,168</u>	<u>669,168</u>
	<b>Debt instruments at FVOCI RM'000</b>	<b>Equity instruments at FVOCI RM'000</b>	<b>Total RM'000</b>
At 1 April 2020	7,846	588,549	596,395
Settlements	(7,700)	-	(7,700)
Total (losses)/gains recognised in other comprehensive income under fair value reserve	(146)	92,804	92,658
At 31 March 2021	<u>-</u>	<u>681,353</u>	<u>681,353</u>

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**A34. FAIR VALUE MEASUREMENTS OF FINANCIAL INSTRUMENTS (CONT'D.)**

Total gains or losses included in the statements of profit or loss and statements of comprehensive income for financial instruments held at the end of reporting period:

	<b>Group</b>		<b>Bank</b>	
	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>	<b>31 December 2021 RM'000</b>	<b>31 March 2021 RM'000</b>
<b>Financial assets at FVTPL</b>				
Total gains included in:				
- profit or loss	-	3	-	-
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>
<b>Financial investments at FVOCI</b>				
Total gains included in:				
- other comprehensive income	2,666	92,804	2,666	92,658
	<u>          </u>	<u>          </u>	<u>          </u>	<u>          </u>

There were no transfers between Level 2 and Level 3 during the current financial period and previous financial year for the Group and the Bank.

**Impact on fair value of Level 3 financial instruments measured at fair value arising from changes to key**

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.

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**A35. CAPITAL ADEQUACY**

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

	<b>Group</b>	<b>Bank</b>
Under transitional arrangement (Note (i))		
<b>31 December 2021</b>		
CET 1 Capital Ratio	12.407%	12.289%
Tier 1 Capital Ratio	12.407%	12.289%
Total Capital Ratio	16.794%	16.659%
<b>31 March 2021</b>		
CET 1 Capital Ratio	11.215%	11.095%
Tier 1 Capital Ratio	11.215%	11.095%
Total Capital Ratio	15.789%	15.650%

Notes:

- (i) Pursuant to the revised BNM policy document, Capital Adequacy Framework (Capital Component) issued on 9 December 2020, capital ratios of the Group and the Bank had been computed applying transitional arrangement on provision for ECL. Under the transitional arrangement, the Bank is allowed to add back the amount of loss allowance for non credit impaired exposure (ie. stage 1 and stage 2 provisions) to CET1 Capital. Had the transitional arrangement not been applied, the capital ratios of the Group and the Bank as at 31 December 2021 and 31 March 2021 are as follow:

	<b>31 December 2021</b>		<b>31 March 2021</b>	
	<b>Group</b>	<b>Bank</b>	<b>Group</b>	<b>Bank</b>
CET 1	11.572%	11.458%	10.533%	10.415%
Tier 1 Capital Ratio	11.572%	11.458%	10.533%	10.415%
Total Capital Ratio	16.397%	16.268%	15.511%	15.378%

- (ii) Pursuant to the above BNM's guideline on Capital Adequacy Framework (Capital Components), the minimum capital adequacy ratios to be maintained under the guideline are at 4.5% for CET 1 capital, 6.0% for Tier 1 capital and 8.0% for total capital ratio. In addition, banking institutions are also required to maintain capital buffers in form of CET 1 capital above the minimum CET 1 Capital, Tier 1 Capital and Total Capital adequacy levels. The capital buffers shall comprise the sum of the following:

- (a) a Capital Conservation Buffer ("CCB") of 2.5%;
- (b) a Countercyclical Capital Buffer ("CCyB") determined as the weighted-average of the prevailing CCyB rates applied in the jurisdictions in which the Bank has credit exposures. BNM will communicate any decision on the CCyB rate by up to 12 months before the date from which the rate applies; and
- (c) a Higher Loss Absorbency ("HLA") requirement for a financial institution that is designated as a domestic systemically important bank ("D-SIB").

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**A35. CAPITAL ADEQUACY (CONT'D.)**

(b) The components of CET 1, Additional Tier 1, Tier 2 and Total Capital of the Group and the Bank are as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
<b>CET 1 Capital</b>				
Share Capital	3,040,465	2,590,465	3,040,465	2,590,465
Retained earnings	6,320,085	5,541,997	6,372,303	5,591,998
Fair value reserve	378,029	457,552	378,029	457,552
Foreign currency translation reserve	85,965	84,588	89,805	88,443
Merger reserve	104,149	104,149	-	-
Cash flow hedging deficit	(10,282)	(16,949)	(10,282)	(16,949)
Less: Regulatory adjustments applied on CET 1 Capital				
- Intangible assets	(223,400)	(254,134)	(223,400)	(254,134)
- Deferred tax assets	(131,704)	(95,580)	(131,704)	(95,580)
- 55% of cumulative fair value gains in fair value reserve	(207,916)	(251,654)	(207,916)	(251,654)
- Cash flow hedging deficit	10,282	16,949	10,282	16,949
- Investment in ordinary shares of unconsolidated financial entities	-	-	(8,488)	(8,488)
- Unrealised fair value gains on financial liabilities due to changes in own credit risk	(599)	(1,197)	(599)	(1,197)
- Other CET1 regulatory adjustments specified by the BNM	675,340	529,761	675,463	529,759
<b>Total CET 1 Capital</b>	<b>10,040,414</b>	<b>8,705,947</b>	<b>9,983,958</b>	<b>8,647,164</b>
<b>Additional Tier 1 Capital</b>				
Qualifying CET 1, Additional Tier 1 capital instruments held by third parties	2	3	-	-
<b>Total Tier 1 Capital</b>	<b>10,040,416</b>	<b>8,705,950</b>	<b>9,983,958</b>	<b>8,647,164</b>
<b>Tier 2 Capital</b>				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	2,995,000	2,995,000	2,995,000	2,995,000
Qualifying CET 1, Additional Tier 1 and Tier 2 capital instruments held by third parties	1	1	-	-
General provisions*	555,575	555,575	555,618	555,618
<b>Total Tier 2 capital</b>	<b>3,550,576</b>	<b>3,550,576</b>	<b>3,550,618</b>	<b>3,550,618</b>
<b>Total Capital</b>	<b>13,590,992</b>	<b>12,256,526</b>	<b>13,534,576</b>	<b>12,197,782</b>

The breakdown of the risk-weighted assets ("RWA") in various categories of risk is as follows:

	Group		Bank	
	31 December 2021 RM'000	31 March 2021 RM'000	31 December 2021 RM'000	31 March 2021 RM'000
Credit RWA	72,741,519	69,552,785	73,066,540	69,875,702
Market RWA	2,436,624	2,681,772	2,436,790	2,681,941
Operational RWA	4,732,811	4,515,945	4,722,543	4,505,648
Large exposure risk RWA for equity holdings	1,016,695	877,587	1,016,695	877,587
<b>Total RWA</b>	<b>80,927,649</b>	<b>77,628,089</b>	<b>81,242,568</b>	<b>77,940,878</b>

\* Consists of stage 1 and stage 2 loss allowances.