Company No. 8515-D

AmBank (M) Berhad

(Incorporated in Malaysia)

And Its Subsidiaries

Condensed Interim Financial Statements
For the Financial Period
1 April 2019 to
31 December 2019

(In Ringgit Malaysia)

Company No. 8515-D

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

UNAUDITED STATEMENTS OF FINANCIAL POSITION
AS AT 31 DECEMBER 2019

		Group		Bank	
	Note	31 December 2019 RM'000	31 March 2019 RM'000	31 December 2019 RM'000	31 March 2019 RM'000
ASSETS					
Cash and short-term funds	A8	7,044,185	5,287,043	7,039,273	5,282,332
Deposits and placements with banks and other financial institutions	A9	120,000	330,918	120,000	330,918
Investment account placement	A10	1,554,148	1,461,880	1,554,148	1,461,880
Derivative financial assets		947,656	777,685	947,656	777,685
Financial assets at fair value through profit or loss	A11	5,124,735	10,646,835	5,124,700	10,646,787
Financial investments at fair value through other comprehensive income	A12	12,509,390	12,410,210	12,520,643	12,431,107
Financial investments at amortised cost	A13	3,226,157	3,305,436	3,226,157	3,305,436
Loans and advances	A14	73,107,276	71,334,104	73,055,923	71,275,888
Statutory deposit with Bank Negara Malaysia		2,049,348	2,180,557	2,049,348	2,180,557
Deferred tax assets		-	32,657	-	32,610
Investment in subsidiaries		-	-	31,492	31,492
Investment in associates		32,266	-	32,302	22
Other assets	A15	1,232,211	1,175,119	1,223,660	1,166,137
Right-of-use assets		286,344	-	286,344	-
Property and equipment		212,121	122,375	192,653	102,551
Intangible assets		245,125	368,654	245,125	368,654
TOTAL ASSETS		**107,690,962**	**109,433,473**	**107,649,424**	**109,394,056**
LIABILITIES AND EQUITY					
Deposits from customers	A16	75,236,627	75,949,320	75,243,171	75,953,817
Deposits and placements of banks and other financial institutions	A17	7,432,351	5,379,573	7,442,234	5,390,936
Securities sold under repurchase agreements		4,406,148	5,339,422	4,406,148	5,339,422
Recourse obligation on loans sold to Cagamas Berhad		3,440,011	4,140,003	3,440,011	4,140,003
Derivative financial liabilities		1,010,533	826,869	1,010,533	826,869
Term funding		1,428,673	2,554,527	1,428,673	2,554,527
Debt capital		2,595,000	3,080,000	2,595,000	3,080,000
Deferred tax liabilities		7,332	-	7,395	-
Other liabilities	A18	2,176,664	2,565,967	2,164,032	2,553,750
TOTAL LIABILITIES		**97,733,339**	**99,835,681**	**97,737,197**	**99,839,324**
Share capital		1,940,465	1,940,465	1,940,465	1,940,465
Reserves		8,016,996	7,657,165	7,971,762	7,614,267
Equity attributable to equity holder of the Bank		9,957,461	9,597,630	9,912,227	9,554,732
Non-controlling interests		162	162	-	-
TOTAL EQUITY		9,957,623	9,597,792	9,912,227	9,554,732
TOTAL LIABILITIES AND EQUITY		**107,690,962**	**109,433,473**	**107,649,424**	**109,394,056**
COMMITMENTS AND CONTINGENCIES	A33	**110,052,076**	**124,242,578**	**110,104,546**	**124,307,212**
NET ASSETS PER SHARE (RM)		**11.90**	**11.47**	**11.84**	**11.42**

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 2019.

Company No. 8515-D

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

UNAUDITED CONSOLIDATED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

		Individual Quarter		Cumulative Quarter	
		31 December 2019	31 December 2018	31 December 2019	31 December 2018
	Note	RM'000	RM'000	RM'000	RM'000
Group					
Operating revenue		1,395,727	1,387,744	4,183,984	4,034,870
Interest income	A19	1,206,968	1,252,514	3,670,950	3,595,213
Interest expense	A20	(728,735)	(820,584)	(2,302,197)	(2,317,301)
Net interest income		478,233	431,930	1,368,753	1,277,912
Other operating income	A21	188,773	135,230	513,048	439,657
Share in results of an associate		(14)	-	(14)	-
Net income		666,992	567,160	1,881,787	1,717,569
Other operating expenses	A22	(335,057)	(292,529)	(960,774)	(888,264)
Operating profit		331,935	274,631	921,013	829,305
(Allowance)/Writeback of allowance for impairment on loans and advances	A23	(45,749)	87,826	(51,638)	140,176
Writeback of provision for commitments and contingencies		4,725	2,988	23,639	11,495
Writeback of allowance/(Allowance) for impairment on:					
Financial investments	A24	(2,325)	(6,859)	(44,976)	(6,918)
Other financial assets	A25	3,840	(4,306)	8,756	(7,496)
Other recoveries		1	1	30	5,951
Profit before taxation		292,427	354,281	856,824	972,513
Taxation		(70,833)	(85,887)	(190,768)	(234,617)
Profit for the financial period		**221,594**	**268,394**	**666,056**	**737,896**
Attributable to:					
Equity holder of the Bank		221,594	268,285	666,056	737,787
Non-controlling interests		-	109	-	109
Profit for the financial period		221,594	268,394	666,056	737,896
Earnings per share (sen)					
Basic/Diluted	A26	26.48	32.06	79.59	88.72

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 2019.

Company No. 8515-D

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

UNAUDITED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Profit for the financial period	221,594	268,394	666,056	737,896
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss				
Financial investments at fair value through other comprehensive income				
- net unrealised gain/(losses) on changes in fair value	-	(12,844)	62,143	(13,762)
Tax effect	-	3,082	1,774	3,303
Items that may be reclassified subsequently to profit or loss				
Currency translation on offshore operations	(6,515)	30	331	37,158
Cash flow hedge				
- gain/(loss) arising during the financial period	3,181	(3,164)	(7,887)	(1,839)
- amortisation of fair value changes of terminated hedge	(397)	(1,984)	(3,118)	(6,252)
- reclassification adjustments for loss/(gain) included in profit or loss	-	8	(66)	(128)
Tax effect	(668)	1,234	2,657	1,973
Financial assets at fair value through other comprehensive income				
- net gain on changes in fair value	1,000	18,968	134,165	15,850
- net gain reclassified to profit or loss	(29,082)	(2,572)	(82,769)	(4,758)
- expected credit loss	2,311	-	45,622	(817)
- foreign exchange differences	-	-	-	341
Tax effect	(4,736)	(2,338)	(23,914)	(1,070)
Other comprehensive income/(loss), net of tax	(34,906)	420	128,938	29,999
Total comprehensive income for the financial period, net of tax	186,688	268,814	794,994	767,895
Attributable to:				
Equity holder of the Bank	186,688	268,705	794,994	767,786
Non-controlling interests	-	109	-	109
	186,688	268,814	794,994	767,895

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 2019.

Company No. 8515-D

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

UNAUDITED STATEMENT OF PROFIT OR LOSS
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

		Individual Quarter		Cumulative Quarter	
		31 December 2019	31 December 2018	31 December 2019	31 December 2018
	Note	RM'000	RM'000	RM'000	RM'000
Bank					
Operating revenue		1,394,382	1,385,725	4,180,125	4,030,736
Interest income	A19	1,205,842	1,251,395	3,667,512	3,591,826
Interest expense	A20	(728,767)	(820,655)	(2,302,285)	(2,317,439)
Net interest income		477,075	430,740	1,365,227	1,274,387
Other operating income	A21	188,540	134,330	512,613	438,910
Net income		665,615	565,070	1,877,840	1,713,297
Other operating expenses	A22	(334,808)	(292,376)	(960,039)	(887,883)
Operating profit		330,807	272,694	917,801	825,414
(Allowance)/Writeback of allowance for impairment on loans and advances	A23	(45,824)	87,721	(51,692)	140,220
Writeback of provision for commitments and contingencies		4,728	2,988	23,644	11,495
Writeback of allowance/(Allowance) for impairment on:					
Financial investments	A24	(2,318)	(6,859)	(44,963)	(6,918)
Other financial assets	A25	3,840	(4,306)	8,762	(7,496)
Other recoveries		1	1	30	5,951
Profit before taxation		291,234	352,239	853,582	968,666
Taxation		(70,525)	(85,404)	(189,900)	(233,363)
Profit for the financial period		**220,709**	**266,835**	**663,682**	**735,303**
Earnings per share (sen)					
Basic/Diluted	A26	26.37	31.89	79.31	88.42

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 2019.

Company No. 8515-D

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

UNAUDITED STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Bank				
Profit for the financial period	220,709	266,835	663,682	735,303
Other comprehensive income/(loss)				
Items that will not be reclassified subsequently to profit or loss				
Financial investments at fair value through other comprehensive income				
- net unrealised gain/(losses) on changes in fair value	-	(12,844)	62,143	(13,762)
Tax effect	-	3,082	1,774	3,303
Items that may be reclassified subsequently to profit or loss				
Currency translation on offshore operations	(6,497)	31	331	37,113
Cash flow hedge				
- gain/(losses) arising during the financial period	3,181	(3,164)	(7,887)	(1,839)
- amortisation of fair value changes of terminated hedge	(397)	(1,984)	(3,118)	(6,252)
- reclassification adjustments for loss/(gain) included in profit or loss	-	8	(66)	(128)
Tax effect	(668)	1,234	2,657	1,973
Financial assets at fair value through other comprehensive income				
- net gain on changes in fair value	805	19,014	134,232	16,097
- net gain reclassified to profit or loss	(29,082)	(2,572)	(82,769)	(4,758)
- expected credit loss	2,304	-	45,609	(817)
- foreign exchange differences	-	-	-	341
Tax effect	(4,792)	(2,350)	(23,930)	(1,130)
Other comprehensive income, net of tax	(35,146)	455	128,976	30,141
Total comprehensive income for the financial period, net of tax	185,563	267,290	792,658	765,444

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 2019.

Company No. 8515-D

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

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Attributable to equity holder of the Bank										
		Non-distributable						Distributable			
Group	**Share capital RM'000**	**Regulatory reserve RM'000**	**Merger reserve RM'000**	**Available-for-sale deficit RM'000**	**Fair value reserve RM'000**	**Cash flow hedging reserve/ (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**
At 1 April 2018	1,763,208	372,133	104,149	(23,387)	-	3,174	49,075	6,641,531	8,909,883	64	8,909,947
Impact of adopting MFRS 9 at 1 April 2018	-	(245,968)	-	23,387	214,350	-	-	(32,941)	(41,172)	-	(41,172)
As restated	1,763,208	126,165	104,149	-	214,350	3,174	49,075	6,608,590	8,868,711	64	8,868,775
Profit for the financial period	-	-	-	-	-	-	-	737,787	737,787	109	737,896
Other comprehensive (loss)/income, net	-	-	-	-	(913)	(6,246)	37,158	-	29,999	-	29,999
Total comprehensive (loss)/income for the financial period	-	-	-	-	(913)	(6,246)	37,158	737,787	767,786	109	767,895
Transfer of AMMB Holdings Berhad ("AMMB") Executives' Share Scheme ("ESS") shares recharged - difference on purchase price for shares vested	-	-	-	-	-	-	-	(2,075)	(2,075)	-	(2,075)
Transfer to regulatory reserve	-	184,669	-	-	-	-	-	(184,669)	-	-	-
Dividend on ordinary shares:											
- final, financial year ended 31 March 2018	-	-	-	-	-	-	-	(250,211)	(250,211)	-	(250,211)
- interim, financial year ended 31 March 2019	-	-	-	-	-	-	-	(309,636)	(309,636)	-	(309,636)
Issuance of ordinary shares	177,257	-	-	-	-	-	-	-	177,257	-	177,257
Transaction with owner and other equity movements	177,257	184,669	-	-	-	-	-	(746,591)	(384,665)	-	(384,665)
At 31 December 2018	1,940,465	310,834	104,149	-	213,437	(3,072)	86,233	6,599,786	9,251,832	173	9,252,005

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 2019.

Company No. 8515-D

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

UNAUDITED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (CONT'D.)
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Attributable to equity holder of the Bank									
	Non-distributable						Distributable			
Group	**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**
At 1 April 2019	1,940,465	280,556	104,149	245,666	(12,074)	81,246	6,957,622	9,597,630	162	9,597,792
Profit for the financial period	-	-	-	-	-	-	666,056	666,056	-	666,056
Other comprehensive income/(loss), net	-	-	-	137,021	(8,414)	331	-	128,938	-	128,938
Total comprehensive income/(loss) for the financial period	-	-	-	137,021	(8,414)	331	666,056	794,994	-	794,994
Transfer to regulatory reserve	-	106,424	-	-	-	-	(106,424)	-	-	-
Dividend on ordinary shares:										
- final, financial year ended 31 March 2019	-	-	-	-	-	-	(318,004)	(318,004)	-	(318,004)
- interim, financial year ending 31 March 2020	-	-	-	-	-	-	(117,159)	(117,159)	-	(117,159)
Transaction with owner and other equity movements	-	106,424	-	-	-	-	(541,587)	(435,163)	-	(435,163)
At 31 December 2019	1,940,465	386,980	104,149	382,687	(20,488)	81,577	7,082,091	9,957,461	162	9,957,623

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 2019.

Company No. 8515-D

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Attributable to equity holder of the Bank							
		Non-distributable					Distributable	
Bank	**Share capital RM'000**	**Regulatory reserve RM'000**	**Available-for-sale deficit RM'000**	**Fair value reserve RM'000**	**Cash flow hedging reserve/ (deficit)**	**Foreign currency translation reserve RM'000**	**Retained earnings RM'000**	**Total equity RM'000**
At 1 April 2018	1,763,208	372,133	(23,518)	-	3,174	52,974	6,700,583	8,868,554
Impact of adopting MFRS 9 at 1 April 2018	-	(245,968)	23,518	214,234	-	-	(32,907)	(41,123)
As restated	1,763,208	126,165	-	214,234	3,174	52,974	6,667,676	8,827,431
Profit for the financial period	-	-	-	-	-	-	735,303	735,303
Other comprehensive (loss)/income, net	-	-	-	(726)	(6,246)	37,113	-	30,141
Total comprehensive (loss)/income for the financial period	-	-	-	(726)	(6,246)	37,113	735,303	765,444
Transfer of AMMB ESS shares recharged - difference on purchase price for shares vested	-	-	-	-	-	-	(2,075)	(2,075)
Transfer to regulatory reserve	-	184,669	-	-	-	-	(184,669)	-
Dividend on ordinary shares:								
- final, financial year ended 31 March 2018	-	-	-	-	-	-	(250,211)	(250,211)
- interim, financial year ended 31 March 2019	-	-	-	-	-	-	(309,636)	(309,636)
Issuance of ordinary shares	177,257	-	-	-	-	-	-	177,257
Transaction with owner and other equity movements	177,257	184,669	-	-	-	-	(746,591)	(384,665)
At 31 December 2018	1,940,465	310,834	-	213,508	(3,072)	90,087	6,656,388	9,208,210

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 2019.

Company No. 8515-D

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

UNAUDITED STATEMENT OF CHANGES IN EQUITY (CONT'D.)
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Attributable to equity holder of the Bank						
		Non-distributable				Distributable	
Bank	**Share capital RM'000**	**Regulatory 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 equity RM'000**
At 1 April 2019	1,940,465	280,556	245,836	(12,074)	85,109	7,014,840	9,554,732
Profit for the financial period	-	-	-	-	-	663,682	663,682
Other comprehensive income/(loss), net	-	-	137,059	(8,414)	331	-	128,976
Total comprehensive income/(loss) for the financial period	-	-	137,059	(8,414)	331	663,682	792,658
Transfer to regulatory reserve	-	106,424	-	-	-	(106,424)	-
Dividend on ordinary shares:							
- final, financial year ended 31 March 2019	-	-	-	-	-	(318,004)	(318,004)
- interim, financial year ending 31 March 2020	-	-	-	-	-	(117,159)	(117,159)
Transaction with owner and other equity movements	-	106,424	-	-	-	(541,587)	(435,163)
At 31 December 2019	1,940,465	386,980	382,895	(20,488)	85,440	7,136,935	9,912,227

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 2019.

Company No. 8515-D

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

UNAUDITED CONDENSED STATEMENTS OF CASH FLOWS
FOR THE FINANCIAL QUARTER ENDED 31 DECEMBER 2019

	Group		Bank	
	31 December 2019 RM'000	**31 December 2018 RM'000**	**31 December 2019 RM'000**	**31 December 2018 RM'000**
Profit before taxation	856,824	972,513	853,582	968,666
Adjustments for non-operating and non-cash items	255,561	77,138	255,183	76,774
Operating profit before working capital changes	1,112,385	1,049,651	1,108,765	1,045,440
Changes in working capital:				
Net change in operating assets	3,696,927	(2,700,798)	3,689,931	(2,707,004)
Net change in operating liabilities	(2,063,605)	12,484,855	(2,063,430)	12,484,524
Tax (paid)/refunded	(168,834)	44,941	(168,328)	45,897
Net cash generated from operating activities	2,576,873	10,878,649	2,566,938	10,868,857
Net cash generated from/(used in) investing activities	85,514	(7,806,459)	95,248	(7,796,515)
Net cash used in financing activities	(968,490)	(382,589)	(968,490)	(382,589)
Net increase in cash and cash equivalents	1,693,897	2,689,601	1,693,696	2,689,753
Cash and cash equivalents at beginning of the financial period	5,471,374	3,566,029	5,466,663	3,561,118
Effect of exchange rate changes	8	(51)	8	(51)
Cash and cash equivalents at end of financial period	7,165,279	6,255,579	7,160,367	6,250,820
Cash and cash equivalents comprise:				
Cash and short-term funds	7,044,185	5,824,493	7,039,273	5,819,734
Deposits and placements with banks and other financial institutions	120,000	1,028,753	120,000	1,028,753
	7,164,185	6,853,246	7,159,273	6,848,487
Less: Deposits and placements with original maturity of more than 3 months	-	(600,000)	-	(600,000)
	7,164,185	6,253,246	7,159,273	6,248,487
Allowances for expected credit loss ("ECL") for cash and cash equivalents at end of the financial period	1,094	2,333	1,094	2,333
	7,165,279	6,255,579	7,160,367	6,250,820

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 2019.

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 2019.

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 new standards, amendments to published standards, and new interpretation which became effective for the first time for the Group and the Bank on 1 April 2019:

- MFRS 16 *Leases*
- IC Interpretation 23 *Uncertainty over Income Tax Treatments*
- Prepayment Features with Negative Compensation (Amendments to MFRS 9)
- Long-term Interests in Associates and Joint Ventures (Amendments to MFRS 128)
- Plan Amendment, Curtailment or Settlement (Amendments to MFRS119)
- Annual Improvements to MFRSs 2015-2017 Cycle

The adoption of these new standards, amendments to published standards and new interpretation did not have any material impact on the financial statements of the Group and the Bank except for those arising from the adoption of MFRS 16 as disclosed below. Other than the adoption of new accounting policies as disclosed in Note A1.2, the Group and the Bank did not have to change its accounting policies or make retrospective adjustments as a result of adopting the other amendments to published standards and new interpretation.

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

(a) MFRS 16 *Leases*

As a lessee, the Group and the Bank previously classified each of its leases as operating leases (off balance sheet) in accordance with MFRS 117 *Leases.* if the arrangements do not transfer substantially all the risks and rewards incidental to ownership of the leased assets to the Group and the Bank; otherwise, they were classified as finance leases (on balance sheet).

MFRS 16, which supersedes MFRS 117, eliminates the classification of leases by the lessee as either finance leases or operating leases. MFRS 16 requires a lessee to account for all leases under a single on balance sheet model similar to the accounting for a finance lease under MFRS 117 which involves the recognition of a "right-of-use" of the underlying asset and a lease liability reflecting future lease payments.

The right-of-use asset is depreciated in accordance with the principle in MFRS 116 *Property, Plant and Equipment* and the lease liability is accreted over time with interest expense recognised in the statement of profit or loss.

The Group and the Bank have adopted MFRS 16 for the first time since 1 April 2019. In its transition to MFRS 16, the Group and the Bank have elected to apply the simplified transition approach whereby the comparative amounts were not restated. For leases previously classified as operating leases with remaining lease term greater than 12 months from the date of initial application, the Group and the Bank recognised the lease liabilities at the date of initial application which were measured at the present value of the remaining lease payments, discounted using the incremental borrowing rate at the date of initial application. Correspondingly, the Group and the Bank recognised the right-of-use assets at an amount equal to the lease liabilities and hence the Group and the Bank did not make any adjustment to the opening retained earnings. In addition, the Group and the Bank have made use of the following transitional practical expedients for recognition and measurement purposes at the date of initial application:

A1. BASIS OF PREPARATION (CONT'D.)

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

(a) MFRS 16 *Leases* (Cont'd.)

(i) The Group and the Bank have elected not to reassess whether an agreement is, or contains a lease at the date of initial application. Instead, for agreements entered into before the transition date the Group and the Bank relied on previous assessments made in accordance with MFRS 117 and IC Interpretation 4 *Determining whether an Arrangement contains a Lease.*

(ii) Lease agreements for which the remaining lease term ends within 12 months from the date of initial application are accounted as short-term leases whereby the Group and the Bank have elected not to recognise the associated right-of-use assets and lease liabilities.

(iii) A single discount rate was applied for those portfolio of leases with reasonably similar characteristics, such as leases with a similar remaining lease term for a similar class of underlying asset in a similar economic environment.

(iv) Initial direct costs were excluded from the measurement of the right-of-use assets at the date of initial application.

The Group and the Bank have elected not to recognise a right-of-use asset and a lease liability for short-term leases, i.e. leases without purchase option with a lease term of 12 months or less from the commencement date. Similarly, the Group and the Bank will not recognise a right-of-use asset and a lease liability on leases for which the underlying asset is of low value.

The financial impact of the adoption of MFRS 16 on the financial statements of the Group and the Bank are as disclosed in Note A36(a).

(b) IC Interpretation 23 *Uncertainty over Income Tax Treatments*

The Interpretation provides guidance on how to recognise and measure deferred and current income tax assets and liabilities in situations where there is uncertainty over whether the tax treatment applied by an entity will be accepted by the tax authority. If it is probable that the tax authority will accept an uncertain tax treatment that has been taken or is expected to be taken on a tax return, the accounting for income taxes shall be determined consistently with that tax treatment. If an entity concludes that it is not probable that the treatment will be accepted, it should reflect the effect of the uncertainty in its income tax accounting in the period in which that determination is made, by applying the most likely amount method or the expected value method. The adoption of this Interpretation did not have any material financial impact to the Group and the Bank.

(c) Prepayment Features with Negative Compensation (Amendments to MFRS 9)

Under the current MFRS 9 requirements, the "solely payments of principal and interest on the principal amount outstanding" ("SPPI") condition is not met if the lender has to make a settlement payment in the event of early termination by the borrower. The existing requirements are amended to enable entities, to measure at amortised cost or at fair value through other comprehensive income (depending on the business model), some prepayable financial assets with negative compensation if the negative compensation is a reasonable compensation for early termination of the contract. An example of such reasonable compensation is an amount that reflects the effect of the change in the relevant benchmark rate of interest at the time of termination; the calculation of this compensation payment must be the same for both the case of an early repayment penalty and the case of a early repayment gain. The adoption of these amendments did not result in any impact as the Group and the Bank do not hold any prepayable financial asset with negative compensation.

A1. BASIS OF PREPARATION (CONT'D.)

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

(d) Long-term Interests in associates and Joint Ventures (Amendments to MFRS 128)

The amendments clarify that MFRS 9 including its impairment requirements shall be applied to long-term interests in an associate or joint venture that form part of the net investment in the associate or joint venture but to which the equity method is not applied. The adoption of these amendments did not result in any impact as the Group and the Bank.

(e) Annual Improvements to MFRSs 2015-2017 Cycle

The Annual Improvements to MFRSs 2015-2017 Cycle include minor amendments affecting 4 MFRSs, as summarised below:

(i) MFRS 3 *Business Combinations*
The amendments clarified that obtaining control of a business that is a joint operation is a business combination achieved in stages. The acquirer shall remeasure its previously held interest in the joint operation at fair value at the acquisition date. The amendment has no impact as the Group does not hold interest in any joint operation.

(ii) MFRS 11 *Joint Arrangements*
The amendments clarified that the party obtaining joint control of a business that is a joint operation shall not remeasure any previously held interest in the joint operation. The amendment has no impact as the Group does not hold interest in any joint operation.

(iii) MFRS 112 *Income Taxes*
The amendments clarified that the income tax consequences of dividends on financial instruments classified as equity should be recognised according to where the past transactions or events that generated the distributable amounts were recognised. Hence the tax consequences are recognised in profit or loss only when an entity determines payments on such instruments are distributions of profits. The amendment did not have any material financial impact to the Group and the Bank.

(iv) MFRS 123 *Borrowing Costs*
The amendments clarified that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The amendment did not have any material financial impact to the Group and the Bank.

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
Amendments to References to the Conceptual Framework in MFRS Standards	1 January 2020
Definition of a Business (Amendments to MFRS 3)	1 January 2020
Definition of Material (Amendments to MFRS 101 and MFRS 108)	1 January 2020
Interest Rate Benchmark Reform (Amendments to MFRS 9, MFRS 139 and MFRS 7)	1 January 2020
MFRS 17 *Insurance Contracts*	1 January 2021
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 standards, amendments to published standards and new interpretation 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) Standards effective for financial year ending 31 March 2021

Amendments to References to the Conceptual Framework in MFRS Standards

The amendments, affecting nine published standards and five published interpretations, were issued as a consequence to the issuance of the revised *Conceptual Framework for Financial Reporting* ("Conceptual Framework") on 30 April 2018. The references and quotations in these published standards and interpretations to the Conceptual Framework have been updated so as to clarify the version of the Conceptual Framework these published standards and interpretations refer to. The amendments are effective for annual periods beginning on or after 1 January 2020 for entities that develop an accounting policy by reference to the Conceptual Framework.

Definition of a Business (Amendments to MFRS 3)

The amendments revised the definition of a business, whereby the term "outputs" is narrowed to focus on goods and services provided to customers, as well as generation of investment income and other income from ordinary activities; returns in the form of lower costs and other economic benefits are no longer considered. In addition, a new framework is added to help evaluate when an input and a substantive process are present.

The amendments are applied prospectively to business combinations and asset acquisitions that occur on or after the beginning of the first annual reporting period beginning on or after 1 January 2020. Early adoption is permitted.

Definition of Material (Amendments to MFRS 101 and MFRS 108)

The amendments clarified the definition of material and how it should be applied through the addition of definition guidance. In addition, the explanations accompanying the definition have been improved and aligned across all MFRS standards to make it easier for entities to make materiality judgements. The amendments are applied prospectively from annual reporting period beginning on or after 1 January 2020. Early adoption is permitted.

A1. BASIS OF PREPARATION (CONT'D.)

A1.1 Standards issued but not yet effective (Cont'd.)

(a) Standards effective for financial year ending 31 March 2021 (Cont'd.)

Interest Rate Benchmark Reform (Amendments to MFRS 9, MFRS 139 and MFRS 7)

The amendments, issued to address the pre-replacement issues arising from the interest rate benchmark reform recommendations by Financial Stability Board, provides temporary relief from applying specific hedge accounting requirements to hedging relationships directly affected by the interest rate benchmark reform until the uncertainty arising from this reform is longer present.

The interest rate benchmark reform may affect the application of cash flow hedge accounting because at some point in time, forecast cash flows based on interbank offered rates may no longer meet the highly probable requirement due to uncertainties arising from interest rate benchmark reform. The relief provided by the amendments requires an entity to assume that the interest rate on which the hedged cash flows are based does not change as a result of the reform. Similarly, an entity shall assume that the interest rate benchmark on which the hedged item, hedged risk and/or hedging instrument are based is not altered as a result of the interest rate benchmark reform when performing hedge effectiveness assessments. The amendments are applied prospectively from annual reporting period beginning on or after 1 January 2020. Early adoption is permitted.

(b) 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 Summary of Significant Accounting Policies Applied from 1 April 2019

The significant accounting policies adopted in preparing these condensed interim financial statements are consistent with those as disclosed in the annual financial statements of the Group and the Bank for the financial year ended 31 March 2019 except for the following new accounting policies which has been applied from 1 April 2019 following the adoption of MFRS 16:

(a) Leases

The determination of whether an arrangement is, or contains, a lease is based on whether the arrangement conveys a right to control the use the asset, even if that right is not explicitly specified in an arrangement.

(i) The Group and the Bank as a lessee (before 1 April 2019)

Leases that transfer to the Group and the Bank substantially all the risks and benefits incidental to ownership of the leased item are classified as finance leases, and are capitalised at the commencement of the lease at the fair value of the leased property or, if lower, at the present value of the minimum lease payments. Any initial direct costs are also added to the amount capitalised. The corresponding lease obligations, net of finance charges, are included in other short-term and long-term payables. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

A1. BASIS OF PREPARATION (CONT'D.)

A1.2 Summary of Significant Accounting Policies Applied from 1 April 2019 (Cont'd.)

(a) Leases

(i) The Group and the Bank as a lessee (before 1 April 2019)

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Group and the Bank will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Leases that do not transfer to the Group and the Bank substantially all the risks and benefits incidental to ownership of the leased items are operating leases. Operating lease payments are recognised as an operating expense in profit or loss on a straight-line basis over the lease term. The aggregate benefits of incentives provided by the lessor are recognised as a reduction of rental expenses over the lease term on a straight-line basis.

(ii) The Group and the Bank as a lessee (from 1 April 2019)

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the Group and the Bank.

At the commencement date of the lease, the Group and the Bank recognise lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and the Bank and payments of penalties for terminating a lease, if the lease term reflects the Group and the Bank exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as expense in the period on which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group and the Bank use the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the in-substance fixed lease payments or a change in the assessment to purchase the underlying asset.

Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group and the Bank are reasonably certain to obtain ownership of the underlying asset at the end of the lease term, the recognised right-of-use assets are depreciated on a straight-line basis over the shorter of its estimated useful life and the lease term. If the Group and the Bank are reasonably certain to obtain ownership of the underlying asset at the end of the lease term, the right-of-use asset is depreciated over the underlying asset’s useful life. Right-of-use assets are assessed for impairment whenever there is an indication that the right-of-use assets may be impaired.

The Group and the Bank apply the short-term lease recognition exemption to its short-term leases, i.e. those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option. It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered of low value, i.e. those with a value of RM20,000 or less when new. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

A1. BASIS OF PREPARATION (CONT'D.)

A1.2 Summary of Significant Accounting Policies Applied from 1 April 2019 (Cont'd.)

(a) Leases

(iii) The Group and the Bank as a lessor

Leases in which the Group and the Bank do not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Rental income is recognised over the term of the lease on a straight-line basis. Initial direct costs incurred in negotiating an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

A1.3 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.

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 2019, as well as the following:

(a) Lease term of agreements with renewal options

The Group and the Bank determine the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised.

The Group and the Bank have the option, under some of the leases to lease the assets for additional terms of three to twelve years. The extension options held are exercisable only by the Group or the Bank and not by the respective lessor. In determining the lease term, the Group and the Bank consider all facts and circumstances that create an economic incentive to exercise an extension option. Factors considered include historical lease durations and the costs and business disruption required to replace the leased asset. After the commencement date, the Group and the Bank reassess the lease term if there is a significant event or change in circumstances that is within their control and affect the ability to exercise (or not to exercise) the option to renew. The Group and the Bank included the renewal period as part of the lease term for most of the leases of premises due to the significance of these assets to operations.

A2. AUDIT QUALIFICATION

The auditors' report on the audited annual financial statements for the financial year ended 31 March 2019 was not qualified.

A3. SEASONALITY OR CYCLICALITY OF OPERATIONS

The operations of the Group and the Bank are not subject to seasonal or cyclical fluctuation in the current financial quarter and period.

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

There were no unusual items during the current financial quarter and period.

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 financial period ended 31 December 2019 except for the reversal of approximately RM41.0 million relating to the provision for estimated expediture in respect of the Bank's obligations to repurchase loans. The Bank had entered into Supplemental Sales and Purchase Agreement ("Supplemental SPA") with the purchaser of non-performing loans, Aiqon Amanah Sdn Bhd on 30 August 2019. The Supplemental SPA for variation of terms and conditions of the original Sales and Purchase Agreement had included a limit of RM12.5 million to the Bank's liabilities for repurchase of loans.

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

Upon maturity on 3 July 2019, the Bank fully redeemed its USD400.0 million Senior Notes issued under USD2.0 billion Euro Medium Term Note Programme.

On the first call dates of 19 August 2019 and 30 September 2019, the Bank redeemed Tranche 1 of RM300.0 million and Tranche 2 of RM185.0 million respectively under its RM500.0 million Innovative Tier 1 Capital Securities Programme. The programme was cancelled on 30 September 2019.

Other than as disclosed above, there were no new share issuance, 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

During the financial period:

a) the final single-tier cash dividend of 38.00 sen per ordinary share on 836,852,786 ordinary shares amounting to approximately RM318,004,059 in respect of the financial year ended 31 March 2019 was paid on 21 June 2019.

b) an interim single-tier cash dividend of 14.00 sen per ordinary share on 836,852,786 ordinary shares amounting to approximately RM117,159,390 in respect of current financial year was paid on 19 December 2019.

A8. CASH AND SHORT-TERM FUNDS

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Cash and bank balances	1,957,817	1,320,100	1,956,822	1,318,159
Deposit placements maturing within one month:				
Licensed banks	1,527,462	3,258,280	1,523,545	3,255,510
Bank Negara Malaysia	3,560,000	710,000	3,560,000	710,000
	5,087,462	3,968,280	5,083,545	3,965,510
Total cash and bank balances and deposit placements	7,045,279	5,288,380	7,040,367	5,283,669
Less: Allowances for ECL	(1,094)	(1,337)	(1,094)	(1,337)
	7,044,185	5,287,043	7,039,273	5,282,332

Movements in allowances for ECL are as follows:

Group and Bank	**Stage 1 12-Month ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Total RM'000**
31 December 2019			
Balance at beginning of the financial period	1,306	31	1,337
(Writeback) of/allowances for ECL:	(180)	(31)	(211)
New financial assets originated	1,130	-	1,130
Financial assets derecognised	(5,459)	(31)	(5,490)
Transfer from deposits and placements with banks and other financial institution (Note A9)	4,303	-	4,303
Net remeasurement of allowances	(154)	-	(154)
Exchange difference	(32)	-	(32)
Balance at end of the financial period	1,094	-	1,094

Group and Bank	**Stage 1 12-Month ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Total RM'000**
31 March 2019			
Balance at beginning of the financial year			
- as previously stated	-	-	-
- effects of adoption of MFRS 9	973	-	973
Balance at beginning of the financial year, as restated	973	-	973
Allowances for ECL:	295	32	327
Net remeasurement of allowances	295	32	327
Exchange difference	38	(1)	37
Balance at end of the financial year	1,306	31	1,337

A9. DEPOSITS AND PLACEMENTS WITH BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group and Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**
Licensed banks	-	182,994
Licensed investment banks	120,000	150,000
	120,000	332,994
Less: Allowances for ECL	-	(2,076)
	120,000	330,918

Movements in allowances for ECL are as follows:

Group and Bank	**Stage 1 12-Month ECL RM'000**
31 December 2019	
Balance at beginning of the financial period	2,076
(Writeback) of/allowances for ECL:	(2,076)
New financial assets originated	2,331
Transfer to cash and short term funds (Note A8)	(4,303)
Net remeasurement of allowances	(104)
Balance at end of the financial period	-

Group and Bank	**Stage 1 12-Month ECL RM'000**
31 March 2019	
Balance at beginning of the financial year	
- as previously stated	-
- effects of adoption of MFRS 9	-
Balance at beginning of the financial year, as restated	-
Allowances for ECL:	2,076
Net remeasurement of allowance	2,076
Balance at end of the financial year	2,076

A10. INVESTMENT ACCOUNT PLACEMENT

	Group and Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**
Licensed Islamic bank	1,556,682	1,465,539
Less: Allowances for ECL	(2,534)	(3,659)
	1,554,148	1,461,880

A10. INVESTMENT ACCOUNT PLACEMENT (CONT'D.)

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.

During the current financial period on 27 August 2019, the Bank early redeemed placement which amounted to RM188.2 million and on 16 December 2019, the Bank entered into new RA contracts for the total sum of RM210.0 million with AmBank Islamic.

As at 31 December 2019, the gross exposure relating to the RA financing for the Group and the Bank amounted to RM1,561.3 million (31 March 2019: RM1,470.1 million). No stage 3 ECL is provided for the RA financing as at 31 December 2019 and 31 March 2019.

Movements in allowances for ECL are as follows:

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
31 December 2019			
Balance at beginning of the financial period	948	2,711	3,659
Allowances for/(writeback of allowances for) ECL:	1,586	(2,711)	(1,125)
New financial assets originated	1,232	-	1,232
Net remeasurement of allowances	354	-	354
Financial assets derecognised	-	(2,711)	(2,711)
Balance at end of the financial period	2,534	-	2,534

Group and Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Total RM'000
31 March 2019			
Balance at beginning of the financial year			
- as previously stated	-	-	-
- reclassification	2,740	-	2,740
- effects of adoption of MFRS 9	1,519	-	1,519
Balance at beginning of the financial year, as restated	4,259	-	4,259
(Writeback) of/allowances for ECL:	(3,311)	2,711	(600)
Transfer to Stage 2	(2,372)	13,632	11,260
Net remeasurement of allowances	(939)	(10,921)	(11,860)
Balance at end of the financial year	948	2,711	3,659

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
At fair value				
Money market instruments:				
Bank Negara Monetary Notes	414,944	4,096,745	414,944	4,096,745
Islamic Treasury Bills	352,056	43,727	352,056	43,727
Malaysian Government Investment Issues	849,442	692,224	849,442	692,224
Malaysian Government Securities	2,384,004	3,670,874	2,384,004	3,670,874
Malaysian Treasury Bills	59,075	689,738	59,075	689,738
	4,059,521	9,193,308	4,059,521	9,193,308
Quoted securities:				
In Malaysia:				
Shares	371,744	199,594	371,744	199,594
Unit trusts	47,487	22,616	47,487	22,616
Sukuk	37,394	37,937	37,394	37,937
	456,625	260,147	456,625	260,147
Outside Malaysia:				
Shares	120,857	117,961	120,853	117,958
Unquoted securities:				
In Malaysia:				
Shares	31	45	-	-
Corporate bonds and sukuk	487,701	1,075,374	487,701	1,075,374
	487,732	1,075,419	487,701	1,075,374
	5,124,735	10,646,835	5,124,700	10,646,787

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
At fair value				
Money market instruments:				
Malaysian Government Investment Issues	3,265,542	2,326,431	3,265,542	2,326,431
Malaysian Government Securities	1,746,881	2,841,697	1,746,881	2,841,697
Islamic Negotiable Instruments of Deposit	-	99,398	-	99,398
Negotiable Instruments of Deposit	-	299,979	-	299,979
	5,012,423	5,567,505	5,012,423	5,567,505
Quoted securities:				
In Malaysia:				
Unit trusts	90,827	98,167	90,827	98,167
	90,827	98,167	90,827	98,167
Unquoted securities:				
In Malaysia:				
Corporate bonds and sukuk	6,720,256	6,119,342	6,731,509	6,140,239
Shares	588,065	518,533	588,065	518,533
	7,308,321	6,637,875	7,319,574	6,658,772
Outside Malaysia:				
Sukuk	97,335	106,132	97,335	106,132
Shares	484	531	484	531
	97,819	106,663	97,819	106,663
	12,509,390	12,410,210	12,520,643	12,431,107

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

Movements in allowances for ECL are as follows:

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 December 2019				
Balance at beginning of the financial period	9,914	3,195	-	13,109
(Writeback) of/allowances for ECL:	(438)	(2,185)	48,245	45,622
- Transfer to Stage 1	593	(1,006)	-	(413)
- Transfer to Stage 2	(325)	512	-	187
- Transfer to Stage 3	-	(260)	48,245	47,985
New financial assets originated	6,607	-	-	6,607
Financial assets derecognised	(6,848)	(90)	-	(6,938)
Net remeasurement of allowances	(465)	(1,341)	-	(1,806)
Write-off during the financial period	-	-	(48,245)	(48,245)
Balance at end of the financial period	9,476	1,010	-	10,486

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2019				
Balance at beginning of the financial year				
- as previously stated	-	-	7,318	7,318
- effects of adoption of MFRS 9	8,708	3,132	(2,318)	9,522
Balance at beginning of the financial year, as restated	8,708	3,132	5,000	16,840
Allowances for ECL:	866	63	-	929
New financial assets originated	13,159	281	-	13,440
Financial assets derecognised	(3,785)	-	-	(3,785)
Net remeasurement of allowances	(8,508)	(218)	-	(8,726)
Write-off during the financial year	-	-	(5,000)	(5,000)
Exchange difference	340	-	-	340
Balance at end of the financial year	9,914	3,195	-	13,109

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

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

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 December 2019				
Balance at beginning of the financial period	9,934	3,195	-	13,129
(Writeback) of/allowances for ECL:	(451)	(2,185)	48,245	45,609
- Transfer to Stage 1	593	(1,006)	-	(413)
- Transfer to Stage 2	(325)	512	-	187
- Transfer to Stage 3	-	(260)	48,245	47,985
New financial assets originated	6,607	-	-	6,607
Financial assets derecognised	(6,848)	(90)	-	(6,938)
Net remeasurement of allowances	(478)	(1,341)	-	(1,819)
Write-off during the financial period	-	-	(48,245)	(48,245)
Balance at end of the financial period	9,483	1,010	-	10,493

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2019				
Balance at beginning of the financial year				
- as previously stated	-	-	7,318	7,318
- effects of adoption of MFRS 9	8,740	3,132	(2,318)	9,554
Balance at beginning of the financial year, as restated	8,740	3,132	5,000	16,872
Allowances for ECL:	855	63	-	918
New financial assets originated	13,159	281	-	13,440
Financial assets derecognised	(3,785)	-	-	(3,785)
Net remeasurement of allowances	(8,519)	(218)	-	(8,737)
Write-off during the financial year	-	-	(5,000)	(5,000)
Foreign exchange differences	339	-	-	339
Balance at end of the financial year	9,934	3,195	-	13,129

A13. FINANCIAL INVESTMENTS AT AMORTISED COST

	Group and Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**
At amortised cost		
Money market instruments:		
Malaysian Government Investment Issues	151,426	151,331
Unquoted securities:		
In Malaysia:		
Corporate bonds and sukuk	3,079,176	3,159,196
Less: Allowances for ECL	(4,445)	(5,091)
	3,226,157	3,305,436

Movements in allowances for ECL are as follows:

Group and Bank	**Stage 1 12-Month ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Stage 3 Lifetime ECL credit impaired RM'000**	**Total RM'000**
31 December 2019				
Balance at beginning of the financial period	5,091	-	-	5,091
Writeback of allowances for ECL:	(646)	-	-	(646)
Net remeasurement of allowances	(646)	-	-	(646)
Balance at end of the financial period	4,445	-	-	4,445

Group and Bank	**Stage 1 12-Month ECL RM'000**	**Stage 2 Lifetime ECL not credit impaired RM'000**	**Stage 3 Lifetime ECL credit impaired RM'000**	**Total RM'000**
31 March 2019				
Balance at beginning of the financial year				
- as previously stated	-	-	2,550	2,550
- effects of adoption of MFRS 9	3,202	-	-	3,202
Balance at beginning of the financial year, as restated	3,202	-	2,550	5,752
Allowances/(writeback of allowances) for ECL:	1,889	-	(1,459)	430
Net remeasurement of allowances	1,889	-	-	1,889
Financial assets derecognised	-	-	(1,459)	(1,459)
Amount written-off	-	-	(1,091)	(1,091)
Balance at end of the financial year	5,091	-	-	5,091

A14. LOANS AND ADVANCES

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
At amortised cost:				
Overdraft	2,544,539	2,804,689	2,544,539	2,804,689
Term loans	18,946,315	17,047,940	18,946,315	17,047,940
Housing loan receivables	25,128,364	24,208,913	24,978,892	24,064,713
Hire purchase receivables	10,721,877	11,877,428	10,721,877	11,877,428
Bills receivables	1,662,192	1,467,993	1,662,192	1,467,993
Trust receipts	1,568,703	1,548,143	1,568,703	1,548,143
Claims on customers under acceptance credits	3,558,614	3,527,019	3,558,614	3,527,019
Card receivables	1,692,502	1,695,862	1,692,502	1,695,862
Revolving credits	7,435,274	7,572,004	7,533,316	7,657,857
Staff loans	92,364	94,624	92,364	94,624
Others	586,228	377,006	586,228	377,006
Gross loans and advances	73,936,972	72,221,621	73,885,542	72,163,274
Allowances for ECL:				
- Stage 1 - 12 months ECL	(149,600)	(194,437)	(149,624)	(194,440)
- Stage 2 - Lifetime ECL not credit impaired	(335,431)	(415,068)	(335,418)	(415,058)
- Stage 3 - Lifetime ECL credit impaired	(344,665)	(278,012)	(344,577)	(277,888)
Net loans and advances	73,107,276	71,334,104	73,055,923	71,275,888

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Domestic banking institutions	-	123,956	-	123,956
Domestic non-bank financial institutions	1,085,731	1,170,815	1,183,773	1,256,668
Domestic business enterprises				
- Small medium enterprises	13,473,076	14,422,280	13,473,076	14,422,280
- Others	18,153,993	14,758,129	18,153,993	14,758,129
Government and statutory bodies	46,430	45,047	46,430	45,047
Individuals	39,946,074	40,468,966	39,796,602	40,324,766
Other domestic entities	8,809	7,357	8,809	7,357
Foreign individuals and entities	1,222,859	1,225,071	1,222,859	1,225,071
	73,936,972	72,221,621	73,885,542	72,163,274

A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	31 December 2019 RM'000	31 March 2019 RM'000	31 December 2019 RM'000	31 March 2019 RM'000
In Malaysia	73,560,221	71,943,528	73,508,791	71,885,181
Outside Malaysia	376,751	278,093	376,751	278,093
	73,936,972	72,221,621	73,885,542	72,163,274

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

	Group		Bank	
	31 December 2019 RM'000	31 March 2019 RM'000	31 December 2019 RM'000	31 March 2019 RM'000
Fixed rate				
- Housing loans	250,834	253,292	101,362	109,092
- Hire purchase receivables	10,075,738	11,032,531	10,075,738	11,032,531
- Other fixed rate loans	7,251,384	6,369,570	7,251,384	6,369,570
Variable rate				
- Base rate and base lending rate plus	36,954,080	35,907,199	36,954,080	35,907,199
- Cost plus	14,933,947	13,611,676	15,031,989	13,697,529
- Other variable rates	4,470,989	5,047,353	4,470,989	5,047,353
	73,936,972	72,221,621	73,885,542	72,163,274

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

	Group		Bank	
	31 December 2019 RM'000	31 March 2019 RM'000	31 December 2019 RM'000	31 March 2019 RM'000
Agriculture	1,489,302	1,635,457	1,489,302	1,635,457
Mining and quarrying	1,519,447	1,039,055	1,519,447	1,039,055
Manufacturing	9,719,865	7,802,012	9,719,865	7,802,012
Electricity, gas and water	444,171	306,570	444,171	306,570
Construction	3,267,932	3,416,194	3,267,932	3,416,194
Wholesale and retail trade and hotel and restaurants	5,592,882	5,214,788	5,592,882	5,214,788
Transport, storage and communication	1,188,871	1,309,669	1,188,871	1,309,669
Finance and insurance	1,107,967	1,316,011	1,206,009	1,401,864
Real estate	5,638,232	6,150,427	5,638,232	6,150,427
Business activities	1,932,570	1,570,314	1,932,570	1,570,314
Education and health	1,226,303	838,329	1,226,303	838,329
Household of which:	40,751,247	41,392,207	40,601,775	41,248,007
- purchase of residential properties	24,599,588	23,680,763	24,450,116	23,536,563
- purchase of transport vehicles	9,608,889	10,793,015	9,608,889	10,793,015
- others	6,542,770	6,918,429	6,542,770	6,918,429
Others	58,183	230,588	58,183	230,588
	73,936,972	72,221,621	73,885,542	72,163,274

A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Maturing within one year	15,115,677	15,255,244	15,211,820	15,339,372
Over one year to three years	4,493,130	5,379,090	4,486,541	5,372,355
Over three years to five years	6,886,721	6,259,538	6,875,271	6,248,175
Over five years	47,441,444	45,327,749	47,311,910	45,203,372
	73,936,972	72,221,621	73,885,542	72,163,274

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Balance at beginning of the financial period	1,046,442	1,053,800	1,045,699	1,053,616
Additions during the financial period/year	902,410	746,162	902,256	745,539
Reclassified as non-impaired	(110,888)	(175,073)	(110,729)	(175,073)
Recoveries	(301,372)	(179,578)	(301,151)	(179,514)
Amount written off	(333,591)	(404,015)	(333,591)	(404,015)
Foreign exchange differences	486	5,146	486	5,146
Balance at end of the financial period/year	1,203,487	1,046,442	1,202,970	1,045,699
Gross impaired loans and advances as % of gross loans and advances	1.63%	1.45%	1.63%	1.45%
Loan loss coverage (Including regulatory reserve)	105.7%	119.1%	105.7%	119.2%

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
In Malaysia	1,161,628	988,218	1,161,111	987,475
Outside Malaysia	41,859	58,224	41,859	58,224
	1,203,487	1,046,442	1,202,970	1,045,699

A14. LOANS AND ADVANCES (CONT'D.)

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

	Group		Bank	
	31 December 2019	**31 March 2019 (Restated) (Note A36(b))**	**31 December 2019**	**31 March 2019 (Restated) (Note A36(b))**
	RM'000	**RM'000**	**RM'000**	**RM'000**
Agriculture	5,633	552	5,633	552
Mining and quarrying	48,920	76,325	48,920	76,325
Manufacturing	217,983	142,567	217,983	142,567
Electricity, gas and water	424	140	424	140
Construction	98,125	19,744	98,125	19,744
Wholesale and retail trade and hotel and restaurants	71,467	47,623	71,467	47,623
Transport, storage and communication	32,319	6,647	32,319	6,647
Finance and insurance	2	1	2	1
Real estate	73,486	213,425	73,486	213,425
Business activities	21,773	12,256	21,773	12,256
Education and health	15,395	7,996	15,395	7,996
Household of which:	617,960	519,166	617,443	518,423
- purchase of residential properties	395,952	302,799	395,435	302,056
- purchase of transport vehicles	121,681	130,941	121,681	130,941
- others	100,327	85,426	100,327	85,426
	1,203,487	1,046,442	1,202,970	1,045,699

A14. LOANS AND ADVANCES (CONT'D.)

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

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 December 2019				
Balance at beginning of the financial period	194,437	415,068	278,012	887,517
(Writeback) of/allowances for ECL:	(44,798)	(79,623)	400,468	276,047
- Transfer to Stage 1	8,696	(89,004)	(3,446)	(83,754)
- Transfer to Stage 2	(18,029)	143,361	(19,613)	105,719
- Transfer to Stage 3	(272)	(19,041)	118,874	99,561
New financial assets originated	44,750	30,256	7,369	82,375
Net remeasurement of allowances	(22,513)	(19,255)	365,506	323,738
Modification of contractual cash flows of financial assets	(2,388)	35	200	(2,153)
Financial assets derecognised	(47,932)	(110,313)	(58,322)	(216,567)
Changes to model assumptions and methodologies	(7,110)	(15,662)	(10,100)	(32,872)
Foreign exchange differences	(39)	(14)	(224)	(277)
Amount written-off	-	-	(333,591)	(333,591)
Balance at end of the financial period	149,600	335,431	344,665	829,696

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2019				
Balance at beginning of the financial year				
- as previously stated	-	-	-	681,652
- reclassification to Investment account placement	-	-	-	(2,740)
- effects of adoption of MFRS 9	-	-	-	311,358
Balance at beginning of the financial year, as restated	191,967	484,323	313,980	990,270
(Writeback) of/allowances for ECL:	2,233	(69,321)	371,061	303,973
- Transfer to Stage 1	9,379	(101,861)	(4,839)	(97,321)
- Transfer to Stage 2	(14,101)	137,437	(17,179)	106,157
- Transfer to Stage 3	(1,959)	(26,642)	157,421	128,820
New financial assets originated	52,015	111,818	7,465	171,298
Net remeasurement of allowances	(8,106)	(150,510)	284,595	125,979
Modification of contractual cash flows of financial assets	(1,111)	(730)	112	(1,729)
Financial assets derecognised	(33,884)	(38,833)	(56,514)	(129,231)
Foreign exchange differences	237	66	(3,014)	(2,711)
Amount written-off	-	-	(404,015)	(404,015)
Balance at end of the financial year	194,437	415,068	278,012	887,517

A14. LOANS AND ADVANCES (CONT'D.)

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

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 December 2019				
Balance at beginning of the financial period	194,440	415,058	277,888	887,386
(Writeback) of/allowances for ECL:	(44,777)	(79,626)	400,504	276,101
- Transfer to Stage 1	8,696	(89,003)	(3,446)	(83,753)
- Transfer to Stage 2	(18,031)	143,349	(19,597)	105,721
- Transfer to Stage 3	(275)	(19,040)	118,847	99,532
New financial assets originated	44,738	30,256	7,369	82,363
Net remeasurement of allowances	(22,503)	(19,252)	365,502	323,747
Modification of contractual cash flows of financial assets	(2,388)	35	200	(2,153)
Financial assets derecognised	(47,929)	(110,311)	(58,283)	(216,523)
Changes to model assumptions and methodologies	(7,085)	(15,660)	(10,088)	(32,833)
Foreign exchange differences	(39)	(14)	(224)	(277)
Amount written-off	-	-	(333,591)	(333,591)
Balance at end of the financial period	149,624	335,418	344,577	829,619

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2019				
Balance at beginning of the financial year				
- as previously stated	-	-	-	681,616
- reclassification to Investment account placement	-	-	-	(2,740)
- effects of adoption of MFRS 9	-	-	-	311,322
Balance at beginning of the financial year, as restated	191,967	484,292	313,939	990,198
(Writeback) of/allowances for ECL:	2,234	(69,297)	370,976	303,913
- Transfer to Stage 1	9,379	(101,861)	(4,839)	(97,321)
- Transfer to Stage 2	(14,101)	137,433	(17,179)	106,153
- Transfer to Stage 3	(1,958)	(26,625)	157,322	128,739
New financial assets originated	52,007	111,818	7,465	171,290
Net remeasurement of allowances	(8,101)	(150,508)	284,595	125,986
Modification of contractual cash flows of financial assets	(1,111)	(730)	112	(1,729)
Financial assets derecognised	(33,881)	(38,824)	(56,500)	(129,205)
Foreign exchange differences	239	63	(3,012)	(2,710)
Amount written-off	-	-	(404,015)	(404,015)
Balance at end of the financial year	194,440	415,058	277,888	887,386

A15. OTHER ASSETS

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Other receivables, deposits and prepayments	356,607	268,257	355,112	266,762
Interest receivable	268,724	347,112	268,724	347,115
Amount due from related companies	46,437	52,071	47,660	53,211
Collateral pledged for derivative transactions	440,987	386,679	440,987	386,679
Foreclosed properties	2,604	2,596	2,296	2,289
Deferred charges	107,899	109,389	107,899	109,389
Tax recoverable	12,337	12,995	3,900	4,213
	1,235,595	1,179,099	1,226,578	1,169,658
Less: Accumulated impairment losses	(3,384)	(3,980)	(2,918)	(3,521)
	1,232,211	1,175,119	1,223,660	1,166,137

A16. DEPOSITS FROM CUSTOMERS

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Demand deposits	13,128,993	12,671,394	13,133,547	12,673,943
Savings deposits	3,531,850	3,390,134	3,531,850	3,390,134
Term/Investment deposits	51,890,784	56,875,971	51,892,774	56,877,919
Negotiable instruments of deposits	6,685,000	3,011,821	6,685,000	3,011,821
	75,236,627	75,949,320	75,243,171	75,953,817

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Government and other statutory bodies	585,053	886,663	585,053	886,663
Business enterprises	33,103,250	33,282,772	33,109,794	33,287,269
Individuals	30,905,893	35,449,908	30,905,893	35,449,908
Others	10,642,431	6,329,977	10,642,431	6,329,977
	75,236,627	75,949,320	75,243,171	75,953,817

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 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Due within six months	49,237,635	44,417,743	49,239,625	44,419,691
Over six months to one year	7,921,050	13,766,032	7,921,050	13,766,032
Over one year to three years	1,280,290	1,217,031	1,280,290	1,217,031
Over three years to five years	136,809	486,986	136,809	486,986
	58,575,784	59,887,792	58,577,774	59,889,740

A17. DEPOSITS AND PLACEMENTS OF BANKS AND OTHER FINANCIAL INSTITUTIONS

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Licensed banks	5,373,166	3,941,099	5,373,166	3,941,099
Licensed investment banks	158,928	170,208	158,928	170,208
Other financial institutions	1,670,799	1,149,061	1,680,682	1,160,424
Bank Negara Malaysia	229,458	119,205	229,458	119,205
	7,432,351	5,379,573	7,442,234	5,390,936

A18. OTHER LIABILITIES

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Other payables and accruals	897,093	1,215,736	884,446	1,203,985
Lease liabilities	280,070	-	280,070	-
Provision for reinstatement for leased properties	13,125	-	13,125	-
Interest payable	558,007	743,818	558,010	743,820
Amount due to related companies	87,021	238,412	87,022	238,412
Collateral received for derivative transactions	180,429	140,104	180,429	140,104
Lease deposits and advance rentals	31,859	28,270	31,859	28,270
Provision for commitments and contingencies	12,500	54,514	12,500	54,014
Allowances for ECL on loan commitments and financial guarantees (Note (a))	54,910	78,520	54,937	78,552
Provision for taxation	1,455	1,033	1,439	1,033
Deferred income	60,195	65,560	60,195	65,560
	2,176,664	2,565,967	2,164,032	2,553,750

A18. OTHER LIABILITIES (CONT'D.)

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

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 December 2019				
Balance at beginning of the financial period	41,569	26,058	10,893	78,520
(Writeback) of/allowances for ECL:	(14,900)	(779)	(7,960)	(23,639)
- Transfer to Stage 1	952	(8,593)	-	(7,641)
- Transfer to Stage 2	(521)	8,904	-	8,383
- Transfer to Stage 3	(160)	(631)	19,313	18,522
New exposure originated	10,284	7,539	-	17,823
Net remeasurement of allowances	(4,451)	1,961	12	(2,478)
Exposure derecognised	(19,803)	(9,101)	(27,273)	(56,177)
Changes to model assumptions and methodologies	(1,201)	(858)	(12)	(2,071)
Foreign exchange difference	48	(13)	(6)	29
Balance at end of the financial period	26,717	25,266	2,927	54,910

Group	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2019				
Balance at beginning of the financial year				
- as previously stated				61,434
- effects of adoption of MFRS 9				28,066
Balance at beginning of the financial year, as restated	49,253	40,039	208	89,500
(Writeback) of/allowances for ECL:	(7,790)	(13,942)	10,683	(11,049)
- Transfer to Stage 1	1,147	(12,295)	-	(11,148)
- Transfer to Stage 2	(1,704)	8,535	-	6,831
- Transfer to Stage 3	(91)	(132)	10,893	10,670
New exposure originated	15,925	9,732	-	25,657
Net remeasurement of allowances	(8,359)	(9,117)	(210)	(17,686)
Exposure derecognised	(14,708)	(10,665)	-	(25,373)
Foreign exchange differences	106	(39)	2	69
Balance at end of the financial year	41,569	26,058	10,893	78,520

A18. OTHER LIABILITIES (CONT'D.)

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

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 December 2019				
Balance at beginning of the financial period	41,602	26,058	10,892	78,552
(Writeback) of/allowances for ECL:	(14,905)	(779)	(7,960)	(23,644)
- Transfer to Stage 1	952	(8,593)	-	(7,641)
- Transfer to Stage 2	(521)	8,904	-	8,383
- Transfer to Stage 3	(160)	(631)	19,313	18,522
New exposure originated	10,284	7,539	-	17,823
Net remeasurement of allowances	(4,456)	1,961	12	(2,483)
Exposure derecognised	(19,803)	(9,101)	(27,273)	(56,177)
Changes to model assumptions and methodologies	(1,201)	(858)	(12)	(2,071)
Foreign exchange differences	48	(13)	(6)	29
Balance at end of the financial period	26,745	25,266	2,926	54,937

Bank	Stage 1 12-Month ECL RM'000	Stage 2 Lifetime ECL not credit impaired RM'000	Stage 3 Lifetime ECL credit impaired RM'000	Total RM'000
31 March 2019				
Balance at beginning of the financial year				
- as previously stated				61,480
- effects of adoption of MFRS 9				28,053
Balance at beginning of the financial year, as restated	49,286	40,039	208	89,533
(Writeback) of/allowances for ECL:	(7,792)	(13,942)	10,683	(11,051)
- Transfer to Stage 1	1,147	(12,295)	-	(11,148)
- Transfer to Stage 2	(1,704)	8,535	-	6,831
- Transfer to Stage 3	(91)	(132)	10,893	10,670
New exposure originated	15,925	9,732	-	25,657
Net remeasurement of allowances	(8,361)	(9,117)	(210)	(17,688)
Exposure derecognised	(14,708)	(10,665)	-	(25,373)
Foreign exchange differences	108	(39)	1	70
Balance at end of the financial year	41,602	26,058	10,892	78,552

A19. INTEREST INCOME

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Short-term funds and deposits and placements with financial institutions	20,110	37,262	52,903	82,072
Financial assets at fair value through profit or loss	58,407	91,243	223,575	249,553
Financial investments at fair value through other comprehensive income	119,170	90,130	377,497	226,689
Financial investments at amortised cost	34,519	35,232	103,492	102,469
Loans and advances	955,002	963,878	2,849,478	2,834,800
Investment account placement	14,264	21,538	45,352	66,732
Impaired loans and advances	1,009	7,337	5,542	14,636
Others	4,487	5,894	13,111	18,262
	1,206,968	1,252,514	3,670,950	3,595,213
Bank				
Short-term funds and deposits and placements with financial institutions	20,079	37,230	52,807	81,974
Financial assets at fair value through profit or loss	58,407	91,243	223,575	249,553
Financial investments at fair value through other comprehensive income	119,336	90,474	378,117	227,843
Financial investments at amortised cost	34,519	35,232	103,492	102,469
Loans and advances	953,741	962,447	2,845,516	2,830,357
Investment account placement	14,264	21,538	45,352	66,732
Impaired loans and advances	1,009	7,337	5,542	14,636
Others	4,487	5,894	13,111	18,262
	1,205,842	1,251,395	3,667,512	3,591,826

A20. INTEREST EXPENSE

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Deposits from customers	551,848	604,191	1,736,731	1,783,348
Deposits and placements of banks and other financial institutions	44,608	75,384	140,257	141,497
Securities sold under repurchase agreements	42,532	13,676	126,193	21,783
Recourse obligation on loans sold to Cagamas Berhad	40,327	40,223	125,282	126,341
Term funding	14,351	31,415	52,407	88,798
Debt capital	33,031	53,584	115,905	148,348
Others	2,038	2,111	5,422	7,186
	728,735	820,584	2,302,197	2,317,301
Bank				
Deposits from customers	551,904	604,207	1,736,817	1,783,387
Deposits and placements of banks and other financial institutions	44,584	75,439	140,259	141,596
Securities sold under repurchase agreements	42,532	13,676	126,193	21,783
Recourse obligation on loans sold to Cagamas Berhad	40,327	40,223	125,282	126,341
Term funding	14,351	31,415	52,407	88,798
Debt capital	33,031	53,584	115,905	148,348
Others	2,038	2,111	5,422	7,186
	728,767	820,655	2,302,285	2,317,439

A21. OTHER OPERATING INCOME

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Fee and commission income:				
Bancassurance commission	7,892	6,268	21,799	18,535
Brokerage fees, commission and rebates	431	534	1,628	1,646
Fees on loans, advances and securities	33,739	36,200	115,685	114,263
Fees, service and commission charges	7,669	8,212	21,968	24,420
Guarantee fees	13,257	14,496	40,409	44,542
Remittances	6,785	5,781	19,148	16,392
Other fee and commission	14,607	21,075	42,855	45,811
	84,380	92,566	263,492	265,609
Investment and trading income:				
Foreign exchange (loss)/gain	(2,708)	41,124	30,929	133,342
Gross dividend income from:				
Financial assets at fair value through profit or loss	11,750	6,822	13,889	10,799
Financial investments at fair value through other comprehensive income	4,080	726	7,531	2,651
Net gain on on sale of:				
Financial assets at fair value through profit or loss	6,697	27,895	53,211	36,657
Financial investments at fair value through other comprehensive income	29,082	2,572	82,769	4,758
Net gain/(loss) on revaluation of financial assets at fair value through profit or loss	7,699	(52,385)	16,234	(58,713)
Net gain/(loss) on derivatives	33,733	3,463	12,095	(15,063)
Others	3,371	4,765	6,973	11,133
	93,704	34,982	223,631	125,564
Other income:				
(Loss)/gain on disposal of foreclosed property	-	-	(1)	21,653
Net gain on disposal of property and equipment	12	790	17	2,181
Net non trading foreign exchange gain	2,501	433	3,154	957
Profit from sale of goods and services	4,451	4,099	13,377	14,069
Rental income	2,803	1,164	6,432	3,998
Others	922	1,196	2,946	5,626
	10,689	7,682	25,925	48,484
	188,773	135,230	513,048	439,657

A21. OTHER OPERATING INCOME (CONT'D.)

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Bank				
Fee and commission income:				
Bancassurance commission	7,892	6,268	21,799	18,535
Brokerage fees, commission and rebates	431	534	1,628	1,646
Fees on loans, advances and securities	33,719	36,192	115,665	114,255
Fees, service and commission charges	7,588	8,211	21,688	24,211
Guarantee fees	13,257	14,496	40,409	44,542
Remittances	6,785	5,781	19,148	16,392
Other fee and commission	14,599	21,075	42,847	45,811
	84,271	92,557	263,184	265,392
Investment and trading income:				
Foreign exchange (loss)/gain	(2,708)	41,124	30,929	133,342
Gross dividend income/distribution from:				
Financial assets at fair value through profit or loss	11,750	6,822	13,889	10,799
Financial investments at fair value through other comprehensive income	4,080	726	7,531	2,651
Subsidiary	-	-	-	2,000
Net gain on on sale of:				
Financial assets at fair value through profit or loss	6,697	27,895	53,211	36,657
Financial investments at fair value through other comprehensive income	29,082	2,572	82,769	4,758
Net gain/(loss) on revaluation of financial assets at fair value through profit or loss	7,699	(52,385)	16,248	(58,682)
Net gain/(loss) on derivatives	33,733	3,463	12,095	(15,063)
Others	3,371	4,765	6,973	11,133
	93,704	34,982	223,645	127,595
Other income:				
(Loss)/gain on disposal of foreclosed property	-	-	(1)	21,653
Net gain on disposal of property and equipment	12	1	17	67
Net non trading foreign exchange gain	2,489	435	3,158	969
Profit from sale of goods and services	4,451	4,099	13,377	14,069
Rental income	2,728	1,066	6,215	3,701
Others	885	1,190	3,018	5,464
	10,565	6,791	25,784	45,923
	188,540	134,330	512,613	438,910

A22. OTHER OPERATING EXPENSES

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Personnel costs:				
Medical	4,100	5,888	15,041	17,258
Insurance	5,502	5,309	16,376	15,566
Contributions to Employees' Provident Fund/ Private Retirement Schemes ("PRS")	33,437	25,288	93,741	82,815
Salaries, bonuses, allowances and incentives	181,936	167,335	565,446	537,514
Share granted under AMMB ESS - charge/(writeback)	8,797	1,564	13,719	(4,626)
Social security costs	1,636	1,597	4,851	4,922
Recruitment costs	2,295	752	5,022	3,180
Training	2,592	2,193	11,776	6,873
Others	1,928	1,304	4,221	4,046
	242,223	211,230	730,193	667,548
Establishment costs:				
Amortisation of intangible assets	17,417	21,613	62,226	66,291
Cleaning, maintenance and security	5,481	5,942	17,510	15,153
Computerisation cost	49,915	41,184	131,554	115,842
Depreciation of property and equipment	14,215	8,923	31,206	28,114
Depreciation of right-of-use assets	18,211	-	48,179	-
Rental of premises	917	18,137	8,582	56,159
Finance cost:				
- Lease liabilities	2,374	-	6,721	-
- Provision for reinstatement for leased properties	70	-	279	-
Others	6,883	7,871	22,234	24,333
	115,483	103,670	328,491	305,892
Marketing and communication expenses:				
Advertising, marketing and communication	17,329	12,993	42,285	28,146
Commission	2,888	2,954	5,107	7,454
Others	1,795	1,984	5,287	5,197
	22,012	17,931	52,679	40,797
Administration and general expenses:				
Bank charges	2,622	2,108	7,616	5,962
Insurance	771	796	2,143	2,639
Professional services	14,769	13,361	41,990	40,017
Travelling	1,274	1,125	3,474	2,963
Subscriptions and periodicals	295	360	551	720
Others	12,164	12,456	25,350	33,569
	31,895	30,206	81,124	85,870
Service transfer pricing recovery - net	(76,556)	(70,508)	(231,713)	(211,843)
	335,057	292,529	960,774	888,264

A22. OTHER OPERATING EXPENSES (CONT'D.)

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Bank				
Personnel costs:				
Medical	4,100	5,888	15,041	17,258
Insurance	5,502	5,312	16,376	15,570
Contributions to Employees' Provident Fund/ PRS	33,437	25,288	93,741	82,815
Salaries, bonuses, allowances and incentives	181,936	167,335	565,446	537,514
Share granted under AMMB ESS - charge/(writeback)	8,797	1,564	13,719	(4,626)
Social security costs	1,636	1,597	4,851	4,922
Recruitment costs	2,295	752	5,022	3,180
Training	2,592	2,193	11,776	6,873
Others	1,928	1,284	4,221	4,026
	242,223	211,213	730,193	667,532
Establishment costs:				
Amortisation of intangible assets	17,417	21,613	62,226	66,291
Cleaning, maintenance and security	5,330	5,763	17,129	14,577
Computerisation cost	49,915	41,184	131,554	115,842
Depreciation of property and equipment	14,083	8,790	30,812	27,711
Depreciation of right-of-use assets	18,211	-	48,179	-
Rental of premises	1,038	18,617	8,945	57,618
Finance cost:				
- Lease liabilities	2,374	-	6,721	-
- Provision for reinstatement for leased properties	70	-	279	-
Others	6,833	7,744	22,083	23,930
	115,271	103,711	327,928	305,969
Marketing and communication expenses:				
Advertising, marketing and communication	17,328	12,993	42,282	28,036
Commission	2,888	2,954	5,107	7,454
Others	1,795	1,984	5,287	5,197
	22,011	17,931	52,676	40,687
Administration and general expenses:				
Bank charges	2,622	2,107	7,615	5,961
Insurance	772	806	2,107	2,576
Professional services	14,739	13,183	41,850	39,804
Travelling	1,274	1,125	3,474	2,963
Subscriptions and periodicals	295	360	551	720
Others	12,157	12,448	25,358	33,514
	31,859	30,029	80,955	85,538
Service transfer pricing recovery - net	(76,556)	(70,508)	(231,713)	(211,843)
	334,808	292,376	960,039	887,883

A23. ALLOWANCE/(WRITEBACK OF ALLOWANCE) FOR IMPAIRMENT ON LOANS AND ADVANCES

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Allowance for impairment on loans and advances	104,125	100,762	276,047	254,206
Impaired loans and advances recovered, net	(58,376)	(188,588)	(224,409)	(394,382)
	45,749	(87,826)	51,638	(140,176)
Bank				
Allowance for impairment on loans and advances	104,200	100,867	276,101	254,162
Impaired loans and advances recovered, net	(58,376)	(188,588)	(224,409)	(394,382)
	45,824	(87,721)	51,692	(140,220)

A24. IMPAIRMENT LOSS/(WRITEBACK) ON FINANCIAL INVESTMENTS

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Financial investments at fair value through other comprehensive income	2,311	6,651	45,622	5,834
Financial investments at amortised cost	14	208	(646)	1,084
	2,325	6,859	44,976	6,918
Bank				
Financial investments at fair value through other comprehensive income	2,304	6,651	45,609	5,834
Financial investments at amortised cost	14	208	(646)	1,084
	2,318	6,859	44,963	6,918

A25. IMPAIRMENT (WRITEBACK)/LOSS ON OTHER FINANCIAL ASSETS

	Individual Quarter		Cumulative Quarter	
	31 December 2019 RM'000	31 December 2018 RM'000	31 December 2019 RM'000	31 December 2018 RM'000
Group				
Cash and short-term funds	94	(297)	(211)	1,058
Deposits and placements with banks and other financial institutions	(112)	56	(2,076)	287
Investment account placement	1,529	4,614	(1,125)	6,546
Other assets	(5,351)	(67)	(5,344)	(395)
	(3,840)	4,306	(8,756)	7,496
Bank				
Cash and short-term funds	94	(297)	(211)	1,058
Deposits and placements with banks and other financial institutions	(112)	56	(2,076)	287
Investment account placement	1,529	4,614	(1,125)	6,546
Other assets	(5,351)	(67)	(5,350)	(395)
	(3,840)	4,306	(8,762)	7,496

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 2019	31 December 2018	31 December 2019	31 December 2018
Group				
Net profit attributable to shareholder of the Bank (RM'000)	221,594	268,285	666,056	737,787
Number of ordinary shares at beginning of the financial period ('000)	836,853	820,364	836,853	820,364
Effect of issuance of new ordinary shares ('000)	-	16,489	-	11,213
Weighted average number of ordinary shares in issue at the end of the financial period ("000)	836,853	836,853	836,853	831,577
Basic/diluted earnings per share (sen)	26.48	32.06	79.59	88.72
Bank				
Net profit attributable to shareholder of the Bank (RM'000)	220,709	266,835	663,682	735,303
Number of ordinary shares at beginning of the financial period ('000)	836,853	820,364	836,853	820,364
Effect of issuance of new ordinary shares ('000)	-	16,489	-	11,213
Weighted average number of ordinary shares in issue at the end of the financial period ("000)	836,853	836,853	836,853	831,577
Basic/diluted earnings per share (sen)	26.37	31.89	79.31	88.42

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.

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 focused 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.

Note:

(i) The revenue generated by a majority of the operating segments substantially comprises of finance income. The Chief Operating Decision Maker relies primarily on the net finance 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.

A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

			Wholesale Banking				
Group **For the financial period ended** **31 December 2019**	**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**	**Total RM'000**
External revenue	1,857,091	374,001	940,473	902,395	53,126	56,898	4,183,984
Revenue from other segments	(165,072)	(71,036)	(445,642)	351,228	(17,944)	348,466	-
Total operating revenue	1,692,019	302,965	494,831	1,253,623	35,182	405,364	4,183,984
Net interest income	670,389	153,808	320,015	110,026	13,486	101,029	1,368,753
Other operating income	165,674	55,946	93,132	167,087	9,934	21,275	513,048
Share in results of associates	(14)	-	-	-	-	-	(14)
Income	836,049	209,754	413,147	277,113	23,420	122,304	1,881,787
Other operating expenses	(496,480)	(103,102)	(124,481)	(49,489)	(4,323)	(182,899)	(960,774)
of which:							
Depreciation of property and equipment	(14,552)	(549)	(853)	(67)	(2)	(15,183)	(31,206)
Depreciation of right-of-use assets	-	-	-	-	-	(48,179)	(48,179)
Amortisation of intangible assets	(12,983)	(58)	(4,427)	(973)	-	(43,785)	(62,226)
Profit/(Loss) before impairment losses	339,569	106,652	288,666	227,624	19,097	(60,595)	921,013
(Allowance)/writeback of allowance for impairment on loans and advances	(100,047)	(31,413)	71,565	-	8,246	11	(51,638)
Writeback of provision/(provision) for commitments and contingencies	3,504	4,680	15,461	-	-	(6)	23,639
Impairment (loss)/writeback on other assets	26	-	(46,350)	4,804	-	5,300	(36,220)
Other recoveries	30	-	-	-	-	-	30
Profit/(loss) before taxation	243,082	79,919	329,342	232,428	27,343	(55,290)	856,824
Taxation	(58,343)	(18,062)	(79,181)	(50,246)	(5,621)	20,685	(190,768)
Profit/(loss) for the financial period	184,739	61,857	250,161	182,182	21,722	(34,605)	666,056
Other information							
Total segment assets	43,525,369	7,351,931	23,069,487	28,765,063	1,357,188	3,621,924	107,690,962
Total segment liabilities	34,966,553	4,976,927	7,220,997	41,642,651	859,890	8,066,321	97,733,339
Cost to income ratio	59.4%	49.2%	30.1%	17.9%	18.5%	>100.0%	51.1%
Gross loans and advances	43,071,562	7,432,384	22,226,309	-	1,304,759	(98,042)	73,936,972
Net loans and advances	42,492,095	7,349,409	22,059,806	-	1,303,925	(97,959)	73,107,276
Impaired loans and advances	719,260	160,072	324,155	-	-	-	1,203,487
Total deposits	34,350,544	4,885,289	7,038,120	35,535,455	850,179	9,391	82,668,978
Additions to:							
Property and equipment	12,875	267	545	222	-	15,215	29,124
Intangible assets	11,449	26	409	3,079	-	28,396	43,359

A27. BUSINESS SEGMENT ANALYSIS (CONT'D.)

			Wholesale Banking				
Group **For the financial period ended** **31 December 2018** **(Restated)**	**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**	**Total RM'000**
External revenue	1,888,127	325,237	997,105	705,861	50,296	68,244	4,034,870
Revenue from other segments	(104,206)	(64,902)	(470,098)	268,912	(22,137)	392,431	-
Total operating revenue	1,783,921	260,335	527,007	974,773	28,159	460,675	4,034,870
Net interest income	644,453	133,601	327,800	70,901	20,447	80,710	1,277,912
Other operating income	177,306	50,897	125,383	64,434	(3,597)	25,234	439,657
Income	821,759	184,498	453,183	135,335	16,850	105,944	1,717,569
Other operating expenses	(472,929)	(86,395)	(117,313)	(46,726)	(6,907)	(157,994)	(888,264)
of which:							
Depreciation of property and equipment	(16,099)	(426)	(395)	(254)	(14)	(10,926)	(28,114)
Amortisation of intangible assets	(11,934)	(39)	(1,346)	(1,933)	-	(51,040)	(66,292)
Profit before impairment losses	348,830	98,103	335,870	88,609	9,943	(52,050)	829,305
(Allowance)/writeback of allowance for impairment on loans and advances	(73,059)	9,337	219,702	-	6,073	(21,877)	140,176
Writeback of provision/(provision) for commitments and contingencies	12,573	(432)	(646)	-	-	-	11,495
Impairment (loss)/writeback on other assets	1,189	-	(5,855)	(6,150)	-	(3,598)	(14,414)
Other recoveries	28	-	5,683	-	-	240	5,951
Profit before taxation	289,561	107,008	554,754	82,459	16,016	(77,285)	972,513
Taxation	(69,495)	(25,024)	(130,579)	(15,638)	(2,726)	8,845	(234,617)
Profit for the financial period	220,066	81,984	424,175	66,821	13,290	(68,440)	737,896
Other information							
Total segment assets	42,994,969	6,231,834	21,640,444	32,054,434	1,591,281	3,010,388	107,523,350
Total segment liabilities	40,732,716	4,346,160	6,525,518	35,031,052	822,334	10,813,565	98,271,345
Cost to income ratio	57.6%	46.8%	25.9%	34.5%	41.0%	>100.0%	51.7%
Gross loans and advances	42,521,065	6,269,529	20,824,173	-	1,287,025	(88,045)	70,813,747
Net loans and advances	41,965,551	6,229,016	20,533,093	-	1,287,025	(132,691)	69,881,994
Impaired loans and advances	567,853	88,172	422,706	-	-	-	1,078,731
Total deposits	39,890,239	4,265,861	6,188,390	30,956,804	818,238	5,117	82,124,649
Additions to:							
Property and equipment	7,428	1,252	1,700	115	-	5,205	15,700
Intangible assets	12,514	24	14,181	8	-	28,216	54,943

A28. PERFORMANCE REVIEW FOR THE PERIOD ENDED 31 DECEMBER 2019

The Group reported a profit before taxation of RM856.8 million for the financial period ended 31 December 2019 compared to RM972.5 million in the corresponding period last year.

The decrease in Group's profit before taxation for the period is attributable to lower bad debt recoveries and higher allowances for impairment on loans and advances and financial investments. Further decrease contributed by higher other operating expenses.

Interest income and other operating income increased mainly from financial investments at FVOCI and financial assets at FVTPL.

The Group's ratio of impaired loans and advances increased to 1.63% from 1.45% as at 31 March 2019. Loan loss coverage remained consistently above 100.00%.

The Group and the Bank remained well capitalised with risk weighted capital adequacy ratios of 16.32% and 16.19% 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 2020

The 3.6% real Gross Domestic Product ("GDP") growth in fourth quarter 2019 was the lowest since third quarter 2009 came below both ours and market expectation. As a result, the full year 2019 GDP came in at 4.3%, well within the official growth target of 4.3% - 4.8%.Growth was supported by domestic activities and complemented by exports. Looking at 2020, with ongoing COVID-19 impacting global businesses including Malaysia, besides the effects from trade war tension in 2019, there will be some downside risk on our growth.

In 2019, headline inflation grew on average by 0.7%, relatively lower than 2018's average of 1%. Core inflation stood averagely at 1.1% for the same period, slightly higher than 2018's 0.8%. For 2020, the headline inflation is likely to remain modest, averaging around 1.2% with much of the pressure coming from the cost side and lesser from the demand side.

In 2019, the banking system's loans slowed down to 3.9%. Year ahead, loans is projected to grow around 4.3% based on our view that GDP will continue to expand moderately by 4.2%.

Banks have sufficient liquid assets with an industry liquidity coverage ratio of 149% as at end-2019, well above the regulatory requirement of 100.0%. Funding profiles of banks have been well diversified with the industry's loan-to-fund ratio and loan-to-fund and equity ratio standing at 83.2% and 72.9% respectively as at December 2019.

Bank Negara Malaysia ("BNM") decided to cut the Overnight Policies rate ("OPR") by 25 basis points to 2.75% in its first monetary policy for 2020, added with a surprise 50bps cut in Statutory Reserve Requirement ("SRR") to 3.00% in November. A rate cut should provide positive impetus to the economy and the capital market. Another 25bps to 50bps cut from 2.75% is still on our cards and can happen either end first half 2020 or secod half 2020, much depends on the potential incoming data. Should there be a 50bps cut, it is unlikely for the economy to experience a “negative real returns”.

A29. PROSPECTS FOR FINANCIAL YEAR ENDING 31 MARCH 2020 (CONT'D.)

For FY2020, our financial priorities will be centred on the following:

1. Revenue growth: We will continue to drive our income growth momentum, in line with our key segments and products strategies, especially in the areas of transaction banking, foreign exchange, SME and wealth management.

2. Business efficiency transformation (BET 300): Moving into the third year of our BET300 programme, we will continue to maintain a tight rein on cost and pacing our investments while driving operational efficiencies through digitalisation and streamlining of processes.

3. Capital accretive growth: We aim to further strengthen our capital position and deliver sustainable dividend payout to our shareholders, focusing on managing returns on capital employed and risk-weighted assets.

4. Digital Banking: We aim to provide digital solutions that seamlessly integrate into and improve customers' day-to-day lives. Our digital transformation investment plan in FY2020 will continue to pave way for the digitalisation of our products and solutions, focus on enhancing digital mobile platform, building infrastructure and application programming interface readiness, partnerships with key financial technology players and the use of big data analytics to capture alternative sources of business and drive internal efficiencies.

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. CHANGES IN THE COMPOSITION OF THE GROUP

a) Dissolution of subsidiary

AMBB Capital (L) Ltd which commenced Member's voluntary liquidation on 17 March 2017 was dissolved on 8 April 2019.

b) Winding-up of subsidiary

The Bank's wholly-owned subsidiary, AmPremier Capital Berhad ("AmPremier") had, at its Extraordinary General Meeting ("EGM") held on 25 October 2019, resolved that it be wound up by way of member's voluntary winding-up pursuant to Section 439(1)(b) of the Companies Act, 2016.

The winding-up of AmPremier will not have any material effect on the earnings and net assets of the Group and the Bank for the financial year ending 31 March 2020.

Other than as disclosed above, there were no significant changes in the composition of the Group for the financial period and quarter ended 31 December 2019.

A32. EVENT DURING THE REPORTING PERIOD

Acquisition of equity interest in Bonuskad Loyalty Sdn Bhd

On 15 October 2019, the Bank acquired 33.33% equity interest in Bonuskad Loyalty Sdn Bhd ("Bonuskad") from MBF Cards (M'sia) Sdn Bhd (a related company of the Bank) for a purchase consideration of RM32,280,364. Following this acquisition, the extent of equity interest gives the Bank a significant influence over Bonuskad. Accordingly, the Group accounts for this equity interest in its consolidated financial statements using the equity method from the acquisition date while in the Bank's separate financial statements, it will be carried at cost. This acquisition is not expected to result in any material impact on the financial statements of the Group and the Bank for the financial year ending 31 March 2020.

There has not arisen in the interval between the end of the financial period and the date of this report any items, transaction or event of a material and unusual nature likely, in the opinion of the directors, to affect substantially the results of the operations of the Group and the Bank for the current financial period.

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 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Contingencies				
Direct credit substitutes	2,202,849	2,038,003	2,202,849	2,038,003
Transaction related contingent items	3,651,872	4,564,609	3,651,872	4,564,609
Short term self liquidating trade related contingencies	922,962	809,932	922,962	809,932
Obligations under on-going underwriting agreements	-	100,000	-	100,000
	6,777,683	7,512,544	6,777,683	7,512,544
Commitments				
Other commitments, such as formal standby facilities and credit lines, with an original maturity of up to one year	13,604,997	12,490,756	13,657,417	12,555,340
Other commitments, such as formal standby facilities and credit lines, with an original maturity of over one year	1,470,252	2,463,522	1,470,252	2,463,522
Unutilised credit card lines	3,650,167	3,840,372	3,650,167	3,840,372
Forward asset purchase	113,711	1,397,583	113,711	1,397,583
Others	-	-	50	50
	18,839,127	20,192,233	18,891,597	20,256,867
Derivative Financial Instruments				
Foreign exchange related contracts				
- One year or less	25,078,285	36,424,866	25,078,285	36,424,866
- Over one year to five years	5,470,774	3,748,430	5,470,774	3,748,430
- Over five years	532,499	1,387,868	532,499	1,387,868
Interest rate related contracts				
- One year or less	9,720,652	7,320,942	9,720,652	7,320,942
- Over one year to five years	35,011,954	35,809,669	35,011,954	35,809,669
- Over five years	6,427,441	10,450,221	6,427,441	10,450,221
Credit related contracts				
- Over one year to five years	345,502	345,108	345,502	345,108
Equity and commodity related contracts				
- One year or less	1,722,890	860,040	1,722,890	860,040
- Over one year to five years	125,269	190,657	125,269	190,657
- Over five years	-	-	-	-
	84,435,266	96,537,801	84,435,266	96,537,801
Total	110,052,076	124,242,578	110,104,546	124,307,212

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.

About 3.2% of the Group's and the Bank's (31 March 2019: 2.2% and 2.3% 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.

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				Valuation technique			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 December 2019								
Financial assets measured at fair value								
Derivative financial assets	2,095	945,561	-	947,656	2,095	945,561	-	947,656
Financial assets at fair value through profit or loss								
- Money market securities	-	4,059,521	-	4,059,521	-	4,059,521	-	4,059,521
- Shares	492,601	-	31	492,632	492,597	-	-	492,597
- Unit trust	47,487	-	-	47,487	47,487	-	-	47,487
- Quoted sukuk	-	37,394	-	37,394	-	37,394	-	37,394
- Unquoted corporate bonds and sukuk	-	487,701	-	487,701	-	487,701	-	487,701
Financial investments at fair value through other comprehensive income								
- Money market securities	-	5,012,423	-	5,012,423	-	5,012,423	-	5,012,423
- Shares	-	-	588,549	588,549	-	-	588,549	588,549
- Unit trust	90,827	-	-	90,827	90,827	-	-	90,827
- Unquoted corporate bonds and sukuk	-	6,817,591	-	6,817,591	-	6,817,591	11,253	6,828,844
	633,010	17,360,191	588,580	18,581,781	633,006	17,360,191	599,802	18,592,999
Financial liabilities measured at fair value								
Derivative financial liabilities	10,480	1,000,053	-	1,010,533	10,480	1,000,053	-	1,010,533

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				Valuation technique			
	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000	Level 1 RM'000	Level 2 RM'000	Level 3 RM'000	Total RM'000
31 March 2019								
Financial assets measured at fair value								
Derivative financial assets	655	777,030	-	777,685	655	777,030	-	777,685
Financial assets at fair value through profit or loss								
- Money market securities	-	9,193,308	-	9,193,308	-	9,193,308	-	9,193,308
- Shares	317,555	-	45	317,600	317,552	-	-	317,552
- Unit trust	22,616	-	-	22,616	22,616	-	-	22,616
- Quoted sukuk	-	37,937	-	37,937	-	37,937	-	37,937
- Unquoted corporate bonds and sukuk	-	1,075,374	-	1,075,374	-	1,075,374	-	1,075,374
Financial investments at fair value through other comprehensive income								
- Money market securities	-	5,567,505	-	5,567,505	-	5,567,505	-	5,567,505
- Shares	-	-	519,064	519,064	-	-	519,064	519,064
- Unit trust	98,167	-	-	98,167	98,167	-	-	98,167
- Unquoted corporate bonds and sukuk	-	6,225,474	-	6,225,474	-	6,225,474	20,897	6,246,371
	438,993	22,876,628	519,109	23,834,730	438,990	22,876,628	539,961	23,855,579
Financial liabilities measured at fair value								
Derivative financial liabilities	1,297	825,572	-	826,869	1,297	825,572	-	826,869

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.

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:

Group	**Equity instruments at FVTPL RM'000**	**Equity instruments at FVOCI RM'000**	**Total RM'000**
At 1 April 2019	45	519,064	519,109
Loss on revaluation of financial assets at FVTPL taken up in statement of profit or loss	(14)	-	(14)
Total gains recognised in other comprehensive income	-	69,485	69,485
At 31 December 2019	31	588,549	588,580

	Equity instruments at FVTPL RM'000	**Equity instruments at FVOCI RM'000**	**Financial investments available-for-sale RM'000**	**Total RM'000**
At 1 April 2018	-	-	46,677	46,677
Effects of adoption of MFRS 9	45	518,798	(46,677)	472,166
Adjusted at 1 April 2019	45	518,798	-	518,843
Addition	-	288	-	288
Exchange fluctuation taken up in statement of profit or loss	-	(22)	-	(22)
At 31 March 2019	45	519,064	-	519,109

Bank	**Debt instruments at FVOCI RM'000**	**Equity instruments at FVOCI RM'000**	**Total RM'000**
At 1 April 2019	20,897	519,064	539,961
Redemption	(9,710)	-	(9,710)
Total gains recognised in other comprehensive income	66	69,485	69,551
At 31 December 2019	11,253	588,549	599,802

	Debt instruments at FVOCI RM'000	**Equity instruments at FVOCI RM'000**	**Financial investments available-for-sale RM'000**	**Total RM'000**
At 1 April 2018	-	-	81,176	81,176
Effects of adoption of MFRS 9	34,499	518,798	(81,176)	472,121
Adjusted at 1 April 2019	34,499	518,798	-	553,297
Addition	-	288	-	288
Redemption	(13,993)	-	-	(13,993)
Total gains recognised in other comprehensive income	391	-	-	391
Exchange fluctuation taken up in statement of profit or loss	-	(22)	-	(22)
At 31 March 2019	20,897	519,064	-	539,961

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:

	Group		Bank	
	31 December 2019 RM'000	31 March 2019 RM'000	31 December 2019 RM'000	31 March 2019 RM'000
Financial assets at FVTPL				
Total losses included in:				
- investment and trading income	(14)	-	-	-
Financial investments at FVOCI				
Total gains/(losses) included in:				
- statement of comprehensive income	69,485	-	69,551	391
- investment and trading income	-	(22)	-	(22)

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.

A35. CAPITAL ADEQUACY

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

	Group	Bank
31 December 2019		
Common Equity Tier 1 ("CET 1") Capital Ratio	11.760%	11.645%
Tier 1 Capital Ratio	11.760%	11.645%
Total Capital Ratio	16.317%	16.190%
31 March 2019		
Before deducting proposed dividends		
CET 1 Capital Ratio	11.868%	11.752%
Tier 1 Capital Ratio	12.524%	12.406%
Total Capital Ratio	17.169%	17.038%
After deducting proposed dividends		
CET 1 Capital Ratio	11.437%	11.323%
Tier 1 Capital Ratio	12.094%	11.977%
Total Capital Ratio	16.739%	16.609%

Notes:

(i) The capital adequacy ratios are computed in accordance to BNM's guidelines on Capital Adequacy Framework (Capital Components) issued by Bank Negara Malaysia on 2 February 2018, which is based on the Basel III capital accord. The Group and the Bank have adopted the Standardised Approach for Credit and Market Risks and the Basic Indicator Approach for Operational Risk, based on BNM's Guidelines on Capital Adequacy Framework (Basel II - Risk Weighted Assets) issued on 2 February 2018.

(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 CET1 capital above the minimum CET1 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%; and
(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.

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 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
CET 1 Capital				
Share Capital	1,940,465	1,940,465	1,940,465	1,940,465
Retained earnings	6,859,025	6,957,622	6,916,226	7,014,840
Fair value reserve	382,687	245,666	382,895	245,836
Foreign currency translation reserve	81,577	81,246	85,440	85,109
Regulatory reserve	386,980	280,556	386,980	280,556
Merger reserve	104,149	104,149	-	-
Cash flow hedging deficit	(20,488)	(12,074)	(20,488)	(12,074)
Less: Regulatory adjustments applied on CET 1 Capital				
- Intangible assets	(245,125)	(368,654)	(245,125)	(368,654)
- Deferred tax assets	(7,079)	(57,636)	(7,016)	(57,589)
- 55% of cumulative fair value gains in fair value reserve	(210,478)	(135,116)	(210,592)	(135,210)
- Cash flow hedging deficit	20,488	12,074	20,488	12,074
- Regulatory reserve	(386,980)	(280,556)	(386,980)	(280,556)
- Investment in ordinary shares of unconsolidated financial entities	-	-	(8,488)	(8,488)
- Unrealised fair value (gains) and and losses on financial liabilities due to changes in own credit risk	(1,041)	-	(1,041)	-
Total CET 1 Capital	8,904,180	8,767,742	8,852,764	8,716,309
Additional Tier 1 Capital				
Additional Tier 1 Capital instruments (subject to gradual phase-out treatment)	-	485,000	-	485,000
Qualifying CET 1, Additional Tier 1 capital instruments held by third parties	3	3	-	-
Total Tier 1 Capital	8,904,183	9,252,745	8,852,764	9,201,309
Tier 2 Capital				
Tier 2 Capital instruments meeting all relevant criteria for inclusion	2,595,000	2,595,000	2,595,000	2,595,000
Qualifying CET 1, Additional Tier 1 and Tier 2 capital instruments held by third parties	1	1	-	-
General provisions*	855,849	836,609	859,850	840,495
Total Tier 2 capital	3,450,850	3,431,610	3,454,850	3,435,495
Total Capital	12,355,033	12,684,355	12,307,614	12,636,804

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

	Group		Bank	
	31 December 2019 RM'000	**31 March 2019 RM'000**	**31 December 2019 RM'000**	**31 March 2019 RM'000**
Credit RWA	68,467,949	66,928,716	68,787,969	67,239,575
Market RWA	2,343,162	2,358,954	2,342,536	2,358,358
Operational RWA	4,197,411	4,059,205	4,180,733	4,037,878
Large exposure risk RWA for equity holdings	709,950	531,402	709,950	531,402
Total RWA	75,718,472	73,878,277	76,021,188	74,167,213

* Consists of stage 1 and stage 2 loss allowances and regulatory reserve.

A36. FINANCIAL IMPACT ARISING FROM ADOPTION OF MFRS 16 LEASES AND RESTATEMENT OF COMPARATIVE INFORMATION

(a) Adoption of MFRS 16

The adoption of MFRS 16 resulted in the following financial effects as summarised below:

(i) Impacted line items in the statements of financial position of the Group and the Bank:

	31 March 2019 RM'000	Effect of adoption of MFRS 16 RM'000	1 April 2019 RM'000
Group			
Right-of-use assets	-	273,234	273,234
Other liabilities	2,565,967	273,234	2,839,201
Bank			
Right-of-use assets	-	273,234	273,234
Other liabilities	2,553,750	273,234	2,826,984

(ii) The capital adequacy ratios of the Group and the Bank

	31 March 2019	Effect of adoption of MFRS 16	1 April 2019
Group			
CET 1 Capital (RM'000)	8,767,742	-	8,767,742
Tier 1 Capital (RM'000)	9,252,745	-	9,252,745
Total Capital (RM'000)	12,684,355	3,415	12,687,770
Risk weighted assets (RM'000)	73,878,277	273,234	74,151,511
Before deducting proposed dividends			
CET 1 Capital Ratio (%)	11.868	(0.044)	11.824
Tier 1 Capital Ratio (%)	12.524	(0.046)	12.478
Total Capital Ratio (%)	17.169	(0.059)	17.110
After deducting proposed dividends			
CET 1 Capital Ratio (%)	11.437	(0.042)	11.395
Tier 1 Capital Ratio (%)	12.094	(0.045)	12.049
Total Capital Ratio (%)	16.739	(0.057)	16.682

A36. FINANCIAL IMPACT ARISING FROM ADOPTION OF MFRS 16 LEASES AND RESTATEMENT OF COMPARATIVE INFORMATION (CONT'D.)

(a) Adoption of MFRS 16 (Cont'd.)

(ii) The capital adequacy ratios of the Group and the Bank (Cont'd.)

	31 March 2019	Effect of adoption of MFRS 16	1 April 2019
Bank			
CET 1 Capital (RM'000)	8,716,309	-	8,716,309
Tier 1 Capital (RM'000)	9,201,309	-	9,201,309
Total Capital (RM'000)	12,636,804	3,415	12,640,219
Risk weighted assets (RM'000)	74,167,213	273,234	74,440,447
Before deducting proposed dividends			
CET 1 Capital Ratio (%)	11.752	(0.043)	11.709
Tier 1 Capital Ratio (%)	12.406	(0.046)	12.360
Total Capital Ratio (%)	17.038	(0.058)	16.980
After deducting proposed dividends			
CET 1 Capital Ratio (%)	11.323	(0.042)	11.281
Tier 1 Capital Ratio (%)	11.977	(0.044)	11.933
Total Capital Ratio (%)	16.609	(0.056)	16.553

(b) Restatement of comparative information

During the current financial period, the Group and the Bank conducted a review of the reporting of impaired loans and advances portfolio. The review did not result in any changes to impaired loans and advances balances or impairment allowances for loans and advances except for certain amendments in disclosure of impaired loans and advances by sector as at 31 March 2019 as reflected in the restated disclosure in Note A14(h).